



2023 FULL YEAR RESULTS PRESENTATION

Aaron Begley - CEO
Brendan Cocks - CFO

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THE POWER OF ADVANCED MATERIALS

MATRIX'S GROWTH PROPOSITION



Strong revenue expansion delivered; future growth secured



Recurrent accretive revenue via Corrosion Technologies sustainment work



Strengthening subsea market, capitalising on oil & gas recovery



Rising level of renewable, clean energy work with increasing opportunities



High-class manufacturing plant with world's largest syntactic foam production capacity



Funded for growth and ramp up in activity across energy and resources



Matrix designs, engineers, 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**

STRONG GROWTH MOMENTUM



FINANCIAL GROWTH

- Revenue \$47.2m up 65% on FY22.
- Strong 2H23 around 3x 1H23 revenue, busiest the plant has been since 2016.
- Return to operating profit, underlying EBITDA \$0.2m, incl. \$2.5m 2H23.
- NPAT \$8.7m incl. \$15.8m reversal of prior asset impairments, given positive market outlook.
- Strengthened financial position with cash on hand \$20.0m (30 Aug 23 cash: ~\$23.5m).



OPERATIONAL

- Subsea buoyancy revenue more than double FY22.
- Offshore oil & gas market active, +\$80 m drilling riser buoyancy, SURF contracts awarded since June 22.
- Corrosion Technologies ~20% of Matrix revenue with stable, recurring activity.
- Advanced materials product development with local major companies.



OUTLOOK

- Growth trajectory to continue in FY24.
- Secured revenue for FY24 from Subsea business already at ~\$55m. Demonstrated recurring revenue in Corrosion Technologies and Advanced Materials of +\$10m p.a.
- Strong Subsea order book with active quotation pipeline. Material opportunities add significantly to FY24 and build FY25 base.
- Corrosion Technologies deepening reach into energy, resources markets and Advanced Materials clean energy emerging.
- New offshore floating wind opportunities.



FY23
FINANCIAL RESULTS
CFO – BRENDAN COCKS

KEY FINANCIAL METRICS

		FY23	FY22
Revenue	\$m	47.2	28.6
Underlying EBITDA ¹	\$m	0.2	(2.3)
EBITDA	\$m	14.3	(0.1)
Net profit/(loss) after tax	\$m	8.7	(4.8)
Operating cash flow	\$m	(9.1)	(4.1)
		30 Jun 23	30 Jun 22
Gross cash ²	\$m	20.0	7.6
Net cash/(debt)	\$m	11.2	7.6
Employees		133	90

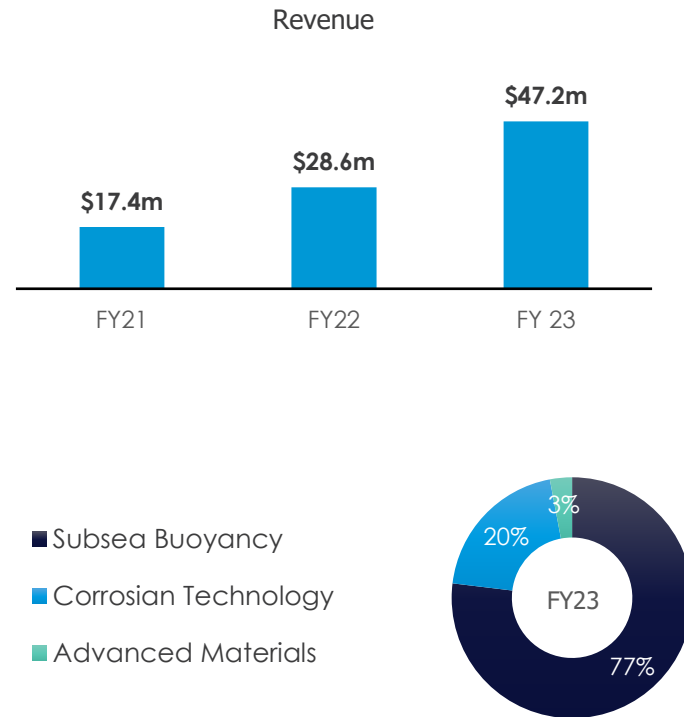
- Strong **revenue growth up 65%** on FY22.
- Increased activity in traditional oil & gas market gaining traction.
- Return to profit with **underlying EBITDA of \$2.5m in 2H FY23**.
- Reported net profit after tax recognises \$15.8m reversal of prior asset impairments resulting from uplifted market outlook.
- Operating cash flow reflects timing of receipt of milestone payments for large contracts. Substantial payments for projects near completion at 30 June to be received by October 23.
- June 23 Gross cash \$20.0m (Current cash 30 Aug: ~\$23.5m).
- **Robust cash position** supporting investment in opportunity pipeline.

Note: figures may not add up due to rounding.

¹ Underlying EBITDA FY23 excludes foreign exchange (FX) loss \$0.4m, 1H impairment reversal of \$15.8m and non-cash fair value accounting adjustment of \$1.3m. Prior period FY22 excludes FX gain \$0.7m and Asset Retirement obligation reduction \$1.5m.

² Gross Cash includes Cash and Term deposits

STRONG REVENUE GROWTH



- Revenue growth momentum underpinned by strengthening oil & gas market.
- Significant recent uplift with **second half FY23 up 100%** on full year FY21 and **up 23%** on full year FY22.
- Subsea buoyancy more than double to \$36.4m in FY23, with strengthening riser buoyancy and growing SURF demand.
- Corrosion Technologies of \$9.5m providing substantial steady opex based revenue.
- Advanced Materials continuing to emerge at \$1.4m FY23.
- Diversified revenue base, including core stable and recurring revenue streams.

BALANCE SHEET

\$m	30 Jun 23	30 Jun 22
Cash and Term Deposits	20.0	7.6
Trade and other receivables	21.7	3.5
Inventory	5.9	6.5
Other assets	0.8	0.4
Current Assets	48.4	18.0
Property, plant & equipment	14.1	6.8
Intangible and right-of-use assets	16.3	8.4
Prepayments	1.1	-
Total Assets	79.9	33.2
Trade payables	4.0	2.4
Progress claims & deposits	8.5	0.5
Other	3.1	2.3
Current liabilities	15.6	5.2
Financial and lease liabilities	25.9	26.7
Convertible note	8.8	-
Provisions & Asset Retirement Obligation	2.7	2.6
Total Equity	26.8	(1.3)
Net cash/(debt)	11.2	7.6
Net working capital	15.1	7.1

Note: figures may not add up due to rounding.

- Significantly strengthened balance sheet supporting ramp up in activity and opportunity pipeline.
- Increased cash balance, including successful \$20.2m equity raising completed Mar '23.
- Higher trade receivables on increased work and timing of receipts post 30 June, impacting working capital position.
- Increased PPE and right-of-use assets relate to Henderson advanced manufacturing facility, including \$15.8m partial reversal of prior asset impairments (\$51m in FY20 and FY21). Matrix still owns all plant and equipment at Henderson facility.
- Higher progress claims reflecting early-stage milestones on major contract.
- Convertible note issue Dec '22 to support fulfilment of recently awarded contracts and provide working capital flexibility.
- Other assets principally comprise prepaid interest on convertible note.
- Lease liability relates to Henderson facility recognised under AASB16.

CASH FLOW FROM OPERATIONS

\$m	FY23	FY22
Underlying EBITDA /(Loss)	0.2	(2.3)
Receivables	(18.2)	1.8
Trade Payables	1.6	(0.6)
Inventory	0.6	0.1
Deposits / Progress Billing	8.0	(1.8)
Other	(1.3)	(1.3)
Cash from Operations	(9.1)	(4.1)
Capital expenditure (incl. R&D)	(2.5)	(1.5)
Proceeds issue of shares	19.1	6.5
Proceeds issue of convertible note (net interest paid)	5.5	-
Repayment lease liabilities	(0.6)	(0.5)
Net Change in Cash	12.4	0.4
Closing Cash¹	20.0	7.6

- Operating cash outflow largely second half driven from higher working capital to support increased order book into FY24.
- Key impact of spike in trade debtors and timing of receipts - in excess of \$10m received post year end and material milestone receipts due in Sept and Oct 23.
- Higher deposits received in advance with ramp-up in subsea buoyancy projects.
- Capital raisings to support growth phase, new projects in recovering oil & gas market, and emerging Corrosion Technologies and Advanced Materials.
- Continued focus on prudent cash flow and capital management.

Note: figures may not add up due to rounding.

¹ Closing cash includes cash and Term deposits



MATRIX OUTLOOK GROWTH

CEO – AARON BEGLEY

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

Advanced 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



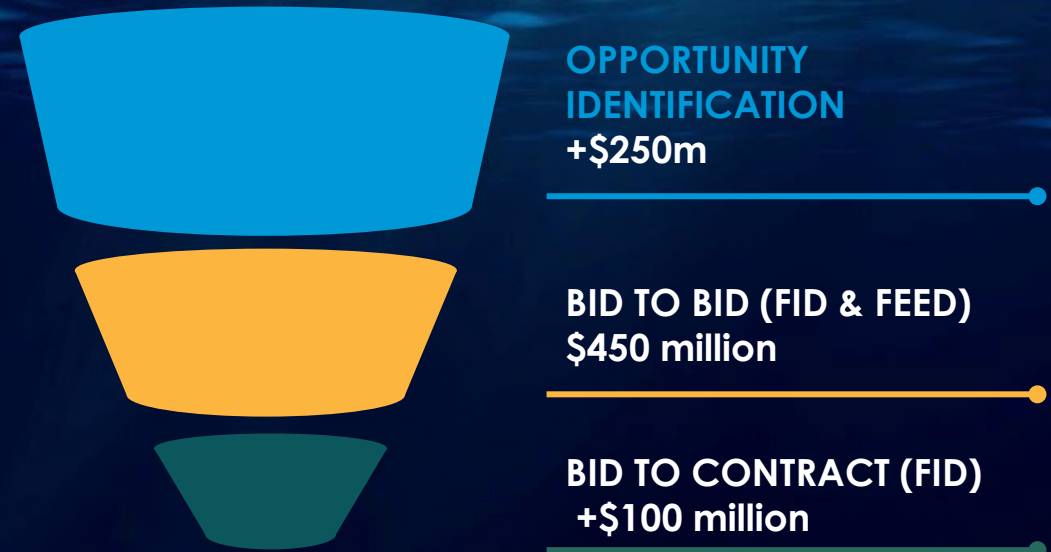
APPLICATIONS ACROSS OIL & GAS AND RENEWABLES

SUBSEA

FOCUS – MOMENTUM BUILDING

- Buoyancy (syntactic foam) for:
 - Deepwater drilling
 - Subsea umbilicals, risers and flowlines (SURF)
 - Offshore floating wind turbines and infrastructure
- +\$80m worth of contracts awarded since June 22 (FY23, FY24 projects)
- No major opportunities lost since March 23 update. Opportunities currently live for near term awards that would materially benefit FY24.

OUR GROWING QUOTATION PIPELINE



KEY CLIENTS





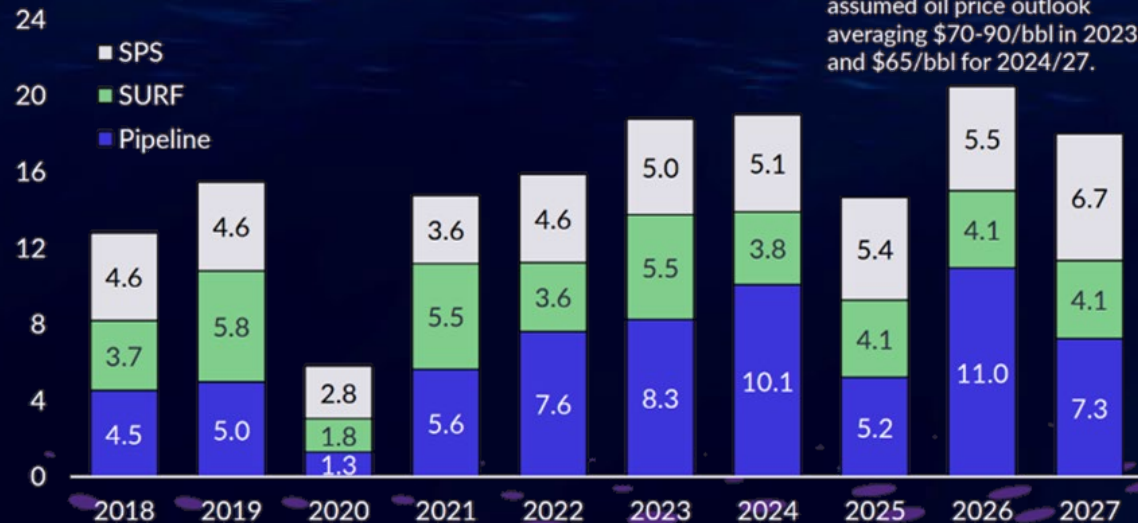
APPLICATIONS ACROSS OIL & GAS AND RENEWABLES

SUBSEA

FOCUS – MOMENTUM BUILDING

2023 contract awards to total \$19bn*

Global subsea equipment contract award value (\$bn)

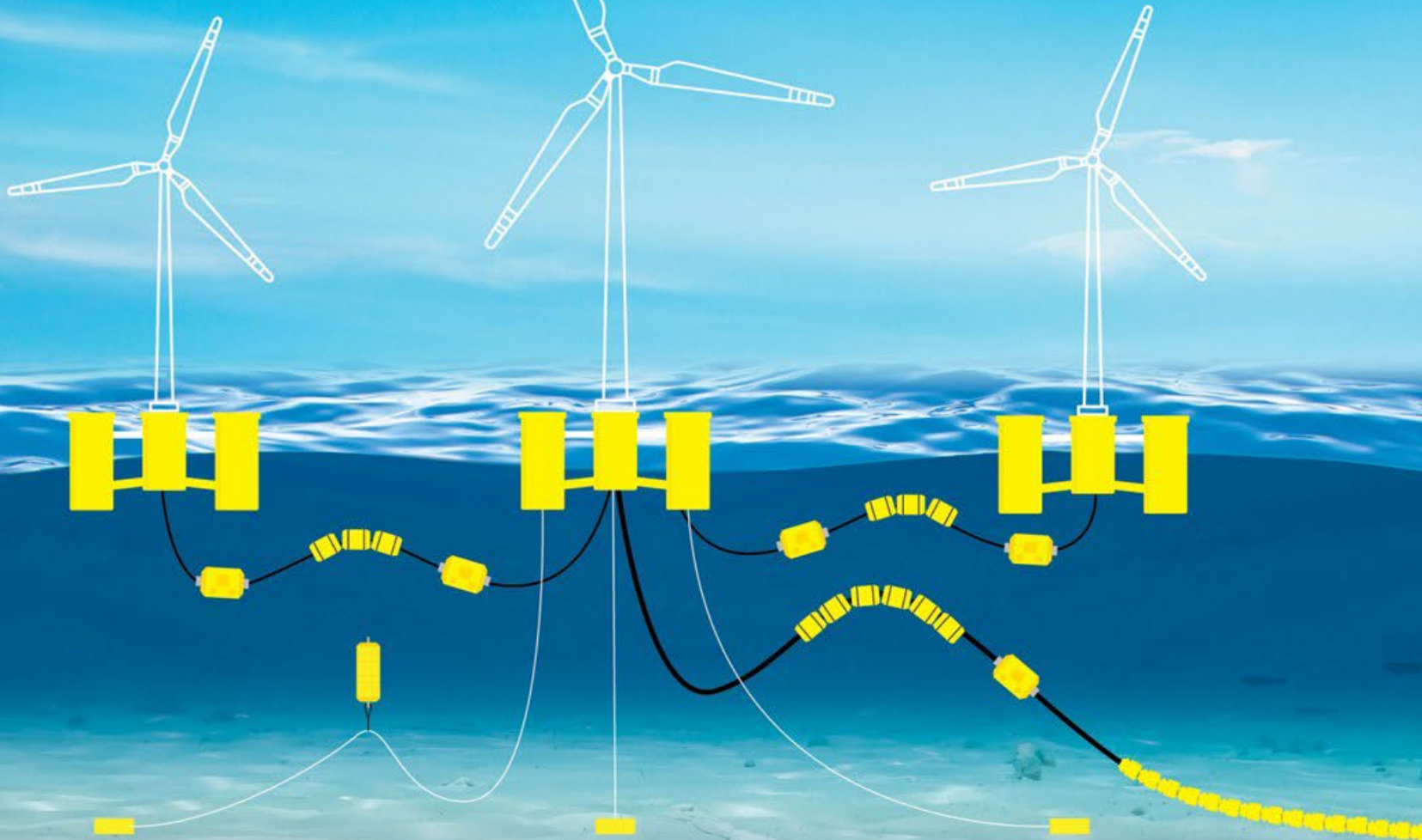


Source: Westwood Analysis – SubseaLogix

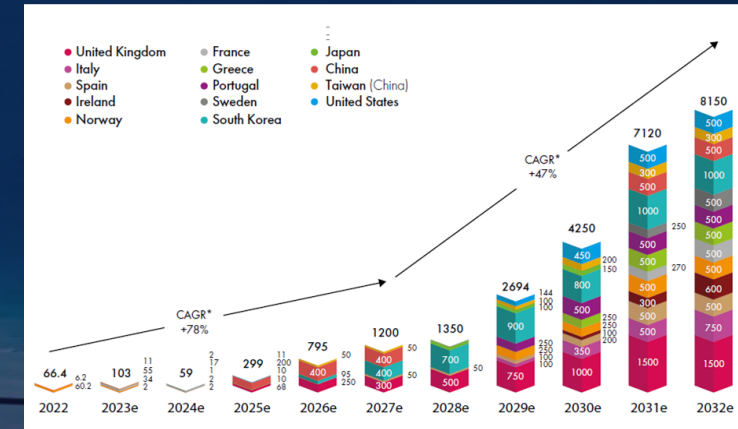
- Strong industry forecast out to 2027. With 1 to 2 year lag between Primary contract award and Matrix buoyancy scope production, expectation is SURF buoyancy market will be strong for the rest of the decade.
- Matrix has established footprint for industry qualification status
 - Approved vendor list with large EPIC contractors.
 - API17L industry qualifications (one of 3 international vendors).
- Revenue and market share growing building a solid track record in the SURF market.

SYNTACTIC FOAM: SUPPORTING ENERGY TRANSITION

FLOATING OFFSHORE WIND



- 26.1 GW of new floating wind capacity to be added between 2022 and 2032
- Global GW CAGR of +78% forecast to 2027, then +47% to 2032
- Growth anticipated to begin in 2024
- Growth in regional markets



Data courtesy GWEC Market Intelligence, July 2023



STRONGER • LIGHTER • SMARTER

CORROSION TECHNOLOGIES

TECHNOLOGY SOLUTIONS

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

LOCAL RESOURCES SECTOR

- LNG
- Brownfield developments
- Operational maintenance

KEY CLIENTS

- Woodside, Impex, Rio Tinto, Alcoa





STRONGER • LIGHTER • SMARTER

ADVANCED MATERIALS

TECHNOLOGY SOLUTIONS

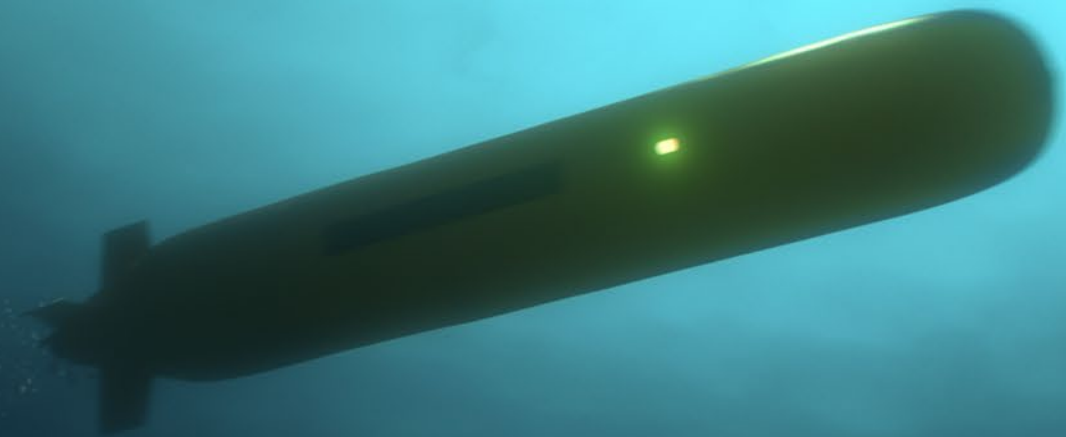
- Syntactic foam for Unmanned Underwater Vehicles
- Steel replaced and advanced composites applications
- Development and supply of manufactured components for electrolyser production

AUSTRALIAN INDUSTRY SECTORS

- Defence
- Resources: Iron ore, LNG, Gold
- Energy Transition: Hydrogen, Solar, Wind

KEY CLIENTS

- Fortescue Energy, Rio Tinto, Defence Contractors



FY24 GROWTH OUTLOOK

- Strong base of ~\$55m secured revenue for FY24 already in place from Subsea business alone.
- Expected recurring revenue from Corrosion Technologies and Advanced Materials of +\$10m p.a. with opportunity to grow.
- High activity in Subsea markets and active quotation pipeline. Near term opportunities remain to significantly add to FY24 order book.
- New floating wind opportunities add to prospective pipeline, but likely over 3 to 5 years.
- Extending reach of Corrosion Technologies into energy and resources markets with recurring revenue.
- Continued emergence of Advanced Materials into clean energy renewables.
- Momentum building in defence opportunities.
- **Matrix strong growth trajectory to continue for FY24.**





CONTACT

Aaron Begley
Chief Executive Officer
T +61 8 9412 1200
E: aaron.begley@matrixengineered.com

Brendan Cocks
Chief Financial Officer
T +61 8 9412 1200
E: brendan.cocks@matrixengineered.com

WWW.MATRIXENGINEERED.COM

