

VYSARN



VYSARN

AGM PRESENTATION

NOVEMBER 2024

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Corporate Snapshot



A fundamentally driven company, solving critical water and environmental issues

About Vysarn Limited (ASX:VYS)


Vysarn Limited ('Vysarn' or 'the Company') is a dynamic company focused on the integration and development of water, carbon and environmentally specialised services, technologies and infrastructure.

Vysarn's vertically integrated model currently provides 'end-to-end' water services to various sectors, including resources, government, utilities, urban development and agriculture.

The responsible management of water and environment is a critical and escalating issue that the Company anticipates will continue to present significant growth opportunities, both vertically and horizontally.

Corporate Snapshot*

Share Price	\$0.435
Shares on Issue	517.4m
Market Capitalisation	~\$225.1m
Net Cash	~\$37.9m [^]
Enterprise Value	~\$187.2m
Top 20	60.3%
Board and Management	22.0%



VYSARN

PENTIUM WATER

CMP CONSULTING GROUP

NEW

PENTIUM HYDRO

PENTIUM TEST PUMPING

PROJECT ENGINEERING

WASTE WATER SERVICES

NEW

VYSARN ASSET MANAGEMENT

BOARD OF DIRECTORS

Peter Hutchinson - Non-Executive Chairman

Business leader with over 30 years' experience managing a diverse portfolio of industrial investments in manufacturing, engineering, construction and property, at the most senior levels. Founding Director of Forge Group Ltd, floated in 2007 with a market cap of \$12m and reaching over \$450m market capitalisation at the time of his resignation as CEO and final sell down in July 2012. Former Chair of Resource Equipment Ltd and founding shareholder and Chairman of Mareterram Ltd both subject to successful takeover bids at significant premiums to market.

James Clement - CEO & Managing Director

An experienced executive and ASX company director with a demonstrated history of successfully managing and leading businesses. Holds an MBA, a Bachelor of Science and a Graduate Diploma in Agribusiness. Previously the CEO and MD of ASX listed company Mareterram Ltd prior to its successful takeover at a significant premium to market.

Sheldon Burt - Executive Director

Industry professional with over 35 years of national and international experience, including field-based, operations, senior management, executive management and company proprietorship. Former General Manager of Easternwell Minerals, a leading hydrogeological drilling specialist.

*Share price, market capitalisation, share holdings as at 20 November 2024. Net cash sourced from Vysarn unaudited management accounts as at 30 September 2024. Shares on issue does not include (10m Upfront CMP shares or 30m deferred shares)
[^]Net Cash is substantially higher following a \$38.2m Placement in September 2024 (excluding costs). VYS to settle WWS (\$7.5m) and CMP (\$24.0m) in 2QFY25.

Investment Highlights



A fundamentally driven company, solving critical water and environmental issues

Leveraging water thematic via vertical integration

Vysarn has positioned itself as a unique vertically integrated end-to-end provider of water services, technologies and infrastructure that aims to efficiently and sustainably manage significant quantities of water.

Driven by two major sectorial drivers of demand

- (1) Water management in the Pilbara is critical to iron ore production and new regional industrial projects.
- (2) Eastern States are embarking on a generational water infrastructure boom over the next 10 years. Vysarn is aiming to become a key service provider within both drivers.

Strong YoY Earnings Growth Since Inception¹

Delivered NPBT CAGR of 100%+ over past 3 years \$1.1m (FY21) → \$11.1m (FY24). Organic strategies and recent acquisitions provide a platform for Vysarn to continue to deliver strong growth metrics.



Nationally diversified operations²

Subject to completion, recent acquisitions deliver significant sector and geographical diversification:

- Resource client NPAT contribution: 98% → 68%
- Govt/Utility client NPAT contribution: 0.1% → 30%
- East Coast NPAT contribution: 0% → 30%

Joint Resource Agreement with traditional owners

Vysarn Asset Management is executing landmark Joint Resource Agreement's with Aboriginal Corporations to jointly develop sustainable water resources to meet significant unmet demand for industrial water in the Pilbara region.

Pursuing Horizontal ESG Opportunities

Actively developing and pursuing ESG opportunities in water ownership, water infrastructure, asset management, carbon farming, irrigated agriculture, mine repurposing and urban rehabilitation.

FY24 Audited Results: Strong YoY Performance



Vysarn's robust fundamentals are delivering sustainable and diversified YoY growth

FINANCIAL PERFORMANCE (A\$M)¹

Profit & Loss

	FY23	FY24	%
Operational Revenue	\$64.96m	\$75.89m	16.8%
EBITDA	\$12.45m	\$16.32m	31.1%
NPBT	\$7.08m	\$11.06m	56.3%
NPAT	\$3.87m	\$7.96m	105.6%

Balance Sheet

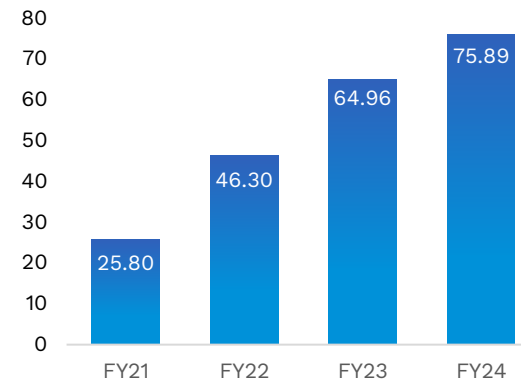
	FY23	FY24	%
Net Tangible Assets	\$30.50m	\$37.66m	27.4%
NTA Backing (per share)	\$0.075	\$0.090	19.9%
Cash	\$8.31m	\$3.73m	-55.1%
Debt	\$9.70m	\$2.84m	-70.7%
Net (Debt) / Cash	(\$1.39m)	\$0.89m	N/A
Debtors	\$10.40m	\$16.59m	59.5%

FY2024 Results Commentary

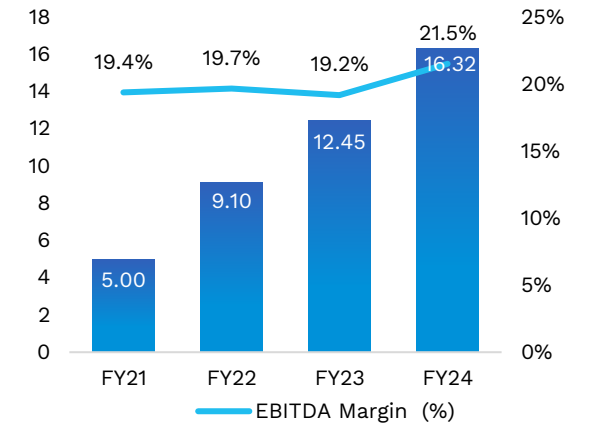
- Strong 3-year Compound Annual Growth Rates:**
 - Operational Revenue: 43.3% CAGR
 - EBITDA: 48.3% CAGR
 - NPBT: 115.8% CAGR
 - NPAT: 184.7% CAGR
- All divisions delivered growth**, whilst navigating resource sector headwinds, highlighting the robust nature of Vysarn's diversified model.
- Strong Balance sheet** with NTA of \$37.66m with net cash.
- Debtors of \$16.59m** comprised of tier-1 clients, which have now largely been collected and normalised back to traditional levels.

KEY FINANCIAL INDICATORS (A\$M)¹

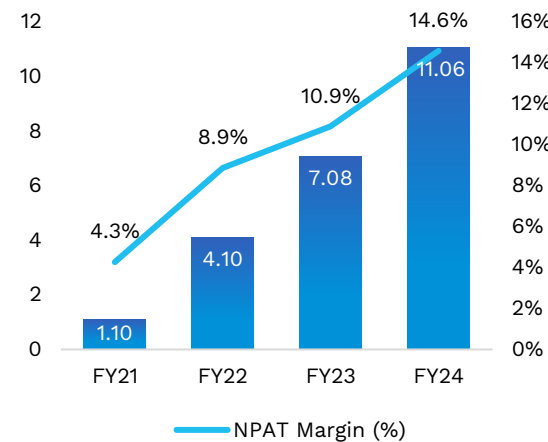
Operational Revenue



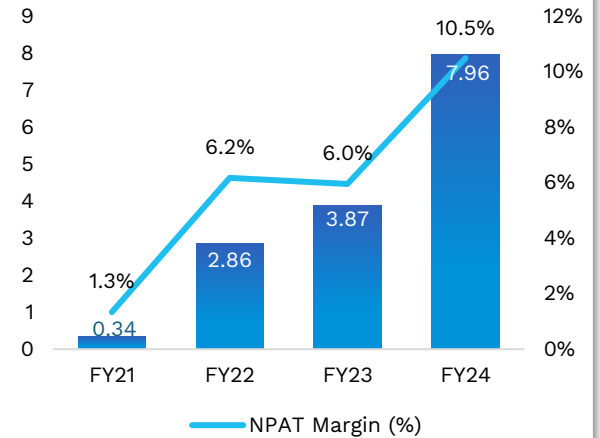
EBITDA



NPBT



NPAT



FY24: Divisional Performance & Review



Strong divisional performance facilitates Vysarn's self-funded growth strategy

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		FY23	FY24	%
PENTIUM WATER	Rev	\$4.07m	\$4.77m	17.3%
	EBITDA	\$0.77m	\$1.04m	35.3%
	EBT	\$0.64m	\$0.96m	48.9%
PENTIUM HYDRO	Rev	\$50.98m	\$55.62m	9.1%
	EBITDA	\$11.95m	\$13.30m	11.4%
	EBT	\$7.33m	\$9.12m	24.4%
PENTIUM TEST PUMPING	Rev	\$2.76m	\$3.64m	31.8%
	EBITDA	\$0.86m	\$1.12m	30.4%
	EBT	\$0.43m	\$0.52m	22.1%
PROJECT ENGINEERING	Rev	\$7.15m	\$11.81m	65.1%
	EBITDA	\$1.72m	\$4.09m	137.6%
	EBT	\$1.57m	\$4.08m	159.5%
DIVISIONAL CONTRIBUTION	Rev	\$64.96m	\$75.83m	16.7%
	EBITDA	\$15.30m	\$19.56m	27.8%
	EBT	\$9.98m	\$14.68m	47.2%
VYSARN LTD	Corporate Overheads	(\$2.90m)	(\$3.62m)	24.9%

OPERATIONAL REVIEW	
<ul style="list-style-type: none"> Delivering 49% EBT growth, Pentium Water is firmly establishing itself as one of Australia's premier providers of specialised consulting services. Targeting a 50% YoY increase in staff numbers to expand capacity and expertise to service a growing number of clients across new jurisdictions and fields focused on water & environment. 	
<ul style="list-style-type: none"> Pentium Hydro successfully navigated FY24, delivering 24% EBT growth, despite exposure to the declining nickel sector and short-term iron ore sector headwinds. Established an asset mix (predominantly dual-rotary) and schedule (upgrades and allocation) capable of delivering long-term sustainable returns. Focus on optimisation of assets and utilisation to deliver sustained financial performance. 	
<ul style="list-style-type: none"> Demand for Test Pumping and Injection Testing remained strong, resulting in the uptake of the division's newly deployed second rig and a material opportunity with a new Tier 1 client. Management are assessing opportunities to expand the fleet to further drive earnings, whilst diversifying client exposure. 	
<ul style="list-style-type: none"> ProEng delivered exceptional EBT growth of 160% in FY24, supported by the continued adoption of MAR as a preferred methodology for the disposal of water in the Pilbara. ProEng is currently increasing its production capacity to satisfy the forecast demand from existing clients in the Pilbara and new opportunities nationally. 	
<ul style="list-style-type: none"> Vysarn Ltd (Head-Co) corporate overheads increased by \$0.72m. Primarily due to an increase in expenditure (investment) to accelerate the progression of Vysarn group water ownership projects. Investment to expand the executive leadership team in anticipation of future growth initiatives. Vysarn has increased EBT margins from 15.1% to 19.4% (excluding Head-Co costs) whilst navigating short-term industry headwinds in the WA resource sector. 	

VYSARN



GROWTH & OUTLOOK

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Vysarn to establish a national platform capable of delivering sustained earnings growth

VYSARN ANTICIPATES SUSTAINED EARNINGS GROWTH IN FY25

1HFY25: EBT anticipated to be **below 2HFY24** following ongoing conservatism within the WA resources sector as a result of the broader global economic and political environment, and consequential uncertainty in commodity prices.

2HFY25: FY25 EBT is expected to be **materially skewed to 2HFY25** subject to a combination of the realisation of latent demand in the WA resource sector and the acquisition completion of Waste Water Services (WWS) and CMP Consulting Group (CMP)*. The anticipated step change in the 2HFY25 earnings run rate has the potential to provide the foundation for further earnings growth looking forward to FY26.

Pilbara water thematic & East Coast infrastructure boom underpin Vysarn's growth strategy

Organic growth Initiatives

- National expansion of Advisory & Technology offerings; via
 - Team, service & technology expansion; and
 - Sustained BDM & opportunity conversion.
- Actively pursue cross-selling opportunities.
- Continued focus on operational efficiencies to enhance Return on Capital.
- Development of VAM water projects.

Consolidation of Accretive Acquisitions

- Prime focus on bedding down and consolidating the WWS and CMP acquisitions.
- Target the achievement of proforma FY24[^] financial performance in CY25:
 - Execution of rapid integration of WWS and CMP within Vysarn;
 - Subsequent execution of strategy focussing on the replication of 'business as usual'

INDUSTRIAL

PENTIUM HYDRO
PENTIUM TEST PUMPING
Incremental growth driver

ADVISORY

PENTIUM WATER
CMP CONSULTING GROUP
Material growth driver

TECHNOLOGY

PROJECT ENGINEERING
WASTE WATER SERVICES
Material growth driver

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Industrial: Pentium Hydro & Test Pumping

Vysarn's Industrial services continue to deliver valuable earnings

PENTIUM HYDRO

Pentium Hydro is a preeminent provider of hydrogeological borefield construction services in Australia. The Company is responsible for establishing large-scale production and injection bore fields for tier-1 mining companies.

CORE CLIENTS



BHP

GROWTH STRATEGY

Maintain Pentium Hydro's preeminent market position:

- **Asset allocation:** Optimise long term utilisation with key tier-1 clients.
- **Leverage assets:** Double-shift assets as regularly as possible.
- **Minimise downtime:** Establish a Pilbara-based critical spares facility.
- **Technology development:** Ongoing R&D in automation and safety.
- **Asset mix:** Consider further strategic divestment of conventional rigs.
- **Electrification and automation of assets:** Pursue opportunities to introduce electrified rigs to the fleet on appropriate contractual terms.

OUTLOOK

- Performance in 1HFY25 stemmed by lower utilisation as result of persistent client conservatism due to global macro factors.
- Forecast higher utilisation in 2HFY25, with an anticipated return of stronger demand for additional rigs and/or double shifting of assets.
- Long-term outlook remains positive with Pilbara water thematic intact.

PENTIUM TEST PUMPING

Pentium Test Pumping is a leading provider of test pumping and injection testing solutions to tier-1 clients in Western Australia. Innovative live data collection solutions accurately characterises individual well, borefield and aquifer performance.

CORE CLIENTS



RioTinto

GROWTH STRATEGY

Staged expansion of market position:

- **Fleet expansion:** Executed an investment in a scaled down suite to target Tier 1 sporadic scopes as well as Tier 2 work. Investigating third major rig.
- **Technology development:** R&D to deliver expanded service offering.
- **Diversify clients and services:** Pursue further opportunities to diversify client base. Have expanded client base in 1HFY25.
- **Leverage assets:** Double-shift assets as regularly as possible.
- **Streamline operations:** Consolidate management across Pentium Hydro & Test Pumping.

OUTLOOK

- Robust demand for aquifer testing services is anticipated to deliver FY25 financial performance ahead of FY24.
- Execution of further expansion and optimisation strategies aim to deliver continued growth in FY25 and beyond.

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Advisory: Pentium Water

Pentium Water provides line of sight and intellectual property for Vysarn growth initiatives

PENTIUM WATER

Pentium Water provides scientific insight to develop strategic recommendations and practical solutions to manage groundwater, surface water and environmental planning challenges.

CORE CLIENTS



GROWTH STRATEGY

- **Team expansion:** Targeting the recruitment of new staff to expand capacity, disciplines and expertise to service a growing number of clients.
- **Capability expansion:** Continue to explore opportunities to expand capability in broader water and environment disciplines to supplement current disciplines in ground and surface water management, water resource engineering, environmental planning, mine closure, mine repurposing and traditional owner engagement.
- **Sustained BDM:** Sustain, supplement and grow pipeline of work.
- **Vysarn Asset Management:** Develop and leverage existing IP to support VAM's initiatives to identify, secure and develop prolific water resources.
- **Vysarn engine room:** Assist Vysarn in identifying and accessing early-stage trends and opportunities that are core to the group's growth strategy.
- **Potential CMP integration:** Assessing integration/rebranding of Pentium Water into CMP Consulting Group. Single 'brand' to deliver an immediate national footprint, diversified clients & service offerings and a unified team with aligned growth initiatives*.

OUTLOOK

FY25

- Targeting a sustained financial performance in FY25. Resource sector conservatism is anticipated to impact mining related ground water consultancy.
- Pursuing team expansion in urban water consultancy to meet ongoing strong client demand.
- Continue to identify broader growth opportunities whilst also investing divisional time and resources into the development of Vysarn Asset Management water resource projects.

Broader Outlook

- Continued execution of growth strategy targeting a portfolio of broader consultancy disciplines has the potential to transform the scope and scale of the division.

Advisory: CMP Consulting Group



CMP delivers national scale, expertise and access to a generational infrastructure boom⁴

ABOUT CMP CONSULTING GROUP (CMP)

• Founded in 2008, CMP is a water specialised consulting engineering organisation to tier-1 public and private sector clients.

End-to-end infrastructure lifecycle services manage projects from Master Planning → Construction Management → Decommissioning.

FY24 Revenue ¹	FY24 NPBT ¹	NPBT 3-Year CAGR ²	Skilled Team
\$26.4m	\$5.98m	59.8%	92



LEADING PROVIDER TO WATER AUTHORITIES

Leading provider in Victoria⁴

- **Long-term client relationships with 13 of 16 Victorian water authorities** and tier-1 national construction/engineering companies.
- **Panel arrangements** and/or contracts range from **1-7 years**.
- Average tenure of CMP's top **4 clients is 8+ years**.
- Client scalability demonstrated by +88% revenue growth in 2 years (\$13.8m → \$26.m) with client base remaining stable.

Preparing for East Coast Expansion

- Expansion interstate has the potential to deliver transformational growth. The Company is making early preparations for continued growth.
- If won, a number of tenders/panels would require CMP to increase FTEs. Various strategies identified to supplement any human resource shortfall.

ACQUISITION TERMS²

Acquiring 100% of the issued shares in CMP for:

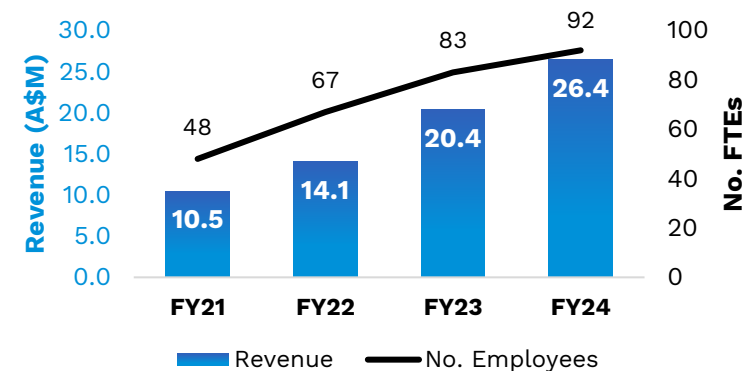
- **Upfront consideration:** \$24.0m cash + 10.0m shares
- **Deferred consideration:** 30.0m shares over a 3 year earn-out period
- CMP to be **acquired debt-free**.
- Delivers **>20% EPS accretive acquisition on VYS FY24³**

EV/EBITDA
4.6X

EV/EBIT
4.7X

ANTICIPATE GROWTH OPPORTUNITIES

CMP to strategically expand its team to meet potential growing demand from new and existing clients.



1. CMP: Unaudited General Purpose Financial Report for the year ended 30 June 2024 2. ASX Announcement 'CMP Presentation and Capital Raise (13 Sept 2024) 3. 22.1% EPS accretion calculated by utilising CMP unaudited FY24 NPAT of \$4.19m over Vysarn fully diluted shares on issue of 527.44m shares and is prior to any impact from the WWS acquisition 4. Subject to completing CMP acquisition

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Advisory: CMP Consulting Group



CMP delivers national scale, expertise and access to a generational infrastructure boom¹

WATER INFRASTRUCTURE BOOM¹

Generational Infrastructure boom drivers provide opportunity for CMP to transform into a national provider.

Population growth and dispersion

- **Growth:** Australian population is anticipated to reach ~30.0m by 2030 (+15.0% from 26.1m).
- **Dispersion:** Increased dispersion to outer metro & regional areas overloading infrastructure.

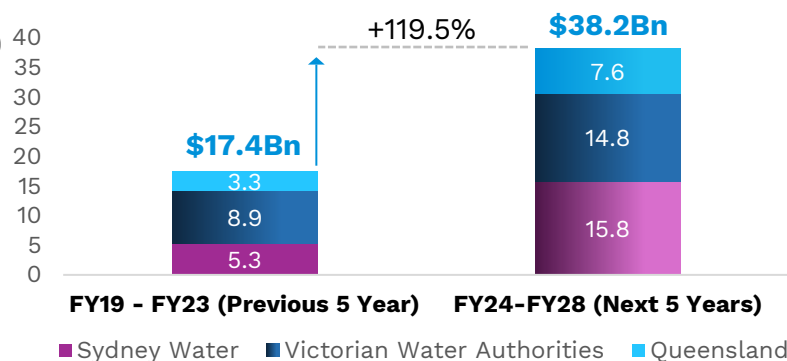
Aging Infrastructure

- Refurbishment and replacement is essential and underpins annual capital expenditure.

Climate Change and water security

- Water infrastructure is at high risk, requiring upgrades and increased maintenance.

Uplift in water infrastructure expenditure³



GROWTH STRATEGY

Broaden national presence

- Activity**
 - **Tendering major water authority** panels outside of VIC.
 - Opportunities to **establish a strong presence in NSW & QLD.**
- Outcome**
 - Win beachhead contract(s) that underpins expansion.
 - Look to replicate success in Victoria to deliver strong, profitable, expansion & earnings growth.

Expand team & expertise

- Activity**
 - **Expansion will be required to meet potential demand.**
 - **Actively expanded team** from current head count
- Outcome**
 - Key tenders may require CMP to **increase staff head count**
 - Careful that demand may outpace hiring capacity.

Up-selling & cross-selling

- Activity**
 - **Upsell CMP's specialised consulting services.**
 - **Cross-sell Vysarn's water technology & services.**
- Outcome**
 - Replicate CMP's strategy to increase revenue per client.
 - Fast track new West ↔ East expansions.

LONG TERM POSITIVE OUTLOOK

FY25

- Focused on delivering sustained earnings, whilst also planning and initiating the early-stage national expansion strategies.
- Current and upcoming water authority panel positions have the potential to help transform the scale and reach of CMP.

FY26 & Beyond

- Successful execution aims to continue Vysarn's historical earnings growth.
- Focused on ensuring CMP is equipped with the resources, systems, strategies and personnel to deliver sustainable growth.

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1. Subject to completing CMP acquisition 2. <https://www.sydneywater.com.au/about-us/our-organisation/long-term-capital-and-operational-plan.html>
 3. As per analysis of historical Annual Reports from Water Authorities and Government 5-year forecast capital expenditure reports for each Water Authority.

Technology: Project Engineering

Project Engineering has ambitious plans to further extend its market dominant position

PROJECT ENGINEERING

Leader in Australian managed aquifer recharge technology and execution. ProEng's advanced MAR systems are increasingly deployed by resource companies as they adopt MAR as the preferred methodology to sustainably dispose of surplus water.

CORE CLIENTS



BHP

GROWTH STRATEGY

Integrate Supply Chains: The acquisition of Waste Water Services provides ProEng with access to developed supply chains and inhouse manufacturing capabilities, providing the potential for the retention of previously outsourced services and associated margins.

Utilise CMP to access new markets: The acquisition of CMP Consulting Group provides a 'cross-sell' platform to identify and access new East Coast markets. Opportunities exist in metropolitan and regional treated wastewater disposal, as well as agricultural water banking and irrigation projects.

Technological innovation: Pursue opportunities for the next generation, patent-pending two-way valve to be more widely deployed

- **Maintenance, parts & replacement:** Growing adoption of ProEng's MAR technology has the potential to help drive a growing maintenance, parts and replacement revenue stream.
- **Expand revenue model:** ProEng actively pursuing opportunities to expand its 'sandbox' by providing a wider suite of water management products alongside its MAR units and technology
- **Bolster team:** Newly created national BDM function

OUTLOOK

FY25

- It is anticipated that delays and changes in client projects in 1HFY25 will result in ProEng EBT to be skewed to 2HFY25.
- Delivered 95 units in FY24, with visibility on client projects that could potentially support a similar unit production pipeline across CY25.
- Environmental thematic for MAR across the resources sector continues to strengthen.
- Management is actively pursuing clients beyond Western Australian resources.

Broader Outlook

- Management is focused on ensuring ProEng maintains its market-leading position while expanding on its suite of products and technology.
- Innovation and wider Pilbara adoption of MAR to drive growth for the foreseeable future.

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Technology: Waste Water Services



WWS delivers validated technologies, tier-1 clients and a platform for national growth

ABOUT WASTE WATER SERVICES

- Leader in the design, manufacture, installation and maintenance of wastewater & potable treatment plants and pumping stations.
- Reseller of products, including spares, tanks, pumps, valves, software and hardware and consumables.
- Operating for over 25 years, with 18 staff and a manufacturing facility in Perth, Western Australia.

FY24 Revenue¹
\$12.1m

FY24 NPBT¹
\$2.2m

Revenue Sources
Project – Product –
Maintenance – Rental



ACQUISITION TERMS²

- Acquiring 100% of the issued shares in WWS **for a consideration of \$7.50m cash.**
- WWS **acquired debt-free.**
- Delivers **~20% EPS accretive acquisition** on VYS 2024³.

EV/EBITDA
3.27X

EV/EBIT
3.50X

EV/NPAT
4.46X

VALIDATED TECHNOLOGIES WITH BLUE-CHIP CLIENTS

- Long-standing blue-chip clients across the mining, oil & gas and industrial sectors (prevalence in WA).
- Design & manufacture membrane bio reactors, sequencing batch reactors, compact aerobic treatment systems and modular plants.
- Validated technologies are preferred by tier-1 clients due to:
 - ✓ Maximum reliability, safety, ease of operation with minimum operator interface.
 - ✓ Innovative processes deliver superior performance, even under demanding conditions.
 - ✓ System modularisation facilitates short on-site construction.

NEW MODULAR SKID-MOUNTED SEWAGE PLANT

Innovative modular technology facilitates:

- New **'build-own-operate'** model (renting / leasing modular units); and
- Scale-up-down and plant redeployment;
- Frictionless sales decisions due to no upfront cost.

Units deployed to Rio Tinto provide case study to support wider adoption.



Technology: Waste Water Services



WWS delivers validated technologies, tier-1 clients and a platform for national growth

KEY MARKETS AND DRIVERS

WWS' validated technology solutions are ideal for regional sites hosting between **200 to 2,300** people.

Mining Water Treatment – Established Market

- WWS is a leading provider to WA mining clients.
- **WWS solutions are critical for all stages of the mining life cycle:** Exploration → Construction → Production → Rehabilitation.
- Historically high capital expenditure of **~\$50Bn in 2024-25** indicates potential for sustained demand.¹

Regional Water Treatment² – New Market

- ~10%² of Australians live in 'small towns'.
- **~1,600 regional towns** with populations <5,000.
- Modular technology offers **proven scalable, versatile and reliable solution.**

Industrial Water Treatment – New Market

- Water treatment is critical to industrial operations.
- Significant opportunities across recreational, food & beverage production and industrial manufacturing.

WWS sees the potential to service this growing market, providing diversification away from WA and the resources sector

GROWTH STRATEGY & OUTLOOK

New markets & Sectors

- Activity** • **Pursue new sectors nationally:** Resources, water utilities, recreation, industrial precincts and food & beverage facilities.
- Outcome** • Establish WWS as a national provider.
• Provide access to material growth opportunities.

Launch Modular tech

- Activity** • **Scale up the 'build-own-operate' model** of new modular skid-mounted treatment plants.
- Outcome** • Help underpin national expansion strategy.
• Deliver highly valuable 'recurring revenue'.

Replacement Cycle

- Activity** • Replace previously installed plants that are at 'end of life'.
• WWS has built 165 plants in WA over 28 years.
- Outcome** • Be awarded a high percentage of these projects.
• Help **underpin WWS' current run-rate** in future periods.

LONG TERM POSITIVE OUTLOOK

FY25

- Growth opportunities anticipated in FY25 with several new projects commencing and anticipated tender conversion with several long-term repeat clients.
- Strategically invest and scale operations to facilitate strategic growth.

FY26 & Beyond

- Utilise modular technology as platform to enter new jurisdictions & sectors.
- **Vysarn sees potential for WWS to be a material contributor to Company earnings growth in future periods.**

1. https://www.industry.gov.au/sites/default/files/2024-06/resources_and_energy_quarterly_june_2024.pdf
2. <https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/2071.0main+features1132016>

Three pillar strategy to develop world-class, sustainable water assets

THREE-PILLAR STRATEGY

1 OWN WATER

Leveraging IP to identify and secure tenure / ownership of prolific water sources.

2 CONVEY WATER

Secure funding partners to build, own and operate pipelines to convey water.

3 SELL WATER

Secure off-take agreements for long-term delivery of commercial quantities of water.

STATUS

Vysarn has identified a potential water resource of scale (10GL):

- ✓ First Joint Resource Agreement (JRA) with Kariyarra Aboriginal Corporation.
- Pursuing new JRA's to secure additional projects of similar scale.

Licensing: Securing Tenure:

- ✓ **26D Water Licence** to define and develop a water resource.
- Strategic decision to defer the drilling and testing campaign to develop further tenure security with WA Government agencies. Testing now targeted for 2HFY25
- Delay in testing regime still meets timeline for **5C Water Licence** application

Vysarn has initiated discussions with various potential funding partners:

- ✓ Large-scale infrastructure funds.
- ✓ Offtake partners (multi-national corporations).
- ✓ Equity focussed Australian institutions.

Vysarn has progressed discussions with multiple potential offtake partners:

- ✓ Key stakeholders in Port Headland industrial investment.
- ✓ Tier-1 mining companies.

Indicative demand from the Boodarie Strategic Industrial Area¹ in the Pilbara region of Western Australia materially outweighs current regional supply capacity.

1. Boodarie SIA Overview: <https://developmentwa.com.au/projects/industrial-and-commercial/boodarie-sia/overview>

Proforma Financial Performance



Two acquisitions significantly enhance proforma financials and earnings per share

VYSARN FY24: PROFORMA PROFIT & LOSS (VYS + WWS + CMP)

P&L	VYS ¹	WWS ²	CMP ³	FY24PF*	+/-%
Op. Revenue	\$75.89m	\$12.05m	\$26.43m	\$114.37m	+50.7%
EBITDA	\$16.32m	\$2.29m	\$6.03m	\$24.65m	+51.0%
NPBT	\$11.06m	\$2.24m	\$5.98m	\$19.29m	+74.4%
NPAT	\$7.96m	\$1.68m	\$4.19m	\$13.83m	+73.7%

EPS^{1,2,3,4}

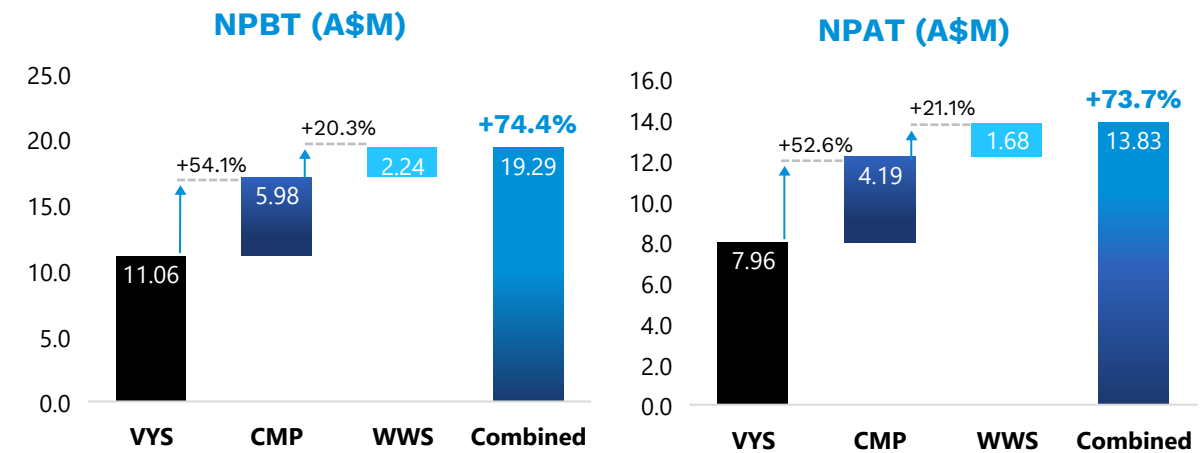
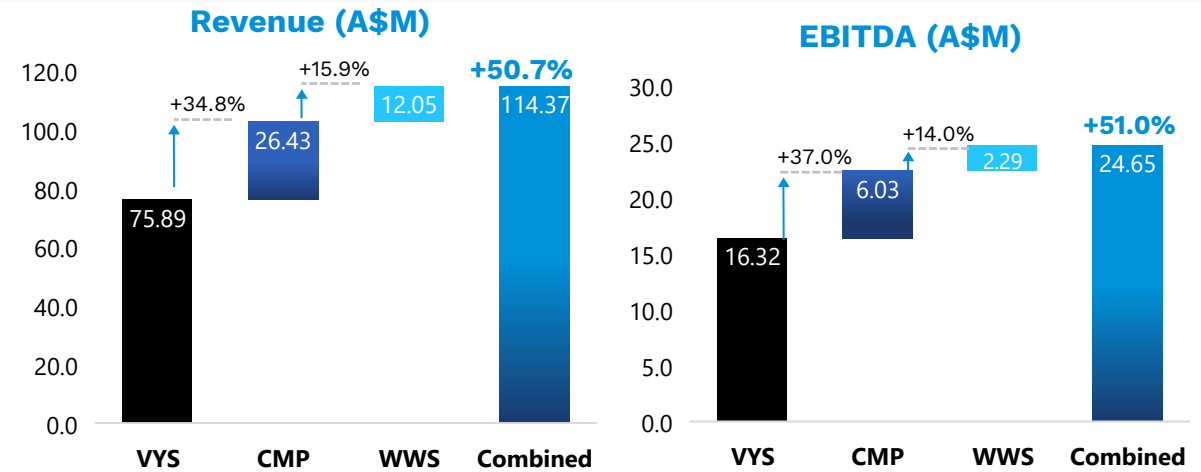
$$\begin{array}{ccc}
 \text{WWS} & + & \text{CMP} & = & \text{Post Deal} \\
 21.1\% & & 22.1\% & & 39.0\% \\
 \text{(on VYS FY24)} & & \text{(on VYS FY24)} & & \text{FY24 Proforma EPS (+\%)}
 \end{array}$$

Commentary*

The acquisition of CMP Consulting Group and Waste Water Services significantly enhances Vysarn's earnings profile.

- On a FY24 proforma basis, the acquisitions contribute >70.0% NPAT growth for ~25% dilution.
- FY24 proforma** excludes any potential synergies.
- Aiming to attain the 'proforma financials' on an **annualised, run-rate basis, throughout 2HFY25**.
 - Establishes strong baseline earnings potential for FY26.
- Long-term positive outlook** for Vysarn's divisions (new & existing), supported by strong, long-term, underlying national water thematic.

VYSARN FY24: PROFORMA FINANCIALS (A\$M)^{1,2,3,*}



1. ASX announcement Vysarn FY2024 Financial Report released 23 August 2024 2. WWS: Unaudited FY24 Financial Statements for the year ended 30 June 2024 3. CMP: Unaudited General Purpose Financial Report for the year ended 30 June 2024 4. Acquisition of Waste Water Services (ASX Announcement 30 August 2024).

21.1% EPS accretion calculated by using WWS unaudited FY24 NPAT of 1.68m over Vysarn fully diluted share on issue of 421.95 shares (pre WWS & CMP) 22.1% EPS accretion calculated by using CMP unaudited FY24 NPAT of \$4.19m over Vysarn fully diluted shares on issue of 527.44m shares (pre WWS). *Disclaimer: FY24 Proforma financials are not a guidance for FY25.

Diversification of Earnings

Vysarn is delivering growth and diversification of earnings across the group's subsidiaries³

Vysarn earnings continue to be diversified

The two acquisitions will accelerate the diversification of Vysarn's earning profile (NPBT).

Advisory: 6.5% → 30.2%

- **Pentium Water** (4.2%): Water consultancy focused on Western Australian market.
- **CMP Consulting** (26.1%): Engineering consulting focused on the water industry in the Eastern States markets.

Technology: 27.8% → 27.8%

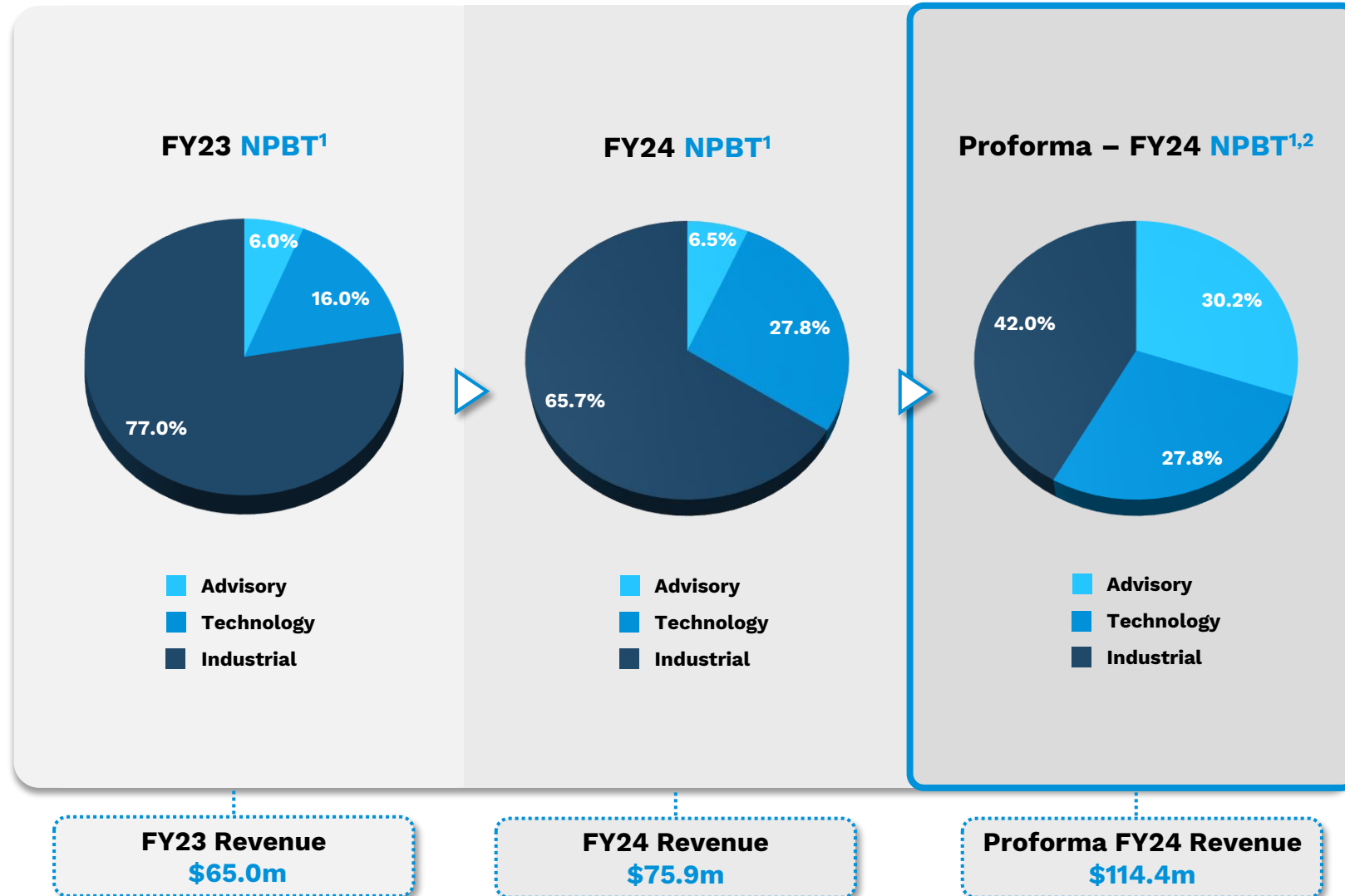
- **Project Engineering** (17.8%): Managed aquifer recharge technology solutions.
- **Waste Water Services** (10.0%): Water Treatment solutions and products.

Industrial: 65.7% → 42.0%

- **Pentium Hydro** (39.7%): Borefield establishment.
- **Pentium Test Pumping** (2.3%): Test Pumping and Injection Testing.

Focus on capital-light & scalable models

- Diversification towards capital-light business models with significant growth potential results in high conversion of EBITDA to NPBT and premium valuation multiples.



Preparing for the Next Phase of Growth

Vysarn aims to execute next phase of growth via strategic investors, partnerships and hires

SUCCESSFUL ESTABLISHMENT PHASE

- ✓ Initial Public Offering (Sept 2019).
- ✓ Delivered profitability in second year.
- ✓ Initiated vertical integration strategy.
- ✓ Established preeminent water market positions within WA.
- ✓ Executed vertical integration strategy via organic development and acquisition.
- ✓ Successful integration and growth of acquisitions.
- ✓ Delivered strong YoY EBT growth.
- ✓ Executed transformative acquisition.
- ✓ Established national presence and growth opportunity.
- ✓ Delivered substantial shareholder value.

EXECUTING THE NEXT PHASE OF GROWTH

Execution of core strategies

- Continued execution of divisional growth strategies.
- Deliver national expansion of Advisory and Technology platforms.
 - Establish & grow capabilities in east coast Australia.
- Focus on integration and cross-selling opportunities.
- Accelerate divisional growth organically and via future acquisitions.

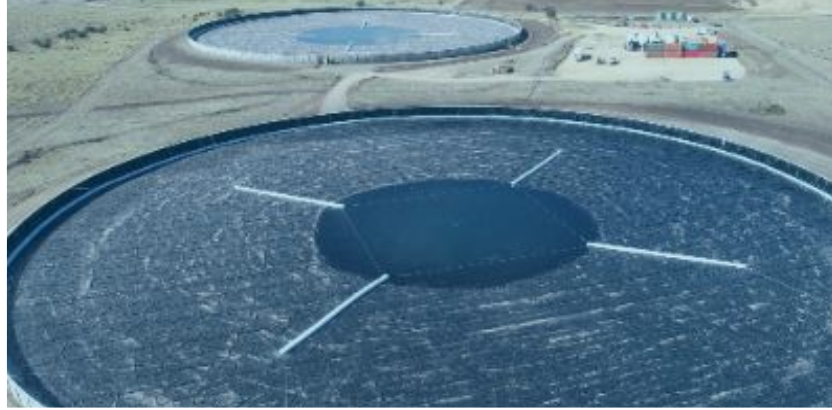
Board & Executive Renewal

- Lean Board & Executive function has been highly effective to date.
- Considering new Executive Directors and Non-Executive directors with the requisite skillsets to support Vysarn's future growth ambitions.

Assess Strategic Investor/Partner

Assessing potential strategic investors/partners that:

- Can help accelerate the capture and execution of opportunities within the 'generational' infrastructure boom on the East Coast;
- Are willing to invest (partner) on terms beneficial to Vysarn;
- Are global leaders in their field and bring international and domestic capabilities, technologies and experience;
- Help mitigate risk, provide experience, diversify the Board; and
- Will provide Vysarn with enhanced gravitas, balance sheet strength and project execution capability when engaging with Government Agencies, Water Authorities and Tier-1 entities.



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