



BELL POTTER

UNEARTHED CONFERENCE 2023

6 February 2023

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THE POWER OF ADVANCED MATERIALS **OUR BUSINESS**

Matrix Composites & Engineering designs, engineers and manufactures composite and advanced materials to:

- Deliver **subsea buoyancy solutions** to the world
- Support growth of the **renewable energy** sector
- Protect key infrastructure with **corrosion resistant coatings**
- Deliver alternative high tech **advanced materials technologies**



STRONGER • LIGHTER • SMARTER

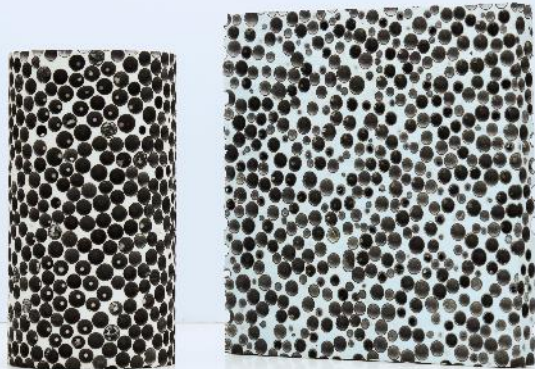
THE POWER OF ADVANCED MATERIALS

SYNTACTIC FOAM. OUR SPECIALITY.

WORLD'S LARGEST MANUFACTURER OF SYNTACTIC FOAM

- Advanced material made of hollow carbon fibre spheres bound together
- Forms a structure which is super light and super strong
- Varying shapes and sizes
- Non corrosive and long lasting
- Alternative to traditional materials including steel, concrete and wood

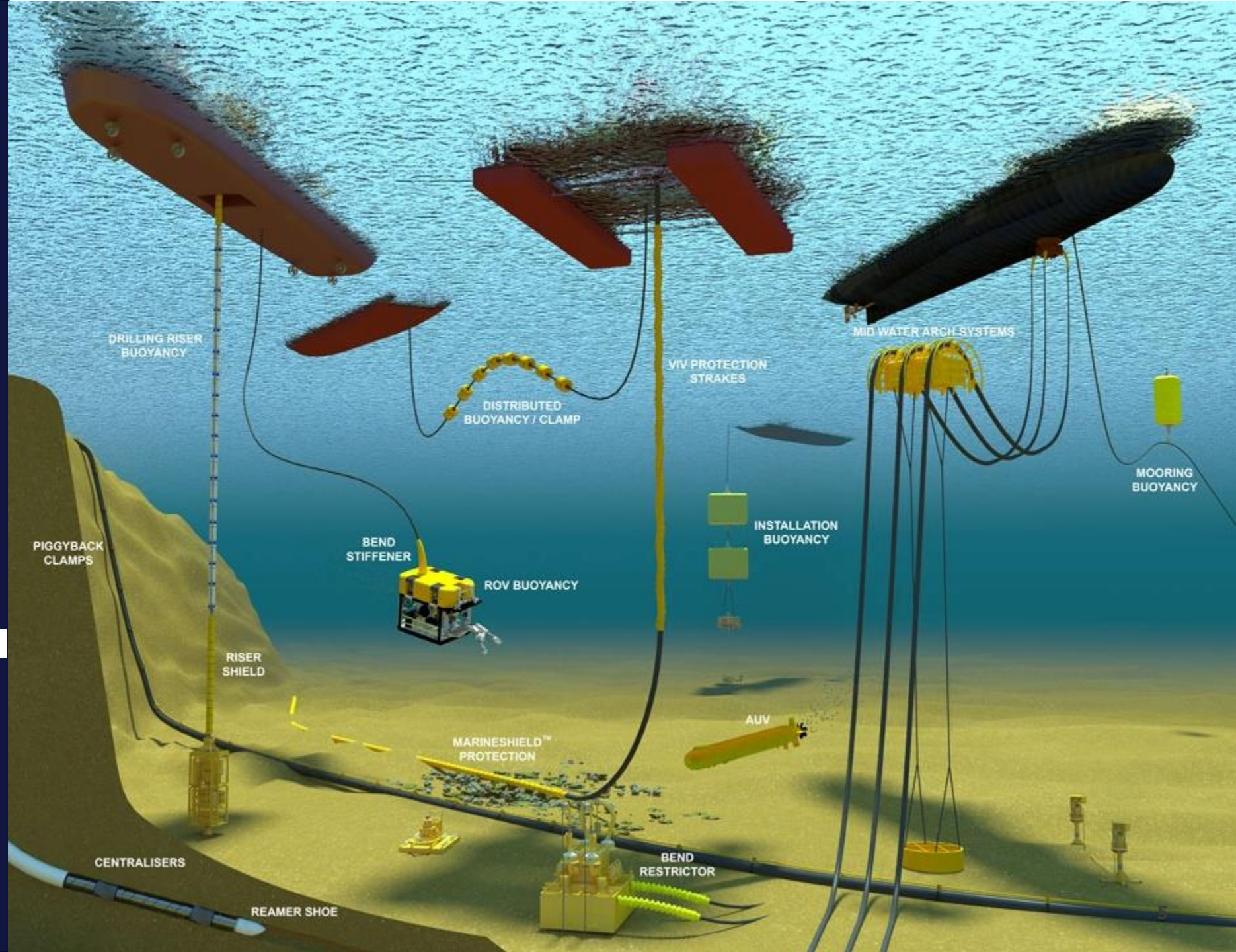
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SYNTACTIC FOAM WHAT IS IT USED FOR?

Core product in our traditional markets

- Matrix has delivered > \$1B of syntactic foam products
- Superior performance to steel



Baker Hughes

ExxonMobil

NOV

NOBLE
100th ANNIVERSARY

SAIPEM

MCDERMOTT

PETROBRAS

CNOOC Limited

Santos

Woodside

Transocean

subsea 7

Chevron

Technip

DIAMOND
OFFSHORE

Shell

VALARIS

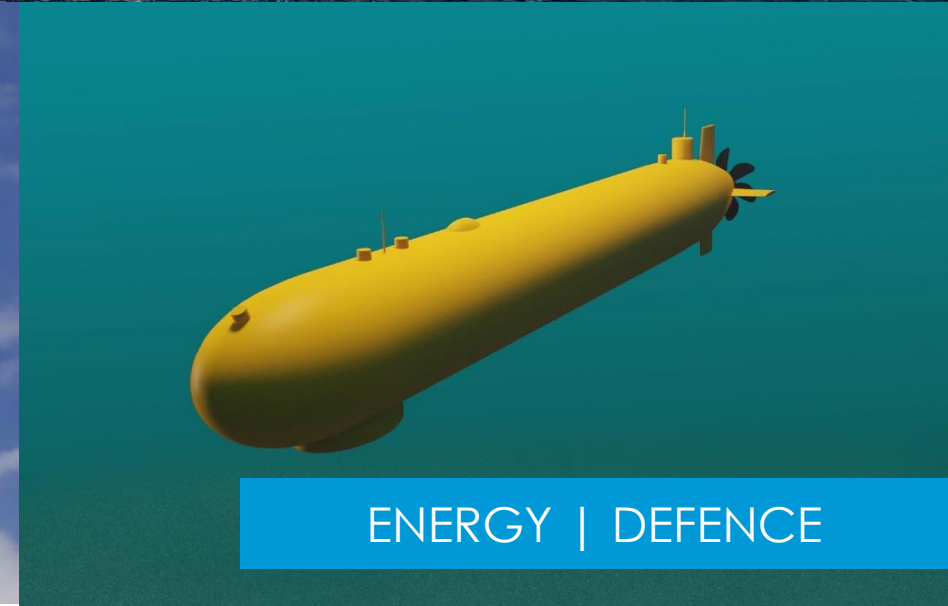
Note: None of the Company's key clients illustrated above have endorsed or made any statement in this presentation.

SYNTACTIC FOAM WHAT IS IT USED FOR?

EXPANDING ENERGY AND DEFENCE MARKETS

- Replacing steel and concrete
- Market potential > \$1 billion
 - 28.7 GW of new floating wind capacity will be added between 2022 and 2031*
 - > 50 hydrogen projects Australia wide**
 - >1,000 AUV/UUVs for the Royal Australian Navy

Data courtesy of: *GWEC Market Intelligence; **AEMC



ENERGY | DEFENCE

COMPANY OVERVIEW

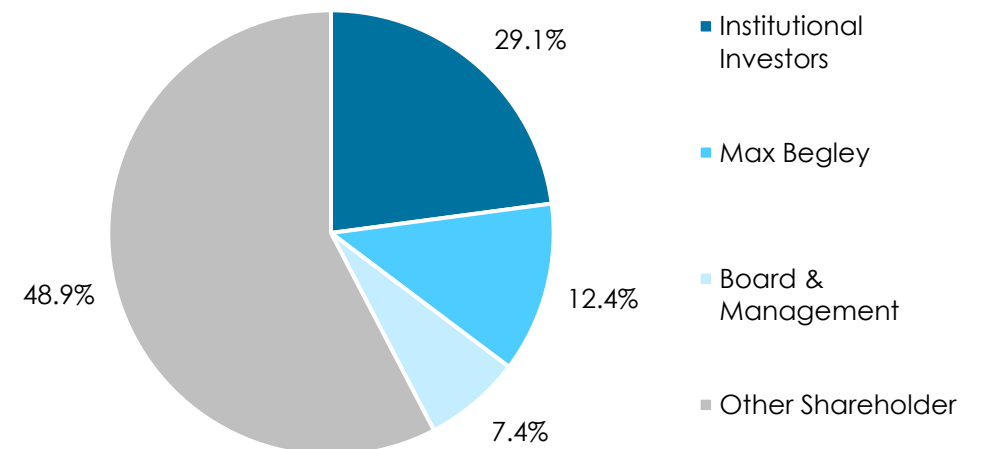
Share Price Performance (Last 12 Months)



Board & Management	
Peter Hood	Non-Executive Chairman
Aaron Begley	Managing Director & CEO
Steven Cole	Non-Executive Director
Craig Duncan	Non-Executive Director
Chris Sutherland	Non-Executive Director
Brendan Cocks	Chief Financial Officer

Capital Structure	
ASX Ticker	MCE
Share Price (03 Feb 23)	\$0.275
Shares on Issue ¹	146.1m
Market Capitalisation ¹	\$40.2m
Cash ²	\$10.5m
Convertible Note Debt	\$7.5m
Enterprise Value	\$37m

Shareholder Breakdown



1. As at 31 Dec 23

2. As at 31 Dec 22, \$3.6m restricted cash (security over Henderson facility)

MATRIX GROWTH OUTLOOK



SET FOR STRONG GROWTH



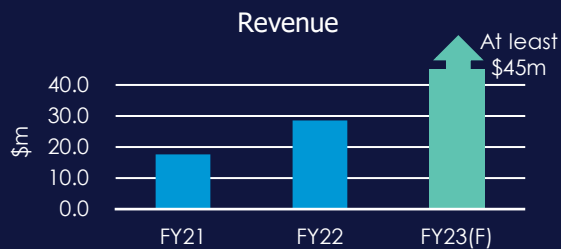
FINANCIAL



OPERATING



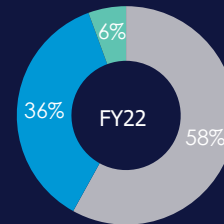
OUTLOOK

- Rebounding traditional energy market, growing corrosion technologies and advanced materials
- Return to positive EBITDA forecast for 2H FY23
- Focused financial management with cash on hand \$10.5m (FY21: \$7.2m) post \$7.5m convertible note raise in Dec 22

- Increasing diversification and sustainable revenue streams

- Subsea Buoyancy
- Corrosion Technology
- Advanced Materials



- Subsea buoyancy up 51% on FY21
- Corrosion technologies 81% growth from FY21
- Key environmental accreditation with ISO 14001 certification

- Significant revenue growth in FY23 underpinned by secured orders, 2H to more than double 1H

- Considerable growth expected to continue in FY24 backed by recent \$44m SURF order

- Increasing activity in offshore oil & gas markets, circa \$80m drilling riser buoyancy and SURF contracts awarded 2H 22

- Corrosion Technologies business pillar is increasing Matrix's exposure to stable, recurring revenue streams

- Advanced materials business broadening into renewables

- Offshore floating wind on radar ~\$50m of recent quotes

THREE BUSINESS PILLARS

CORE TRADITIONAL



SUBSEA

SURF, deep water drilling and well construction. Energy transition opportunity with floating offshore wind

EMERGING



CORROSION TECHNOLOGIES

Growing anti corrosion coating, application equipment and technical services



ADVANCED MATERIALS

High tech composite material solutions for Renewables / Defence / Resources

CONTINUED TO LEVERAGE OUR MATERIALS SCIENCE & ADVANCED MANUFACTURING CAPABILITIES TO BUILD REVENUE ACROSS TRADITIONAL AND THE EXPANDING ENERGY, RESOURCES AND DEFENCE SECTORS

OPERATIONAL STRUCTURE ESTABLISHED TO UNDERPIN LONG-TERM SUSTAINABLE GROWTH ACROSS ALL BUSINESS PILLARS



APPLICATIONS ACROSS OIL & GAS AND RENEWABLES

SUBSEA

To Update

FOCUS

- Buoyancy (syntactic foam) for:
 - Deepwater drilling
 - Subsea umbilicals, risers and flowlines (SURF)
 - Offshore floating wind turbines and infrastructure
- Matrix LGS VIV and drag reduction buoyancy system

MOMENTUM IS BUILDING

- Circa \$80m worth of contracts awarded in 2H 22 (FY23, FY24 projects) – largest order book since 2016
- Increasing market share in SURF market using same processes and capacity as drilling riser buoyancy
 - Recently awarded API17L accreditation
 - Positive qualification status with most major SURF contractors
- New opportunities for floating offshore wind

OUR GROWING QUOTATION PIPELINE



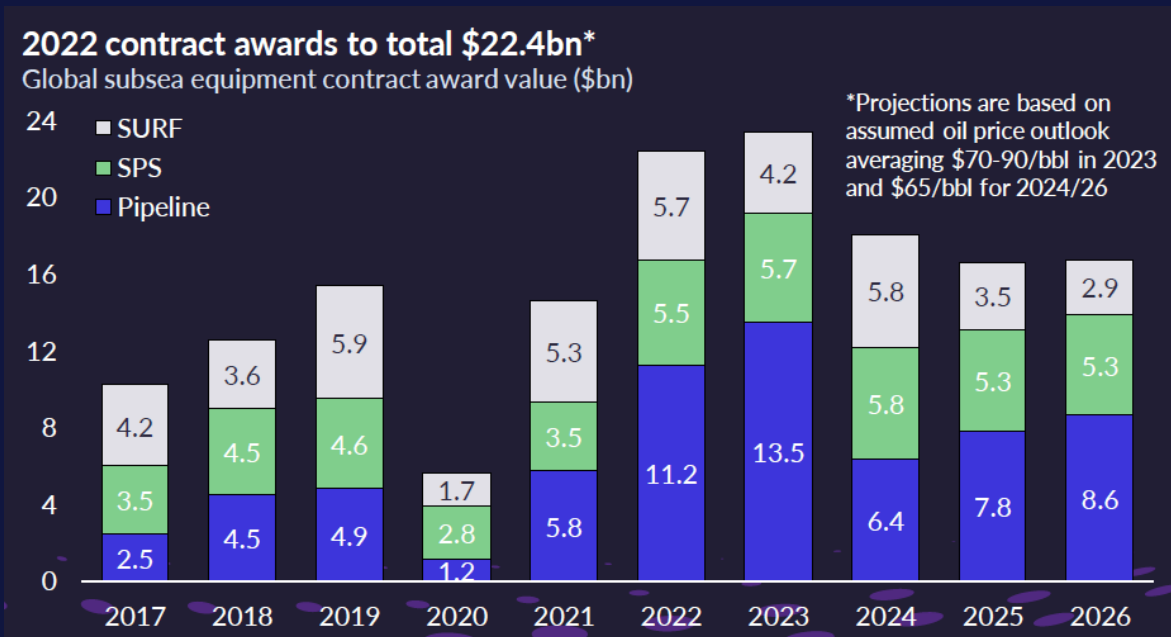
- Bid to Contract opportunities remain strong. Opportunities expected to be decided during next 6 months
- Includes floating wind bids of ~\$50m
- International projects: Petrobras deep water developments; Exxon South America; West Africa Deepwater



APPLICATIONS ACROSS OIL & GAS AND RENEWABLES

SUBSEA

GLOBAL SUBSEA SPEND



Source: Westwood Analysis – SubseaLogix

- Global activity in SURF reflected in recent significant award win, with growing pipeline of opportunities and outstanding quotes.
- Matrix has improved its industry qualification status.
 - Now on approved vendor list for most large EPIC contractors.
 - Received API17L industry qualifications (one of 3 international vendors).
- Revenue and market share expected to grow over coming years.
- Strong lead indicators as global rig utilisation and day rates pick up

SYNTACTIC FOAM: THE FUTURE

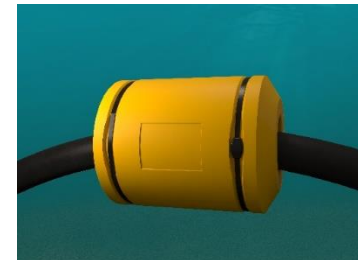
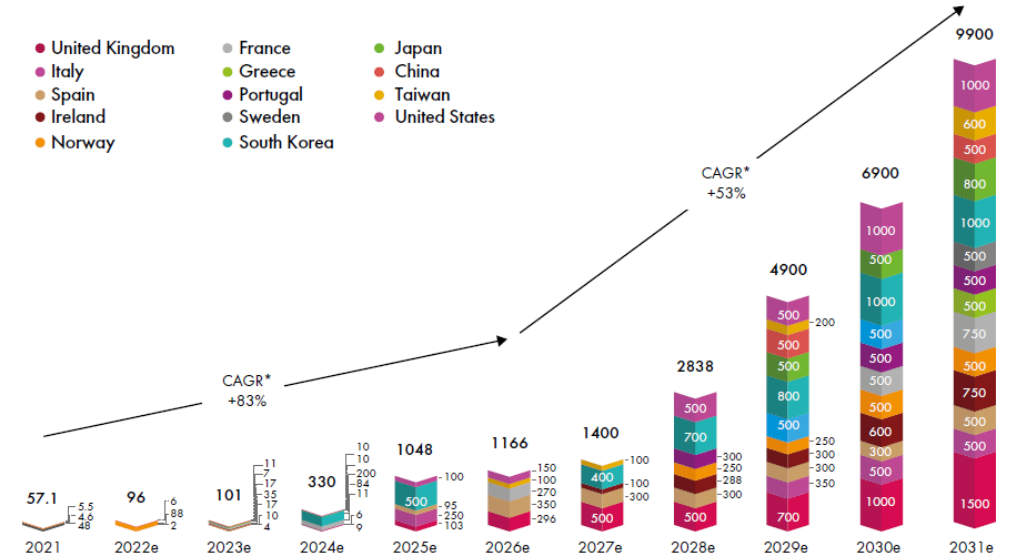
FLOATING OFFSHORE WIND

SUPPORTING ENERGY TRANSITION

- 28.7 GW of new floating wind capacity will be added between 2022 and 2031*
- Predicted to grow to > 264 GW in 2050**
- Growth in regional markets – Japan, Korea and Australia



New floating wind installations, Global (MW)



POWER CABLE BUOYANCY



MOORING BUOYANCY



LARGE STRUCTURES

Data courtesy of: *GWEC Market Intelligence: ** DNV



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CORROSION TECHNOLOGIES

LOCAL RESOURCES SECTOR

- LNG
- Brownfield developments
- Operational maintenance

KEY CLIENTS



Santos



TECHNOLOGY SOLUTIONS

- Humidur® coatings
- Composite repairs
- Equipment
- Rotolining: Thermoplastic lining





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ADVANCED MATERIALS

LOCAL RESOURCES SECTOR

- Iron ore, LNG, Gold
- Hydrogen, Renewables

KEY CLIENTS

FORTESCUE
FUTURE
INDUSTRIES



RioTinto

- Active discussions with other major resource companies

TECHNOLOGY SOLUTIONS

- Steel replacement and advanced composite applications for
 - Mining – ore handling, extraction, processing
 - Renewable energy – high pressure green hydrogen systems, solar applications



STRONG GROWTH OUTLOOK

- FY23 advancing with challenging COVID-19 induced period in rear view, and larger, more diversified pipeline of work evident
- Increasing activity in subsea markets, ~\$80m in recent drilling riser buoyancy, SURF contracts
- Floating wind opportunities being pursued – recent quotes total ~ \$50m
- Corrosion Technologies business growing, increasing Matrix’s exposure to stable, recurring revenue streams
- Advanced materials business enhancing diversification in energy, resources and broadening into clean energy renewables
- **Significant revenue growth locked in for FY23, with year-to-date revenue and secured orders currently at ~\$45m (FY22: \$28.6m), further orders being pursued**
- **Further revenue growth expected in FY24 underpinned by recent ~\$44m SURF order to commence manufacture Q1 FY24, and strong quotation pipeline**





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