



EUROZ HARTLEYS

INDUSTRIAL FORUM

20 November 2024

WWW.MATRIXENGINEERED.COM



DISCLAIMER

Important information: The following notice and disclaimer applies to this investor presentation issued by Matrix Composites & Engineering Ltd (the Company). You are advised to read these disclaimers carefully before reading or making any other use of this presentation or information contained in this presentation. By attending or otherwise accessing this presentation, you represent and warrant that you are entitled to receive this Presentation in accordance with its terms and the restrictions set out herein and agree to the limitations contained within.

Reliance on third party information: The information and views expressed in this presentation were prepared by the Company and may contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of any public, third party or market information.

Presentation is a summary only: This presentation is information in a summary form only and does not purport to be complete. It should be read in conjunction with the Company's 2024 Full Year Accounts and all other periodic and continuous disclosure lodged by the Company with the ASX, which is available at www.asx.com.au. Any information or opinions expressed in this presentation are subject to change without notice. Reliance should not be placed on information or opinions contained in this presentation and, subject only to any legal obligation to do so, the Company will not update or keep current the information contained within this presentation.

Not investment advice: This presentation is not intended and should not be considered to be the giving of investment advice by the Company or any of its shareholders, directors, officers, agents, employees or advisers. The information provided in this presentation has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs. Each party to whom this presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary.

No offer of securities: Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell Company securities in any jurisdiction. In particular this presentation does not include an offer to, and is not for publication or distribution in, the United States of America and its territories or possessions, including to any US person within the meaning of Regulation S of the United States Securities Act of 1933.

Forward looking statements: This presentation may include forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, these statements are not guarantees or predictions of future performance, and involve both known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. As a result, actual results or developments may differ materially from those expressed in the statements contained in this presentation. Investors are cautioned that statements contained in the presentation are not guarantees or projections of future performance and actual results or developments may differ materially from those projected in forward-looking statements.

Investment risk: An investment in Matrix shares is subject to known risks, and also unknown risks, any of which are beyond the control of the Company. These risks include, among others, counterparty contractual compliance, currency fluctuations, economic and financial market conditions in various territories and regions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals and cost estimates. The Company does not guarantee any particular rate of return or performance of the Company.

No liability: To the maximum extent permitted by law, neither the Company nor its related bodies corporate, directors, employees or agents, nor any other person, accepts any liability, including without limitation any liability arising from fault or negligence, for any direct, indirect or consequential loss arising from the use of this presentation or its contents or otherwise arising in connection with it.

THE POWER OF ADVANCED MATERIALS

MATRIX – A GROWTH BUSINESS

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 revenue expansion delivered, growth trajectory



Recurrent accretive revenue via Corrosion Technologies sustainment work



Strengthening subsea market, active quotation pipeline



Advanced materials emerging, rising level of defence, renewable, clean energy work

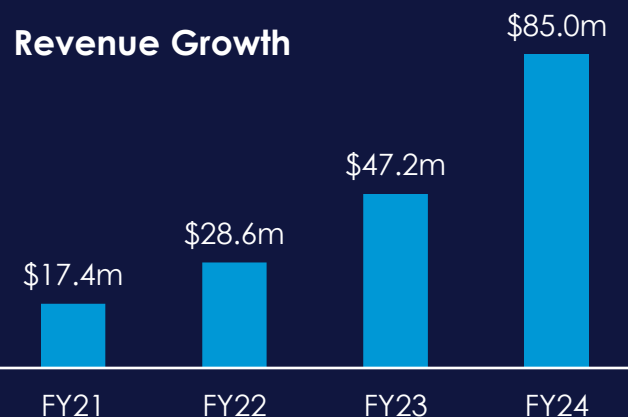


State of the art manufacturing plant, world's largest syntactic foam production capacity

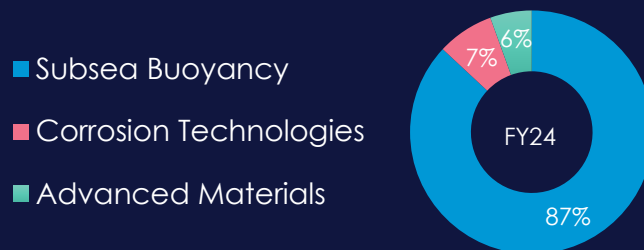


Funded for growth in activity across energy and resources

FY24 – CONTINUES STRONG MOMENTUM



Revenue Contribution



FY24 RESULTS

Revenue

\$85.0m ▲ 80%

Underlying EBITDA ¹

\$11.0m ▲ from \$0.2m

Underlying EBITDA Margin

12.9% ▲ from 0.2%
 18.0% margin 2H FY24

Net Profit After Tax

\$3.6m ▼ from \$8.7m ²

Operating Cash Flow

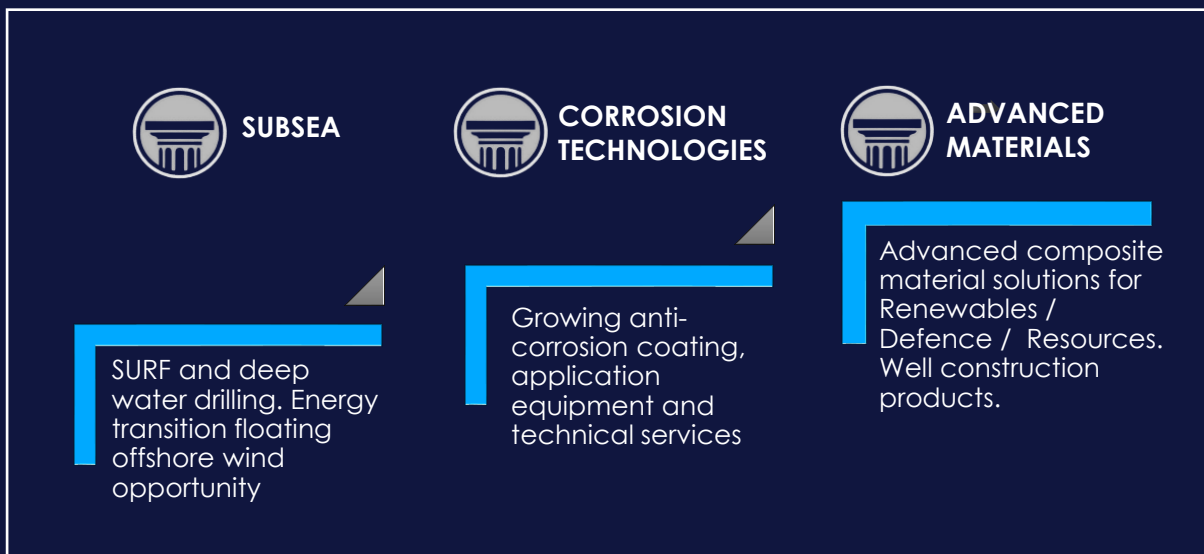
\$10.9m ▲ from (\$9.1m)

Net Cash

\$14.4m ▲ 29%

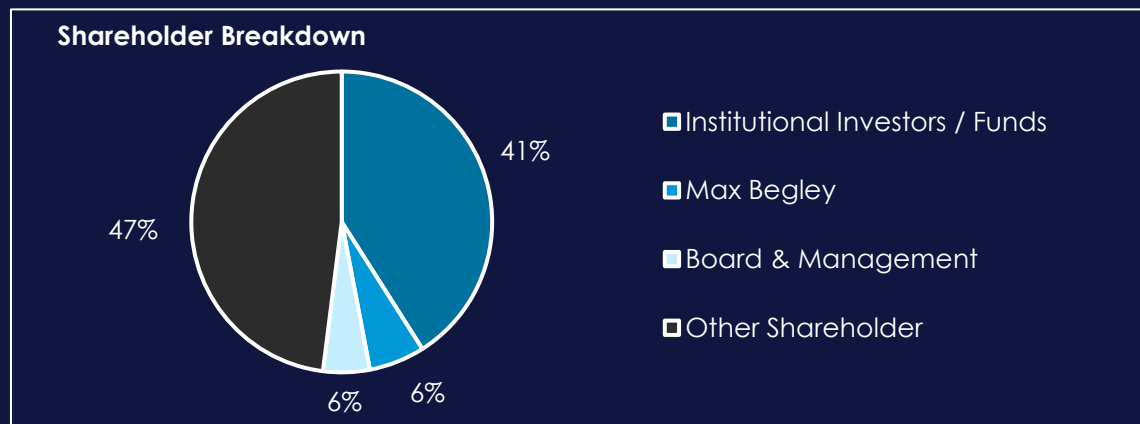
- Underlying EBITDA FY24 excludes FX loss \$0.7m and non-cash fair value (FV) accounting gain of \$0.6m. FY23 excludes FX loss \$0.4m, non-cash FV accounting loss \$1.3m and impairment reversal of \$15.8m.
- FY23 boosted by \$15.8m reversal of prior period asset impairments from uplifted market outlook.

COMPANY OVERVIEW



Capital Structure	
ASX Ticker	MCE
Share Price (19 Nov 24)	\$0.24
Shares on Issue ¹	223.81m
Market Capitalisation ¹	\$53.7m
Cash ²	\$23.3m
Convertible Note Debt ²	\$8.9m
Enterprise Value ²	\$39.3m

Board & Management	
Peter Hood	Non-Executive Chairman
Aaron Begley	Managing Director & CEO
Brendan Cocks	Executive Director & CFO
Steven Cole	Non-Executive Director
Chris Sutherland	Non-Executive Director
Alison Terry	Non-Executive Director

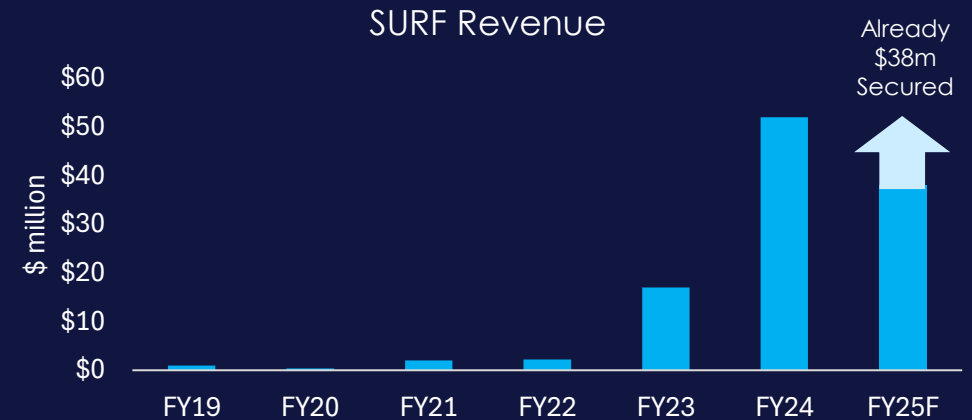


1. As at 19 Nov 24
 2. Cash and Debt as at 30 June 24

MOMENTUM BUILDING SUBSEA PRODUCTION (SURF)

STRONG SURF MARKET PENETRATION

- FY23 turning point for Matrix presence in global SURF Market
- \$100m secured across 3 projects in recent years, including \$5m of variations this year
- In negotiations for further projects of similar scale being pursued for FY25 production and future growth.
- Further Growth and another record year expected in FY25 for SURF



MOMENTUM BUILDING SUBSEA PRODUCTION (SURF)

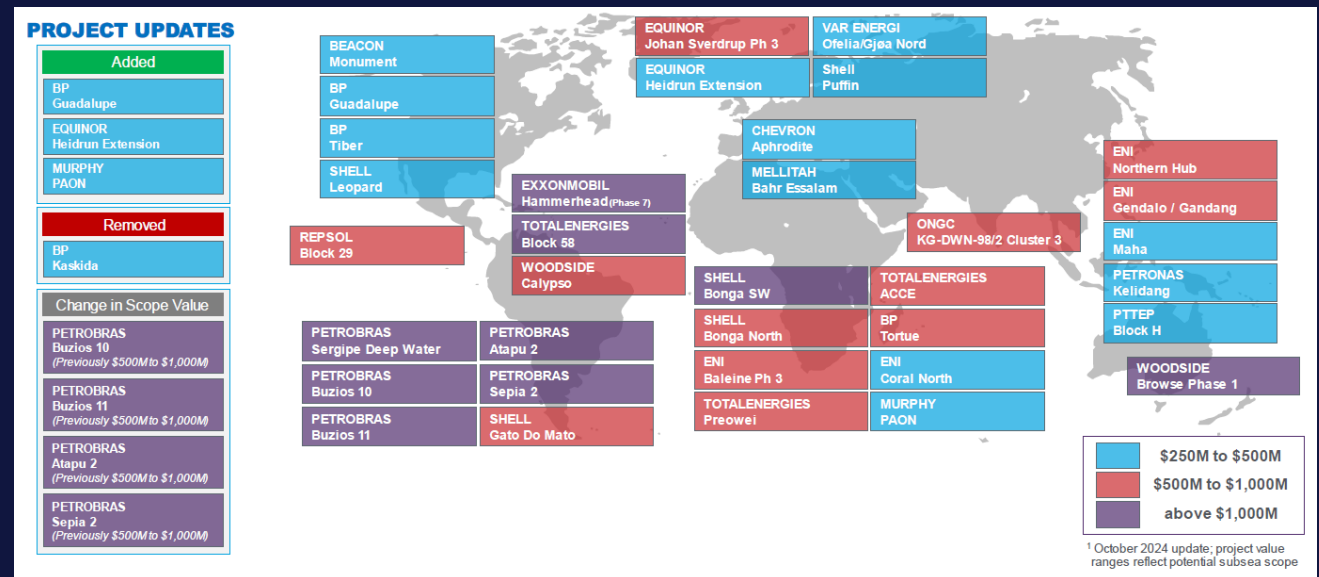
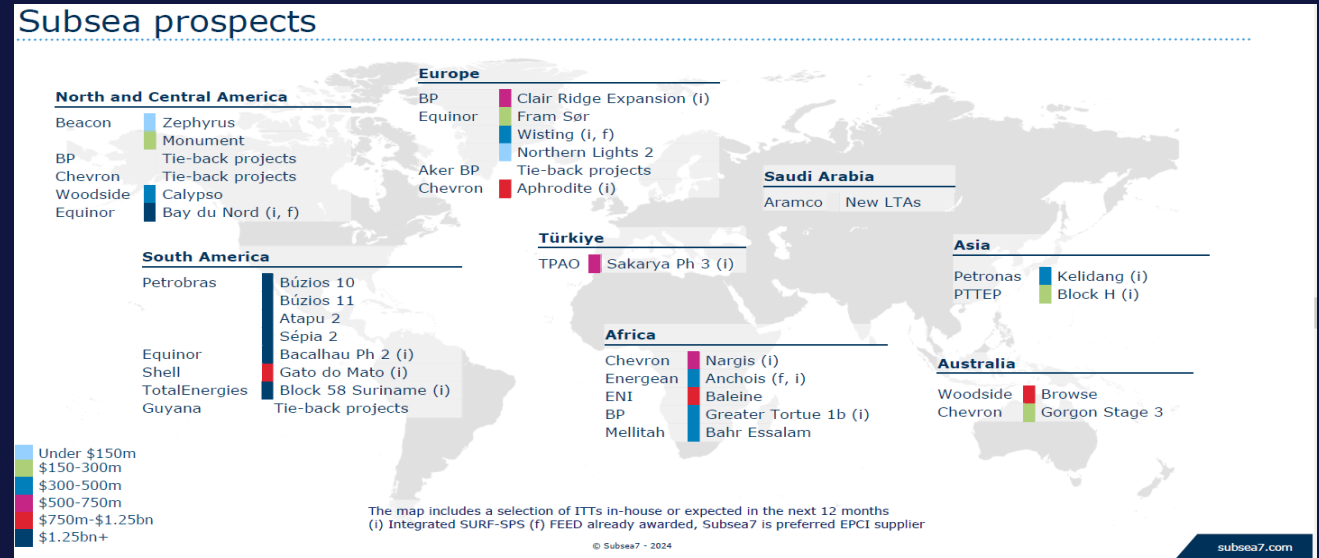
SUSTAINED INDUSTRY ACTIVITY

- Strong tailwinds in SURF. Key Customers expecting busy conditions for foreseeable future.

MATRIX STRONG QUOTATION PIPELINE

- ~\$300m of competitive quotations submitted, yet to be awarded.
- 5 to 7 material projects with a value of \$100m to \$160m expected to be awarded before the end of the financial year, including 1 near term project that will underpin H2 FY24 revenue.
- +\$200m of upcoming projects identified with existing clients, not yet quoted.
- Building track record which will open up new contractors and operators, building accessible market.

Source:
 Top Right – Subsea 7 2Q 2024 Investor Presentation.
 Bottom Right – Technip FMC Investor Presentation October 2024.



INDUSTRY RECOVERY IS BUILDING DRILLING MARKET

INDUSTRY LEADER

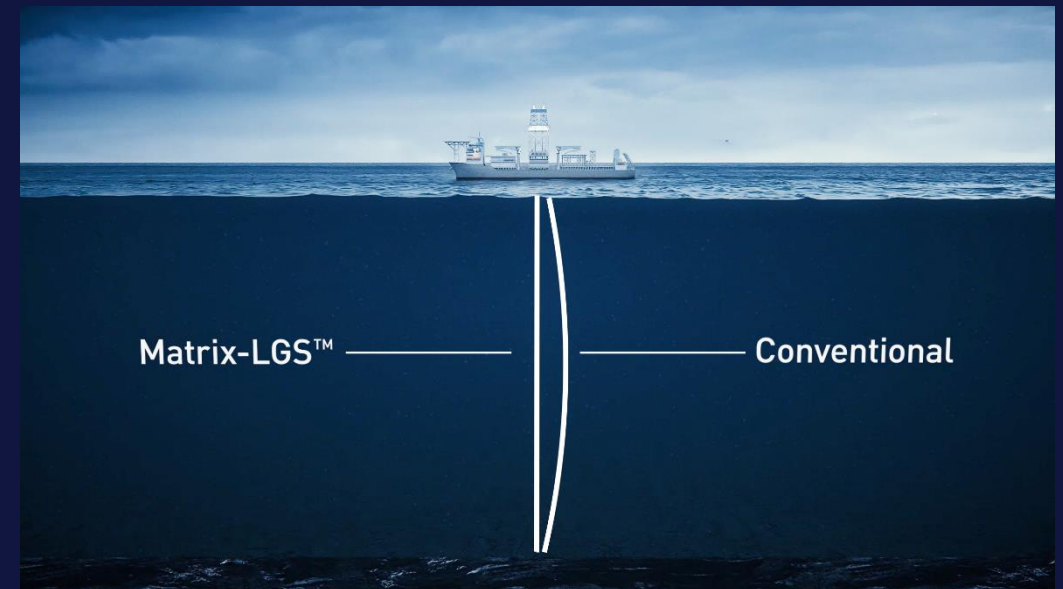
- +\$1B of syntactic foam buoyancy delivered by Matrix to the drilling sector in last 15 years.
- Global fleet of ~200 Rigs and Drill ships, with ~\$2B of Buoyancy.
- Significantly improved market conditions for drillers should lead to demand for replacements and upgrades.

STRENGTHENING DRILL RIG MARKET

- Strong recovery to drilling sector in recent years.
- [Opportunities pipeline increasing](#), ~\$130m of competitive outstanding quotes to the drilling sector.
- 2 x potential project awards identified for +\$10m for production during 2025.
- Increase in LGS quotes for South American activity.

LGS® - TECHNOLOGY DIFFERENTIATION

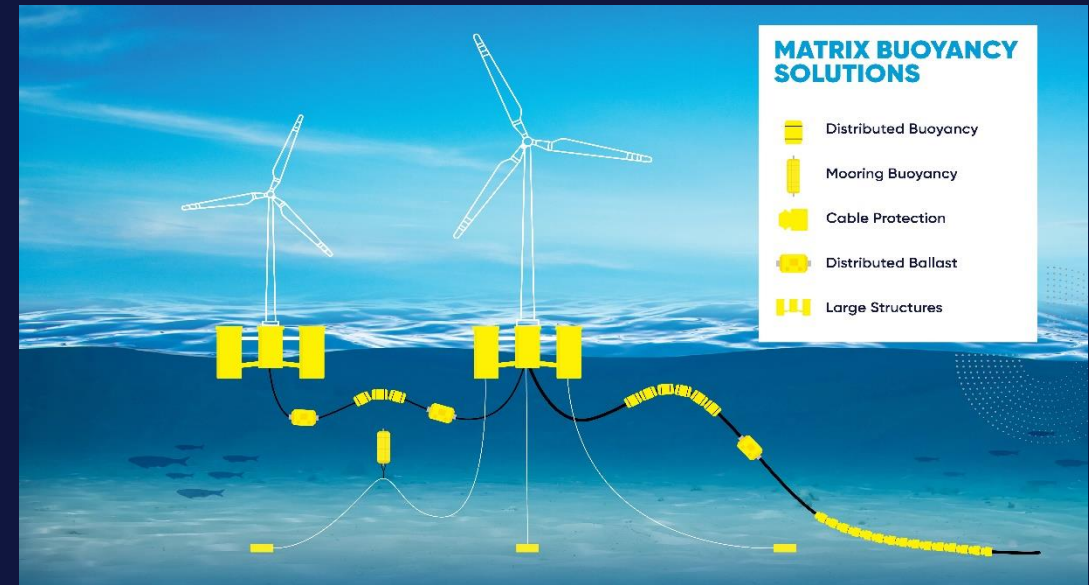
- Patented VIV and drag reduction technology to enhance production in strong currents.
- Significant value proposition to drillers when operating in high currents – ability to drill for longer.



LGS is a registered trademark of AMOG Technologies Pty Ltd. Matrix retains an exclusive licence.

PRODUCT GROWTH OPPORTUNITIES

OTHER SUBSEA BUOYANCY



DEEP SEA MINING EQUIPMENT

- Recently completed riser buoyancy system using syntactic foam technology for a deep-sea research vessel.
- \$13m order delivered in July 24.
- More opportunities identified and quoted.

OFFSHORE FLOATING WIND

- 26.5 GW of new floating wind capacity to be added by 2030.
- Rapid escalation of floating wind capacity expected from 2030 as suitable seabed areas are exhausted by the fixed wind market.
- Active participation in quotes for local Asian markets. First projects scheduled to commence 2026, +\$60m currently bid.

EXTENDING INTO ENERGY AND RESOURCES MARKETS

CORROSION TECHNOLOGIES

TECHNOLOGY SOLUTIONS

- Humidur® Coatings
- Composite repairs
- Equipment hire
- Rotolining: Thermoplastic lining

LOCAL RESOURCES SECTOR

- LNG
- Brownfield developments
- Operational maintenance

PROGRESS

- Converting and growing local major companies.
- Growing base products, with hire and training revenue moderating as cornerstone client's requirements mature.



EMERGING MARKET SPACE

ADVANCED MATERIALS

TECHNOLOGY SOLUTIONS

- Syntactic foam for Unmanned Underwater Vehicles (UUV)
- Steel replacement and advanced composites applications
- Design and Manufacture of Engineered Polymers

AUSTRALIAN INDUSTRY SECTORS

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

DEMONSTRATED PROGRESS

- Advanced materials revenue up 80% in FY24 to \$4.7m
- Centraliser opportunities growing
 - Aramco qualification and first order ~\$1m
 - New US Distributer growing US share
 - Other Middle East opportunities identified
- Rio Tinto structural product designed and tested. Ready for field testing
- Defence continues to advance
 - Supply into Australian UUV Market. Scale opportunities being pursued
 - Supporting Australian and US Sustainment. New orders received

KEY CLIENTS



DEFENCE
CONTRACTORS

RioTinto

THE POWER OF ADVANCED MATERIALS

FY25 GROWTH OUTLOOK

- Strong base of ~\$48m secured revenue for FY25 already in place.
- Near term subsea market opportunities remain:
 - New awards under current negotiation to significantly add to FY25 order book.
 - Another record year expected for SURF in FY25.
- Expected recurring revenue from Corrosion Technologies and Advanced Materials of at least \$10m p.a. with opportunities to grow.
- Advanced materials clean energy work continuing to emerge.
- Defence opportunities building momentum.
- Floating wind opportunities add to prospective pipeline, but likely from 2026.
- **Targeting continued growth from strengthening Subsea market, and capturing opportunities in Advanced Materials.**





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

