



GR Engineering Services Limited

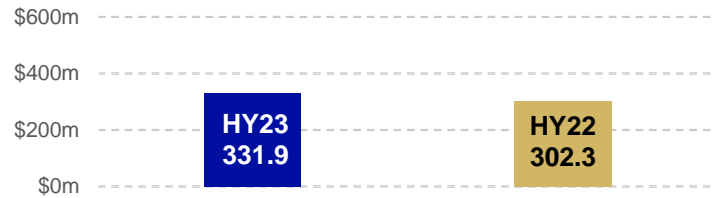
Investor Presentation

24 February 2023

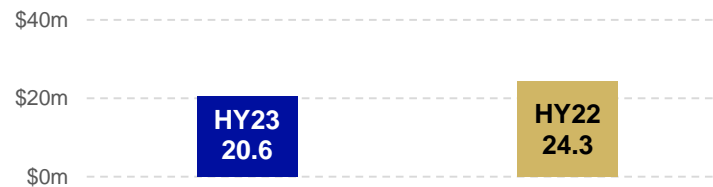
HY23 Results Summary

Earnings

Revenue



EBITDA

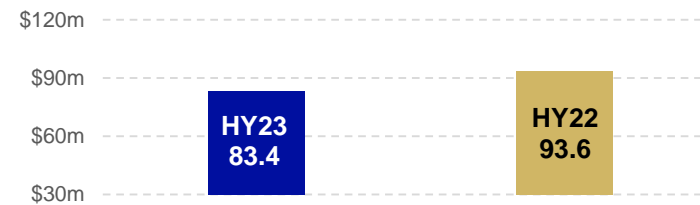


PBT

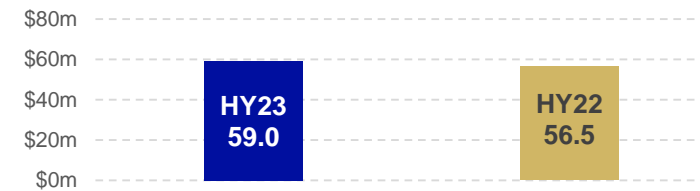


Balance Sheet & Cash Flow

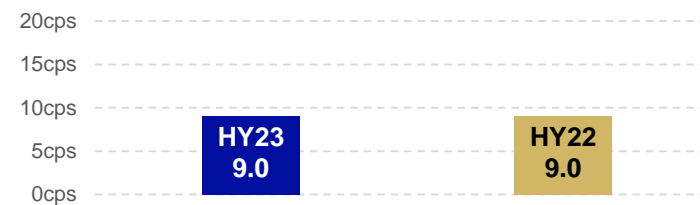
Cash



Net Assets



Total Dividends (Fully Franked)



HY23 Results

- GR Engineering reported HY23 revenue of \$331.9 million and EBITDA of \$20.6 million.
- Project execution levels remained high during HY23, with several key project completions occurring in the period including the Thunderbox 6 Mtpa Expansion Project, Abra Base Metals Project and the Norseman Gold Project.
- The EBITDA results were impacted by:
 - The business not achieving its forecast profitability targets on its Tasmanian projects. These Tasmanian projects are now substantially complete; and
 - Upstream PS's Northern Endeavour FPSO project being completed on 30 September 2022. Upstream PS recognised one-off restructuring costs associated with the completion of this project.
- GR Engineering has focused on building its pipeline of ongoing project work and is working on a high volume of studies across a wide range of commodities.



Balance sheet

- Strong balance sheet maintained at 31 December 2022.
- Cash: \$83.4 million (HY22: \$93.6 million).
- Significant headroom on bank guarantee and bonding facilities.
- Interim dividend declared: 9.0 cents per share (fully franked) (HY22: 9.0 cents per share (fully franked)).



Mineral Processing

- GR Engineering’s design and construction order book of current work includes:

Company	Project	Type	(\$'m)
Kimberley Mineral Sands JV	Thunderbird Mineral Sands Project	EPC	179.5
OZ Minerals Limited	West Musgrave Project	EPCM, EPC	Contract to be finalised
Golden Spur Resources Pty Ltd	Bellevue Gold Project	EPC	87.8
IGO Ltd	Cosmos Nickel Operations	EPC	76.0
Aurene Alt Resources Pty Ltd	Mt Ida Gold Project	EPC	73.0

- In addition to the above ongoing projects, GR Engineering maintains a solid pipeline of near term work opportunities across a broad range of commodities.
- At 31 December 2022, GR Engineering was engaged on 32 studies in Australia, the Americas and abroad.



Oil, Gas, Energy & Water - Upstream PS

- GR Engineering's wholly owned subsidiary, Upstream PS, generates longer term operations and maintenance services revenue alongside project based design and construction work.
- During HY23, revenue contributions were primarily from:
 - Wellsite and plant maintenance work for Santos in the Surat and Cooper Basins;
 - Timor Sea operations and maintenance services, including services provided to Eni's Blacktip gas field production facilities (onshore and offshore);
 - Working with the Australian Government to maintain the Northern Endeavour FPSO (FPSO) in a non-producing state. This project was successfully completed on 30 September 2022;
 - Operations and maintenance services to an industry leading green hydrogen production facility (ENEOS); and
 - Supporting onshore clients with respect to carbon sequestration services.



Process Controls Systems - Mipac

- Mipac is a leading global provider of controls systems, operational technology and engineering services primarily in the mineral processing, energy and water industries.
- During HY23, Mipac continued to deliver solutions for key repeat clients such as First Quantum Minerals, OZ Minerals Limited, Glencore Technology, Anglo American group, Ok Tedi Mining Limited and other large conglomerates.
- Mipac is forecasting a record revenue result for FY23 based on its year to date results and strong pipeline of work. The business continues to operate at a high utilisation.



ESG

- At GR Engineering we:

- Support our communities, including:



- Promote and encourage diversity in our workforce and operations. We recognise that a diverse workforce is a contributor to the business achieving its strategic objectives.
- GR Engineering regularly partners with its clients on social ventures, particularly in relation to initiatives involving the regional communities in which our clients operate.
- Favour local suppliers and supply chain ethics that are supported by our standards. The risk of modern slavery in our supply chain and operations is low.
- Maintain a proactive assessment towards potential environmental impacts. We work closely with our clients and adhere to their environmental management plans.
- Support university engineering students with scholarships and maintain an active graduate recruitment program.



Outlook

- GR Engineering continues to build its contracted and near term prospective pipeline of work across a diverse commodity base.
- GR Engineering maintains its revenue guidance forecast of \$500 million to \$530 million. The EBITDA margin % is expected to return to historical levels in the second half of FY23.



Selected Clients



GR Engineering



Upstream Production Solutions

Santos



Mipac

GLENCORE TECHNOLOGY

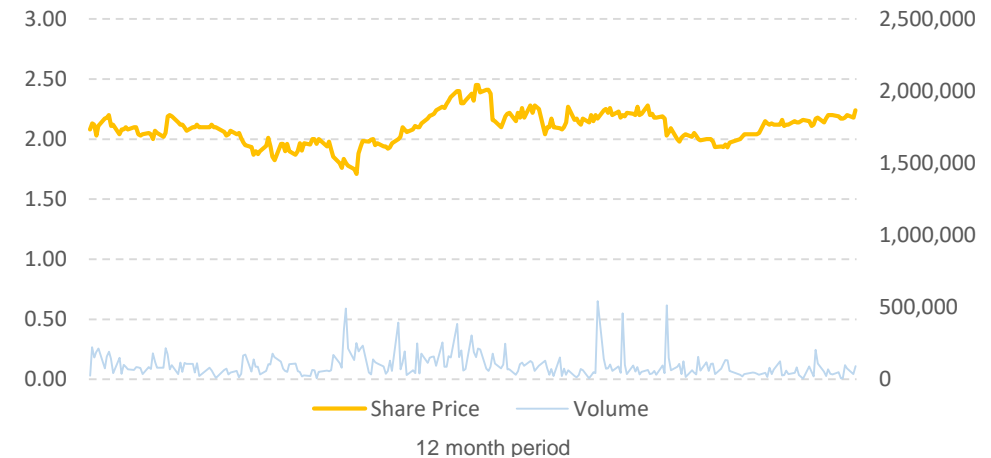


Corporate Profile

Capital Structure

Shares on issue	<i>m</i>	161.6
Share price (GNG.ASX) (21 Feb 2023)	\$	2.24
Market Capitalisation	\$m	362.0
Cash (31 Dec 2022)	\$m	83.4
Debt (31 Dec 2022) (excluding lease liabilities and premium financing)	\$m	0
Enterprise Value	\$m	278.6

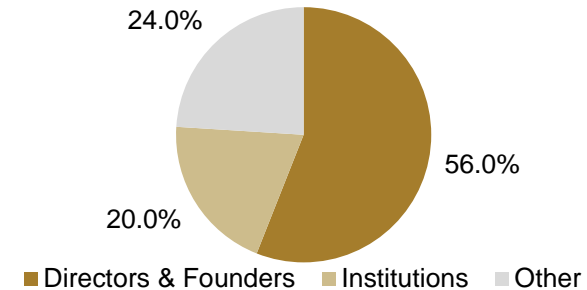
Share Price History



Directors & Management

Phillip Lockyer	<i>Non-Executive Chairman</i>
Tony Patrizi	<i>Managing Director</i>
Peter Hood	<i>Non-Executive Director</i>
Joe Totaro	<i>Non-Executive Director</i>
Omesh Motiwalla	<i>Chief Financial Officer</i>

Register Analysis



Contact Details

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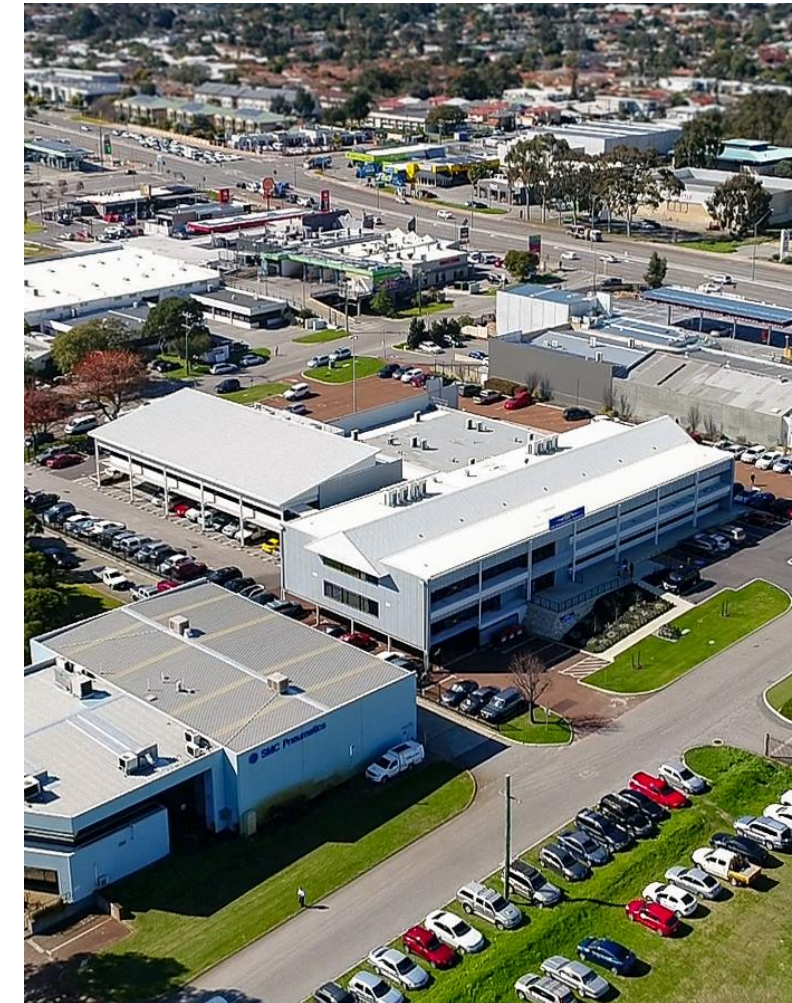
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