



# INVESTOR BRIEFING

Sofitel Sydney Wentworth | 5 December 2023

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## OVERVIEW OF PROCEEDINGS

# CHRIS OATES

Managing Director



# INTERACTIVE Q&A PLATFORM

Today, we will be using **Slido** to **collect questions**, which will be **addressed during the Q&A** and intermittently throughout the session

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## ACKNOWLEDGEMENT OF COUNTRY

**PETER COX**

DDR Aboriginal Engagement  
and Mentoring Manager



# PANELLISTS & SPEAKERS

## Introduction

### PANELLISTS



**CHRIS OATES**  
Managing Director



**LIAM HOLLOWAY**  
National Technical Manager



**TRISTAN REES**  
National Defence Manager



**ASHLEY MUIRHEAD**  
Chief Financial Officer

### MODERATOR



**OLLIE MCKEON**  
General Manager – Eastern States

### PRESENTERS



**GREG OATES**  
National Building & Facade Manager



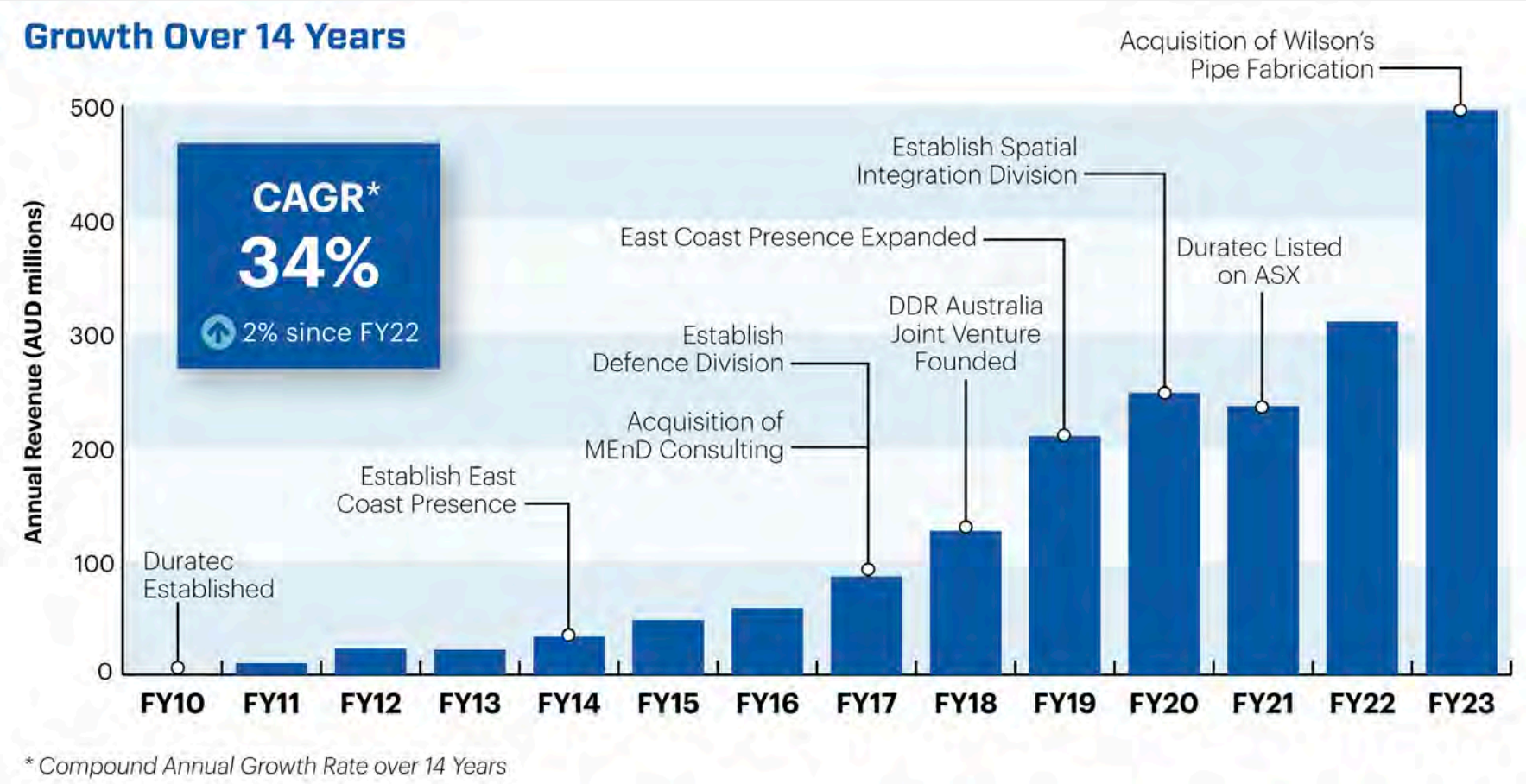
**NIGEL KROONSTUIWER**  
Mining & Industrial Manager - West



**SHANE KATAUSKAS**  
DDR General Manager

# BUSINESS HISTORY

Strong Historical Growth



# DR LIAM HOLLOWAY

## National Technical Manager





## CREATING VALUE THROUGH

- the early identification of opportunities,
- delivering innovation,
- demonstrating technical capability,
- establishing lasting relationships, and
- building trust.



## SPATIAL AND DIGITAL SERVICES

- MEnD currently deliver best in class reality modelling services for key government, marine, mining and industrial asset owners.
- Our demonstrated experienced and trusted consultancy services means that major asset owners proactively seek our advice before going to market.



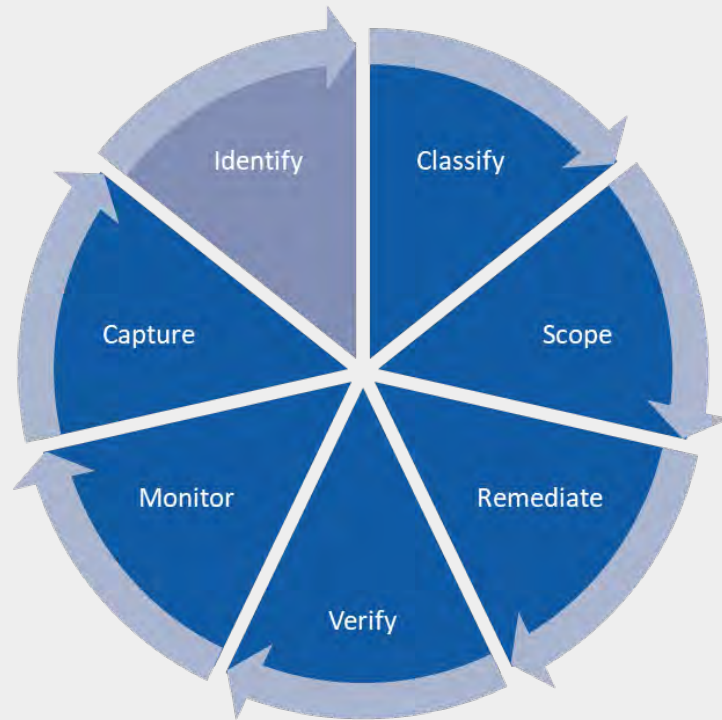


# MEND CONSULTING

BHP BERTH C AND D PROJECT  
THE FIRST OF MANY TO COME



In 2020 the MEnD team delivered the first inspection and testing project of significant scale using the AnnoView™ Digital Defect Management workflow.

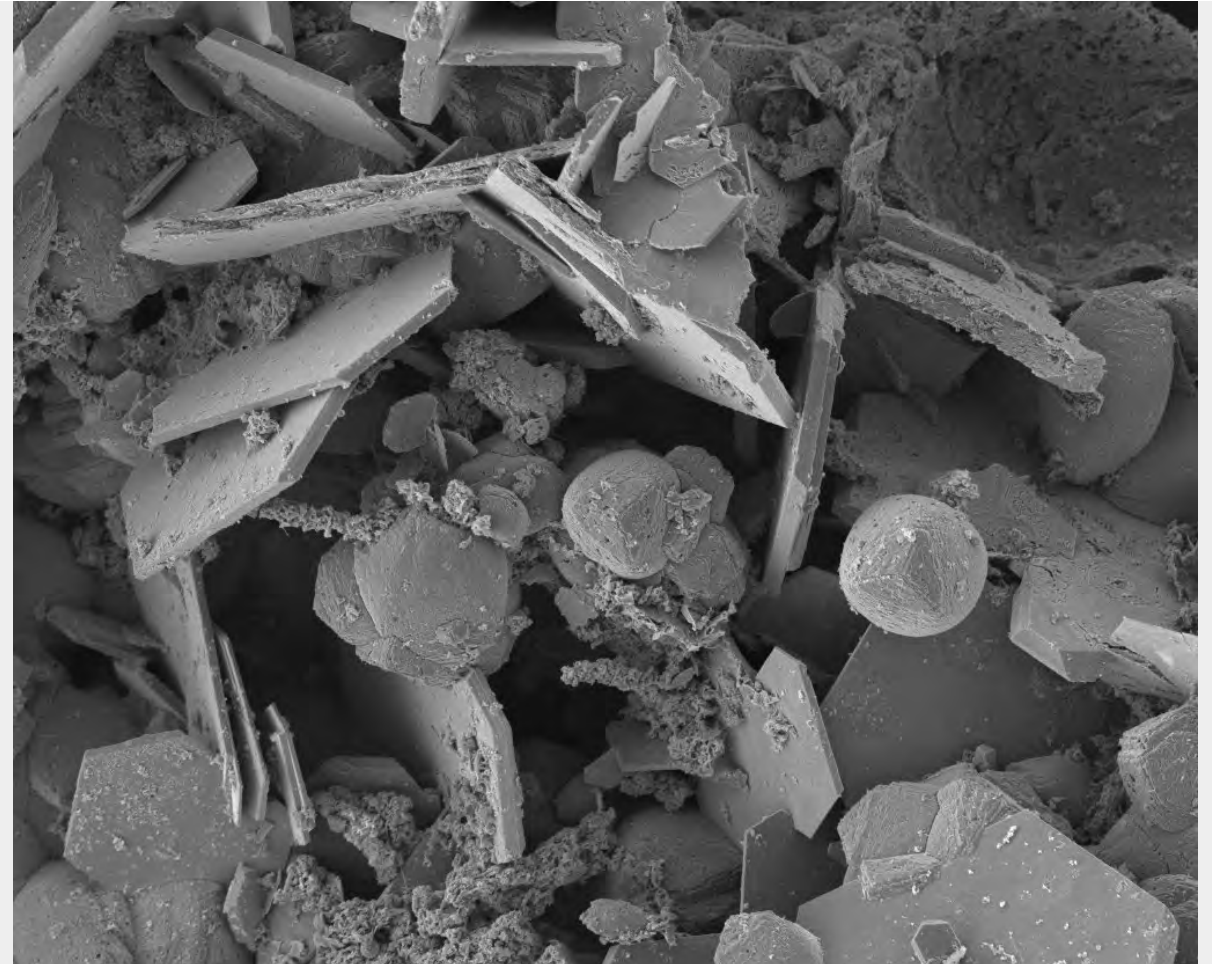


## AMPEAK 2023 - Asset Management Innovation Award



## LABORATORY SERVICES TO INCREASE VISION

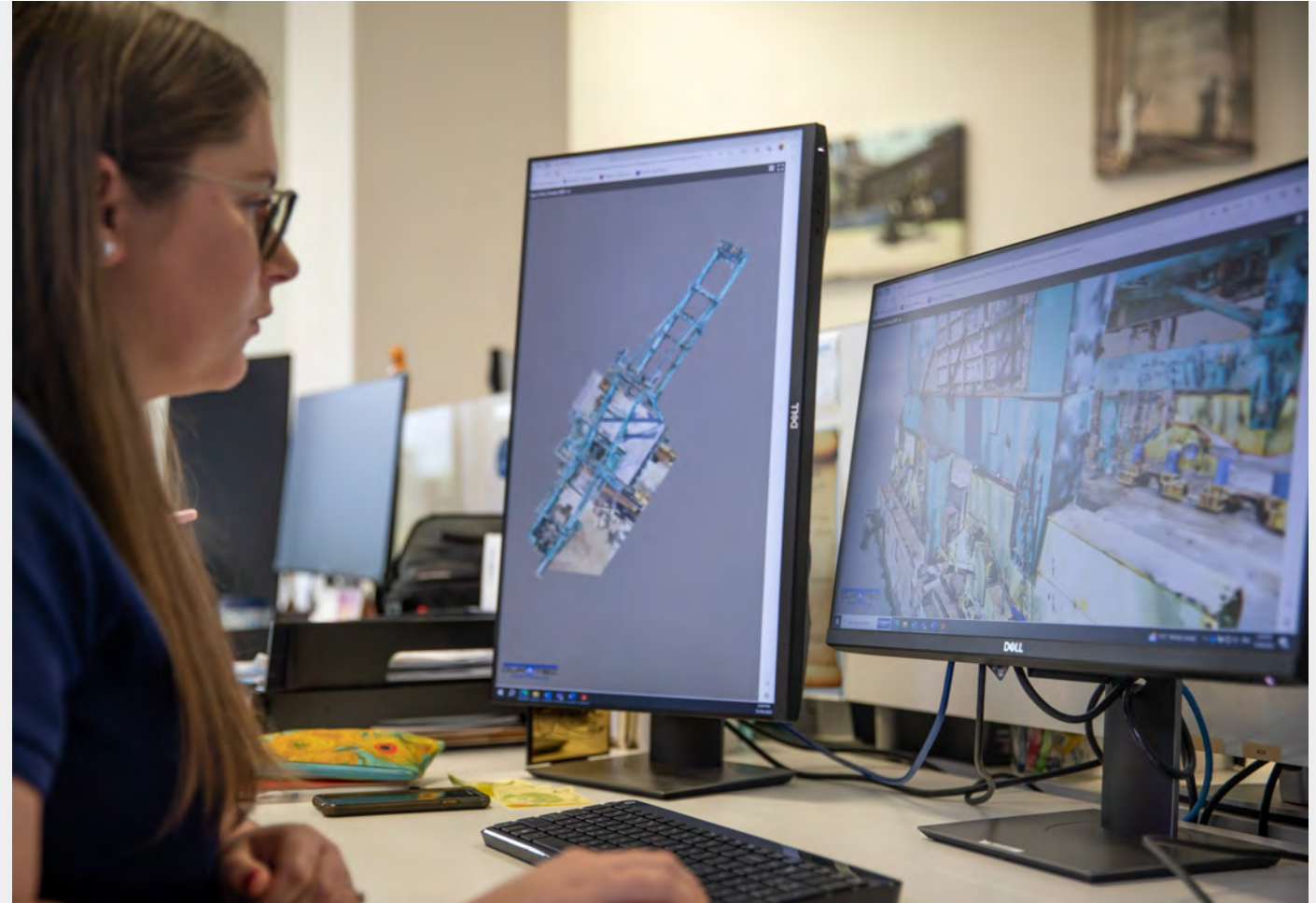
- Specialised laboratory services for the testing, and forensic analysis of construction materials provides MEnD early visibility of opportunities for the parent company and provides them a PoD in tenders.
- The in-house capability also offers us more avenues to work for our key clients throughout the asset life cycle.





## MAINTAINING OUR POINT OF DIFFERENCE

- Working with our research and development partners MEnD has a long history of identifying gaps in the market and adopting new technology early to accelerate our growth.
- The opportunities to leverage computer vision, underwater reality modeling and the automation of current workflows present significant future value.



# NIGEL KROONSTUIVER

## Mining & Industrial Manager - West



# MINING & INDUSTRIAL AND ENERGY

## Mining and Industrial

- **Master service agreements** continue to be the preferred mechanism for the major mining clients in Mining and Industrial space including Rio Tinto, BHP, Newmont, FMG and now Roy Hill.
- Growing focus on our ability to help **assess the condition of structures** and assist the client through to scoping phase.
- Clients with older assets (Rio/BHP/Newmont) have led the way with **larger refurbishment programs** – recognising their maintenance debt issues. FMG, Roy Hill and some of the other newer asset owners have **significant spends** in an effort to avoid larger longer term structural issues.
- Duratec have reliable consistent teams of **highly skilled and experienced** personnel delivering high quality works which is recognised by our clients.
- Delivery model with a combination of re-measurable scope works and hourly day works, plus a very rigorous inspection schedule creates a barrier to entry for competitors. Often **one of two contractors** for major works.

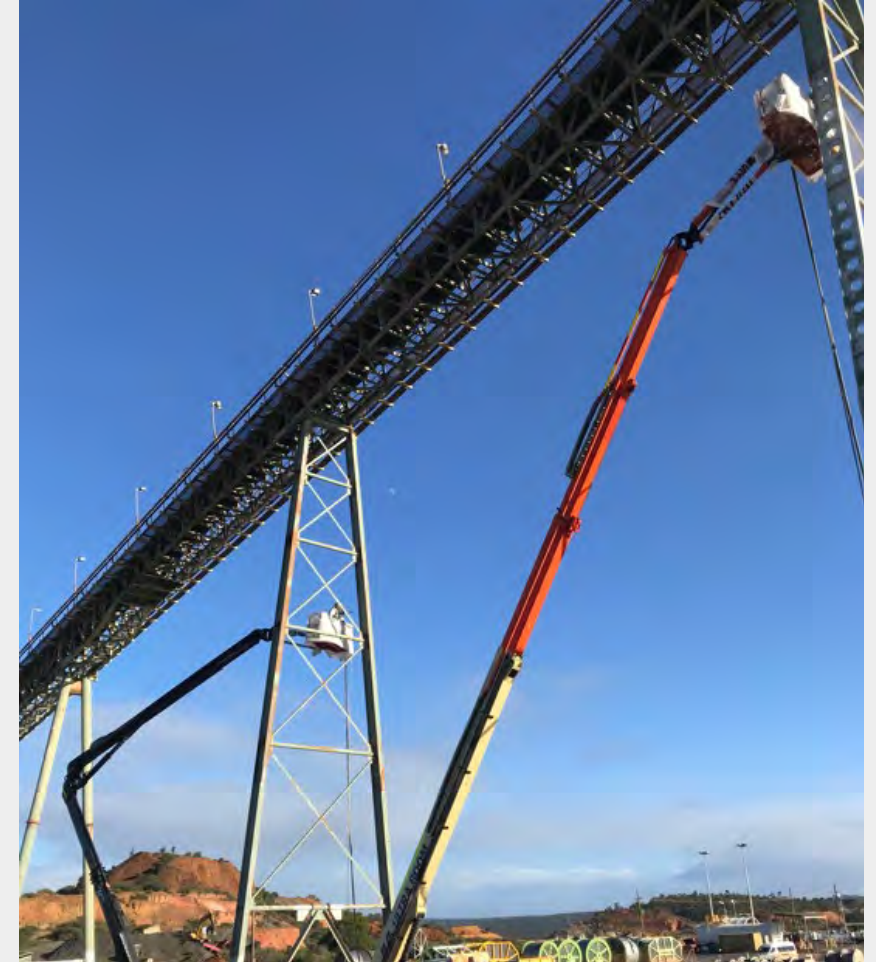




# MINING & INDUSTRIAL AND ENERGY

## Mining and Industrial

- The **Goldfields** division continues to be successful in the Master service agreements both shut and non shut down works.
- Introduction of new alternative clients (i.e., **lithium and rare earths**) to the traditional gold and nickel mines has created a long-term larger assets base for maintenance and refurbishments activities. We have also provided a number of smaller specialised construction type projects for these new mines/refineries.
- Recent **expansion into the Mid West** has added further long-term opportunities to our ongoing MSA base work.
- Extending the **relationships and offerings to QLD** and increasing the focus on mining hubs like Gladstone to replicate the Goldfields MSA style works.





# MINING & INDUSTRIAL AND ENERGY

## Mining and Industrial Highlights

### FY23 HIGHLIGHTS

- Introduction to BHP through the Berth C&D +\$50M Project
- Expansion of the Rio Tinto SI Program to Pilbara East (Tom Price) and Ports (East Intercourse Island) \$30M combined
- Extended the offering of services at Newmont's Boddington Gold to include the Tank Refurbishment program.
- Growth of the skilled workforce in Mining and Industrial to + 450 personnel



# MINING & INDUSTRIAL AND ENERGY (WPF)

## Energy (WPF)



- WPF brings strong in-house technical capabilities in fabrication and welding
- Highly experienced with specialty metals and weld procedures means they are often the first point of contact for difficult and bespoke projects
- Direct access to end users in the Oil & Gas Industry
- Offshore services through skilled and trained Offshore experienced personnel on Schedule of rates
- Invested into the offshore personnel supply to increase the ability to offer experienced personnel
- Confidence in the personnel and the delivery model has allowed us to seek to expend the same servicing offering into the Northern Territory





# MINING & INDUSTRIAL AND ENERGY (WPF)

## Energy (WPF) Highlights



### FY23 HIGHLIGHTS

- Successful acquisition and integration of WPF
- Contractor of the Year - Santos' 2023 Directors' EHSS Awards for supporting WA offshore activities
- Purchase Novarc Spool Welding Robot (increased quality control, safety, output and efficiencies)
- Increase in offshore and infield labour supply



# **GREG OATES**

## National Building & Facade Manager





# BUILDING & FACADE

Specialists in early contracting with key clients

## KEY HIGHLIGHTS

- Substantial completion of our flagship project Central Park – due May 2024 (ECI converted to main works)
- Our strategy is to remain discerning on opportunities and clients

## NOVEMBER HIGHLIGHTS

- Project (sole select) – on behalf of DIPL NT Government - in negotiation
- Project (ECI) converted to main works in SA - awarded



# BUILDING & FACADE

## Key differentiators

- Duratec has a team of in-house experts
- Full-scale fire spread modelling is one of our early entry points to clients
- End-to-end service:
  - Design-Draft-Procure-Install
  - This affords us full process control and delivers mutually beneficial outcomes
  - We can often price our works as we manage the design and the client (i.e. not hard dollar tendering)
  - No other contractor can do this on our scale
- 3D modelling for procurement, tracking, QA and client updates





# BUILDING & FACADE

## Future Focus

- Future Opportunity – as Australia's building infrastructure ages and poor-quality construction continues, we will be able to seize the opportunity on our terms
- Core offices in all major commercial cities give us the footprint our competitors cannot match
- When clients engage with us, they are coming from a need of genuine quality outcomes – we do not pursue the time and cost builder's model
- Continued focus on ECI model



# TRISTAN REES

## National Defence Manager





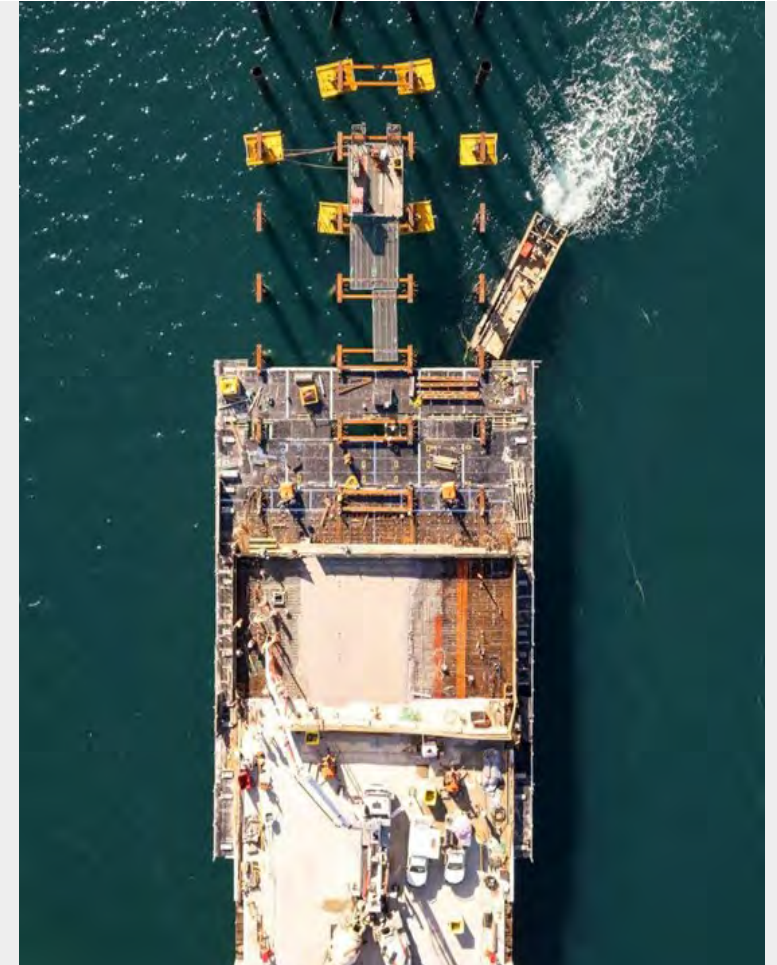
# DEFENCE UPDATE

National Client supported by Duratec's National Delivery Model

DEFENCE SERVICE OFFERING

DEFENCE STRATEGIC REVIEW ALIGNMENT

GROWTH STRATEGY



# DEFENCE UPDATE

National Client supported by Duratec's National Delivery Model

## DEFENCE SERVICE OFFERING

- Specialised personnel
- Defence security accreditations
- Tailored mature systems



**208+** Defence  
Team Members



**300+**  
Defence Projects  
To Date

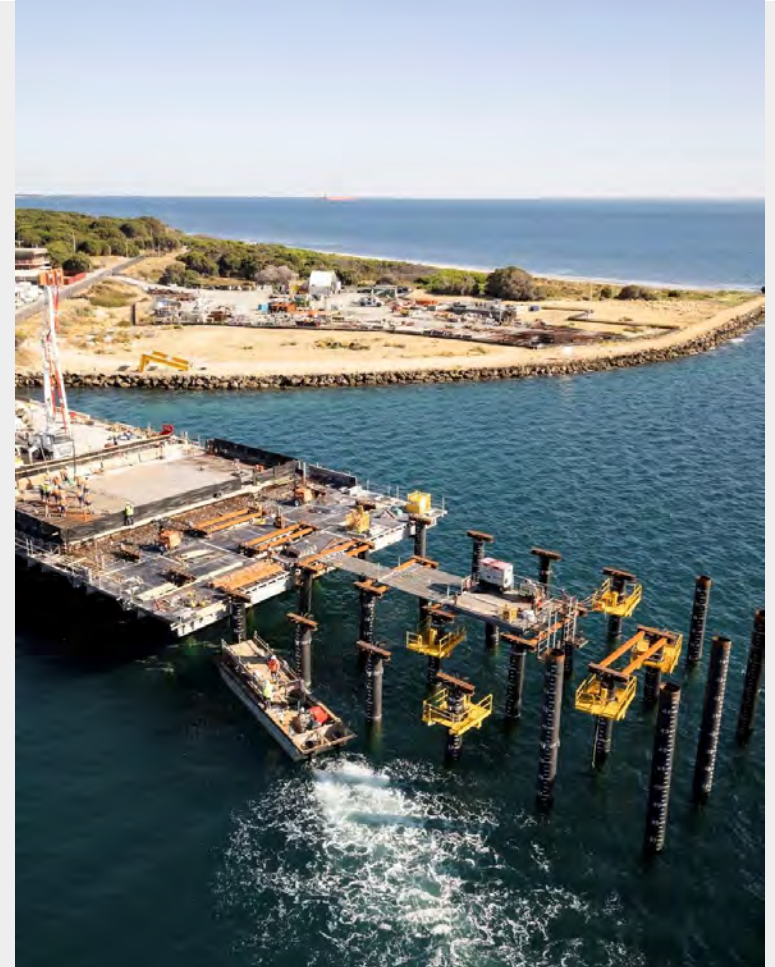


# DEFENCE UPDATE

National Client supported by Duratec's National Delivery Model

## DEFENCE STRATEGIC REVIEW ALIGNMENT

- Fuels and ammunitions
- Maritime
- Northern focus



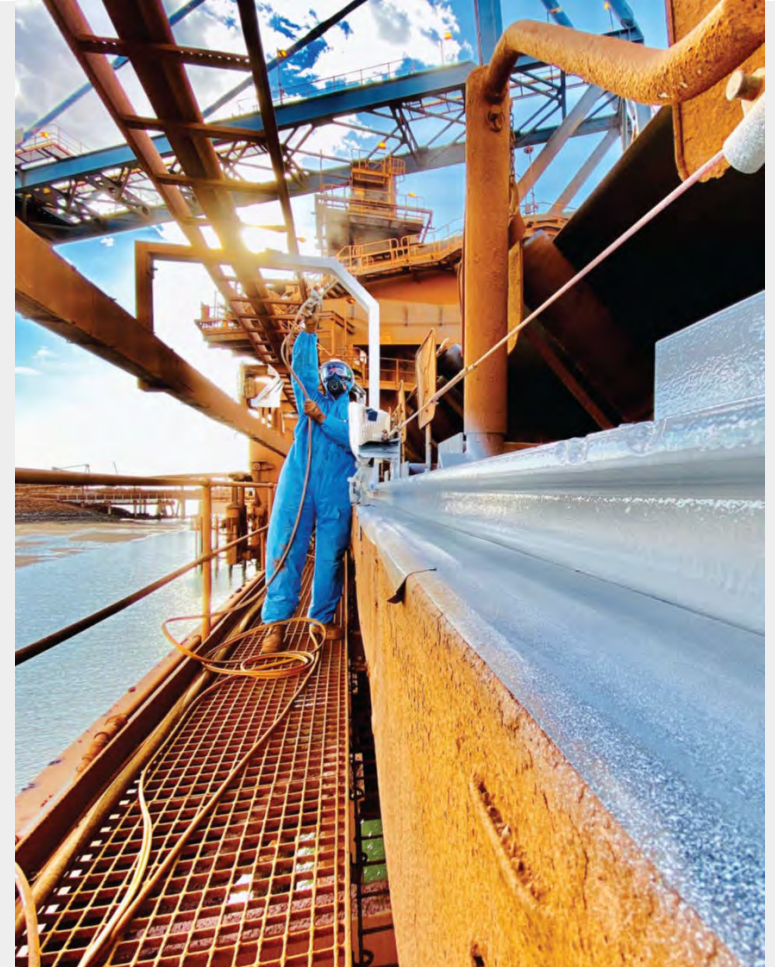


# DEFENCE UPDATE

National Client supported by Duratec's National Delivery Model

## DEFENCE STRATEGIC REVIEW ALIGNMENT

- Diversification
- Expanding self-perform capabilities
- Leveraging footprint
- TAM in Defence sustainment FY24 spend is circa \$17bn



# SHANE KATAUSKAS

## DDR General Manager



# DDR AUSTRALIA

## Business Performance



- Challenging FY23 with reduction in Revenue to \$32.3m.
- Strong budget outlook for FY24, performance on track
- Work on hand \$43.5M, identified pipeline >\$300M
- Tendered works >\$70M; increase to >\$140M by Dec 2023





# DDR AUSTRALIA

## Growth and Diversification

- Well placed for Defence sector growth
- Revenue sector diversification; key focus
- Strong financial position
- New capabilities to deliver growth/stability



# DDR AUSTRALIA

## Growth and Diversification

- Profile and reputation – growing
- Indigenous Procurement Policies and clients are maturing, increasing requirements
- DDR positioned to deliver existing and new services
- Employee numbers and capability growing
- >25% Aboriginal staff maintained for the last 3 years
- >45% Female staff





# CHRIS OATES

## Managing Director





# OUTLOOK

## Order Book and Pipeline

Figure 1. Order Book

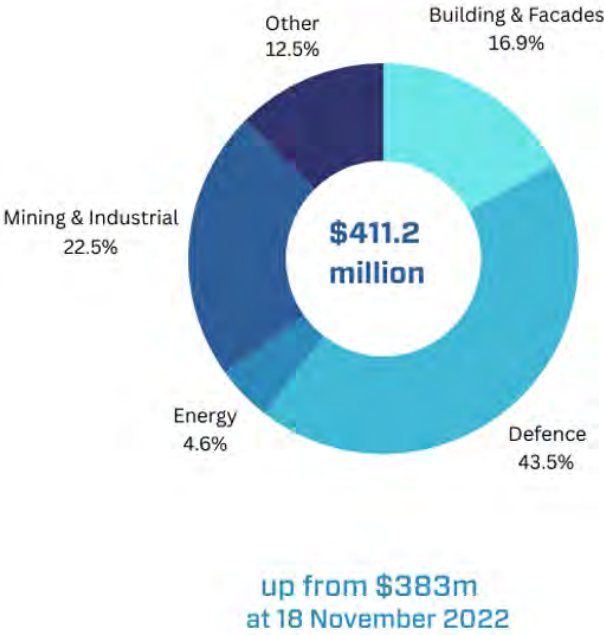


Figure 2. Tender

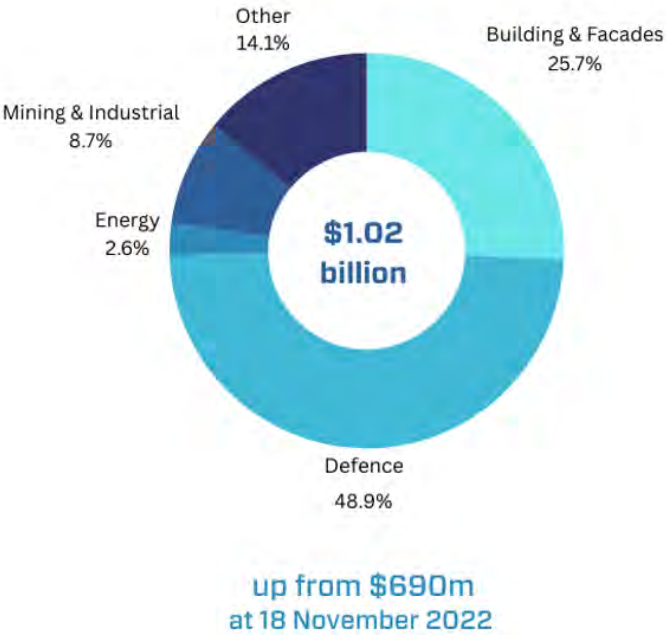
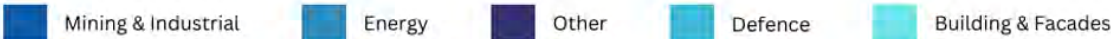
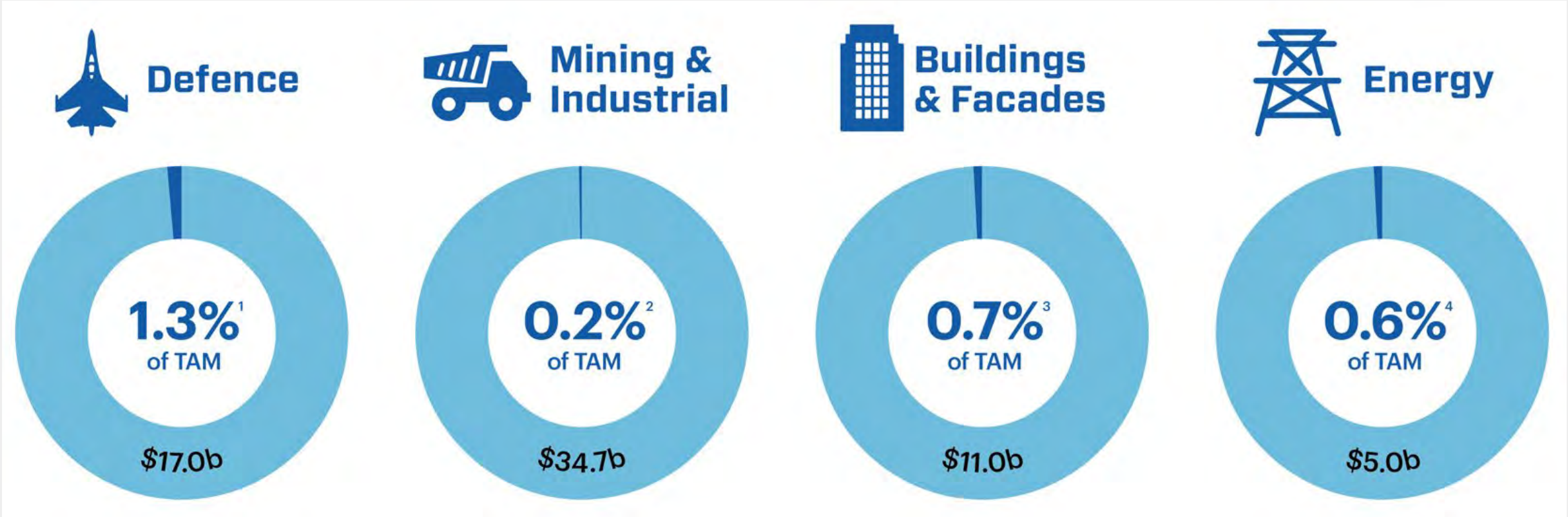


Figure 3. Pipeline



# OUTLOOK

## Total Addressable Market (TAM) – By Sector (Australia)



**Note 1:** Duratec achieved FY23 Defence sector revenue of \$229m. Defence TAM sourced from Department of Defence sustainment spend detailed in the Department of Defence 2020 Strategic Update

**Note 2:** Duratec achieved FY23 Mining & Industrial sector revenue of \$86.4m. Mining TAM sourced from Australia Bureau of Statistics Actual Expenditure by Type of Asset and Industry February 2020 and Industrial TAM sourced from IBIS World Industry Report. Infrastructure Maintenance Services in Australia February 2020

**Note 3:** Duratec achieved FY23 Buildings & Facades sector revenue of \$78.4m. Buildings & Facades TAM sourced from Australian Facilities Management Services report and information published

**Note 4:** Duratec achieved FY23 Energy and WPF sector revenue of \$74.1m. Energy TAM sourced from BIS Oxford Economics, ABS (August 2023)

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# QUESTIONS & ANSWERS

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## MODERATOR



**OLLIE MCKEON**  
General Manager – Eastern States

## PANELLISTS



**CHRIS OATES**  
Managing Director



**LIAM HOLLOWAY**  
National Technical Manager



**TRISTAN REES**  
National Defence Manager



**ASHLEY MUIRHEAD**  
Chief Financial Officer

# DEMONSTRATION HUB & NETWORKING

