



# Euroz Hartleys

## Rottnest Conference

8 March 2023

**Expect  
More**



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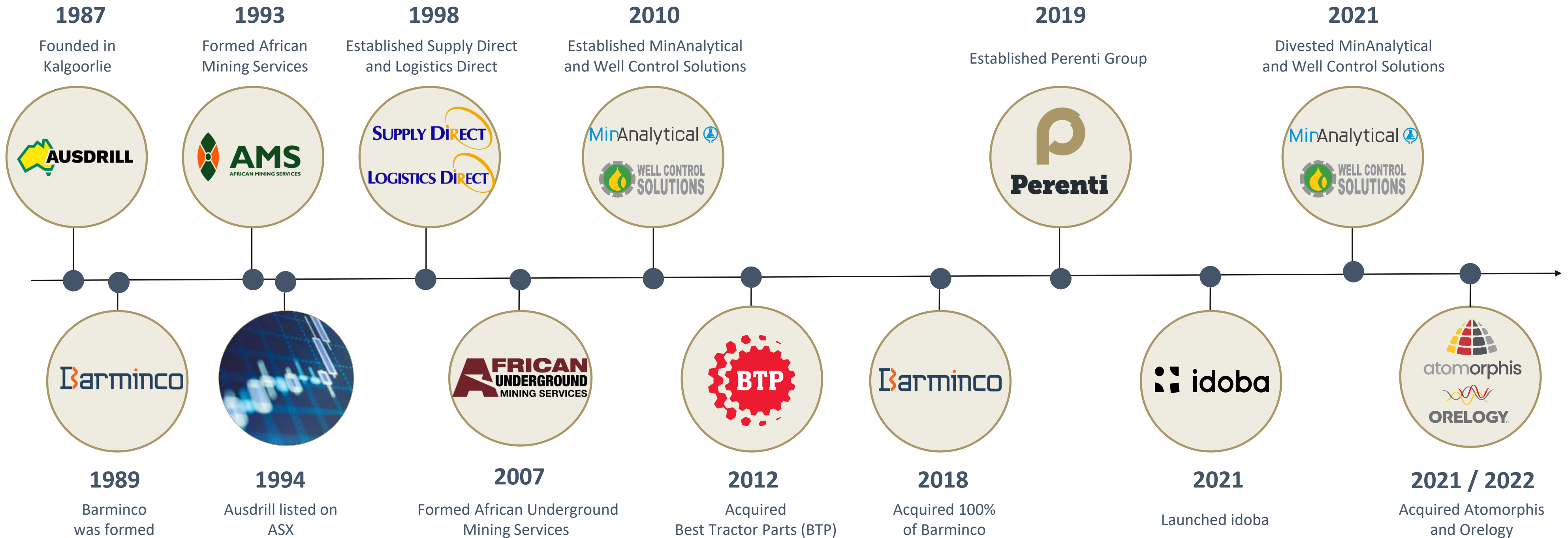
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\$ refers to Australian Dollars.

# Perenti | Our evolution



# Perenti today | A global mining services business

FY23 revenue guidance

**\$2.8B – \$2.9B**

FY23 EBIT(A) guidance

**\$250m – \$265m**

Employees

**~9,000**

Countries

**10**

Underground mines

**24**

Surface mines

**7**

Projects

**~60**

Clients

**~100**



Note: On 21 February 2023 Perenti upgraded FY23 guidance, see ASX announcement "1H23 Results and Business Update"

# Perenti today | Our businesses

## **Perenti**

 **Perenti**  
CONTRACT MINING

 **Perenti**  
MINING SERVICES

 **idoba**



**Barminco**  
 **AUSDRILL**

**AFRICAN UNDERGROUND**  
MINING SERVICES  
 **AMS**  
AFRICAN MINING SERVICES

**SUPPLY DIRECT**



**LOGISTICS DIRECT**

  
**ORELOGY**  
MINE CONSULTING

 **idoba**

# idoba | Uniquely positioned to deliver

ACQUIRED COMPANIES:

**SANDPIT**  
Think Innovation

**impres.**  
Think Improvement

**OPTIKASOLUTIONS**  
Think Data Science

**ORELOGY**  
MINE CONSULTING  
Think Mine Planning

**atomorphis**  
Think Data Insights

SHAREHOLDERS:

**Perenti**

**Sumitomo Corporation**

Founders

**CAPABILITY:**



Consulting to over 70 mining companies globally to deliver and understand customer value.



Harnessing this capability and know how to codify deep mining knowledge, creating new, innovative and relevant digital products for the mining sector (and beyond).

**KNOW HOW:**



Over 40 years of deep mining execution, mining technical expertise and data.



Access to mining test areas to develop and prove products in operating mines.

Global scale, knowledge and exposure.

**idoba's proven ability puts us in a unique position to bring industry changing products and platforms to market by combining our deep domain and digital capabilities:**

- Specialist consulting domain expertise and client/market connections
- Solutioning for complex industry problems
- Product development discipline
- Human centred approach to redesigning work and embracing distributed network models and organisational constructs
- Global partnerships

# Delivering against our strategy | 2019 to 2022

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## Stabilised the business

- Successfully integrated Barminco with Ausdrill to create Perenti
- Exited some high-risk African jurisdictions and projects and recycled capital
- Addressed historical business issues
- Navigated COVID-19 / macro-economic challenges (still ongoing)
- Secured improved commercial conditions across several projects

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## Enhanced cash generation

- Improved AMS business performance
- Rationalised portfolio to recycle capital and create value via share and bond buyback activities
- Established and embedded capital management policy
- Built strong work in hand and pipeline in support of strategy
- Expanded our underground mining business

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## Invested in Organisational Health

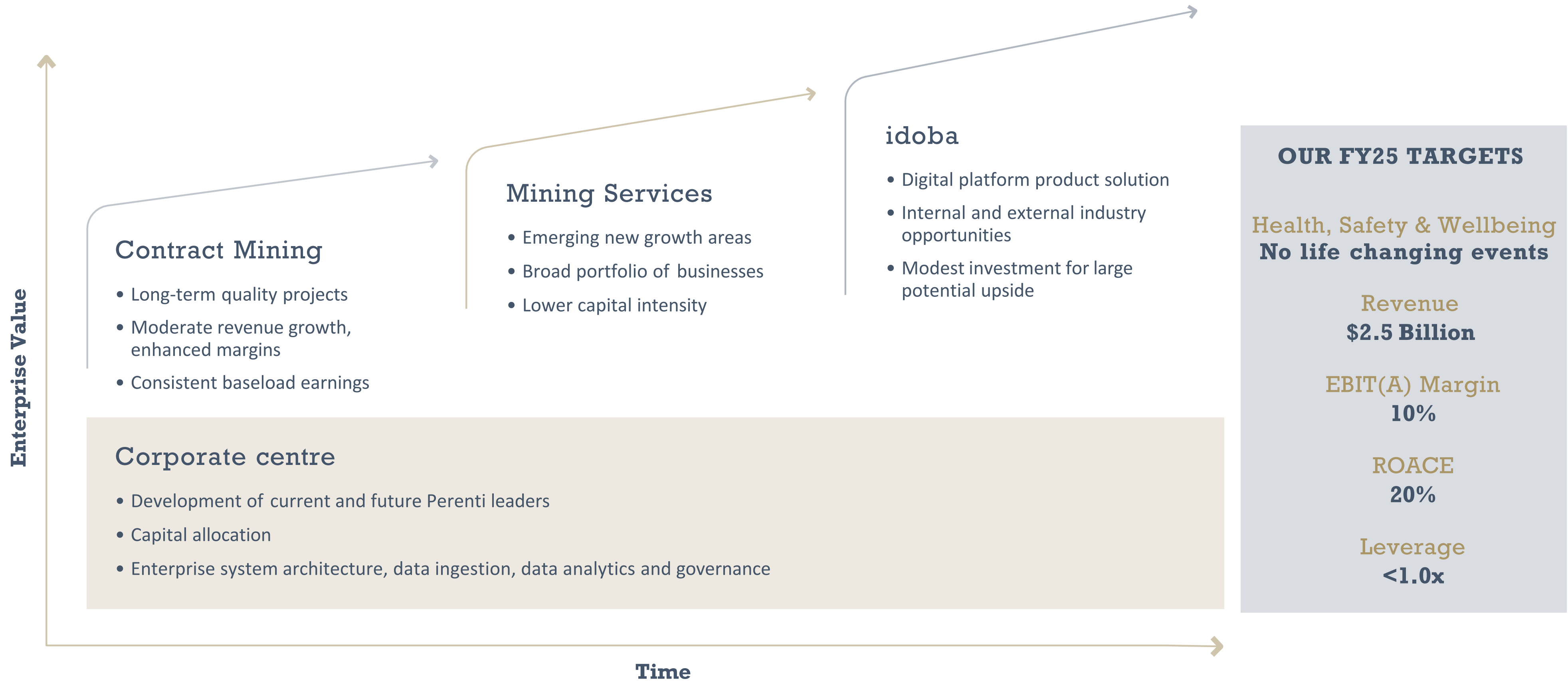
- Accelerated investment in people development
- Implementing risk management and assurance framework
- Strengthened governance and transparency
- Significant (and ongoing) investment to improve enterprise systems
- Implemented a new operating model to support our updated strategy

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## Positioned for the future

- Progressed our development of idoba, Sumitomo became a shareholder
- Expanded regionally into North America & Botswana – Tier 1 mining jurisdictions
- Established our sustainability framework
- Executed an MOU with ABB for mine site electrification
- Management effort shifting to future focused value initiatives

# Beyond 2022 | A blended portfolio to deliver competitive TSR

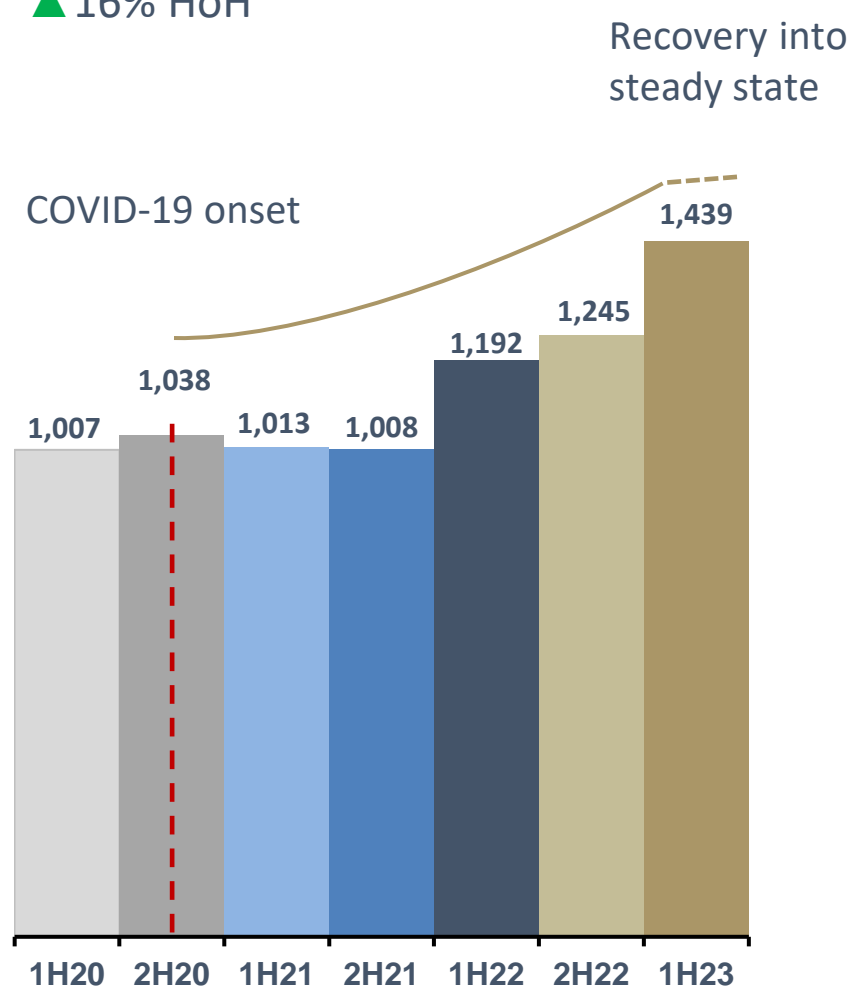




# Underlying Group performance – our continued improvement

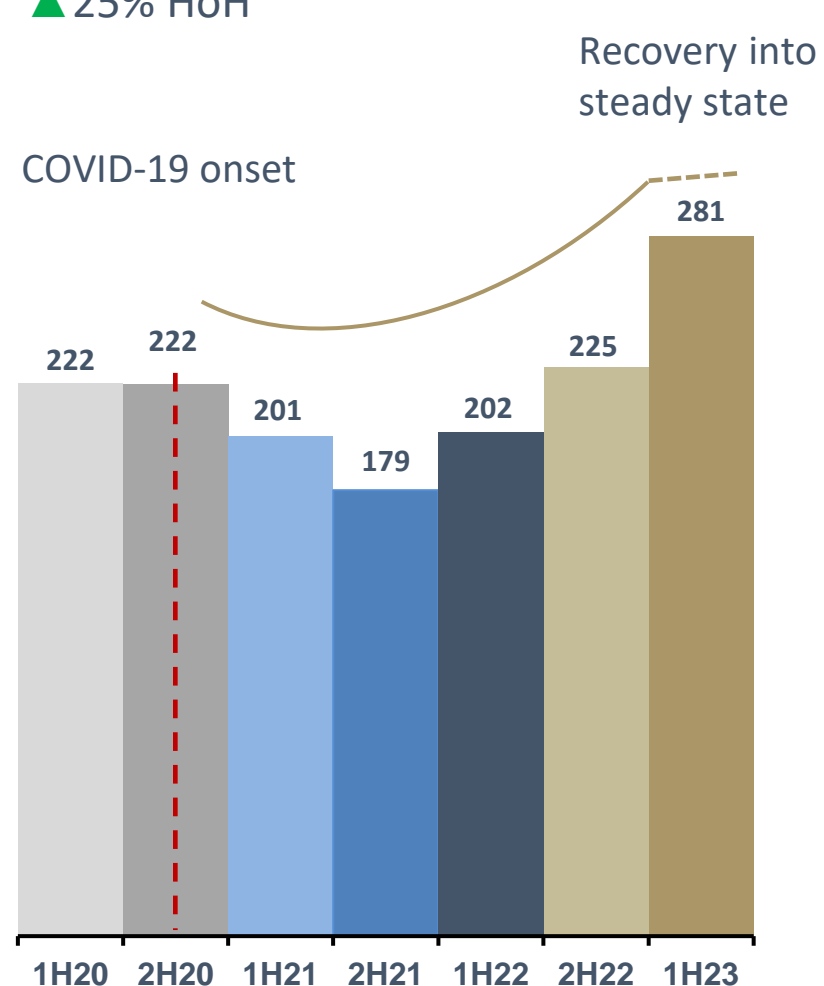
## REVENUE

▲ 16% HoH



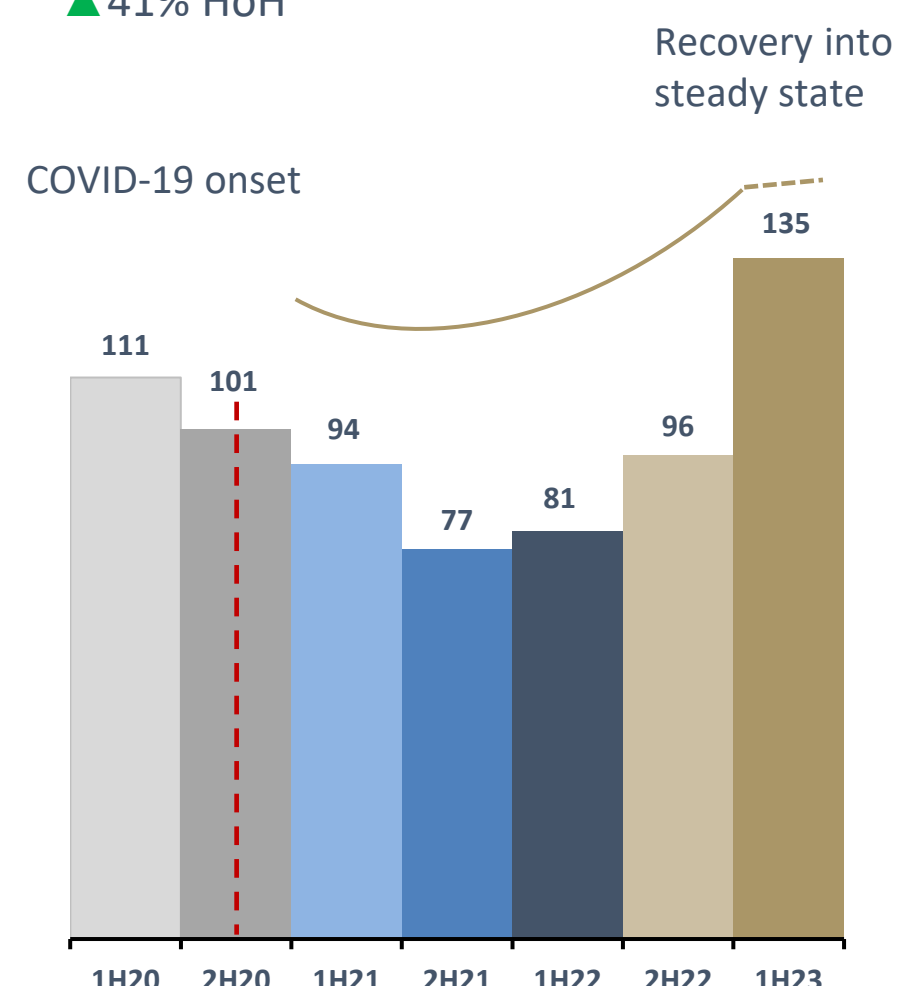
## EBITDA

▲ 25% HoH



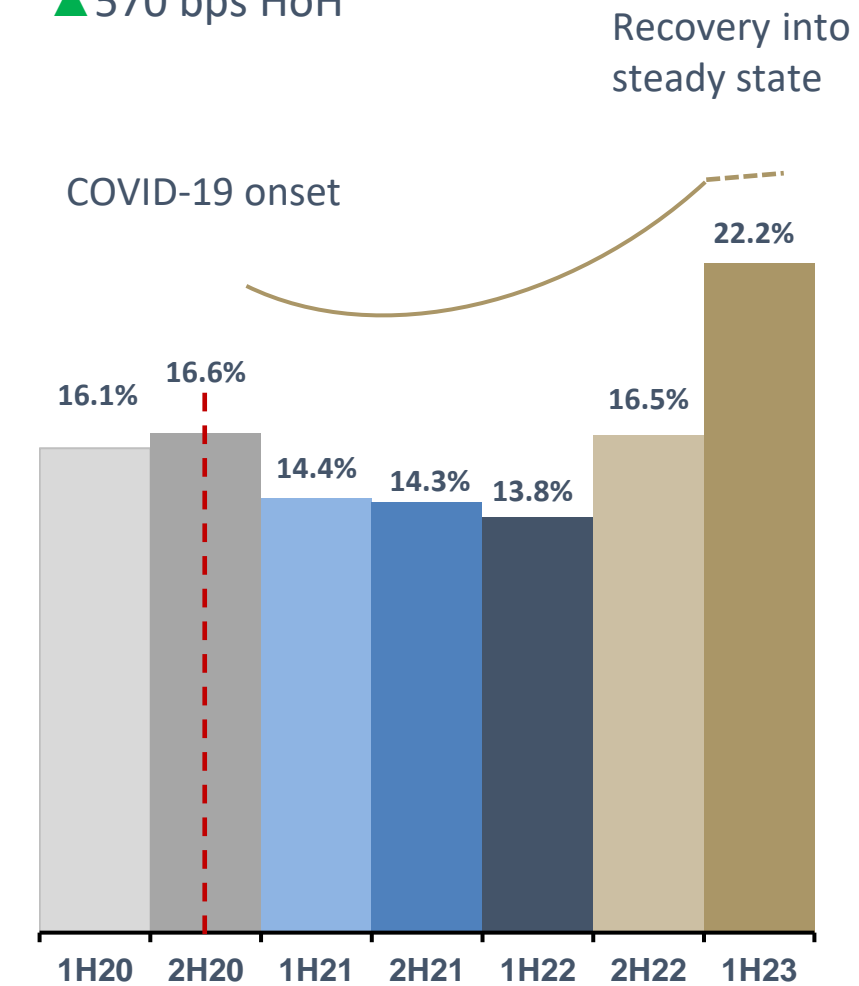
## EBIT(A)

▲ 41% HoH



## ROACE

▲ 570 bps HoH



## Consecutive periods of growth

- As forecast, Perenti continues to capitalise on the easing of macro-economic conditions and improvements to operating and commercial conditions, delivering three consecutive periods of earnings and margin expansion.

# 1H23 | Outperformance drives strong revenue and earnings

## REVENUE

**\$1.4B**

▲ 21% on 1H22

Revenue underpinned primarily by progressive ramp-up of growth projects

## EBITDA

**\$281M**

▲ 39% on 1H22

## EBIT(A)

**\$135M**

▲ 67% on 1H22

Operational outperformance delivered strong underlying EBIT(A)

## EBIT(A) Margin

**9.4%**

▲ 260 bps on 1H22

Margin growth as operating and commercial conditions improve

## NPAT(A)<sup>1</sup>

**\$61M**

▲ 75% on 1H22

## FREE CASH<sup>2</sup>

**\$70M**

Stronger business performance and the continued delivery of strategic objectives

## LEVERAGE<sup>3</sup>

**1.1x**

Outperformed expectations on strong EBITDA

## ROACE<sup>4</sup>

**22.2%**

▲ 841 bps on 1H22

Stronger underlying EBIT(A), partially offset by increased working capital

Note: EBITDA, EBIT(A) and NPAT(A) are underlying.

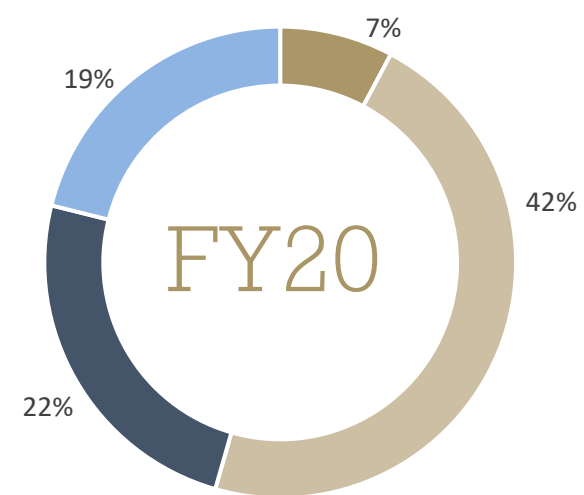
1) NPAT(A) is Perenti share, net of minority interests

2) Free cash is defined as Net Cash inflow from operating activities after Stay in Business capital expenditure and after proceeds from routine sale of assets.

3) Net Leverage is defined as Net Debt / LTM underlying EBITDA.

4) ROACE is defined as underlying EBIT(A) / sum of average receivables, inventories, PP&E including assets classified as held for sale and right-of-use assets less trade payables for the relevant period.

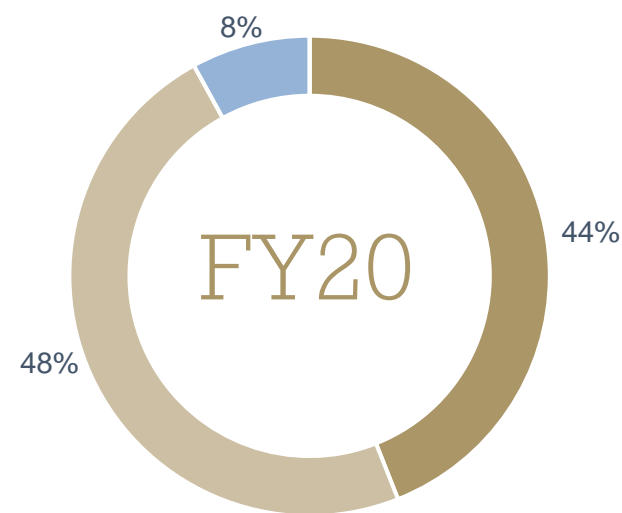
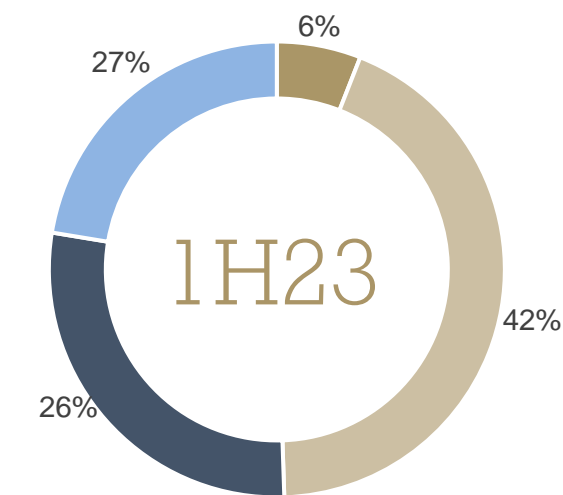
# Our strategic diversification



Revenue by Project

Not reliant on any one project for revenue

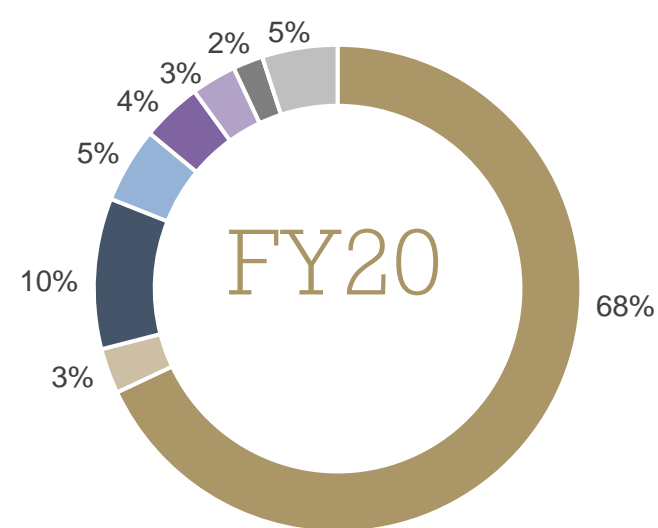
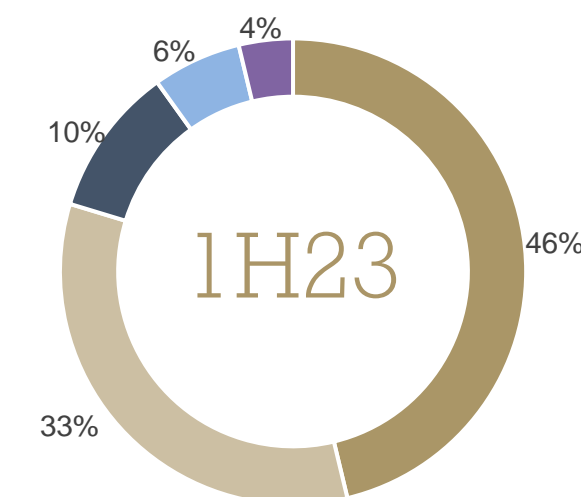
■ Top project ■ Top 2 to 10 projects ■ Top 11 to 20 projects ■ All others



Revenue by Country

Revenue from Tier 1 mining jurisdictions increased from 44% to 60%

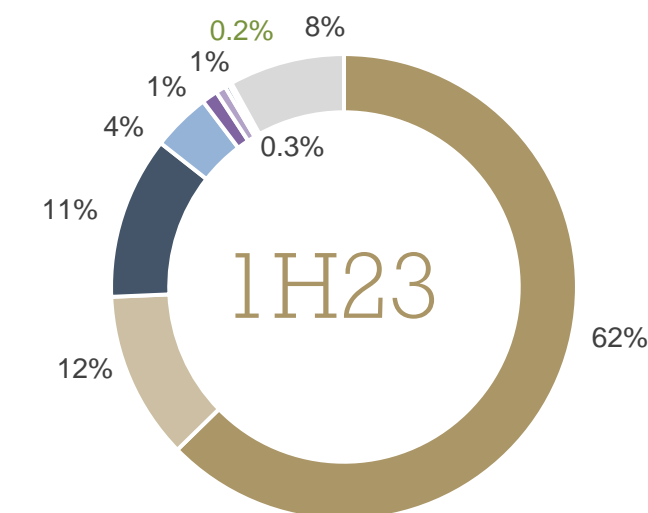
■ Australia ■ West Africa ■ Botswana ■ Southern Africa (ex. Botswana) ■ North America



Revenue by Commodity

Reduced reliance on gold projects but revenue from battery minerals increased from 18% to ~28%

■ Gold ■ Copper ■ Nickel ■ Zinc ■ Iron ore ■ Mixed Coal ■ Manganese ■ Lithium ■ Other



# An accelerated outlook given delivery on our strategic focus areas

Strategic Focus Areas:	Business performance	Capital management	Organisational health	People and culture	Data and analytics
<b>Optimise current business</b> (0 - 12 months)	<ul style="list-style-type: none"> <li>Continue to improve safety</li> <li>Continue to improve margins</li> </ul>	<ul style="list-style-type: none"> <li>Complete portfolio review</li> <li>Share &amp; bond buyback</li> </ul>	<ul style="list-style-type: none"> <li>Embed new operating model</li> <li>Publish sustainability targets</li> </ul>	<ul style="list-style-type: none"> <li>Continue to roll-out Leading@Perenti</li> <li>Attract and retain employees</li> </ul>	<ul style="list-style-type: none"> <li>Establish data and digital foundations</li> <li>Utilise data insights to drive margin improvement</li> </ul>
<b>Build future portfolio</b> (0 – 3 years)	<ul style="list-style-type: none"> <li>Further business simplification</li> <li>Recycle capital from high-risk jurisdictions</li> </ul>	<ul style="list-style-type: none"> <li>Reduce tax and interest cash costs</li> <li>Invest in Mining Services</li> </ul>	<ul style="list-style-type: none"> <li>Invest in core management systems</li> <li>Deliver against sustainability targets</li> </ul>	<ul style="list-style-type: none"> <li>Deliver culture &amp; inclusion initiatives</li> <li>Develop future ready workforce</li> </ul>	<ul style="list-style-type: none"> <li>Leverage idoba internally &amp; externally</li> <li>Develop new products &amp; services</li> </ul>

Note: Time horizons updated from previous time frames is due to positive delivery on strategic focus areas.

# How we will evaluate building out our operating divisions

## Key Assessment Criteria

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### Strategic attractiveness

- Commodity mix
- Market position
- ESG focused

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### Value creation potential

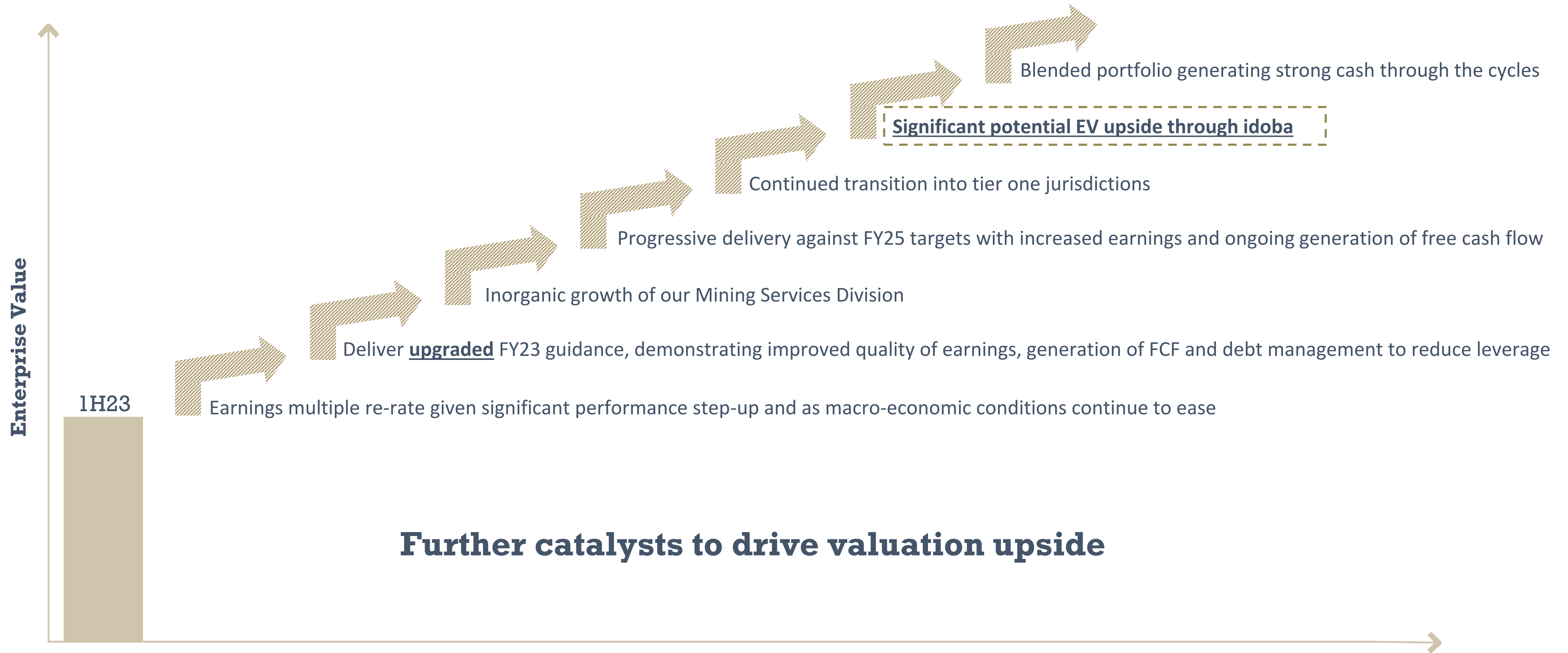
- Earnings growth
- Strengthen balance sheet
- Cash generation

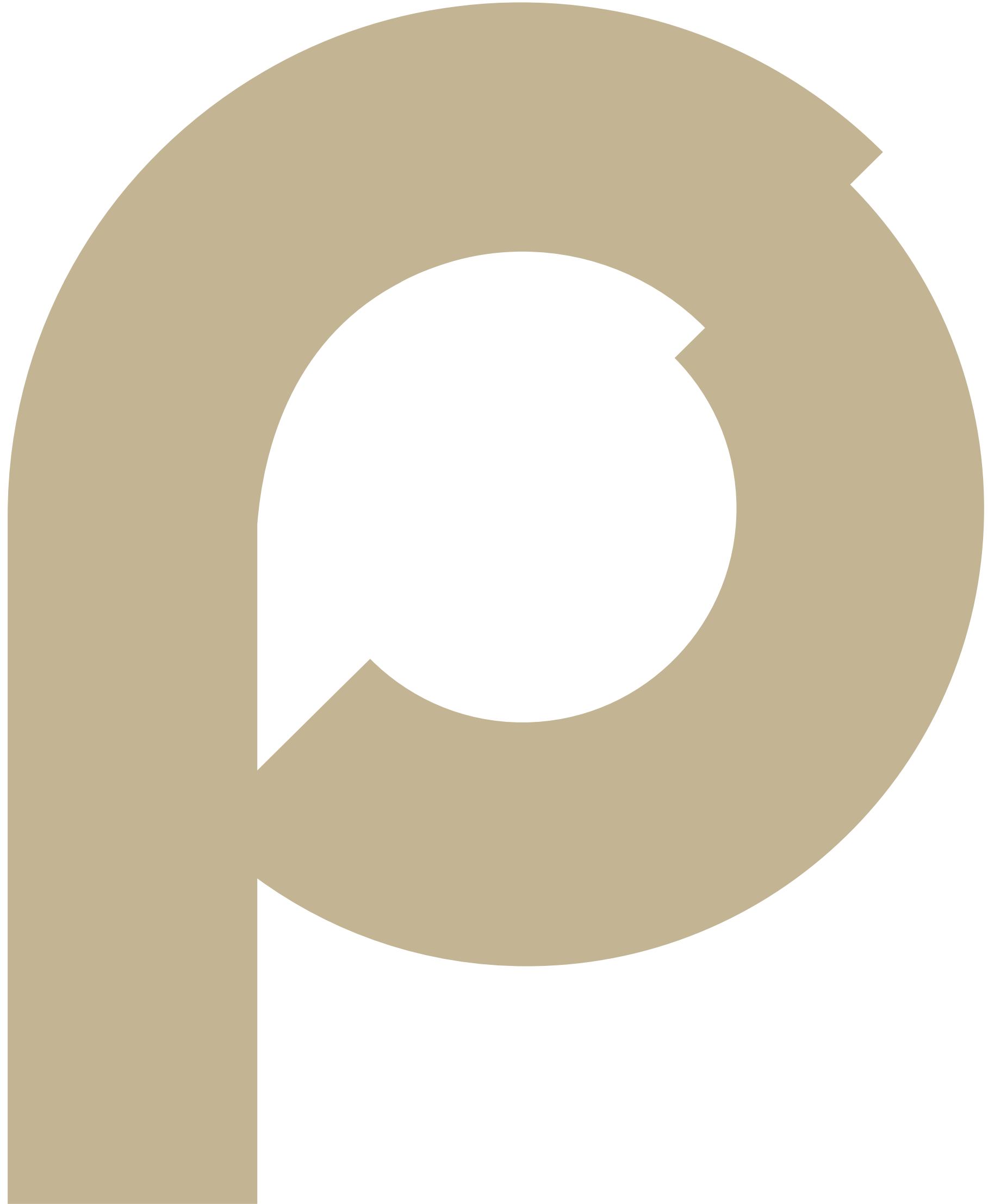
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### Fit within Perenti

- Complementary offering
- Geographically aligned
- Blended capital intensity portfolio

# Perenti | Significant valuation upside





Thank you

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