

BINGO INDUSTRIES

1H FY18 Results Investor Presentation



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Throughout this document non-IFRS financial indicators are included to assist with understanding Bingo's performance. The primary non-IFRS information is pro forma EBITDA, pro forma EBIT, pro forma NPAT and Operating Cash Flow before interest and tax payments.

Management believes pro forma EBITDA, pro forma EBIT, pro forma NPAT and Operating Cash Flow before interest and tax payments are appropriate indications of the on-going operational earnings and cash generation of the business and its segments because these measures do not include one-off significant items (both positive and negative) that relate to disposed or discontinued operations and post-listing costs. A reconciliation of non-IFRS to IFRS information is included where these metrics are used. This document has not been subject to review or audit by Bingo's external auditors.

All comparisons are to the previous corresponding period of 1H FY2017 – the 6 months ended 31 December 2016, unless otherwise indicated. Certain figures provided in this document have been rounded. In some cases, totals and percentages have been calculated from information that has not been rounded, hence some columns in tables may not add exactly. Year-on-year variances have been calculated as percentages for numbers and basis points for percentages.

All forward debt and leverage metrics do not include dividends or capital management initiatives such as a share buy-back.



AGENDA

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Highlights

- ✓ Achieved industry leading LTIFR of **zero** down from 6.7 in the prior corresponding period. Ongoing focus on zero harm objective
- ✓ Strong growth trajectory continues – **net revenue** growth of **43.2%** to **\$142.4** million and **pro forma EBITDA** growth of **40.1%** to **\$43.8** million, driven by strong organic growth
- ✓ Successfully executed acquisition program in Victoria and NSW ahead of schedule
- ✓ Increased post-collections network capacity from 1.0 million tonnes per annum to **1.7 million tonnes** per annum and on track for **3.4 million tonnes** per annum in 2020
- ✓ Solid work in hand and growing pipeline of contract opportunities underpin outlook
- ✓ Return on capital (**ROCE**) in excess of **20%** and balance sheet strength maintained
- ✓ Maiden interim **dividend of 1.72 cents per share** and **DRP activation** in respect of 1H FY18
- ✓ On track to achieve upgraded **FY18 pro forma EBITDA** guidance of **approximately \$93 million**



Section 1

1H FY18 Highlights

1H FY18 summary

Strong first half result, with FY18 earnings weighted to the second half due to timing of contributions from recent acquisitions

| <i>\$million</i> | 1H FY17 | 1H FY18 | Variance | |
|-----------------------------|---------|------------|----------|---|
| Net revenue | 99.5 | 142.4 | 43.2% | ↑ |
| Pro forma EBITDA | 31.3 | 43.8 | 40.1% | ↑ |
| Pro forma EBITDA margin | 31.5% | 30.8% | (70 bps) | ↓ |
| Pro forma EBIT | 25.0 | 34.4 | 37.5% | ↑ |
| Pro forma NPAT | 15.5 | 21.3 | 37.1% | ↑ |
| Statutory NPAT ¹ | 13.7 | 17.8 | 30.1% | ↑ |
| Operating free cash flow | 27.8 | 35.5 | 27.8% | ↑ |
| Net Debt ² | 81.5 | 73.0 | (10.5%) | ↑ |
| Interim dividend | - | 1.72 cents | n.m. | ↑ |

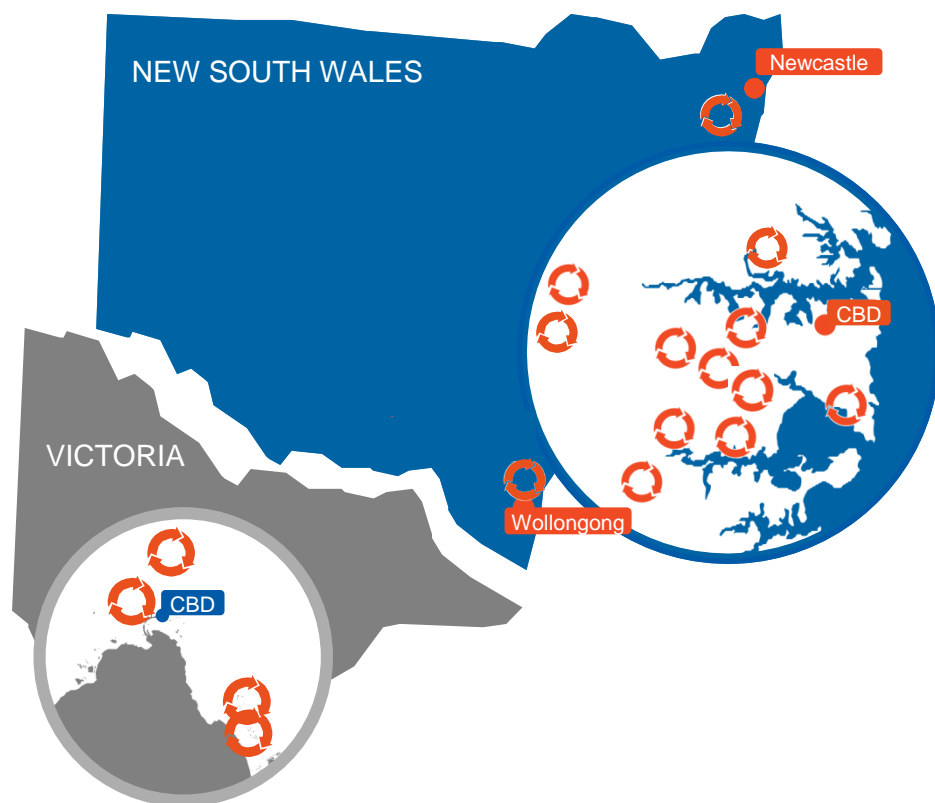
- Net revenue up 43.2% and pro forma EBITDA up 40.1% driven by:
 - enhanced operating footprint
 - exposure to strong end markets
 - increased market share across business
- Sustainable group EBITDA margin, reflecting inclusion of acquired Victorian businesses and higher operating costs to support national expansion
- Pro forma NPAT up 37% and statutory NPAT up 30%
- Business continues to generate strong free cash flow to support growth, with operating free cash flow up 28%

1. Statutory NPAT includes transaction and integration costs associated with recent acquisitions

2. Net debt calculated as borrowings less cash and finance leases related to properties under put and call options.

Operational highlights – business expansion ongoing

Current operational footprint



Employees

1H FY18

 742

RRCs

 17

Fleet (trucks)

 253

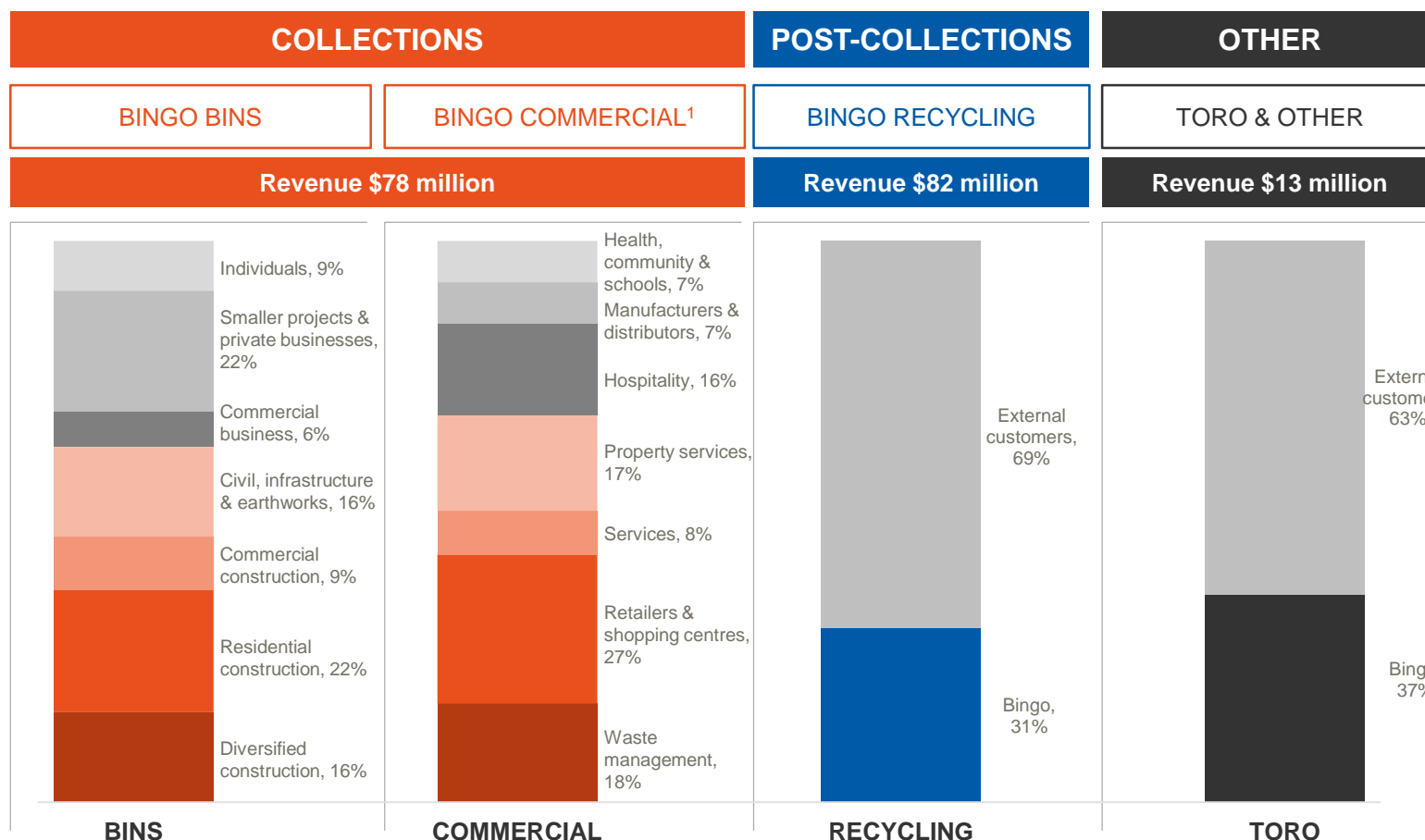
Operational Highlights since 1 July 2017

- ✓ **Entry to Victoria** acquisition of Konstruct, AAZ and RRV completed in October 2017
- ✓ **Acquisition of National Recycling Group (NRG / DATS)** – integration commenced in January 2018
- ✓ **Acquisition of Patons Lane Recycling Centre and Landfill** – expected to be operational in July 2019
- ✓ **Enhancing post-collections network in NSW & VIC** increasing network capacity to 1.7 million tonnes p.a.
 - Development consent granted to increase throughput at Mortdale to 220,000 tonnes p.a.
 - Artarmon EPA license issued. Expected to be operational 5 March 2018
 - Campbellfield upgrade complete. Expected to be operational 5 March 2018
 - Greenacre upgrade well underway. Expected to be operational mid-March 2018
 - Preparatory works have commenced at Patons Lane
- ✓ **Bingo price increase (Jul 2017 & Feb 2018)** to offset higher regulatory and compliance costs together with increased operational costs including disposal costs, fuel, electricity and tolls
- ✓ **Strengthened management team** with the appointment of Chief Operating Officer, Head of Project Development, General Manager of Victoria and National Procurement Manager

Note: Operational footprint includes operational assets that were acquired post the reporting date, being the assets associated with the acquisition of National Recycling Group (NRG) which completed on 8 January 2018. Helensburgh site currently closed with operations amalgamated to upgraded Kembla Grange site.

Revenue by diversified end market

Bingo has a large and diverse customer base across NSW and Victoria



- Strong infrastructure program in NSW and VIC underpins outlook for the next 5 years
- Infrastructure sector is now 16% of Bingo Bins revenue (vs 8% at IPO)
- Strong residential pipeline for the next 12-18 months
- Infrastructure & commercial construction expected to more than offset any potential medium term cyclical decline in housing activity
- C&I business provides annuity style income. Expected to increase market share over the next 5 years to balance portfolio across B&D and C&I sectors
- C&I three year revenue growth CAGR of 95%

Note: Diversified construction includes construction companies that operate across multiple end-markets. Segment revenue excludes intercompany eliminations.

1. Bingo commercial revenue by end-market is indicative only, based on analysis undertaken on the top 300 customers. Total C&I customer base is in excess of 3,700 customers.

Contract wins in 1H FY18

Solid track record of infrastructure B&D contract wins and increasing market share in C&I underpin our order book going into 2H FY18









Key B&D contract wins

- ➔ Laing O'Rourke preferred supplier for NSW and VIC infrastructure projects
- ➔ Sydney Metro contract awarded for 4 years
- ➔ M5 tunnel awarded for 5 years
- ➔ Stage 2 and 3 for the Northern Road upgrade
- ➔ Crown Casino Sydney awarded for 4 years
- ➔ NorthConnex contract extended for a further 2 years
- ➔ Opera House – Laing O'Rourke awarded for 2 years
- ➔ Sydney Trains contract awarded for 5 years

Key C&I contract wins

- ➔ ISPT Super Property (43 sites across NSW & VIC) awarded for 3 years
- ➔ Lend Lease shopping centres (NSW) awarded for 3 years
- ➔ APPF (JLL Commercial) NSW awarded for 3 years
- ➔ St Vincent De Paul (NSW) 45 sites awarded for 3 years

Progress on our initial sustainability targets

| Our Target | 1H FY18 status | |
|---|---|-------------|
| Target of > 75% diversion rate |  | ON TRACK |
| Zero harm – deliver a near term LTIFR of below 4 with a long term zero harm target |  | ON TRACK |
| Become energy self sufficient through solar energy and alternate fleet fuel solutions |  | IN PROGRESS |
| Promote greater workplace diversity through the implementation of an inclusion strategy |  | IN PROGRESS |
| Sustain a young and efficient vehicle fleet that is compliant with the Euro V emission standards |  | ON TRACK |
| Improve independent accreditations and transparency of performance of our facilities & promote industry transparency around recycling rates |  | ON TRACK |
| Drive change in the community through educational programs reaching 1,000 students each year through site tours |  | ON TRACK |
| Double the number of trucks to advertise philanthropic partners |  | ON TRACK |



ON TRACK = to be delivered in FY18



IN PROGRESS = to be delivered over the next 18-24 months



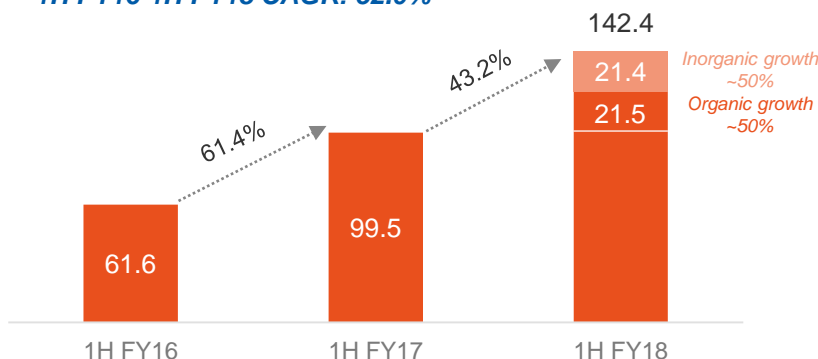
Section 2

Financial performance

Strong half-on-half growth continues – well supported by organic growth

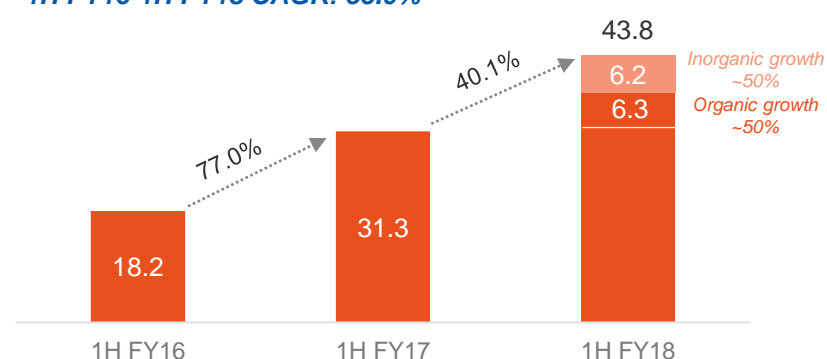
Net revenue \$m

1H FY16-1H FY18 CAGR: 52.0%



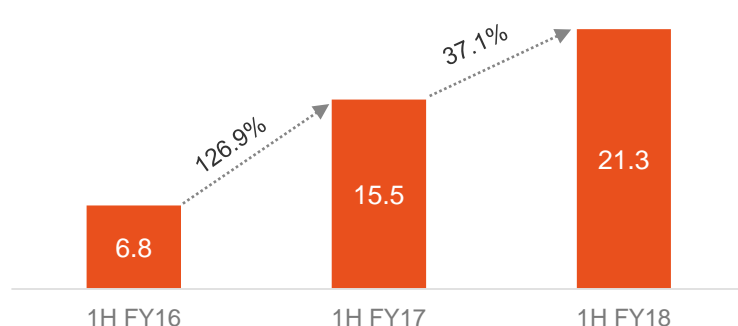
Pro forma EBITDA \$m

1H FY16-1H FY18 CAGR: 55.0%



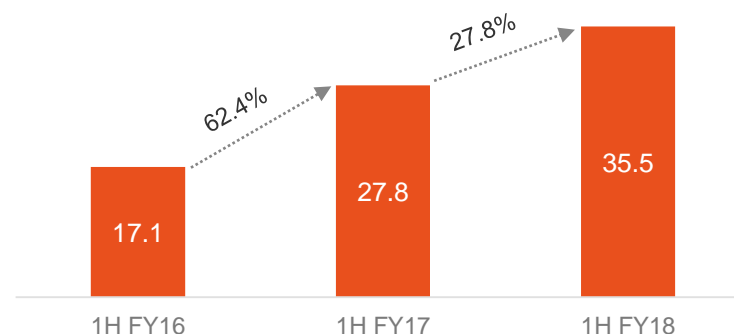
Pro forma NPAT \$m

1H FY16-1H FY18 CAGR: 76.4%



Operating free cash flow¹ \$m

1H FY16-1H FY18 CAGR: 44.1%



1. Operating free cash flow calculated as cash flow from operating activities net of income tax paid, acquisition integration costs and rectification costs. 1H FY18 operating free cash flow excludes acquisition integration costs of \$3.6 million and rectification costs associated with Kembla Grange of \$3.1 million (this amount is recoverable and timing impact only).

Pro forma segmental performance - summary

| A\$m | 1H FY17 | 1H FY18 | Variance | |
|-----------------------------------|--------------|--------------|-----------------|----------|
| Collections revenue | 60.8 | 78.5 | 29.1% | ↑ |
| Post-collections revenue | 53.3 | 81.8 | 53.4% | ↑ |
| Other revenue | 8.8 | 13.3 | 51.9% | ↑ |
| Eliminations ¹ | (23.4) | (31.2) | 33.1% | ↑ |
| Net Revenue | 99.5 | 142.4 | 43.2% | ↑ |
| Collections pro forma EBITDA | 15.1 | 18.0 | 18.9% | ↑ |
| Post-collections pro forma EBITDA | 15.7 | 24.0 | 53.2% | ↑ |
| Other pro forma EBITDA | 0.5 | 1.9 | 265.3% | ↑ |
| Pro forma EBITDA | 31.3 | 43.8 | 40.1% | ↑ |
| Collections EBITDA margin | 24.9% | 22.9% | (200 bps) | ↓ |
| Post-collections EBITDA margin | 29.4% | 29.3% | (10 bps) | ↓ |
| Other EBITDA margin | 5.8% | 14.0% | 820 bps | ↑ |
| Group EBITDA margin | 31.5% | 30.8% | (70 bps) | ↓ |

Commentary

Collections

- Collections revenue up 29.1% to \$78.5 million primarily driven by increased market share in NSW
- Bingo's collections fleet increased from 173 trucks at 30 June 2017 to 253 at 31 December 2017
- Collections EBITDA margin reflects inclusion of the Victorian business (initially at lower margins)

Post-Collections

- Post-collections is now the largest contributor by revenue and EBITDA
- Post-collections revenue increase primarily driven by higher market share in NSW with half year contributions from St Marys, Kembla Grange and Revesby
- Decrease in post-collections margins primarily reflects lower margins in VIC (as advised) and incremental increase in operating costs

Other

- Strong growth in Toro revenue was due to increased volumes driving demand for bins (63% external customers)
- Recycled product sales increased year-on-year. Products impacted by changes introduced in China represented less than 1% of revenue

1. Elimination of intercompany sales, which represent the revenue generated by the post-collections segment by processing waste delivered by the collections segment, and the products sold by Toro to the collections segment.

Balance sheet

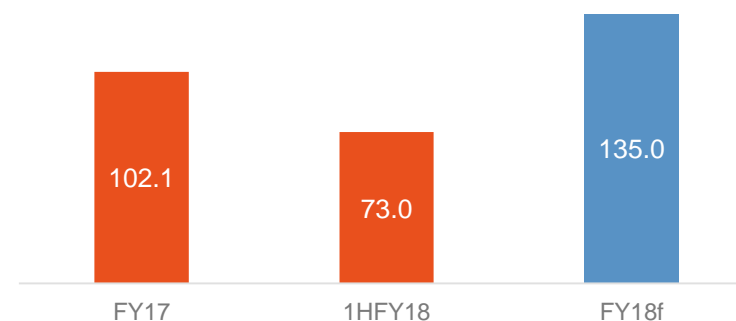
Strong balance sheet with the financial flexibility to support growth opportunities

Pro forma balance sheet

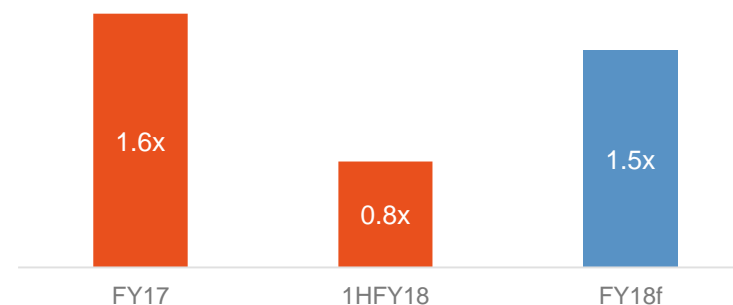
| \$m | As at 30-Jun-17 | As at 31-Dec-17 |
|-------------------------------|--------------------|--------------------|
| Total current assets | 49.2 | 71.7 |
| Total non-current assets | 246.0 | 398.8 |
| Total Assets | 295.1 | 470.5 |
| Total current liabilities | 38.3 | 70.8 |
| Total non-current liabilities | 132.9 | 135.5 |
| Total Liabilities | 171.2 | 206.3 |
| Net assets | 124.0 | 264.2 |
| Total equity | 124.0 | 264.2 |

- Balance sheet provides flexibility to pursue organic growth through our development program with \$100 million of announced development capex over the next 2 years to be funded from debt and cash flow
- Net debt to EBITDA is expected to increase to ~1.5x by the end of FY18
- Target gearing range of 1.5x–2.0x net debt / EBITDA
- Bingo has a \$200 million facility, \$120 million is a revolving multi-option facility which matures in July 2020

Net Debt \$m



Leverage Ratio¹ (Net Debt / pro forma EBITDA)



¹ Leverage ratio for FY18f is based on net debt (calculated as bank borrowings less cash and finance leases) / FY18f pro forma EBITDA of \$93 million.

Cash flow summary

Pro forma historical and forecast cash flow

| \$m | 1H FY17 | 1H FY18 |
|--|--------------|-----------------|
| EBITDA | 31.3 | 43.8 |
| Operating cash flow | 16.8 | 21.6 |
| Tax | 11.0 | 7.2 |
| Rectification costs ¹ | — | 3.1 |
| Acquisition & integration costs | — | 3.6 |
| Operating free cash flow | 27.8 | 35.5 |
| Capital expenditure / acquisitions | (23.9) | (110.3) |
| Net free cash flow before financing, tax and dividends | 3.9 | (74.8) |
| <i>Operating free cash flow conversion²</i> | <i>88.8%</i> | <i>80.9%</i> |
| <i>Net free cash flow before financing, tax and dividends conversion³</i> | <i>12.3%</i> | <i>(170.6%)</i> |

Commentary

- Business continues to generate strong free cash flow to support growth
- 28% improvement in operating cash flow against the prior period
- Debtor days of 52 up from 47 days in the prior corresponding period due to Victorian acquisitions and client mix
- Cash conversion of 81%² – further focus on debtor collections in 2H to achieve > 90% target
- Strong management focus on debtor management with provision for bad debts representing 0.3% of 1H FY18 revenue
- Total capital expenditure was \$110 million, which included:
 - \$82 million for acquisitions
 - \$15 million for growth capex relating to post IPO acquisitions and redevelopment
 - \$5 million underlying organic growth⁴
 - \$8 million maintenance capex

1. Rectification costs relate to Kembla Grange, this amount is recoverable and timing impact only.

2. Cash conversion calculated as cash flow from operating activities net of rectification costs, acquisition integration costs and tax divided by pro forma EBITDA.

3. Net free cash flow before financing, tax and dividends / EBITDA.

4. Capex associated with the underlying business at the time of the IPO remains on track against full year forecast of \$22.8 million (FY18 forecast: \$13.1 million maintenance and \$9.7 million growth).

A photograph of a modern industrial building with a grey facade and large windows. The building features a prominent 3D sign that reads "BINGO INDUSTRIES". The word "BINGO" is in red and blue, with the "O" containing a circular arrow icon. Below it, "INDUSTRIES" is in white on a blue rectangular background. In the foreground, there is a landscaped area with green shrubs and purple flowers. A black metal fence is visible in the background, and a large white industrial building is partially visible to the right. The sky is blue with some clouds.

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Section 3

Strategy & development update

Delivering on our growth strategy

Growth focused business with a track record of delivering on our targets

Bingo's identified growth levers

Continued growth in B&D and C&I collections

1

Achieved

- ✓ Secured a number of significant infrastructure & construction projects
- ✓ Increased market share in C&I with revenue growing at 95% p.a. over the last 3 years
- ✓ Strong national customer base

Future

- Leverage growth off strong pipeline of infrastructure projects and commercial construction
- Focus on leveraging national accounts and disrupting market

Investment in processing and recycling infrastructure

2

Achieved

- ✓ Increased the number of post collections facilities with advanced recycling design
- ✓ Capex investment of ~\$200m committed or already funded to increase recycling capacity to achieve 2020 target of 3.4 million tonnes per annum

Future

- Internalise additional waste volumes to drive further vertical integration (increase diversion rate)
- Assess alternative waste treatment for C&I including Energy from Waste (EfW) solutions

Geographical expansion

3

Achieved

- ✓ Interstate expansion into Victoria
- ✓ Consolidated regional footprint in NSW

Future

- Leverage existing relationships with customers to facilitate further expansion across the East Coast
- National presence within 5 years from the IPO

Targeted and disciplined acquisition strategy

4

Achieved

- ✓ Acquisition of complementary businesses in Victoria
- ✓ Strategic acquisition of post-collections facilities
- ✓ Further vertical integration with acquisition of Patons Lane – landfill asset

Future







- Immediate focus on integrating recent acquisitions
- Significant synergies to be realised
- Fragmented industry presents ongoing consolidation opportunities
- Focus on continued vertical integration

Organic Growth

Inorganic Growth

NRG Integration update

Integration is progressing well and is on track for completion by 31 March 2018. Annualised synergies of \$6 million weighted towards FY19

| Focus area | Objective | Status | Comment |
|--------------------------------|---|---|--|
| Safety & Compliance | Zero safety breaches and elevate DATS to ISO standards by February |  | <ul style="list-style-type: none"> No safety incidents ISO compliance achieved Truck audits & driver training completed, site traffic management & compliance reviewed, key improvements made |
| People Engagement | Identify and retain key employees in critical roles to ensure no loss of IP |  | <ul style="list-style-type: none"> Key personnel targeted to be retained have accepted appointments Non-critical resources have transitioned out after initial handover period |
| Customer Retention | 100% retention of top 40 customers |  | <ul style="list-style-type: none"> All top 40 customers contacted, volumes monitored - no losses Sales targets and team strategy underway |
| Synergies | Achieve target synergies of \$6m annualised |  | <ul style="list-style-type: none"> People and corporate synergies being achieved in line with plan Internalisation of waste volumes commenced in January and more to do Truck optimisation synergy still underway |
| Revenue Integrity | Ensure no loss in revenue on migration of systems |  | <ul style="list-style-type: none"> Weighbridge reconciliations 100% complete for Jan Data integrity issues have made cutover more labour intensive Parallel run of weekly bill cycles now underway |
| Timeline | Integration by 31 March 2018 |  | <ul style="list-style-type: none"> DATS & Konstruct offices vacated in Melbourne & Sydney by end of March Merging of key functions taking place in March On track for move to national model during FY18 |



On track



Work-in-progress



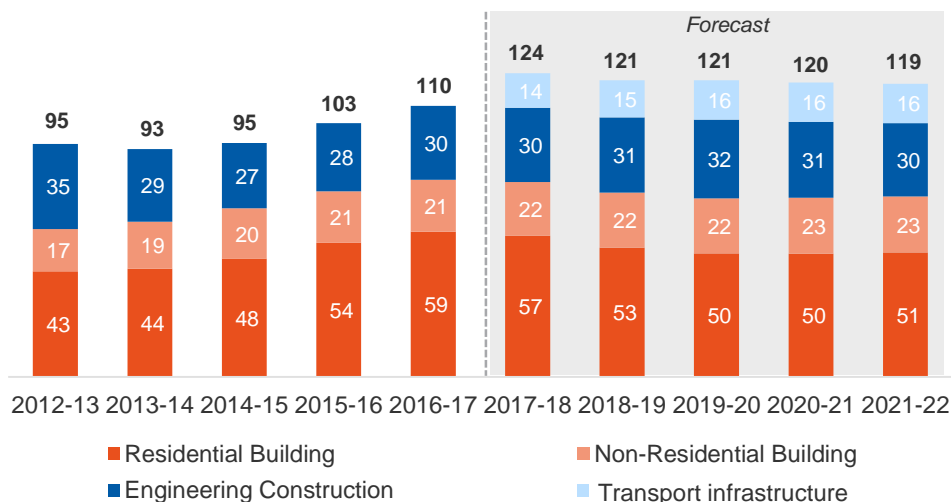
Behind schedule

Bingo Bins

Pipeline and outlook

Strong infrastructure and commercial sectors driving our future growth

NSW + VIC construction & infrastructure activity¹ (\$bn)



Bingo identified B&D Pipeline over the next 24 months² (\$m)



Market

- Known and committed Government infrastructure investment of \$143bn expected to more than offset any decline in construction expenditure
- Transport infrastructure investment increasing significantly over the next 2 years to run at \$16bn p.a. for the following 3 years
- Building and construction activity forecast to remain stable over the next 5 years across NSW and VIC – Core Logic note that \$7bn of commercial construction activity commenced in Sydney CBD alone
- Forecast building and commercial construction investment of \$59bn in NSW and \$47bn in VIC over 2018-19

Work in Hand

- Bingo has secured supplier agreements for approximately 20% of its B&D annual revenue. Additionally, a large proportion of Bingo Bins revenue is project based with an average tenure of 12-24 months for construction, these projects further underpin our earnings outlook

Pipeline

- Direct pipeline of ~\$430 million of waste revenue from B&D construction projects which includes infrastructure programs and announced construction activity across NSW and Victoria

1. Australian Construction Market Report (ACIF), November 2017. Macromonitor, Transport Infrastructure
 2. Pipeline based on management's estimate of waste revenue from Building & Demolition projects which typically represents 1-2% of the total project value.

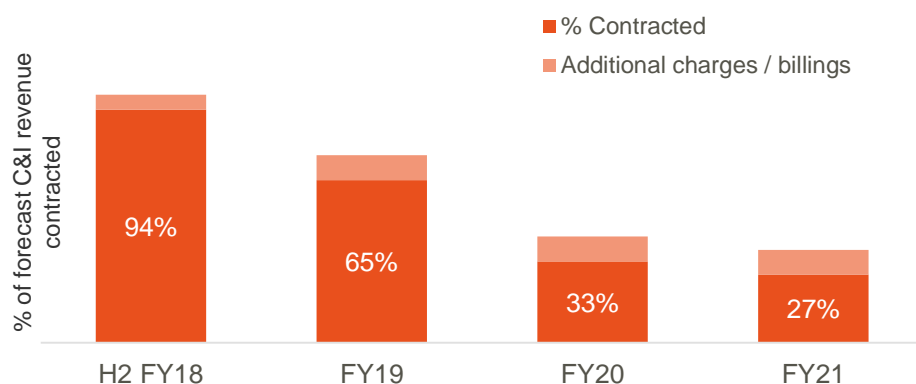
Bingo Commercial

Contracted revenue and pipeline

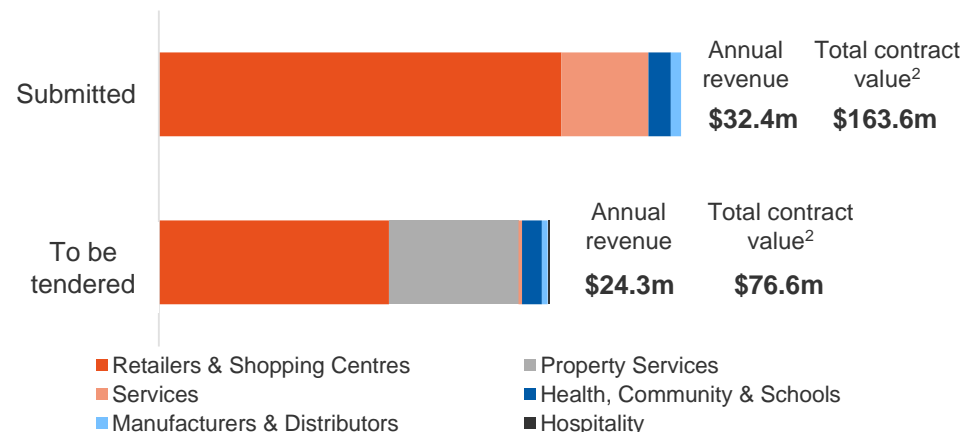


Solid level of contracted revenue and strong pipeline of over \$240 million of commercial contracts which have been submitted or to be tendered over the next 12-24 months

Ageing profile of work in hand (%)



Bingo identified C&I pipeline over the next 24 months (\$m)



Market

- Over 6.5 million tonnes of C&I waste across NSW and Victoria (representing 30% of the total waste produced)
- Volume of C&I waste continues to increase – landfill capacity diminishing

Work in Hand

- FY18 commercial revenue largely locked in. ~65% of Bingo Commercial's FY19 revenue is contracted¹
- Major C&I contracts have a typical tenure of 3-4 years. The average contract term remaining across the portfolio is over 2 years
- Top 50 customers contribute ~43% of Commercial revenue

Pipeline

- Bingo Commercial has submitted tenders with annual revenue of over \$32 million and ~\$164 million in total contract value
- Pipeline of contract opportunities with annual revenue of over \$24 million and contract value of \$77 million which are likely to be up for tender over the next 12-24 months
- In addition, there are a range of large and small contracts which Bingo is well placed to win given its strong track record
- Over the last 12 months, win rate of ~60% of all tenders submitted across the C&I business

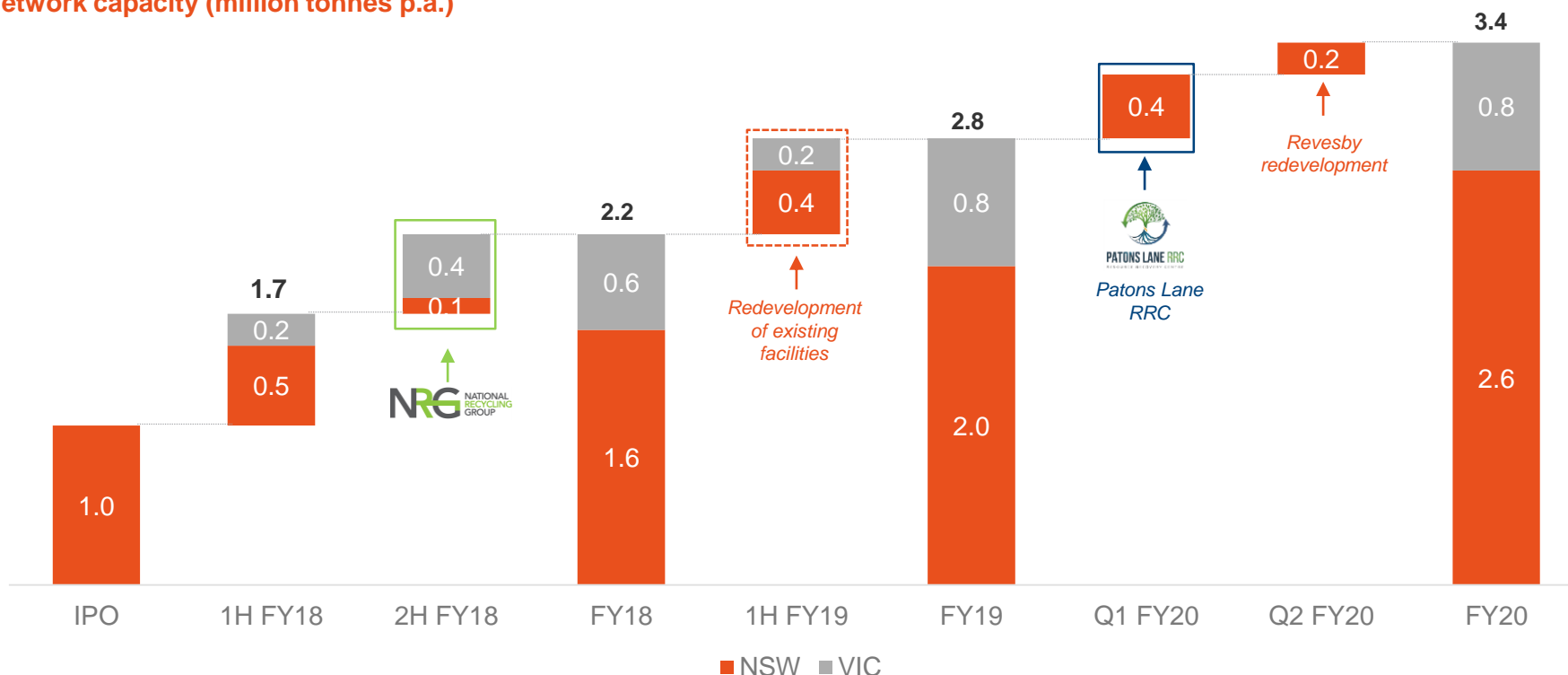
Note: Pipeline includes contracts which have been publicly announced and does not include small BAU style contracts.

- Excludes renewals from business as usual (BAU) small business contracts, which typically have renewal rates in excess of 70%.
- Includes extension options for the contract term.

Expected timing of network capacity expansion

Including redevelopment and recent acquisitions network capacity will increase from 1.7 million tonnes per annum to 3.4 million tonnes per annum by 2020 to support increased volumes

Network capacity (million tonnes p.a.)



- 1.0 million tonnes p.a. of network capacity at the time of the IPO – 70% increase achieved since IPO

Note: Network capacity phasing is based on the estimated timing of development consent for certain facilities, timing of receipt of development consent may impact this phasing. Network capacity excludes landfill capacity at Patons Lane. Refer slide 35-36 for further detail on status of developments.

Section 4

Outlook



Market dynamics

- Unprecedented waste volumes in the market, particularly metropolitan areas driven by investment in critical infrastructure programs, increasing population growth and sustained construction activity
- Customers becoming more sophisticated and companies seeking sustainable waste solutions
- Landfill capacity in the Sydney metro area is diminishing
- State and Federal Government environmental policies demanding higher diversion rates through increased levies and state recovery targets
- Government policy and regulatory settings struggling to keep pace with growing demand for waste management services
- Tougher compliance standards and heightened enforcement resulting in a greater number of fines to waste management service providers. Increasing barriers to entry over time
- Bingo supports the introduction of a QLD levy. This will increase the amount of waste staying in the NSW market
- Bingo also supports any legislative changes that will increase transparency on industry diversion rates

Outlook and FY18 guidance

FY18 Priorities

- ➔ Management committed to integration of recent acquisitions and delivering annualised NRG synergies of \$6 million through fleet optimisation, network optimisation and reduced corporate overheads
- ➔ Focus on optimising existing network of assets to enhance operational effectiveness
- ➔ Continue to enhance compliance processes and procedures, together with completion of Kembla Grange remediation and resolution of Minto proceedings
- ➔ Continued focus on maintaining margins in light of operational cost headwinds
- ➔ Drive further organic growth through leveraging our Victorian platform, consolidated footprint in NSW and delivery of announced upgrades to the 11 sites from the existing portfolio








FY18 Outlook

- ➔ **Reaffirm FY18 pro forma EBITDA guidance of approximately \$93 million**
- ➔ Positive momentum has continued into 2H FY18 with greater contributions from completed acquisitions to be realised in the 6 months post 31 December 2017
- ➔ Solid collections work in hand and pipeline provides strong forward revenue visibility
- ➔ Bingo has introduced a fully franked interim dividend of 1.72 cents per share and DRP activation in respect of 1H FY18



Appendices

Sustainability highlights for 1H FY18

-  **Achieved zero harm target – LTIFR of zero as at 31 December 2017** from 6.7 as at 31 December 2016. This is against an average across the waste industry of 11.4. Bingo’s workshop achieved 1,000 days without a lost time injury
-  **Enhanced our Safety, Environment & Quality (SEQ) initiatives** including increased compliance audits – on average we conduct 45 audits at our sites per month and 75 audits on our truck fleet per month¹
-  **8 newly acquired sites (Revesby, Greenacre, Kembla Grange, Artarmon, Clayton South, Braeside, Campbellfield and West Melbourne) have been elevated to ISO accredited standards** for the Environment, Quality and OH&S management (ISO 14001, ISO 9001 and AS4801)
-  **Employee turnover decreased by 9% over the period**, as we continue to remain focused on employee engagement initiatives.
 - conducted quarterly employee engagement and feedback surveys
 - implemented Bingo Benefits, our employee wellbeing program
-  **Bingo Education reached 778 students versus full year target of 1,000 students** through incursions at local schools and excursions to Bingo’s Auburn facility to promote recycling and processes used to *Reduce, Reuse* and *Recycle it*
-  Our Leadership Excellence and Development (LEAD) program commenced, with **35 senior personnel undertaking the program**
-  Bingo contributed \$100,000 to the **Illawarra convoy held in November** for the Illawarra Community Foundation

1. Weekly audits now occur on all sites as at November 2017.

Reconciliation from statutory to pro forma results

Reconciliation from statutory to pro forma

| 1H FY18 (\$000s) | Revenue | EBITDA | EBIT | NPAT |
|-----------------------------------|----------------|---------------|---------------|---------------|
| 1H FY18 statutory results | 142,394 | 43,844 | 30,223 | 17,787 |
| Performance contract amortisation | | | 141 | 141 |
| Acquisition costs | | | 1,941 | 1,941 |
| Integration costs | | | 1,694 | 1,694 |
| Capital raising costs | | | 410 | 410 |
| Pro forma tax adjustment | | | | (673) |
| 1H FY18 pro forma results | 142,394 | 43,844 | 34,408 | 21,299 |

Commentary

- Acquisition costs incurred represent fees paid to advisers related to the acquisition of businesses
- The group incurred total capital raising costs of \$0.4 million in 1H18, which primarily relate to the amortisation of performance rights granted under the transaction bonus over the vesting period that was paid during the year ended 30 June 2017 following the completion of the IPO. The amount will be fully amortised by the financial year ending 30 June 2019.
- Integration costs represent the costs incurred by Bingo to integrate businesses acquired into the Group. It represents an allocation of internal management resources and other costs incurred during the period.
- As part of an acquisition made during FY15 the Group pre-paid a portion of consideration to the vendor which was linked to the vendors continued employment. As certain employment conditions are satisfied the prepayment is amortised and recognised as remuneration expense. The amount will be fully amortised by the financial year ending 30 June 2020.
- Represents the income tax impact of the above pro forma adjustments (excluding acquisition costs), calculated at 30%.

Summary profit & loss

Summary pro forma income statement

| <i>\$ million</i> | 1H FY17 | 1H FY18 | Variance (%) |
|---------------------------------|-------------|--------------|--------------|
| Net revenue | 99.5 | 142.4 | 43.2% |
| Tipping and transport | (34.7) | (46.7) | 34.6% |
| Fuel | (1.7) | (2.8) | 65.6% |
| Other costs | (3.8) | (4.6) | 21.8% |
| Gross profit | 59.3 | 88.2 | 48.9% |
| Employee costs | (20.9) | (33.3) | 59.2% |
| Administrative Expenses | (2.4) | (3.4) | 41.4% |
| Trucks & Machinery | (2.6) | (4.3) | 62.3% |
| Rent and outgoings | (0.6) | (0.7) | 6.1% |
| Other expenses | (1.4) | (2.9) | 101.5% |
| EBITDA | 31.3 | 43.8 | 40.1% |
| Depreciation and amortisation | (6.3) | (9.4) | 50.3% |
| EBIT | 25.0 | 34.4 | 37.5% |
| Net finance costs | (2.3) | (3.7) | 57.5% |
| Profit before income tax | 22.7 | 30.7 | 35.3% |
| Income tax expense | (7.2) | (9.5) | 32.0% |
| Net profit after tax | 15.5 | 21.3 | 37.1% |

Balance sheet

Pro forma balance sheet (\$000s)

| | As at 31 Dec 2017 | As at 30 Jun 2017 |
|--------------------------------------|----------------------|----------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 16,110 | 13,278 |
| Trade and other receivables | 41,280 | 30,433 |
| Inventories | 3,402 | 2,984 |
| Other assets | 10,909 | 2,489 |
| TOTAL CURRENT ASSETS | 71,701 | 49,184 |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 313,715 | 189,313 |
| Intangible assets | 82,676 | 54,197 |
| Deferred tax asset | 2,393 | 2,450 |
| TOTAL NON-CURRENT ASSETS | 398,784 | 245,960 |
| TOTAL ASSETS | 470,485 | 295,144 |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Trade and other payables | 65,112 | 33,856 |
| Borrowings | 1,736 | 1,700 |
| Income tax payable | 1,488 | 577 |
| Provisions | 2,417 | 2,142 |
| TOTAL CURRENT LIABILITIES | 70,753 | 38,275 |
| NON-CURRENT LIABILITIES | | |
| Borrowings | 106,516 | 132,668 |
| Other payables | 28,355 | - |
| Provisions | 634 | 232 |
| TOTAL NON-CURRENT LIABILITIES | 135,505 | 132,900 |
| TOTAL LIABILITIES | 206,258 | 171,175 |
| NET ASSETS | 264,227 | 123,969 |
| EQUITY | | |
| Issued capital | 745,961 | 624,015 |
| Other contributed equity | 1,244 | 1,244 |
| Reserves | (544,381) | (544,906) |
| Retained earnings | 61,403 | 43,616 |
| TOTAL EQUITY | 264,227 | 123,969 |

Cash flow

Cash flow statement

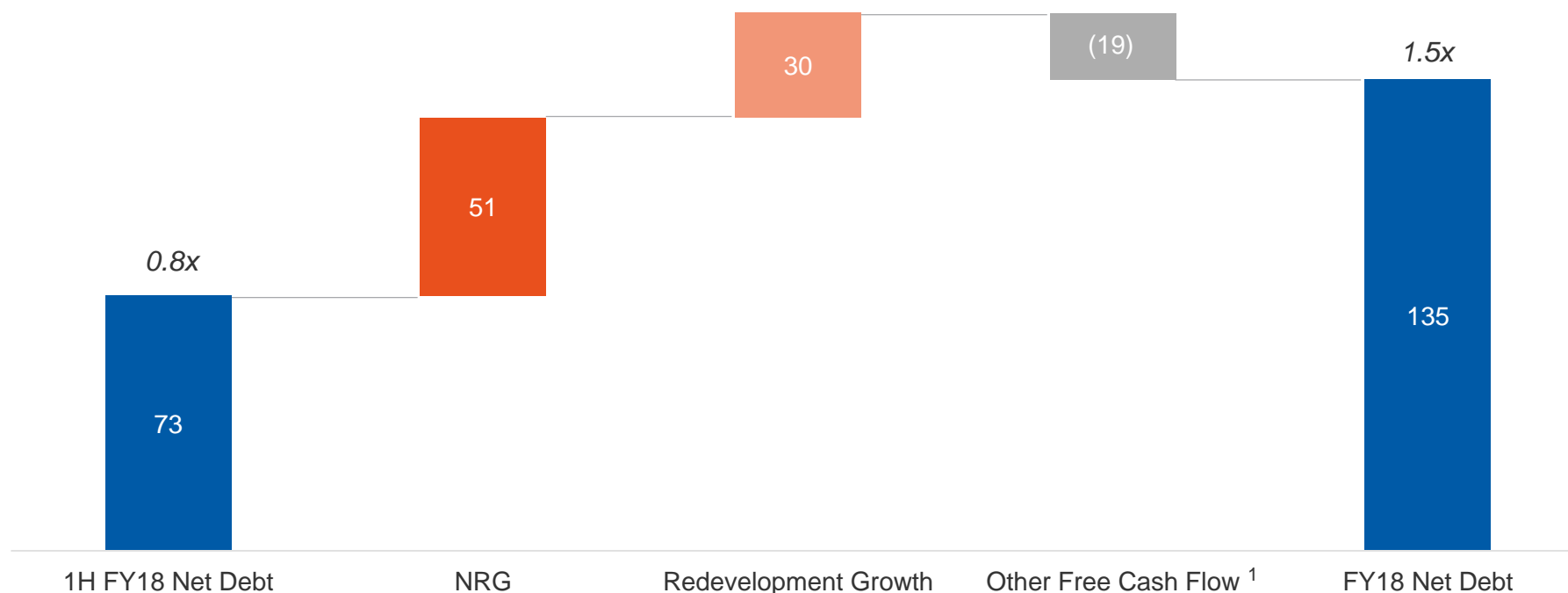
| | Half year ended 31 Dec 2017 | Half year ended 31 Dec 2016 |
|--|--------------------------------|--------------------------------|
| | \$'000 | \$'000 |
| Receipts from customers | 149,014 | 111,659 |
| Payments to suppliers and employees | (120,247) | (83,886) |
| Income tax paid | (7,187) | (10,991) |
| Net cash provided by operating activities | 21,580 | 16,782 |
| Purchase of property, plant and equipment | (64,523) | (1,973) |
| Purchase of business | (43,430) | (11,600) |
| Purchase of intangible assets | (593) | (302) |
| Proceeds from sale of non-current assets | 1,832 | 1,116 |
| Net cash used in investing activities | (106,714) | (12,759) |
| Proceeds from issue of shares | 120,067 | - |
| Capital raising costs | (2,649) | - |
| Proceeds from borrowing | 47,000 | 10,083 |
| Repayment of borrowing | (73,500) | (3,500) |
| Hire purchase payments | - | (5,013) |
| Net interest paid | (2,952) | (2,134) |
| Net cash provided by financing activities | 87,966 | (564) |
| Net increase in cash held | 2,832 | 3,459 |
| Cash at beginning of the period | 13,278 | 5,358 |
| Cash at the end of the period | 16,110 | 8,817 |

Net debt profile to FY18

Maintaining a conservative capital structure optimises flexibility

Forecast FY18 Net Debt

\$ million



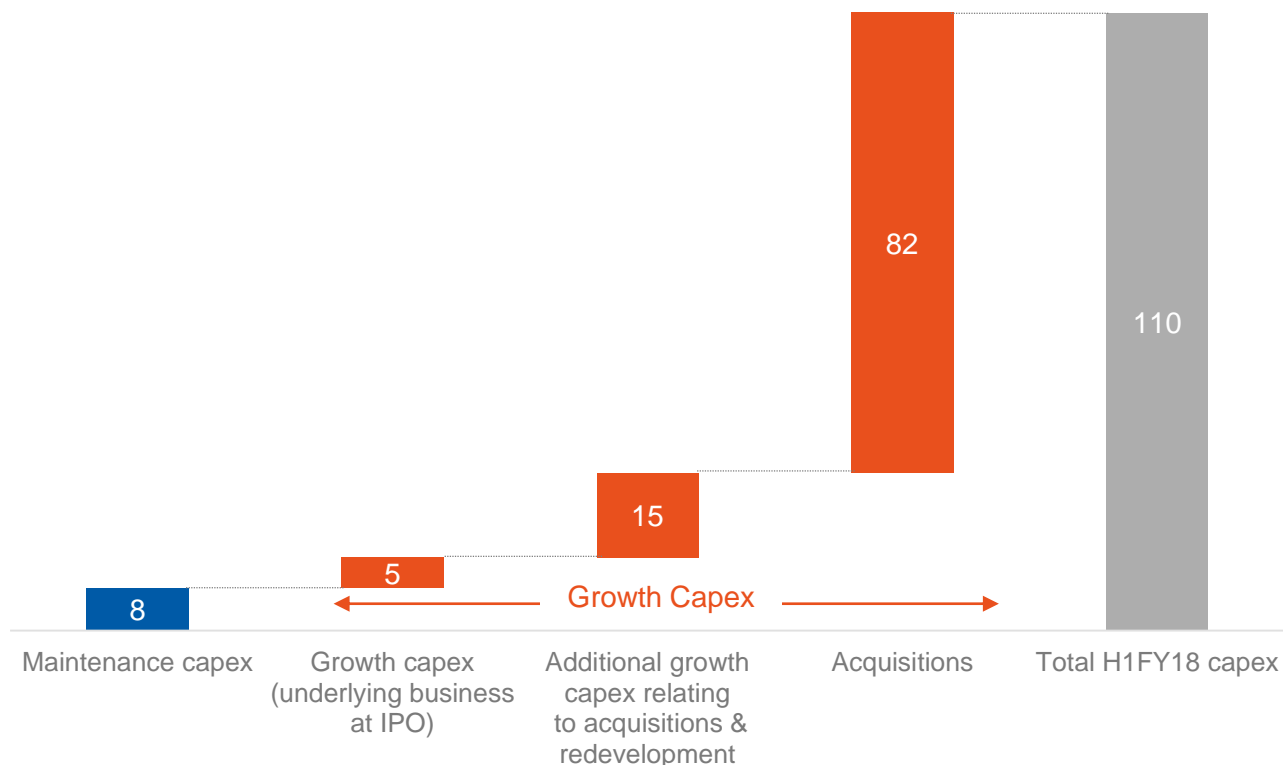
Note: Net debt calculated as borrowings less cash and finance leases. Finance leases relate to properties under put and call options.

1. Other Free Cash Flow includes maintenance capex, cash generated in the ordinary course of business in addition to cash flow from acquired businesses, NRG and Has-A-Bin and dividends.

Capital expenditure breakdown

1H FY18 capital expenditure breakdown

\$ million



Commentary

- Maintenance capital expenditure was \$8 million which includes the replacement of trucks and bins, as well as the maintenance of plant
- Growth capital expenditure includes the acquisition of trucks, bins purchased from Toro, expansion of Bingo's resource recovery facilities and purchase of advanced recycling equipment and other machinery
- Acquisitions include
 - \$37 million relating to the purchase and capex for Patons Lane
 - \$38 million relating to the Victorian acquisitions
 - \$7 million for NSW acquisitions

China recycling import ban

Impacts on Bingo from changes introduced in China are limited and present potential upside

Background

- China government raised the specifications to less than 0.5% contamination of imported recycling products
- Likely to change the global recycling system and improve domestic recycling through raising environmental standards

Relevance to Bingo

- The materials impacted by the changes introduced in China (paper, cardboard & plastics) make up less than 1% of our revenue
- Of the 5 products we recover and sell, two products are commodity driven - scrap steel and paper & cardboard
- Paper & cardboard may be impacted however the majority of our recycled cardboard is clean which is within the definition of acceptable limits
- Outside these products, all other products are distributed locally
- **Potential impacts:**
 - Indirect impact on third party sites where we tip co-mingled C&I waste. Volume of waste will not disappear, it will be diverted to another facility (i.e. landfill). Our C&I contracts enable price resets should we have any material changes to the sector
- **Potential Opportunities:**
 - Potential for landfill prices to increase – Bingo gate fees pegged to landfill rates
 - Potential to put pressure on waste to energy projects to be considered by various levels of government to increase diversion from landfill, which Bingo would welcome

Favourable market thematic supports Bingo's growth



ATTRACTIVE INFRASTRUCTURE PIPELINE

- Federal Government commitment of \$70bn over the next 10 years
- \$74bn VIC state capital projects underway in 2017-18
- NSW Government infrastructure commitment of \$73bn over the next four years
- Infrastructure programs include road, rail, schools and hospitals



SUSTAINED CONSTRUCTION ACTIVITY

- Strong pipeline of residential and non-residential approvals
- 75% of cranes erected on construction sites are in Sydney and Melbourne
- Forecast building and construction investment of \$59bn in NSW and \$47bn in VIC over 2018-19
- 2 million sqm of new office space to be built across Sydney



URBANISATION IN CITY AREAS

- Three quarters of Australians live in urban cities
- Sydney population estimated to increase by 1.6m people by 2031
- Victoria is the fastest growing state – population growth of 2.1% p.a.
- Infrastructure investment to boost NSW economic growth by 0.5% p.a. over the next two years

Operating facilities and respective licenses

Summary of key facilities in NSW & VIC

Processing equipment

| | Facility | Current status | Description | Proposed or existing |
|-----|----------------|---|---------------------------------|----------------------|
| NSW | Auburn | – | Advanced technology | Existing |
| | St Marys | Planning assessment in progress | Advanced technology | Existing |
| | Mortdale | Consent granted | Advanced technology | New |
| | Minto | Planning assessment in progress | Advanced technology | Existing |
| | Banksmeadow | – | Automated sorting & recycling | Existing |
| | Revesby | SEARs request submitted | Advanced technology | New |
| | Kembla Grange | OC granted & development complete | Advanced technology | New |
| | Artarmon | Operational 5 March | Transfer centre | n.a. |
| | Greenacre | Site upgrade underway & nearly complete | Advanced technology | New |
| | Smithfield | – | Brick & concrete crushing plant | n.a. |
| | Tomago | – | Transfer centre | n.a. |
| | Silverwater | EPL application submitted | Transfer centre | n.a. |
| | Patons Lane | Preparatory works commenced | Advanced technology | New |
| | Clayton South | Preparing planning submission | Automated sorting & recycling | Existing |
| VIC | Braeside | Preparing planning submission | Advanced technology | New |
| | West Melbourne | Site upgrade underway | Advanced technology | New |
| | Campbellfield | Operational mid-March | Transfer centre | n.a. |

Note: Helensburgh site currently closed with operations amalgamated to upgraded Kembla Grange site.

Abbreviations: SEARs = Secretary's Environmental Assessment Requirements. OC = Occupancy Certificate. EPL = Environment Protection Licence

Development update

| | Facility | Summary of organic redevelopment | Status update | Expected completion |
|-----------------|-----------------------------|---|---|---------------------|
| New South Wales | St Mary's (Phase II) | <ul style="list-style-type: none"> Combine the existing and neighbouring sites to double the site's current capacity Extension of the existing facility & site office, extension of hardstand areas, in-ground weighbridge and upgrade to road network | Planning Assessment (final stage) | 1H FY19 |
| | Minto | <ul style="list-style-type: none"> Expand the facility and increase throughput capacity Redevelopment of existing site to a fully enclosed facility Proposal includes in-ground weighbridge, substation & site office | Final stage planning assessment. Currently closed pending development | 1H FY19 |
| | Revesby | <ul style="list-style-type: none"> Full redevelopment of existing and neighbouring site Fully enclosed processing and storage facility, new advanced technology recycling plant and equipment, in-ground weighbridges, rooftop solar power system and water recycling | Secretary's Environmental Assessment Requirements (SEARs) request submitted | 1H FY20 |
| | Mortdale | <ul style="list-style-type: none"> Full redevelopment of existing site to include fully enclosed processing and storage facility Proposal includes new advanced recycling plant and equipment together with two in-ground weighbridges | Development consent granted | 1H FY19 |
| | Kembla Grange | <ul style="list-style-type: none"> New advanced recycling plant and equipment New brick and concrete crushing plant | Site upgrade underway | 2H FY18 |
| | Greenacre | <ul style="list-style-type: none"> Internal push walls, new advanced recycling plant and equipment, hard paving, in-ground weighbridges and wheel wash | Opening Mid March 2018 | 2H FY18 |
| | Artarmon | <ul style="list-style-type: none"> Internal push walls, dust suppression systems and signage | Opening 5 March 2018 | 2H FY18 |
| | Patons Lane | <ul style="list-style-type: none"> Bulk earthworks, landfill cell construction, resource recovery facility and associated site infrastructure | Preparatory works commenced | 2H FY19 |
| Victoria | Braeside | <ul style="list-style-type: none"> Expansion and upgrade of the existing facility New advanced recycling plant and equipment and two new in-ground weighbridges | Preparing planning submission | 1H FY19 |
| | West Melbourne | <ul style="list-style-type: none"> Expansion and upgrade of the existing facility New advanced recycling plant and equipment | Site upgrade underway | 2H FY18 |
| | Campbellfield | <ul style="list-style-type: none"> Upgrade of the existing facility | Opening 5 March 2018 | 2H FY18 |

Note: Expected completion for some sites may be contingent on planning approval.
SEARs = Secretary's Environmental Assessment Requirements.

Driving a circular economy

Mixed waste is sorted and separated at Bingo recycling centres to create 14 different materials, five of which currently contribute to our revenue

Bingo's in-house reprocessing capabilities

- **Resource & Recovery Facilities:** Enhanced waste processing and recycling capabilities through the addition of advanced waste processing technologies
- New processing capabilities provide the following benefits:
 - Reduce Bingo's tipping costs
 - Generate additional revenue streams
- **Materials:** Bingo re-processes and re-sells 5 of the 14 waste product streams it processes and diverts most others from landfill (shown to the right)
- **Closing the Loop:** The materials are used by a number of end-markets including civil works / infrastructure projects, landscaping, housing and residential use and is consistent with our sustainability targets (as well as supporting our clients' goals)

