

Euroz Hartleys Industrial Forum



November 2023
Paddy Gregg, Chief Executive Officer



FY2023 Full Year - Key Facts




\$1,585 M
REVENUE


\$11.6 B
ORDER BOOK
(with OPC &
TAGOS options)


40
SHIPS SCHEDULED OR
UNDER CONSTRUCTION


9
SHIPS
DELIVERED


4,300
EMPLOYEES



**5 SHIPYARDS
IN 4 COUNTRIES**



**8 SERVICE CENTRES
IN 5 COUNTRIES**


60
VESSELS UNDER
SUSTAINMENT
CONTRACTS

1. Revenue has grown from last year and we expect this to continue based on orders won
2. T-AGOS win adds to the record orderbook at AUSA
3. AUSA and Australasia achieved delivery of 9 ships in FY2023 (USA - LCS 32 & 34 and EPF 13 whilst AUS - ECCPB 12 -15, Mols 2 and Aremiti)
4. Our service and support business continues to grow, and San Diego floating dock has arrived
5. We are now up to 8 service centres worldwide, with 60 vessels under sustainment contracts
6. Employee headcount globally is ~4,300
7. EPF 14&15, 2 LCS, 5 TATS, AFDM, OUSV 3, 3 CCPB & 7 GCPB (21), add scheduled (19) – EPF16, 7 TAGOS and 11 Cutters = 40 vessels scheduled or under construction

Expanding Shipbuilding

USA

1. Execute & expand - LCS, EPF, EMS, T-ATS, OPC, AFDM, LCU, OUSV 3, T-AGOS
 1. Continue to invest on the back of order book (up to \$11.6bn including unexercised options) and future opportunities
2. New program targets - EPF VLS, FFG FY, LUSV, MUSV, NGLS, LAW, AS(X), DDG(X), S72, MAST 13
3. Team with other shipbuilders as a major subcontractor; Why?
 - Leads to new gov. funding/grant pools
 - Expands our capabilities & offerings
 - Increases % wins for new core programs
 - Adds volume lowers our cost - increasing EBIT
 - Creates Service expansion opportunities
 - Greater stability for the business

Australia

1. Continue to build and evolve the Cape Class design and capability & partner with others to be the Sovereign shipbuilder
2. DSR positively received; "enhanced sovereign defence industrial capacity", "a national industrial base with a capacity to scale", "It is essential to immediately accelerate the acquisition of LAND 8710 Phases 1-2 - Army Littoral Manoeuvre Vessels (Landing Craft Medium and Heavy) and expand the scope of this capability", "Government reaffirm its commitment to continuous naval shipbuilding."
3. Need to win work and we are awaiting outcome of surface fleet review

1. We have spent the last 2 years growing the order book and bringing diversity of programmes to the business. Just won LCU as per ASX announcement
2. Not only are we looking broadly on programmes we are looking further into the future through funded design studies
3. In the past we have looked to exclusively prime shipbuilding contracts; we are now working with partners as a major subcontractor
4. We believe we are well placed for a positive, long-term outlook in the Australian Defence Strategic review based on our delivery performance

Shipbuilding Contracts



Significant growth in potential orderbook to c.\$11.6bn

Future Opportunities



Light Amphibious Warship



Future Frigate



Australian ILMV
for the Australian Army



Australian Corvette



Large Unmanned Surface Vessel



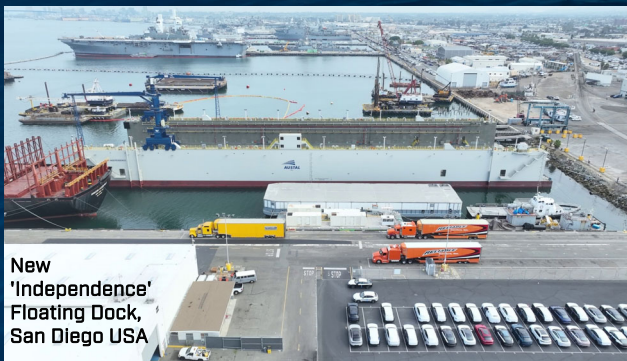
Heavy Landing Craft



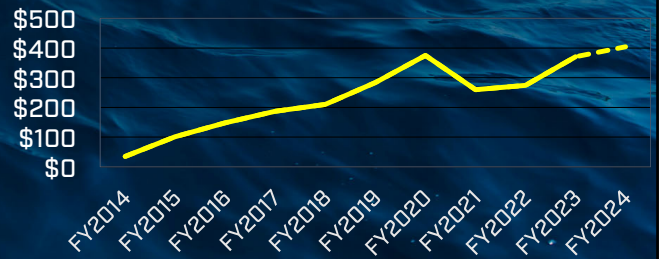
Opportunity to partner in Henderson

There are numerous programmes that we are bidding for in the US and Australia, with a broader and deeper pipeline.

Support Growing in line with \$500m target in FY27



Support Revenue \$m



1. We have a target to grow our support business to \$500m by FY27. This was impacted by Covid but these results show we are on track
2. Australia support growing as we deliver more ECAPES into service
3. San Diego, USA and had a successful grand opening in February
4. The floating dock "Independence" has arrived in San Diego and is being commissioned, allowing us to increase revenue

AUKUS



- Submarine Modules
- Autonomy
- Additive manufacturing
- Training people
- Service work
- Common platforms

US Navy LUSV Design



Saildrone Surveyor



USNS Apalachicola (EPF13) – first EPF & largest US Navy surface ship with autonomous capability

1. Austal believes AUKUS will be a great opportunity going forward
2. Pillar 1 is all about Nuclear Submarines and we have started building modules in Mobile with opportunity to grow that work
3. We are working in Autonomy in both the US and Australia
4. We are investing in additive manufacture in the US to make submarine components
5. We have identified opportunities for future work in the UK, completing the tri party opportunities

Strategic Outlook

1. Execute the orderbook in the US
2. Resolve T-ATS challenges
 - Successful REA would deliver future improved earnings
3. Continue to seek resolution with US Department of Justice
4. Significant success in winning steel work with orderbook ~\$11.6 billion (OPC & T-AGOS options included). Need to do the same in Australasia
5. AUKUS and Australian Defence Strategic Review to provide a clear route ahead and future opportunities for Austal
6. Significant growth opportunities through new vessel programs, expansion of existing programs, and more sub-contracts for larger build programs
7. We continue to invest to build capability and opportunity to grow



8

DOJ - has still only taken formal action against individuals but the potential for action against the company has not gone away despite ongoing engagement. We'll continue to seek to negotiate the best outcome possible in order to put the matter (which dates back to before 2016) behind us.

Disclaimer

Paddy Gregg, Chief Executive Officer

Telephone: +61 8 9410 1111

For further information visit www.austal.com

Disclaimer

This presentation and any oral presentation accompanying it has been prepared by Austal Limited ("Austal"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in Austal or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in Austal will be entered into on the basis of this presentation.

Our presentation contains "forward-looking" statements or projections based on current expectations. These statements are not guarantees of future performance and are subject to risks and uncertainties. Key risks are set out in the Company's Corporate Governance Statement and published on its website – they include – but are not limited to – impacts to US programs, the availability of US government funding due to budgetary or debt ceiling constraints; changes in customer priorities or their ability to meet contractual requirements, additional costs or schedule revisions. There are also broader risks to the enterprise such as cyber security, HSEQ incidents, product liability, unexpected impact of regulatory investigations and material unexpected changes to the Company's financing arrangements. Austal's expansion in Asia also naturally brings with it a number of risks that are typical when entering new jurisdictions or expanding in others. Actual results may also effect the capitalization changes on earnings per share; the allowability of costs under government cost accounting divestitures or joint ventures; the timing and availability of future impact of acquisitions; the timing and availability of future government awards; economic, business and regulatory conditions and other factors. We disclaim any duty to update forward looking statements to reflect new developments.

Accordingly, to the maximum extent permitted by applicable laws, Austal makes no representation and can give no assurance, guarantee or warrant, express or implied, as to, and takes no responsibility and assumes no liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission, from any information, statement or opinion contained in this presentation.

You should not act or refrain from acting in reliance on this presentation material. This overview of Austal does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of Austal's prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.



End

ASX:ASB
austal.com

