

Energy Technologies Limited (ASX:EGY)

A specialised cable & wires manufacturer
supplying the high value infrastructure sector

FY22 Results Presentation
August 2022



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Historical Operating Results



Energy Technologies - Profit & Loss			
(A\$'000, unless indicated)	FY22	FY21	Variation
Sales revenue	12,519	9,428	+33%
COS	(11,547)	(6,794)	+70%
	972	2,634	-63%
Operating Expenses	(5,151)	(5,271)	
Other	(153)	(98)	
EBITDA	(4,332)	(2,735)	
Finance costs	(1,069)	(1,594)	-33%
D&A	(3,111)	(2,802)	
Tax	(55)	(12)	
Operating Loss	(8,567)	(7,143)	-17%
Other Revenue	341	1,787	
Minority Interests	(6)	15	
Statutory Loss	(8,232)	(5,341)	-54%

Operating revenue up 33% despite extremely challenging conditions

Inventory up \$1.1m, investment through lockdowns in planning and scheduling systems, staff shortages leading to factory inefficiencies

FY22 Detailed



- The year commenced on budget but was greatly impacted by State and Eastern Seaboard lockdowns through September to November 2021. December and the first part of January was further impacted by a subsequent increase in COVID cases which resulted in further isolation of staff and issues with the logistics chain while the extended close contact isolation periods lasting until April 2022 during which the country and state were opened further exasperated the issue
- These interruptions to operations accounted for an increase in the loss provided for the year to 30 June 2022
- Staff shortages hampered the full use of a second shift by 35%
- While operationally challenging, the factory produced good operational results. Sales were up 33% on last year while copper consumption through the factory was ~434,500kg versus ~213,500kg in FY2021

FY22 Key Milestones



- FY22 was focused on ensuring that the factory ended the year better than it started and the company is extremely pleased with the achievements
- Completed the restructure of the planning and scheduling department
- Developed and implemented a customised planning system
- Factory 2 frame and roof is now complete
- Nick Cousins appointed Chief Operating Officer
- Alf Chown focusing on Large Project and Contract tendering
- The current order book sits at \$3.1m at record levels
- Net margins have currently risen to ~37.7%
- New working capital facility almost complete better reflecting the increase in the current order book and a reflection of the robust industry growth metrics

Appendices



EGY Corporate Overview



Key Metrics		Share Price (\$)	
Shares on issue (m)	272.2	12 month high	0.14
Last traded price (\$)	0.064	12 month low	0.05
Market capitalisation (\$m)	17.4		

Source: IRESS

Top 5 Shareholders		
J P Morgan Nominees Australia Pty Limited	47,766,620	17.54%
Cashel Family Office	19,987,346	7.34%
Advance Cables Pty Ltd	10,782,839	3.96%
Alfred Chown (MD & Founder)	8,243,575	3.03%
Howe Automotive Limited	7,885,266	2.90%
Other shareholders (#933)	177,609,568	65.23%
Total	272,275,214	100.0%

*Pro Forma
Chart Source: IRESS

Board of Directors

Brian Jamieson Non- Executive Chairman

Mr. Jamieson has over 40 years' experience in the advisory, manufacturing, resources and technology industries in Australia and offshore. Mr. Jamieson was Chief Executive of Minter Ellison Melbourne from 2002-2005, Chief Executive Officer at KPMG Australia from 1998-2000, Managing Partner of KPMG Melbourne and Southern Regions from 1993-1998 and Chairman of KPMG Melbourne from 2001- 2002. He has over 30 years' experience in providing advisory and audit services to a diverse range of public and large private companies. He is also a Fellow of the Institute of Chartered Accountants in Australia and New Zealand and a Fellow of the Australian Institute of Company Directors. Mr Jamieson is currently a Non-Executive Director of Highfield Resources and IODM Limited and has held former directorships with Sigma Healthcare, Mesoblast Limited, OZ Minerals, Tatts Group Limited and Tigers Realm Coal.

Matthew Driscoll BA, Grad. Dip. App Fin. SF Fin., GAICD Non- Executive Director

Matthew has over 36 years' experience in capital markets and the financial services industry, with major financial institutions. Matthew has strong networks and significant experience across several industries, including manufacturing, online technologies, financial services, fintech, property and resources. Chairman of Carbonxt Group (CG1) and Tennant Minerals (TMS).

Ian Campbell Non-Executive Director

Mr Campbell joined Olex Cables in 1989 as Group General Manager and then as Managing Director of the Pacific Dunlop Cables Group until 1998. In 1998 Mr Campbell joined ASX-200 listed GUD Holdings Ltd as its Managing Director and CEO until his retirement in mid-2013. Mr Campbell joined the BWX board in 2015 and was appointed Chairman in September 2018. Mr Campbell has been a non-executive director of Mirrabooka Investments Ltd since 2007. He was formerly a national councillor and Victorian Vice-President of the Australian Industry Group

Anthony Smith Non-Executive Director

Mr. Smith has over 30 years' experience in finance with a variety of firms concentrating on small to medium sized companies in regard to corporate finance, institutional research sales and private wealth advice. During this time, he was charged with running these businesses along with titles of Head of Securities and Country Director of Austock Group and Phillip Capital. Mr Smith currently handles the investments at Cashel Family Office, a Melbourne based multi family office company and is a Non-Executive Director of IODM Limited

Appendix: Key Risks



Risk	Risk Management
Demand Risk	• The target industries are varied and demand can be affected in numerous ways, not the least Covid related, Government and Defence spending, Construction industry, Private infrastructure and lack of confidence in delivery and pricing.
Capacity Risk	• Access to raw materials has been restricted due to limited capital. Capacity issues are a risk to Sales as Sales are booked once the product has been processed and delivered. Issues with machinery would also affect the capacity of production depending on timing and the relevant machine
Product Risk	• Each product is manufactured to ISO AS/NZS 9001:2015 and other Federal and State Government standards and by quality assured by industry in the majority of its uses
Delivery Risk	• The company had previously lacked inventory, working capital and manufacturing capacity to be able to meet delivery timeframes in a timely manner. Delivery times are extremely important in the industry
Competition	• Bambach's main competition in specialised cables and wires is from offshore suppliers. The Company's offering is competitive in a weaker AUD rate environment and delivery time
COVID-19	• The Company has experienced difficulties in operations in relation to COVID-19.

