



2024

FULL YEAR RESULTS

Results for the year ended 30 June 2024



Moolmans



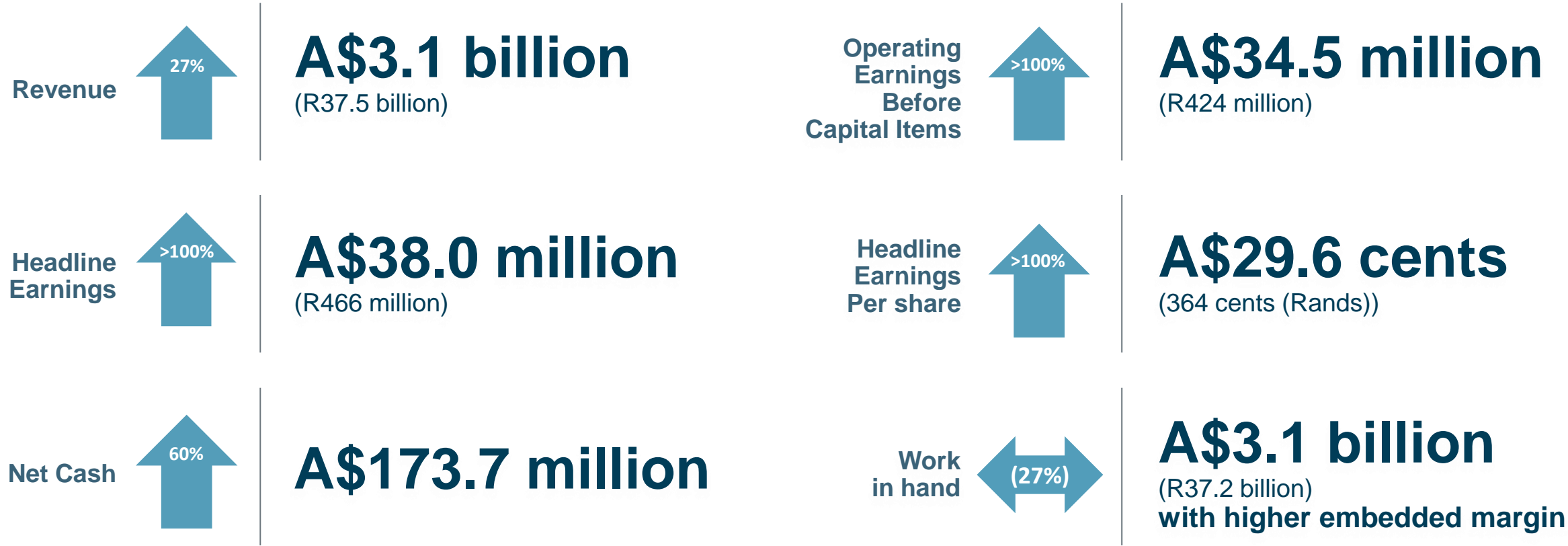
Agenda

- 01 Salient features
- 02 Financial results
- 03 Market outlook
- 04 Strategic review
- 05 Key messages
- 06 Appendices

New Bridgewater Bridge, Tasmania, Australia
Tasmania's largest ever transport infrastructure project

FY24 Salient features – Results summary

Resilient return to profitability and positive cash generation



Leadership transition and organisational structural change complete

FY24 Salient features – Executive Summary

CEO insights and reflections

- Returned the Group to profitability and positive cash generation.
- Strengthened balance sheet through improved profitability, strong cash generation and the repayment of debt.
- Projects impacted by COVID and hyper escalation nearing completion.
- Improved quality of WIH with higher embedded margin.
- Enhanced risk management is having positive impact:
 - Project portfolio balanced between risk and opportunity.
 - Increased project specific contingencies.
 - Risk mitigation strategies now delivering opportunity.
- Overall margin trending upwards towards expectations.
- *Infrastructure* and *Building* market strengthening in sectors where McConnell Dowell and Built Environs differentiate.
- Positioning Moolmans for diversified profitable growth.
- Risk reduced on Group legacy items.
- Strategic review undertaken – strategic direction to enhance future value for all businesses has been determined.



FY24 Salient features - Segment performance - Infrastructure

96% of projects across the portfolio are profitable

Australia

81% of segment revenue

- The few remaining projects awarded pre-COVID and impacted by hyper escalation did not contribute margin.
- Projects awarded post-COVID inclusive of escalation mitigation strategies performing well at higher operating margins.
- Margin of overall project portfolio expected to improve with the completion of the pre-COVID projects.

New Zealand & Pacific Islands

13% of segment revenue

- Consistent operational excellence delivered with consecutive years of above plan performance.

Southeast Asia

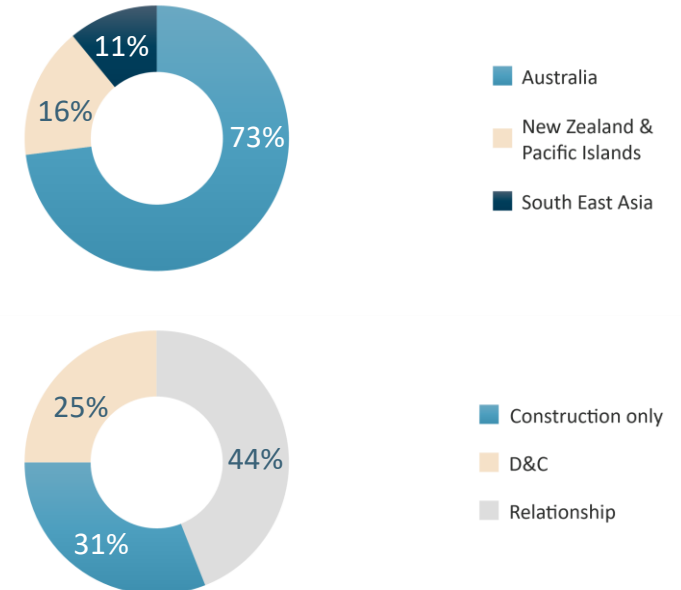
6% of segment revenue

- Curtailed substantial operating loss in 2023, primarily from BLNG project. A modest operating loss in line with plan.
- Secured new marine projects in Indonesia and Singapore, consistent with focused geographic and sector strategy.



78% of Group revenue

Work in Hand



A\$2.2 billion



FY24 Salient features - Segment performance - Building

100% of projects across the portfolio are profitable

Overall

- Significant increase in revenue; in line with the segment’s growth agenda.
- Operating earnings above plan due to good project execution.
- Margin in line with industry peers.



South Australia



- Continues to hold market leadership in hospitals and healthcare.

Victoria

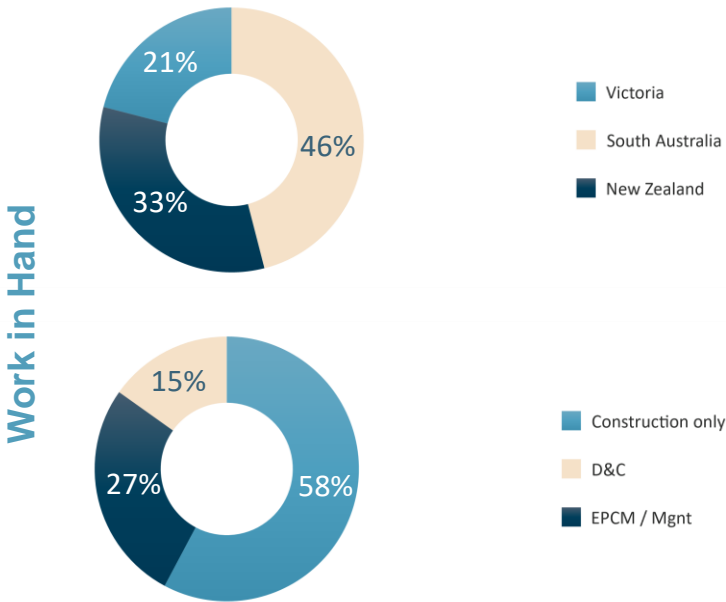


- Building solid brand and reputation in the education, sports, advanced manufacturing, and infrastructure sectors.

New Zealand



- Successfully transferred health sector expertise to the Auckland market, coupled with strong partnership with MCD infrastructure.



A\$443 million



FY24 Salient features - Segment performance - Mining

New executive management. Consolidation and reset operational strategy well progressed.

Moolmans

- Increase in revenue and positive operating earnings despite the scaling down of two contracts in the period.
- Moolmans' clients negatively impacted by infrastructure constraints in South Africa.
- Gamsberg contract performing well with production volumes ahead of plan.
- Tshipi contract delivered improved volumes over the course of the year. Margin remains under pressure.
- Exploring contracts with existing customers to increase volumes and improve profitability.
- Brand refresh process nearing completion.
- Work in hand of R5.3 billion at 30 June 2024.



Tshipi Borwa mine, Northern Cape

New leadership at Moolmans is reinvigorating the brand, culture and performance



FY24 Salient features - Our people

Over 4,500 proud and passionate employees

Organisational development

- Continued increase in staff alignment and engagement across infrastructure and building with alignment levels in the top 10% of general industry (2023 all staff survey).
- A further 65 emerging leaders completed the Operational Leadership Program, with several alumni promoted to senior leadership.
- 80% of senior leaders have completed a leadership development program in the last three years.
- Over 50 graduates participating in formal graduate programs in 2024.



Diversity, Equity and Inclusion

- 149 formal internships, learnerships and apprenticeships across Moolmans – all from historically disadvantaged groups; 27% are women.
- Key leadership appointments of women increasing representation: Southeast Asia Senior Leadership Team (43%), Corporate Functional Leaders (33%) and Australia Senior Leadership team (30%).
- Continuing to localise the Southeast Asia leadership team, with 71% Southeast Asian.
- Establishment of an Aveng Diversity, Equity and Inclusion group and framework, sponsored by the CEO.

FY24 Salient features – ESG highlights

The Group continues to improve ESG outcomes for all stakeholders

Environmental

- Continue to minimise carbon footprint, water use, and waste.
- Over 1,935,000 tonnes of waste diverted from landfill.
- 637 million litres of non-potable water used.
- 442 tonnes of carbon saved from solar technologies alone.

Social

- A\$44 million invested with social enterprises.
- Engagement with schools, community groups, and not-for-profits continues to grow throughout our projects and businesses.

Governance

- Successful leadership and subsidiary Board transition.

Safety

- LTIFR – 0.65
- TRIFR – 3.85
- 17,832 'Safe Talk' proactive safety interventions undertaken.



Engagement with community groups continues to grow throughout the Group
SEA team volunteering at Foodbank Singapore

02

Financial results



Tshipi Mine
Moolmans, South Africa

Financial results – FY2024 Salient features

Full year earnings build on the improved operating earnings of H1

- Revenue up A\$650 million compared to 2023.
- Operating earnings before capital items improved significantly^{1/3}.
- Basic earnings per share increased by more than 100% compared to 2023.
- Headline earnings increased by more than 100% compared to 2023.
- New organisational structure yielding overhead savings.
- Net cash of A\$173.7 million at 30 June 2024.
- Term debt of A\$23 million settled.
- Operating free cashflow increased by >100% compared to 2023.

	2024 A\$m	2023 ³ A\$m
Group revenue¹	3 055	2 405
Growth ²	27%	
Group operating earnings before capital items^{1/3}	34.5	17.2
Growth ²	100%	
Basic earnings per share (A\$c)	20.0	9.4
Headline earnings per share (A\$c)	29.6	12.4
Operating free cashflow	97.9	(62.7)
Growth ²	>100%	

1 Excludes Trident Steel and other assets disposed of in comparative periods.

2 As compared to prior year.

3 Non-IFRS measure - adjusted information excludes the impact of BLNG in 2023, has been prepared for illustrative purposes only and has not been reviewed or reported on by a reporting accountant.

Financial results – Comprehensive Earnings

	FY 2024 A\$m	FY 2023 A\$m	FY2023 A\$m	Commentary
Continuing operations				
Revenue	3 055.4	2 405.4	2 405.4	Cost escalation translates into additional revenue.
Gross earnings	175.6	38.8	142.8	Gross margin expected to improve following completion of pre-COVID projects.
Gross margin %	5.7%	1.6%	5.8%	
Operating earnings / (loss) before capital items	34.5	(86.8)	17.2	
Capital (expenses) / earnings	(7.3)	0.7	0.7	Impairment of PPE at Mining.
Operating earnings / (loss) after capital items	27.2	(86.1)	17.9	
Net finance expenses	(11.1)	(10.3)	(10.3)	
Earnings / (loss) before taxation	16.1	(96.4)	7.6	
Taxation	9.7	4.7	4.7	Tax credit as prior tax losses utilised.
Earnings / (loss) for the year²	25.7	(91.8)	12.3	
Basic earnings per share (A\$c) ²	20.0	(82.4)		Weighted average number of shares 2024: 128.4 million 2023: 126.1 million
Headline earnings per share (A\$c) ²	29.6	(61.6)		

¹ Non IFRS measures. Any adjusted information excluding the impact of BLNG contained in this presentation has been prepared for illustrative purposes only and has not been reviewed or reported on by a reporting accountant.

² Amounts above represent the earnings / (loss) for continuing and discontinued operations.

Financial results – Segmental results

<i>Pro-forma information</i>	FY 2024 A\$m	Infrastructure	Building	Mining	Aveng Legacy	Other & Elimination
Revenue	3 055.4	2 417.1	419.1	268.9	0.8	(50.5)
Gross earnings	175.6	144.2	19.9	15.7	(4.2)	-
Gross margin %	5.7%	6.0%	4.7%	5.8%	(>100%)	-
Operating earnings / (loss) before capital items	34.5	57.4	8.6	2.0	(5.0)	(28.5)
Capital (expenses) / earnings	(7.3)	-	-	(8.1)	-	0.8
Operating earnings / (loss) after capital items	27.2	57.4	8.6	(6.1)	(5.0)	(27.7)
Net finance expenses	(11.1)	3.3	1.3	(10.4)	(1.0)	(4.3)
Earnings before taxation	16.1	60.7	9.9	(16.5)	(6.0)	(32.0)
Capital expenditure – replacement	54.0	26.7	-	27.3	-	-
Capital expenditure – expansion	7.8	-	-	7.8	-	-
Work in hand	3 053	2 173	443	437	-	-

Commentary

Infrastructure

- Growth in revenue across all business units. Business units profitable and Southeast Asia recovering according to plan.
- Newer contracts continue to perform strongly, and we note an easing in cost escalation pressure, providing the opportunity for overall margin improvement.

Building

- The business unit has achieved scale with margins in line with industry peers.

Mining

- Operating margins remain under pressure, despite delivering improved volumes on the Tshipi contract.

Financial results – Financial position

Aveng strengthened its balance sheet through improved profitability, strong cash generation and the repayment of debt.

<i>Statement of financial position as at</i>	30 June 2024 A\$m	30 June 2023 A\$m	Change A\$m
Non-current assets	445.4	408.4	37.0
Current assets	817.3	680.3	137.0
Total assets	1 262.7	1 088.7	174.0
Foreign currency translation reserve	(951.5)	(954.3)	2.8
Retained earnings	686.3	660.6	25.7
Other	547.2	545.0	2.2
Total equity	282.0	251.3	30.7
Non-current liabilities	175.3	168.1	7.2
Current liabilities	805.4	669.3	136.1
Total liabilities	980.7	837.4	143.3

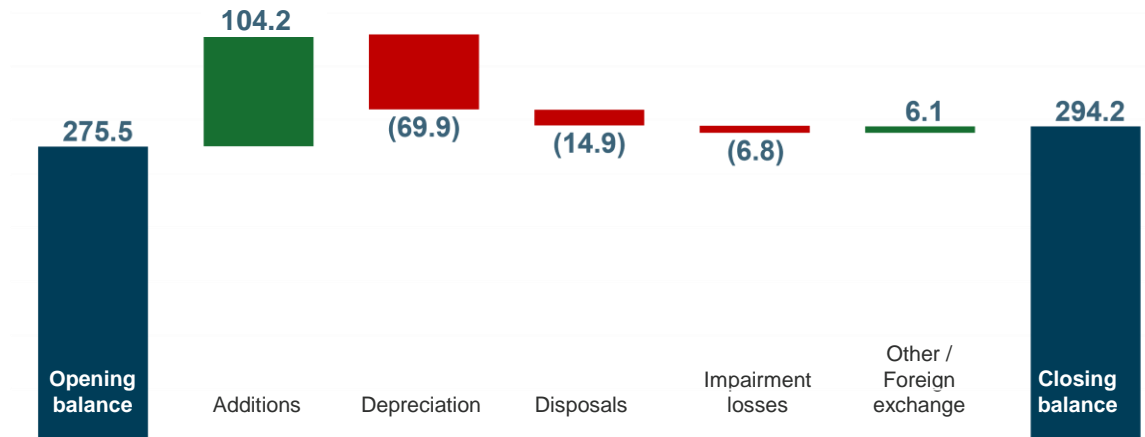
The Group's debt comprises asset-backed finance and lease liabilities associated with equipment.



Jack-up Barge 914 in final stages of refurbishment
The Group's investment in specialist marine equipment continues to pay dividends

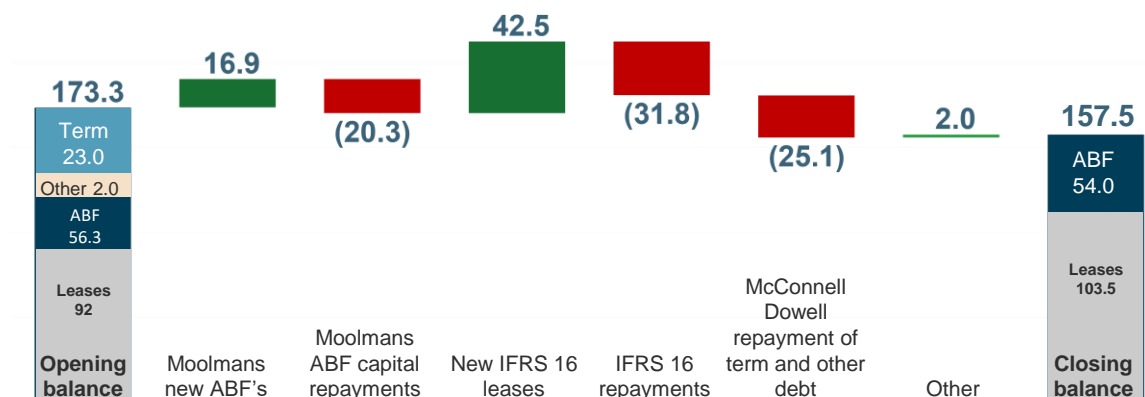
Financial results – Financial position

Movements in PPE and ROU (A\$m)



- Additions represent investment in replacement mining equipment in *Mining* segment and replacement PPE & ROU office leases in *Infrastructure* segment.
- Effective annualised depreciation rate of 25.3% per annum.
- Non-critical, redundant assets at Moolmans were impaired.

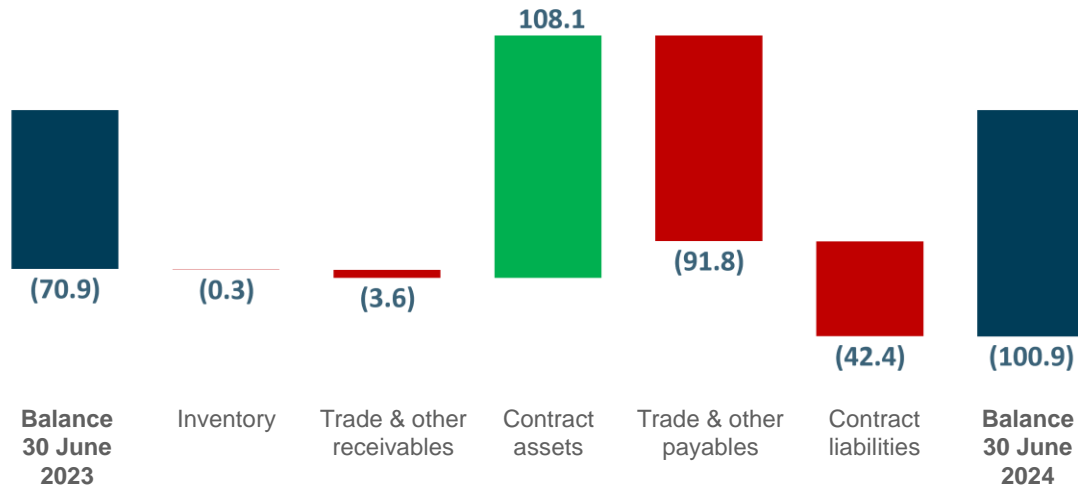
Movement in borrowings (including IFRS 16 leases) (A\$m)



- New ABFs of A\$16.9 million in *Mining* segment to support the growth in new mining equipment at Moolmans.
- New IFRS 16 mining equipment leases at Moolmans and office leases in *Infrastructure* segment.
- Scheduled ABF capital repayments on ABFs amount to A\$20.3 million.
- Scheduled IFRS 16 repayments of A\$31.8 million.
- McConnell Dowell repaid A\$23 million on the term debt facility.

Financial results – Financial position

Movements in working capital (A\$m)



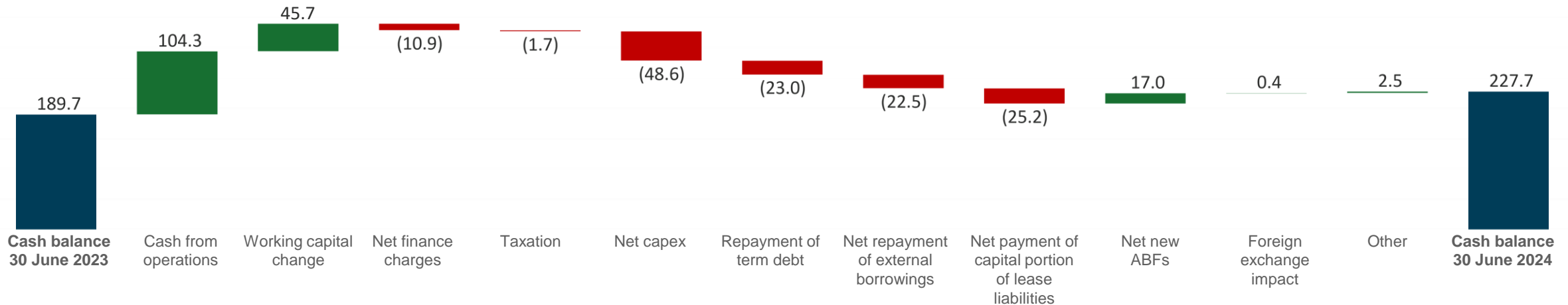
- Minimal net movement in inventory or trade & other receivables across the portfolio.
- Contract assets increased due to contract receivables and work in progress, in line with increased activity levels, uncertified revenue and claims comprising timing-related variation orders and contract claims.
- Contract liabilities increased due to progress billings at McConnell Dowell.
- Trade and other payables increased mainly as a result of the timing of project cost accruals and payment of creditors.



State Highway 25A Taparahi Slip Remediation, New Zealand
Awarded 'Bridge Project Team of the Year' – New Civil Engineering Awards, London

Financial results – Liquidity

Movement in cash (A\$m)



A\$m	30 June 2024	30 June 2023	Change
Cash balance	227.7	189.7	38.0
South African liquidity pool	(4.8)	12.2	(17.0)
Australia liquidity pool	232.5	177.5	55.0
Borrowings	(54.0)	(81.3)	27.3
Term facilities	-	(23.0)	23.0
Asset-backed financing arrangements	(54.0)	(56.3)	2.3
Other	-	(2.0)	2.0
Net Cash	173.7	108.4	65.3

- Cash balance increased by A\$38.0 million, largely in Australia.
- Net cash position increased by A\$65.3 million.
- Repayment of term facilities of A\$23.0 million.
- Asset-backed financing arrangement backed by PPE with a carrying amount of A\$54.0 million.
- The Group has cash of A\$227.7 million (30 June 2023: A\$189.7 million) at 30 June 2024 of which A\$76.5 million (30 June 2023: A\$79 million) is held in joint arrangements.

03

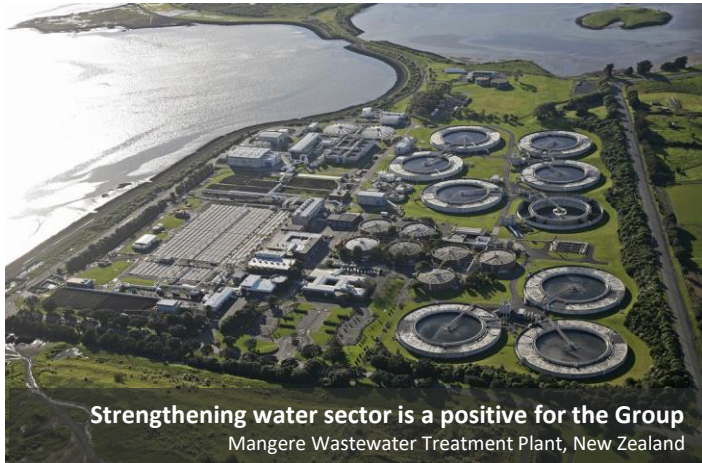
Market outlook

FY25 Market outlook

Positive outlook for FY2025 and beyond

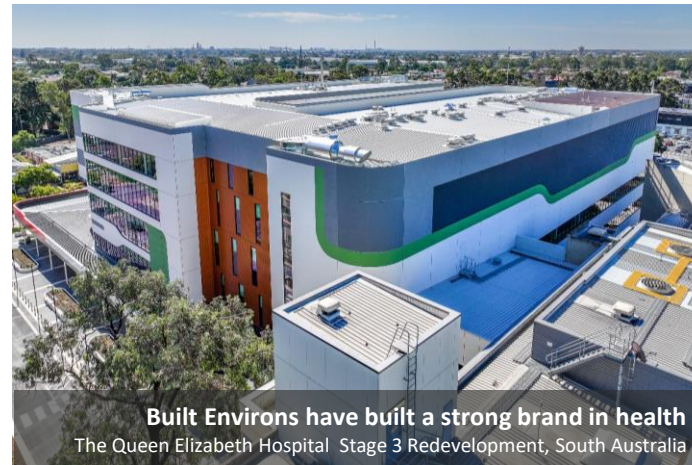
Infrastructure:

- Macro trends used to inform long term strategy (Horizon 2030) coming to fruition.
- Transport infrastructure market softening offset by strengthening energy transition, water, climate resilience, and defence sectors.
- Overall bid pipeline remains healthy across all jurisdictions and sectors.
- A\$1.9 billion preferred with A\$3.4 billion tenders submitted or in progress.



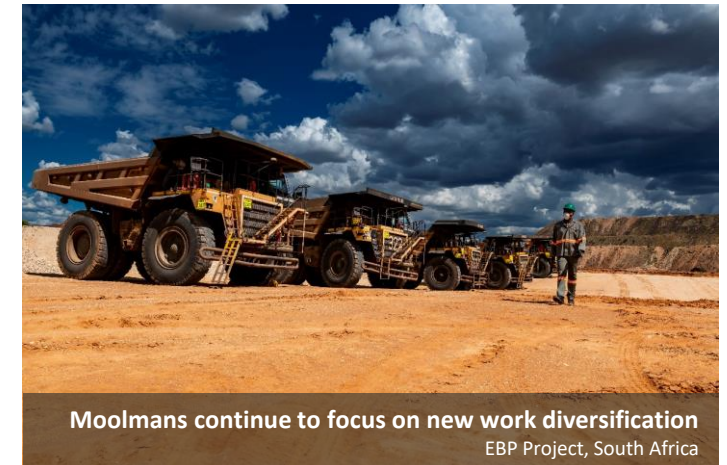
Building:

- Markets in Australia and New Zealand remain strong with government spend responding to population growth demands.
- Overall bid pipeline remains healthy specifically in health, education and recreation sectors.
- A\$600 million preferred with A\$580 million tenders submitted or in progress.



Mining:

- Mining environment impacted in South Africa by logistic infrastructure constraints. Formation of GNU is positive.
- Significant opportunities with existing clients on existing mines for contract extensions and increased volumes.
- Longer term new work focus continues to be on diversification – country, customer, commodity.



04

Strategic review



Mardie Salt & Potash Marine Structures
McConnell Dowell, Western Australia

Strategic review

Enhancing stakeholder value and maximising value to shareholders.

Aveng remains committed to all stakeholders, including clients, suppliers and employees.

Context

- Aveng's two operating businesses (McConnell Dowell and Moolmans) have distinctly different business characteristics and value propositions.
- The businesses should pursue independent and separate operating and growth strategies.
- This will assist each business to independently access appropriate pools of capital to better support their investment requirements.

Intention

- Pursue, through a combination of transactions, the creation of two independent and separate entities.
 - McConnell Dowell (including Built Environs) - Infrastructure and Building.
 - Aveng Limited which holds Moolmans - Mining.
- Support and enhance the prospects of both entities for all stakeholders by enabling the two entities to access the most attractive capital to pursue their separate strategies.

Potential mechanisms

- McConnell Dowell – Explore potential listing on Australian Securities Exchange (ASX) and Johannesburg Stock Exchange (JSE).
- Moolmans – Exploration of alternative ownership options and potentially introducing BBBEE capital.

Macquarie Capital will assist with the implementation process.

Further updates will be provided in due course.



McConnell Dowell – Kidston Pumped Storage Hydro



Moolmans – Gamsberg

The case for separation

Distinct brands, different markets, requiring different capital and capabilities, and with limited strategic synergies.

05

Key messages



Corban Reserve Stormwater Upgrade
McConnell Dowell, Auckland

Key messages

Return to profitability and strategic direction confirmed

- Return to profitability and cash-generation.
- Pre-COVID projects nearing completion – post-COVID projects performing well.
- McConnell Dowell (including Built Environs) – aligned to growing defence, energy, water, marine and resource sector opportunities.
- Moolmans – focused on operational improvements and opportunities with existing customers.
- Strategy – to pursue two separate and independent businesses.
- Committed to all stakeholders and the long-term sustainability of all businesses.



Aveng will continue to provide all necessary support to its businesses as the new strategy is developed



Thank you & Questions



2024

FULL YEAR RESULTS



Moolmans

[Aveng.co.za](https://aveng.co.za)

06

Appendices

Appendices – Comprehensive Earnings

	2024 Rm	2023 Rm	Change Rm
Continuing operations			
Revenue	37 450	28 865	8 585
Gross earnings	2 151	443	1 708
Gross margin %	5.7%	1.5%	4.2%
Operating earnings / (loss) before capital items	424	(1 060)	1 484
Capital (expenses) / earnings	(90)	9	99
Operating earnings / (loss) after capital items	334	(1 051)	1 385
Net finance expenses	(136)	(123)	(13)
Earnings / (loss) before taxation	198	(1 174)	1 372
Taxation	117	57	60
Earnings / (loss) for the year	315	(1 117)	1 432
Basic earnings per share (cents)	245	(1 017)	1 262
Headline earnings per share (cents)	364	(753)	1 117

* Continuing operations only. Excludes Trident Steel.



Tshipi Borwa mine, Moolmans
Northern Cape, South Africa

Finance earnings: R142 million; (2023: R77 million)
Finance expense: (R278 million); (2023: (R200 million))

Appendices – Statement of financial position

	30 June 2024 Rm	30 June 2023 Rm	Change Rm
Non-current assets	5 427	5 125	302
Current assets	9 954	8 539	1 415
Total assets	15 381	13 664	1 717
Stated capital	4 801	4 776	25
Accumulated losses	(2 989)	(3 305)	316
Other	1 627	1 684	(57)
Total equity	3 439	3 155	284
Non-current liabilities	2 135	2 108	27
Current liabilities	9 807	8 401	1 406
Total liabilities	11 942	10 509	1 433
Total equity and liabilities	15 381	13 664	1 717

