



# Euroz Hartleys Rottneest Conference

12 March 2025



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This presentation was authorised for release by the CEO and Managing Director.

# Our Business

Macmahon is a leading, ASX listed (ASX:MAH) mining services and civil infrastructure company in Australia and Indonesia

## Trusted. Diversified. Experienced.

- ✓ **Extensive, proven track record** in surface mining, underground mining and civil infrastructure
- ✓ **Comprehensive range of integrated mining services:** engineering, rehabilitation, plant & maintenance and mine optimisation
- ✓ **Established long-term relationships with clients** predicated on a transparent, flexible partnership style approach
- ✓ **Delivered record financial results** in FY24 with a strong start to FY25

## Established

1963

## People<sup>1</sup>

9,605

54% Australia, 46% Indonesia

## 1H25 Dividend

0.55cps ▲ 22.2%

Fully franked

## 1H25 Revenue

\$1.2bn ▲ 22.0%

FY25 Secured Revenue \$2.2bn

## 1H25 Underlying EBIT(A)

\$78.1m ▲ 14.7%

6.6% EBIT(A) margin

## 1H25 Free Cash Flow

\$49.0m

Net Debt<sup>1</sup>: \$236.9m

## 1H25 ROACE<sup>3</sup>

17.5%

1H25 Annualised ROACE: 18.2%

## Orderbook<sup>2</sup>

\$4.3bn

Expected extensions<sup>4</sup>: \$1.6bn+

## Tender Pipeline<sup>1</sup>

\$24.8bn

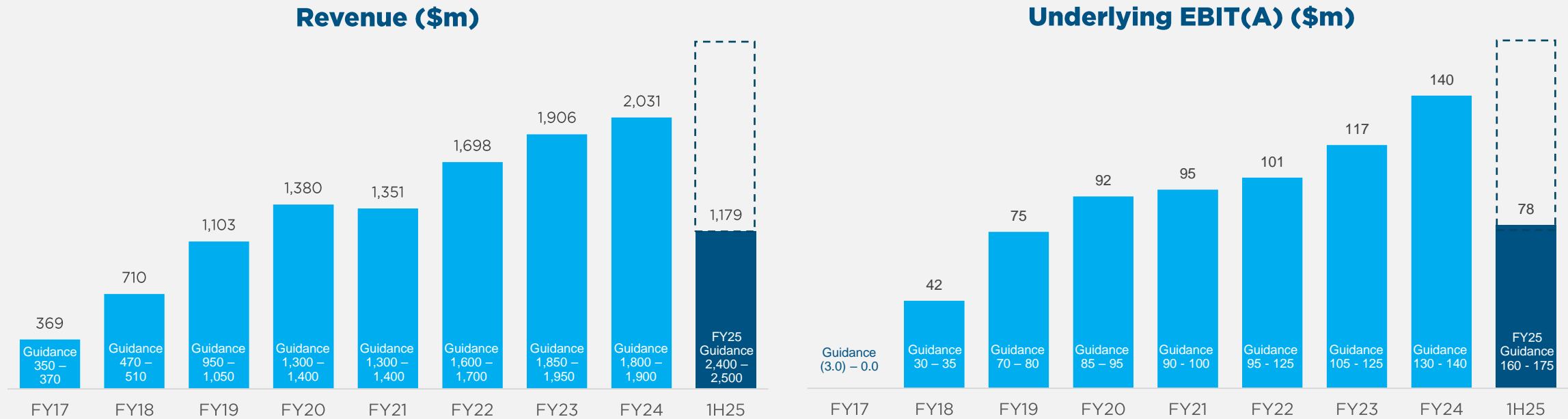
1. All results as at 31 December 2024

2. Orderbook includes the Awak Mas and Ison Road contracts awarded in January 2025. Excludes short term civil and underground churn work and future contract cost escalation recoveries

3. Rolling 12 months Underlying EBIT(A) / Average ((Total Assets excluding Cash) - (Current Liabilities excluding Debt)).

4. Two and three year term extensions and variations not yet secured

# Track Record of Delivering Growth



## On track to deliver FY25 Guidance

Supported by the commencement of new projects at Decmil and in Indonesia, renegotiated underground contracts effective 1 January 2025 and organic growth in existing projects

# 1H25 Highlights

## Surface Mining



- **Awarded \$500m+ of new work in Indonesia** (\$80m<sup>1</sup> Poboya gold project, \$463m<sup>1</sup> Awak Mas gold project awarded in January 2025)
- Signed a **Heads of Agreement with Cyprium Metals** to accelerate the redevelopment of the Nifty Copper Complex in January 2025

## Underground



- Targeting >50% revenue growth over the next 2-3 years
- **Awarded interim contract at Poboya gold project (estimated \$317m), two-year extension at Daisy Milano (\$90m) and strategically aligned extensions** at Ulysses, Olympic Dam and Fosterville

## Civil Infrastructure



- **Acquisition of Decmil (ASX: DCG) completed in August 2024, integration completed**
- **\$333m of new civil work awarded post acquisition** (\$64m balance of the \$123m Mount Holland Road Upgrade Project, \$61m Marble Bar Road Upgrade Project, \$111m Borumba Dam Project, \$47m Warradarge Wind Farm, \$50m Ison Road Extension)

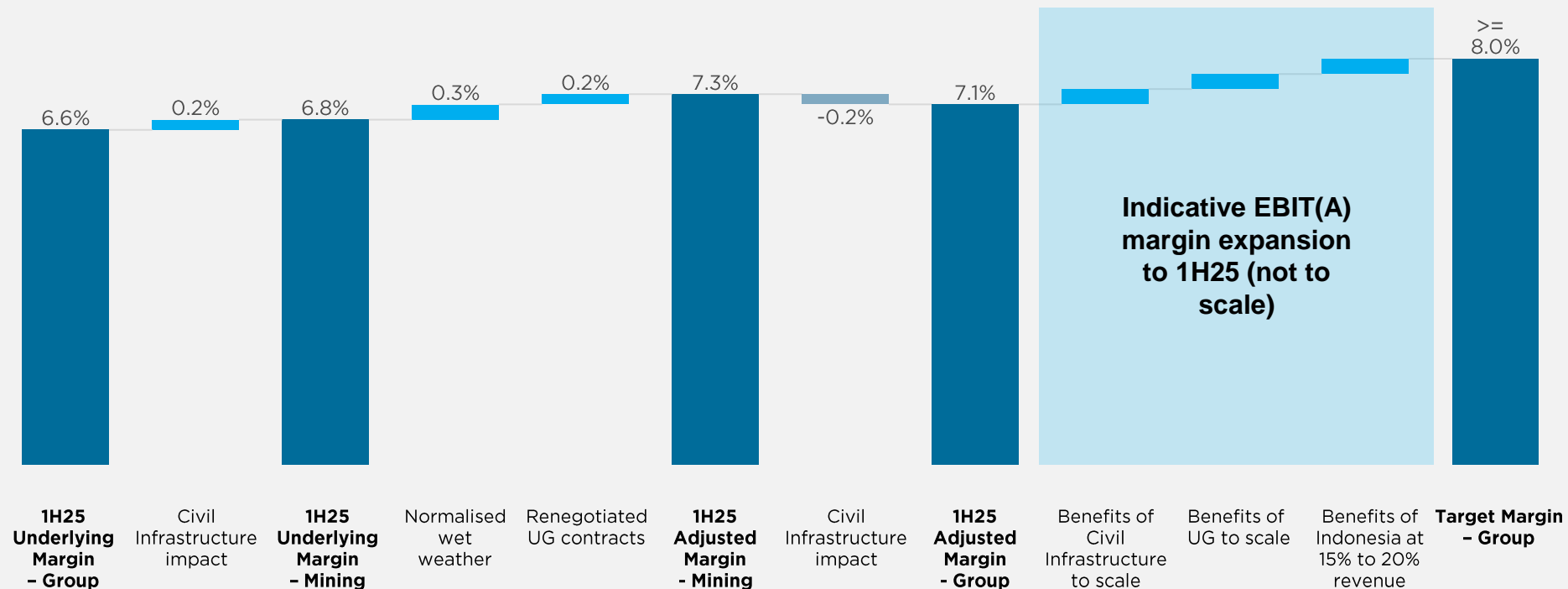
## Corporate

- Management are focussed on the **monetisation of the non-core Homeground** asset, a 1,392 bed, fully serviced accommodation village
- **Implementing new corporate operating model** to enhance divisional ownership and accountability



1. USD converted to AUD at 0.65

# Clear Pathway to Target EBIT(A) Margins



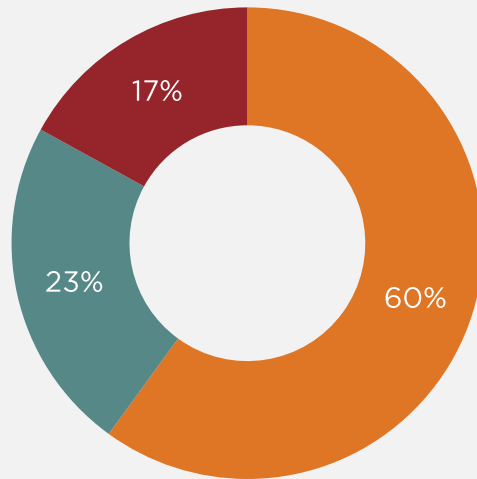
## Targeting EBIT(A) margins greater than 8%:

- Unseasonal wet weather experienced in first half returns to normality
- Several underground contracts renegotiated effective 1 January 2025
- Civil infrastructure and underground achieve scale in line with growth strategy
- Expand Indonesia business to circa 15% to 20% of group revenue

# 1H25 Revenue Diversification

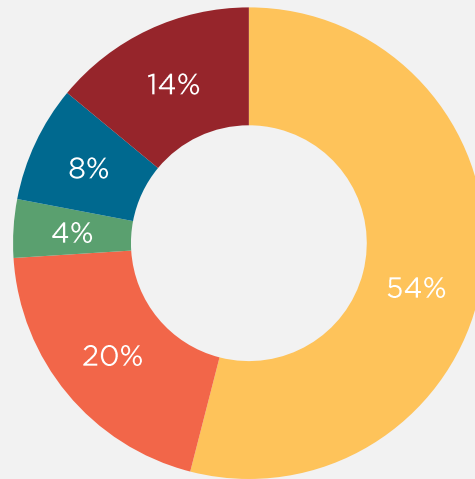
Business revenue mix is diversified by service, commodity, region and client

## Service Offering



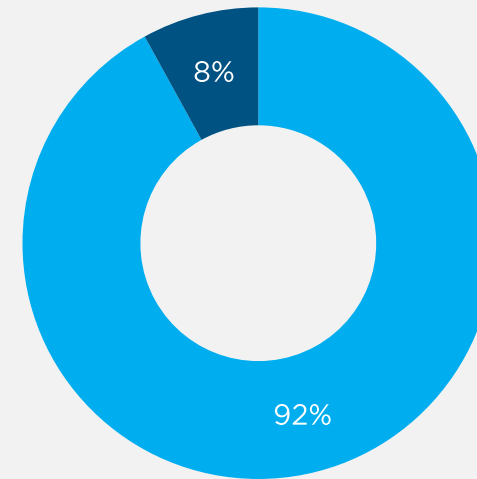
Surface Underground Civil Infrastructure

## Commodity



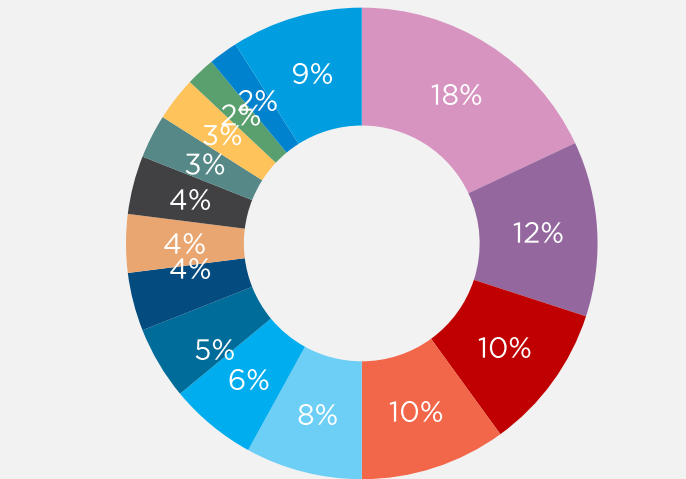
Gold Met Coal  
Copper/Gold Lithium  
Other

## Region



Australia Southeast Asia

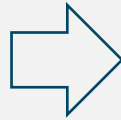
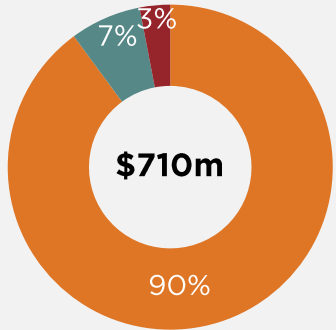
## Client



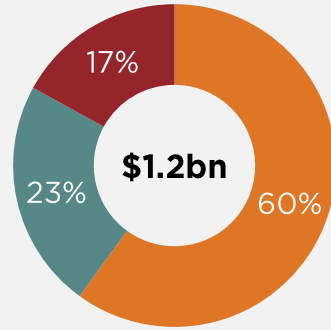
AngloGold Ashanti Vault  
Q Coal Newmont/Greatland  
Talison Genesis  
Saipem Clough JV QMetco  
Anglo American Covalent Lithium  
PT Agincourt Resources PT AMNT  
BHP PT Bumi Resources Minerals Tbk  
Other

# Strategic Journey Towards Lower Capital Intensity Services

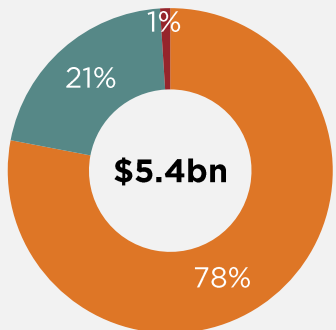
FY18<sup>1</sup> Revenue Mix



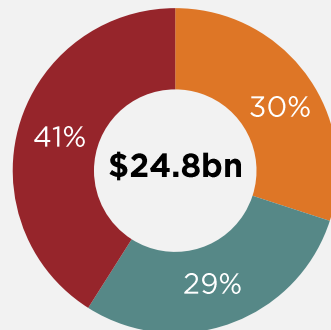
1H25 Revenue Mix



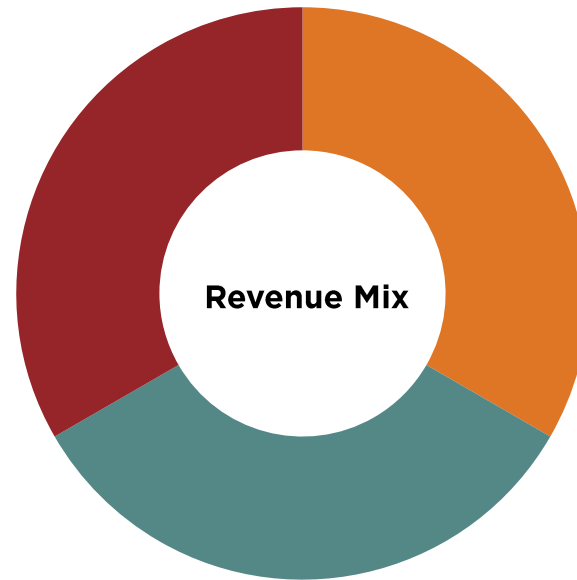
FY18<sup>1</sup> Pipeline



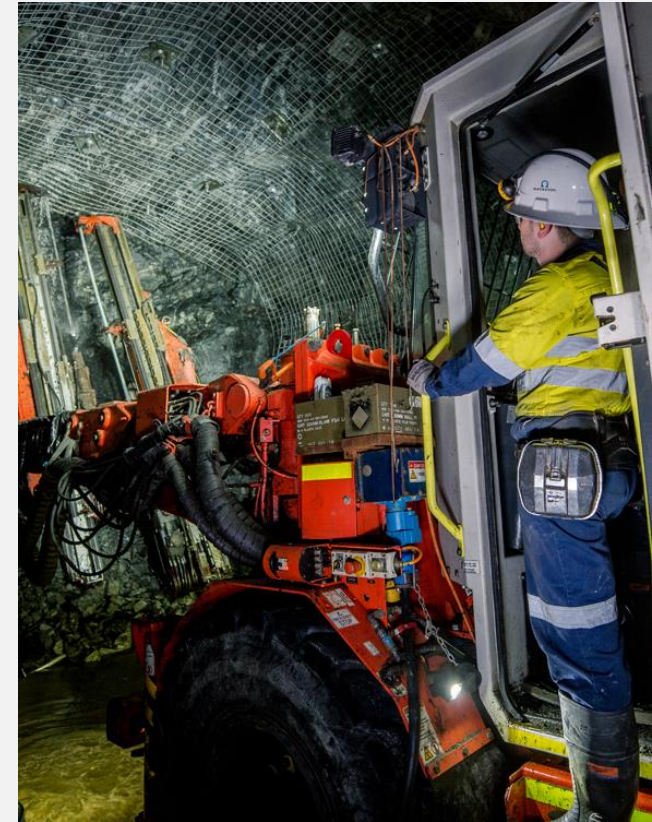
1H25 Pipeline



## Our Strategic Target



**ROACE TARGET<sup>2</sup> >20%**



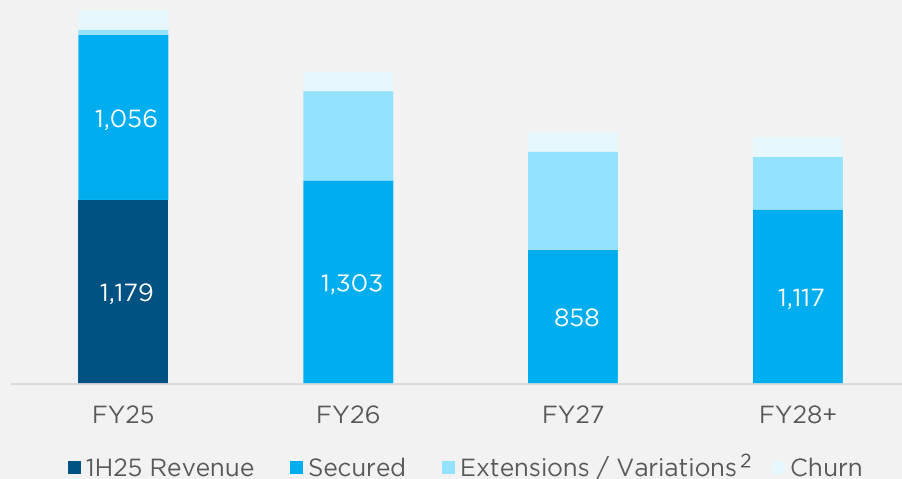
1. Capital light strategy established in FY18

2. Rolling 12 months Underlying EBIT(A) / Average ((Total Assets excluding Cash) - (Current Liabilities excluding Debt)).

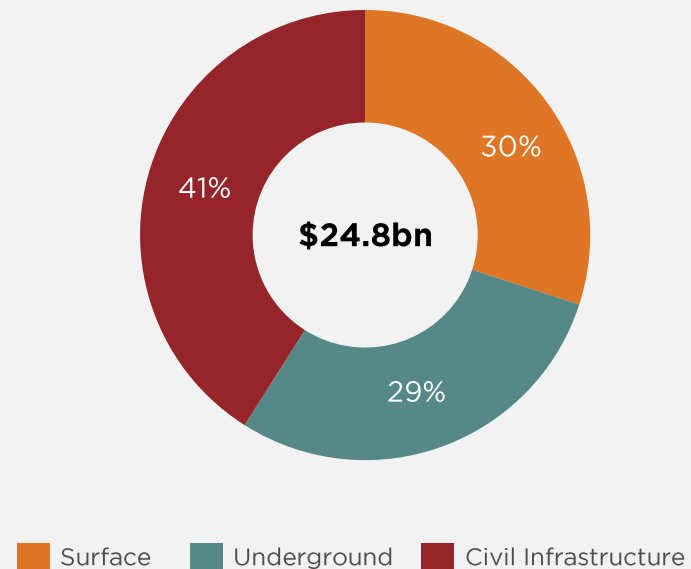


# Work in Hand & Tender Pipeline

## \$4.3bn Order Book<sup>1</sup> Secured, excludes \$1.6bn Expected Extensions/Variations<sup>2</sup> (\$m)



## Tender Pipeline<sup>3</sup>



- ~\$2.2bn<sup>1</sup> of FY25 revenue secured
- \$4.3bn Order Book<sup>1</sup> excludes:
  - Contract Extensions/Variations<sup>2</sup> expected to be circa \$1.6bn
  - Short term civil and underground churn work, which historically delivers \$100m - \$150m annual revenue
  - The recently awarded circa \$317m Poboya underground project
- Order Book includes contracts awarded in 2025 including Awak Mas and the Ison Road Extension
- \$24.8bn Tender Pipeline<sup>1</sup> with \$6.4bn of outstanding tenders submitted

1. As at 31 December 2024 and includes the Awak Mas and Ison Road contracts awarded in January 2025. Excludes short term civil and underground churn work and future contract cost escalation recoveries

2. Two and three year term extensions and variations not yet secured

3. As at 4 February 2025

# Capital Allocation to Balance Growth and Shareholder Returns

## Our Priorities

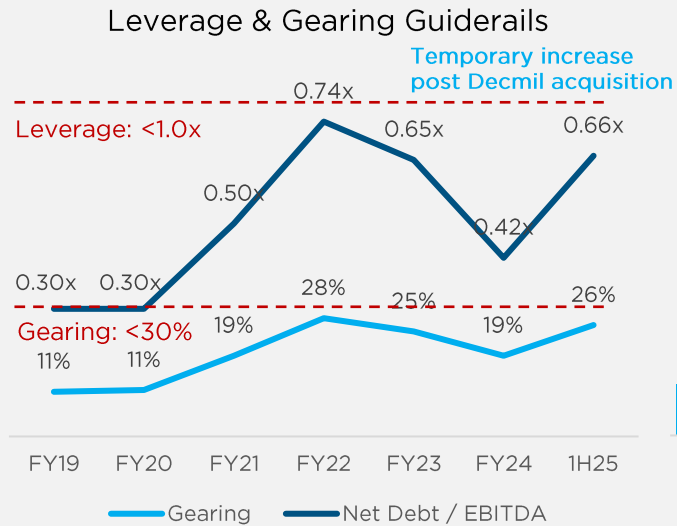
Maintain resilient balance sheet, ensure appropriate liquidity and gearing

Retain flexibility to fund organic growth and accretive acquisitions

Increase cash return to shareholders

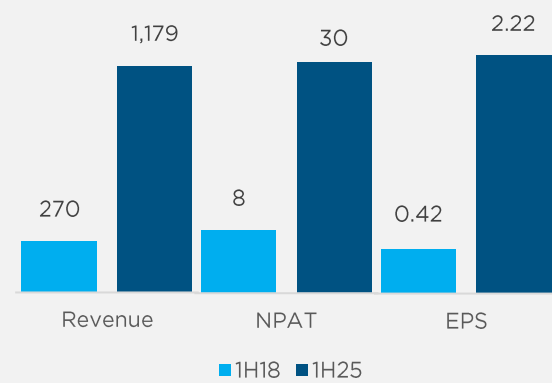
## Our Record

### Maintain Financial Strength Continue to reduce gearing and net debt



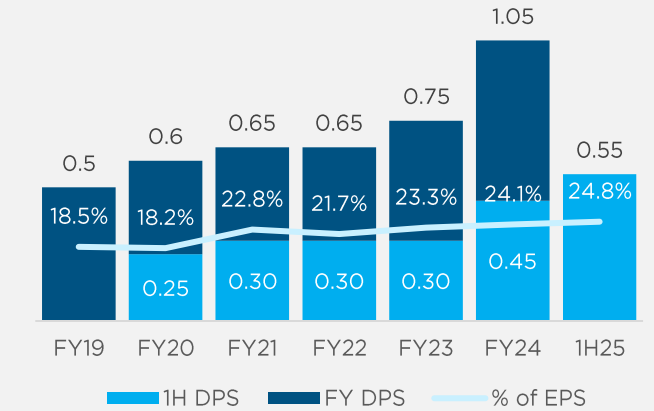
### Investment in Growth Growing civil infrastructure and underground businesses provide capital light growth

Increase in Revenue (\$m), NPAT (\$m) and EPS (cps)



### Return Cash to Shareholders Dividend payout ratio range 20% to 35% of underlying EPS

Historical Dividend Payout Ratio (% of EPS) and DPS (cps)



# FY25 Guidance & Priorities

Achieved guidance for eight consecutive years and on track for FY25

## FY25 PRIORITIES

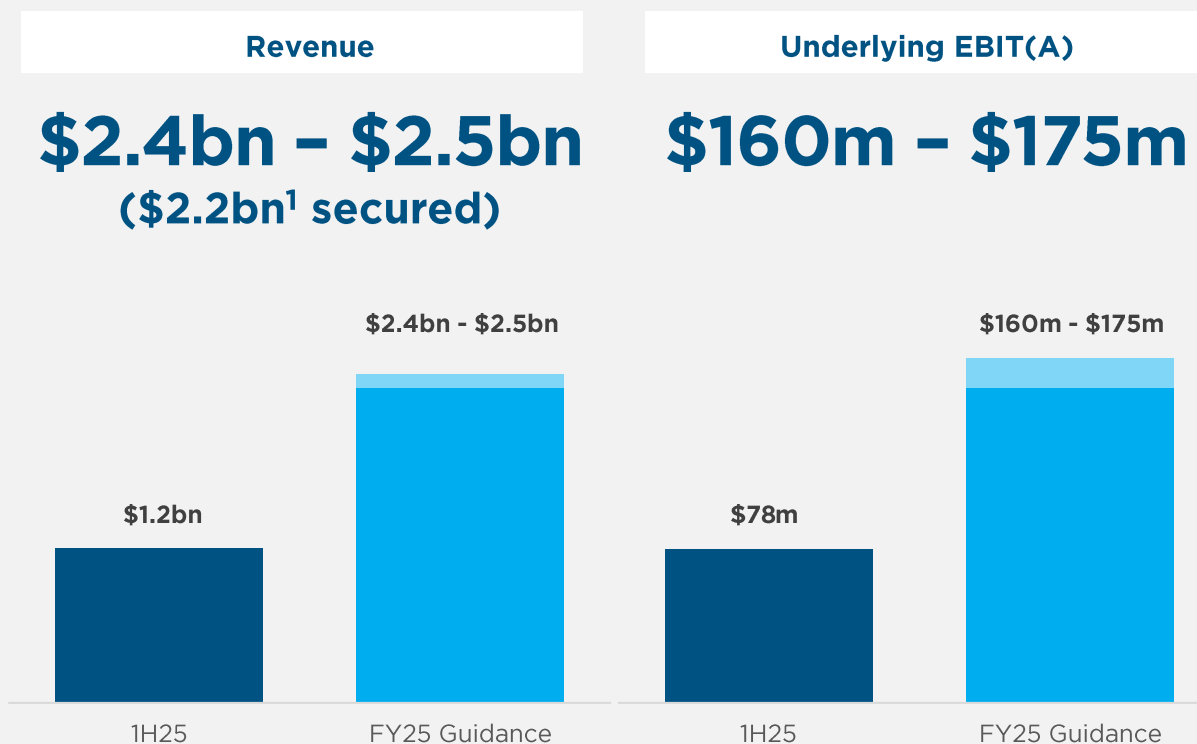
- No life changing events, reduction in TRIFR
- Continuing to drive operational improvements
- Reducing Net Debt post the Decmil acquisition with continued strong Free Cash Flow generation into the second half
- Remain focussed on increasing Margins, ROACE and Free Cash Flow
- Progress capital light strategy with a focus on growth in Underground and Civil Infrastructure in both Indonesia and Australia
- Grow and develop our team to ensure we have the capabilities needed to deliver our existing and future pipeline
- Invest in technology to deliver efficiencies and sustainability outcomes
- Monetisation of the non-core Homeground asset

## POSITIVE OUTLOOK

- ✓ **Order Book of \$4.3bn<sup>1</sup> (excludes \$1.6bn Extensions<sup>2</sup>)**
- ✓ **Tender Pipeline of \$24.8bn**
- ✓ **\$2.2bn<sup>1</sup> of secured revenue for FY25**

1. As at 31 December 2024 and includes the Awak Mas and Ison Road contracts awarded in January 2025. Excludes short term civil and underground churn work and future contract cost escalation recoveries  
 2. Two and three year term extensions and variations not yet secured

## FY25 GUIDANCE



# Thank You

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