



GR Engineering Services Limited

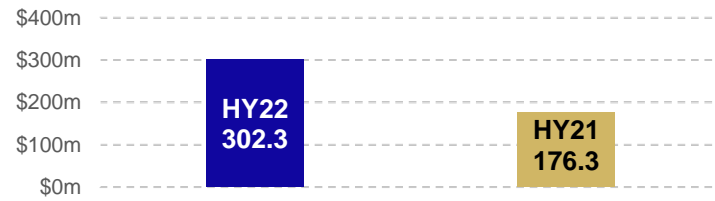
Investor Presentation

22 February 2022

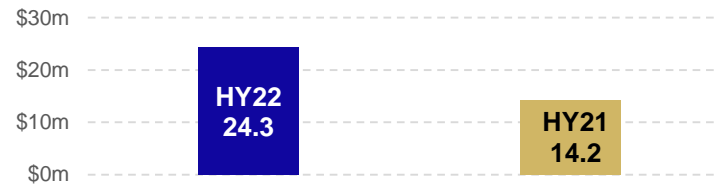
HY22 Results Summary

Earnings

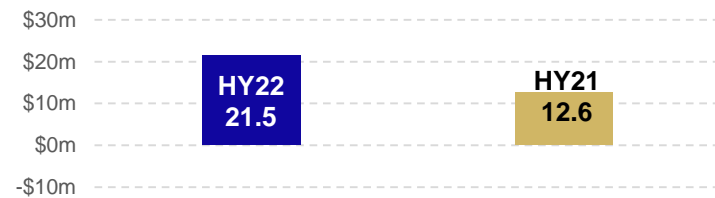
Revenue



EBITDA

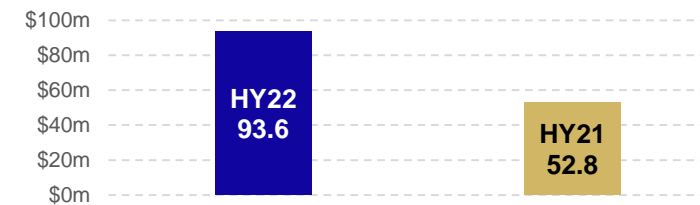


PBT

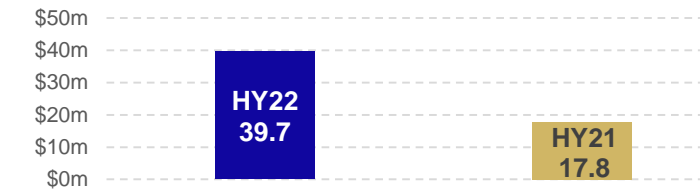


Balance Sheet & Cash Flow

Cash



Net Operating Cash Flow



Interim Dividend (Fully Franked)



HY22 Results

- GR Engineering reported record HY22 revenue of \$302.3 million and EBITDA of \$24.3 million, continuing the strong momentum generated from FY21.
- During HY22, GR Engineering has safely and successfully progressed the work on multiple projects across a broad mix of commodities.
- GR Engineering's subsidiaries Upstream PS and Mipac provided solid contributions to the consolidated results.
- The Group Total Reportable Injury Frequency Rate for HY22 was 6.61.
- The business continues to successfully navigate through the impact of COVID-19.
- GR Engineering's strong order book and anticipated continued strong cashflow generation leaves it well placed to continue to deliver returns to its shareholders.



Balance sheet

- Strong balance sheet maintained at 31 December 2021.
- Cash: \$93.6 million (30 June 2021: \$69.0 million).
- Significant headroom on bank guarantee and bonding facilities.
- Interim dividend declared: 9.0 cents per share (fully franked) (HY21: 5.0 cents per share (fully franked)).



Mineral Processing

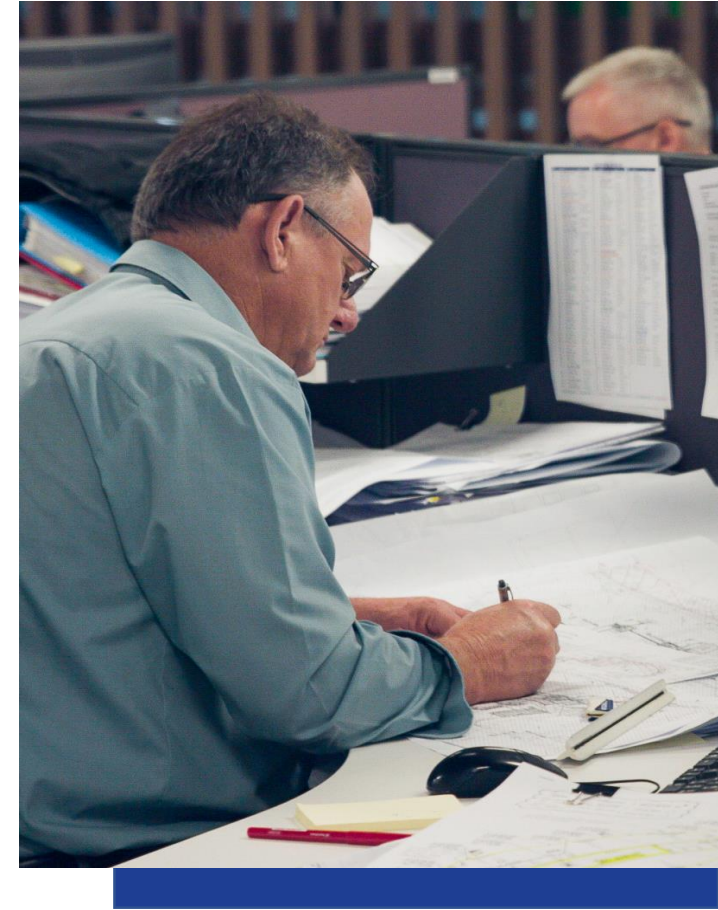
- GR Engineering's design and construction order book of current work includes:

Company	Project	Type	(\$'m)
Northern Star Resources Limited	Thunderbox 6 Mtpa Expansion Project	EPC	101.0
Abra Mining Pty Ltd	Abra Base Metals Project and Paste Plant	EPC	89.5
Calidus Resources Limited	Warrawoona Gold Project	EPC	75.0
Aureenne Alt Resources Pty Ltd	Mt Ida Gold Project	EPC	73.0
RUC Cementation Mining Contractors Pty Ltd	Newmont Tanami Gold Mine	Rates	68.0
Pantoro Limited	Norseman Gold Project	EPC	59.5
Western Areas Limited	Cosmos Nickel Operations	EPC	48.0
Bluestone Mines Tasmania JV	Renison Tin Operations	EPC	31.7



Mineral Processing

- GR Engineering's pipeline of near term work opportunities includes, but is not limited to, the following projects:
 - Kimberley Sands JV – Thunderbird Mineral Sands Project;
 - OZ Minerals Limited – West Musgrave Project;
 - Bellevue Gold Limited – Bellevue Gold Project;
 - EcoGraf (Australia) Limited - WA Battery Graphite Manufacturing Facility.
- At 31 December 2021, GR Engineering was engaged on 28 studies across a broad range of commodities for projects in Australia, the Americas and abroad.
- One of GR Engineering's core values is its ongoing commitment to innovation and quality. GR Engineering continues to provide innovative solutions to its clients including, but not limited to:
 - Vertical Roller Mills;
 - Innovative designs in industries supporting the transition to clean energy such as the downstream battery graphite sector;
 - Technology solutions involving process control systems.



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 HY22, revenue contributions were primarily from:
 - Working with the Australian Government to maintain the Northern Endeavour FPSO (FPSO) in a non-producing state. Upstream PS continues to provide the Australian Government with operations, maintenance and project services in preparation for the disconnection and removal of the FPSO;
 - Wellsite and plant maintenance work (Santos and Origin) in the Bowen and Surat Basins. During HY22, Upstream PS recently expanded its service offering to Santos Limited in the Surat Basin;
 - Timor Sea operations and maintenance services, including through its Darwin base of operations. On 4 January 2022, Upstream PS was awarded a new three year contract with an option for a further two years to provide maintenance and operations support to the operator of the Blacktip Gas Field and associated production infrastructure (Eni);
 - Maintenance work on assets in the Perth Basin;
 - Supporting onshore clients in Victoria and South Australia with respect to carbon sequestration, operations and maintenance services.



Process Controls Systems - Mipac

- In May 2021, GR Engineering successfully acquired the Mipac business, a leading global provider of controls systems engineering, automation and technology services.
- Mipac enhances GR Engineering's control systems design capabilities and expands its service offering from its broader mineral processing design and construction business.
- Mipac has a proven business model and long term relationships with tier 1 and other clients requiring continuous control systems solutions for complex, business critical operations, primarily in the mineral processing, energy and water industries.
- In November 2021, Mipac was awarded a key contract with MESCO Inc., a listed Japanese conglomerate, to complete Stage 2 work on the Kyshtym Copper Electrolytic Plant. As part of the work, Mipac will supply in-house developed specialised monitoring technology and software solutions.



Environmental Social Governance

- At GR Engineering we:
 - Favour local suppliers and supply chain ethics that are supported by our standards;
 - Support engineering students with Curtin University scholarships;
 - Support our communities via programs including Ronald McDonald House and Starlight Children's Foundation;



- Provide Indigenous employment and training during the project construction phase to ensure local talent during the operational phase;
- Promote and encourage diversity in our workforce and operations;
- Maintain a proactive assessment towards potential environmental impacts.



FY22 Outlook

- GR Engineering continues to build its contracted and near term prospective pipeline of work across a diverse commodity base and also increase its revenue and earnings visibility for FY23 and future years.
- The consolidated entity now expects revenue for FY22 to be in the range of \$580 million to \$600 million. The previous revenue guidance provided had forecast revenue to be in the range of \$540 million to \$560 million.
- GR Engineering's strong balance sheet means that it is well capitalised to deliver its pipeline of work.



Selected Clients



GR Engineering



Upstream Production Solutions



Mipac



Corporate Profile

Capital Structure

Shares on issue	<i>m</i>	161.2
Share price (GNG.ASX) (18 Feb 2022)	\$	2.07
Market Capitalisation	\$m	333.7
Cash (31 Dec 2021)	\$m	93.6
Debt (31 Dec 2021) (excluding lease liabilities)	\$m	2.0
Enterprise Value	\$m	242.1

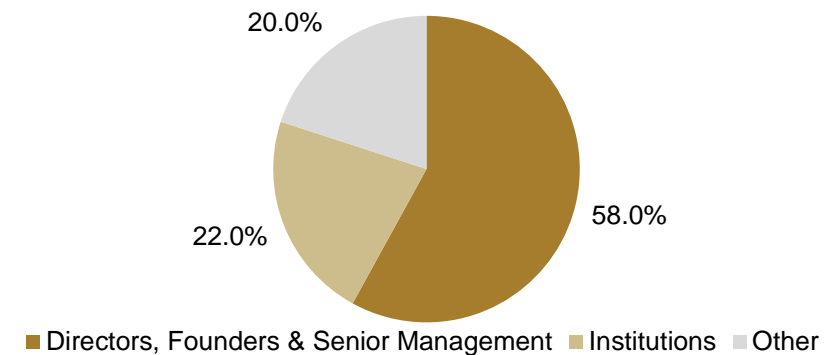
Directors & Management

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

Share Price History



Register Analysis



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ROUNDING

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided.