



FY22 Half-Year Results Presentation



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Verbrec At-a-Glance



3 Industries

Resources



Energy



Infrastructure



14 Locations



727 Team Members (452 FTEs)

3 Services



- Asset Management
- Digital Industry
- Power
- Pipelines
- Process Plant



- High Risk
- Hazardous Area
- Asset Management
- Pipeline Operations



- Pipeline & Compressor Station Operations
- Cathodic Protection
- Leak Surveys
- Pipeline Integrity

First Half Operating Highlights



0

Zero harm

\$60.6 Million

Revenue

for H1FY22 up 27% from PCP

\$86.2 Million

Work-in-hand

at record levels, up from \$45M 12mths prior

4

Projects

transforming energy towards net zero with contract value totalling \$18.4M

\$6.1 Million

Increase in contract value

(including milestone payments) on poor performing legacy projects

First

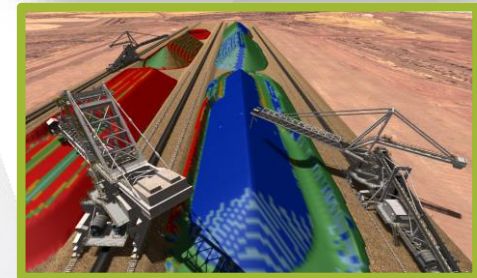
Commercialised technology product

StacksOn™ - Live at two BHP Iron Ore sites & implementing at a further two

Launched

Verbrec Academy

Emerging Leaders Program; Project Management & Grad Development Program



First Half Financial Performance



- Revenue up 27% on PCP
- Underlying EBITDA up \$2.6M from second half of FY21 and \$0.9M from PCP
- Impact on EBITDA from poor performing legacy projects decreased \$2.3M from H2FY21

	Six months to 31 Dec 2021	Six months to 30 June 2021	Six months to 31 Dec 2020 ²
Revenue	\$60.6M	\$49.8M	\$47.6M
Underlying Gross Margin % ¹	34.8%	33.7%	36.2%
Statutory Gross Margin %	29.0%	22.0%	33.3%
Underlying EBITDA ¹	\$5.6M	\$3.0M	\$4.7M
Statutory EBITDA	\$1.7M	(\$2.9M)	\$3.2M
Underlying EBITDA Margin % ¹	9.3%	6.1%	9.9%
Statutory EBITDA Margin %	2.9%	(5.8%)	6.8%
Net Profit/(Loss) After Tax	\$(1.1M)	(\$4.9M)	\$0.4M
EPS – basic (cents)	(0.5)	(2.4)	0.2
Cash at end of Period	\$6.0M	\$8.3M	\$11.1M

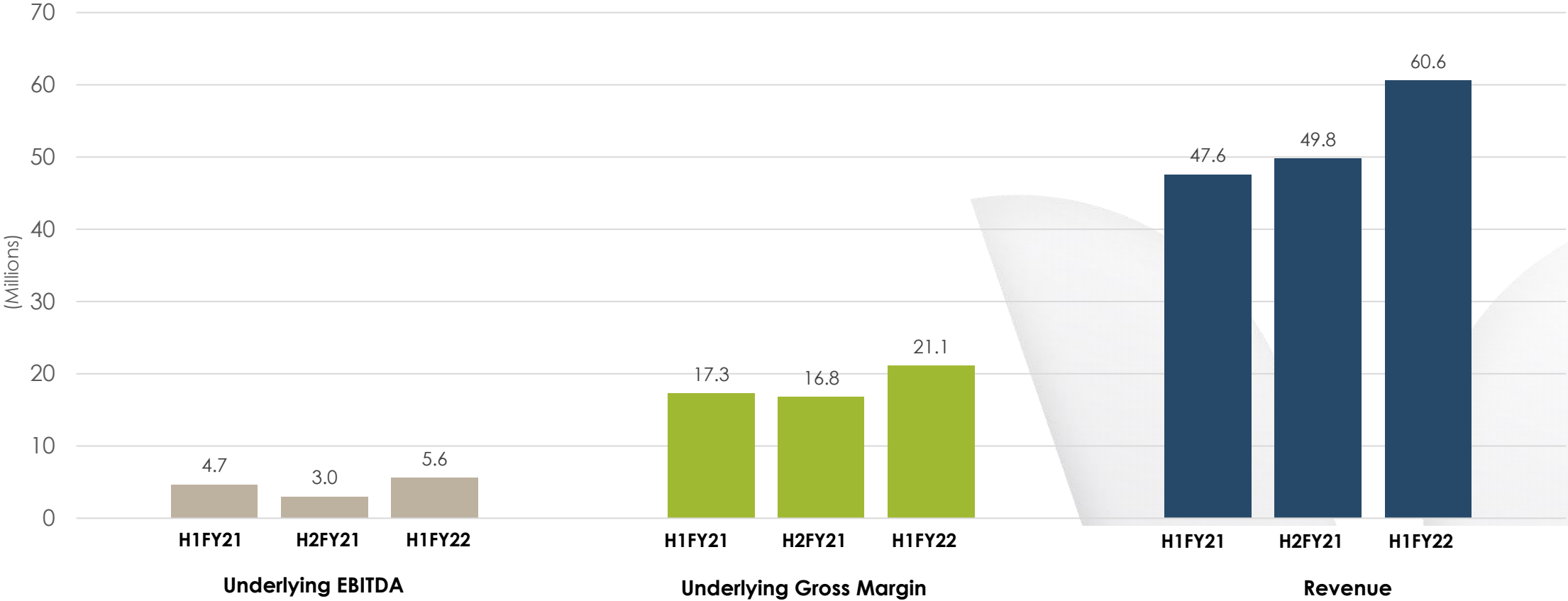
¹ Underlying margins are statutory margins adjusted for legacy poor performing projects and non-recurring expenses

² Restated with previously capitalised ERP implementation costs now expensed

Underlying Results Confirm Rebound



Margins improving after add back of three poor performing legacy projects



Contracts Secured, a snap-shot



- 1 **Engineering Services**
Design: Energy (compression design)
- 2 **Infra Services**
Multi-year O&M: Energy (gas pipeline to remote mine site)
- 3 **Infra Services**
Multi-year O&M: Energy (gas pipelines from processing plants)
- 4 & 5 **Engineering Services**
EPC: Energy (gas connections in to fast-start gas power stations)
- 6 **Engineering Services**
EPC: Infrastructure (upgrade to electrical infrastructure for Defence)
- 7 **Engineering Services**
EPC: Mining (upgrade to electrical distribution boards)
- 8 **Engineering Services**
Design: Energy (front end engineering on gas field decommissioning & rehabilitation)
- 9 **StacksOn™**
Implementation and Licence: Mining (implementation at 2 mine sites)
- 10 **Engineering Services**
MSA: Mining (sustaining capital MSA with global resources company)
- 11 **Engineering Services**
Design: Energy (design LNG import facility)

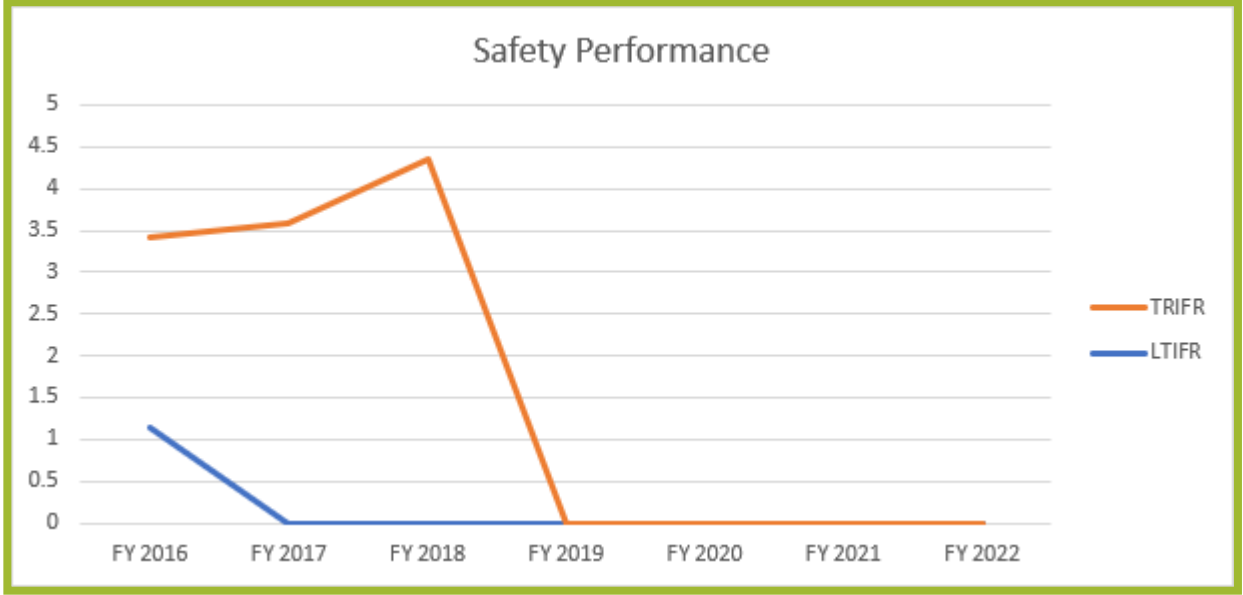
Project announcement

Scope
Concept study, FEED, Detailed Design, Procurement, Construction and Commissioning of Snapper Point Pressure Reduction Metering Station (PRMS) and Lateral which will be located near the Pelican Point Power Station on the Lefevre Peninsula

Project Announcement

Detailed engineering for the connection of the Vintage Energy's Valli Gas Field to the East Coast gas market via the South Australian Cooper Basin Joint Venture (SACBJV) infrastructure

Safety Performance



- Outstanding TRIFR and LTIFR performance
- Business evolving with acquisitions of EIM and Site Skills, changed safety risk profile. Strong safety culture embedded in to all Team members as we grow
- Focus turned to Team member mental health and well-being

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CLIENT REVIEW

“Please convey my thanks to your staff for a great effort for getting the job done safely and finished early”

STEPHEN PLANT EDL OPERATIONS
MANAGER QNT

“

CLIENT REVIEW

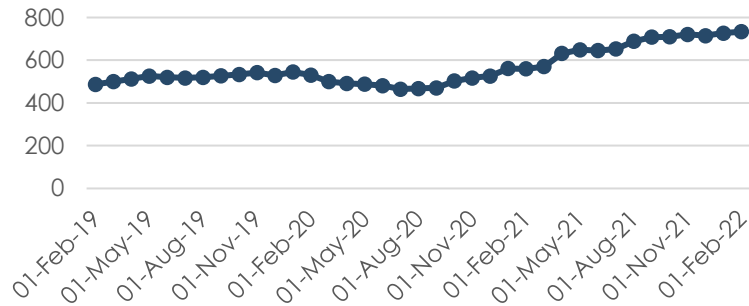
“Well done to you and your team to complete this work safely and to come in under time. Fantastic effort”

PETER GORDON MRM
ELECTRICAL SUPERINTENDENT

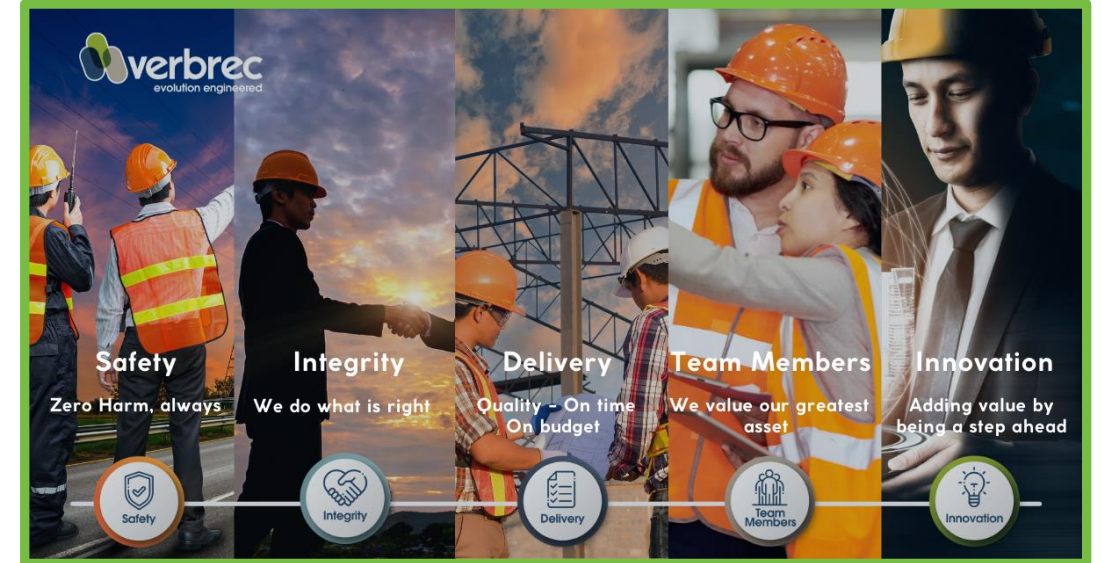
People

- Significant ramp up in work-force in line with increased revenue and levels of activity
- Retention and attraction remains a priority in resource constrained market

Total Headcount



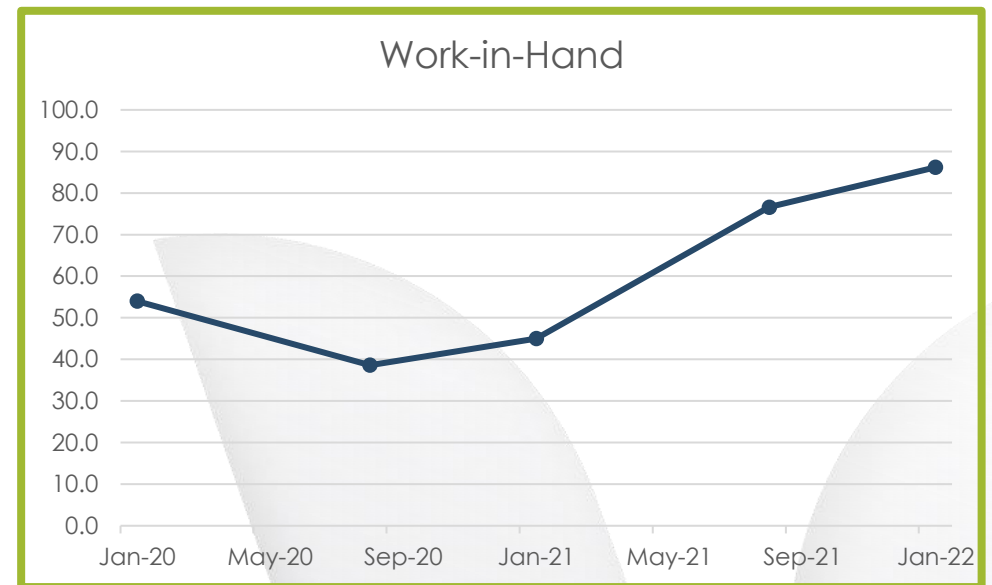
- Reviewed benefits and rewards
- One Team: Launched Verbrec Way Award
- Learning & Development, launched Verbrec Academy
 - Emerging Leaders Program
 - Graduate Development Program



Outlook - Strong Rebound

Key Industry sectors have rebounded strongly from CY20 lows – Revenues have rebounded strongly – Margin expected to rebound strongly in second half and on in to FY23

- ❑ Work in hand continues to grow - at end of January totalled \$86.2M – STRONGEST it has ever been, significant increase from \$45.0M at end of January 2021, and \$76.6M at end of August 2021
- ❑ StacksOn™ commercialised via execution of long-term licence agreement with BHP Iron Ore, recurring high margin revenue stream
- ❑ FY22 revenue forecast in range of \$115M to \$125M compared to FY21 revenue of \$97.4M



Corporate Snapshot

Share Price Performance¹



1. Since [March 2021] 2. Cash on hand less borrowing and lease liabilities

Capital Structure

ASX code	VBC
Market Cap (as at 25 February 2022)	\$25.5m
Share price (as at 25 February 2022)	\$0.115
Share price – 30 day VWAP	\$0.13
Shares on issue	221.5m
Cash (as at 31 December 2021)	\$6.0m
Net Cash Position ² (as at 31 December 2021)	(\$5.0m)

Top 5 Shareholders

Brian O'Sullivan	34.8%
GFNA Bartley Family	8.2%
Thorney Investment Group	11.2%
Forager Funds Management	7.2%
Candyblossom/Bloemhof P/L	6.4%

