



BOOM
LOGISTICS

**Boom Logistics
Limited**

**Annual General
Meeting 2018**

Wednesday
21 November 2018

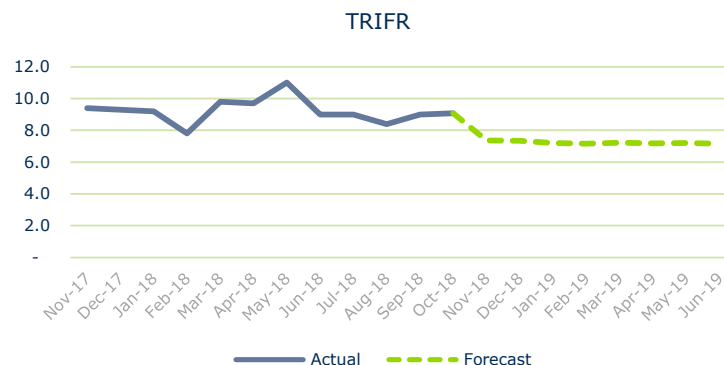
Safety Update and Purpose

Safety

- Completed two years and 2.8 million hours worked without a Lost Time Injury (LTI)
- Total Recordable Injury Frequency Rate (TRIFR) below 10 for the second year
- Continue journey towards Zero Harm

Purpose

- Our purpose is to profitably grow our business through innovative customer lifting solutions and specialised labour hire services in the markets we serve
- Introduce new value added solutions:
 - engineering services
 - extend into maintenance programs
 - provide specialised skilled labour hire



Boom Leadership Team



Tony Raby
GM NSW & QLD
Joined 2010



Brenton Salleh
GM Vic, SA, WA
Joined 2003



Michael Spedding
GM Travel Towers
Joined 2015



Shane Stafford
GM readi
Joined 2014



Rob Wright
GM Safety & Quality
Joined 2012



Tim Rogers
CFO
Joined 2015



Malcolm Ross
General Counsel
Joined 2011

IR Update in NSW

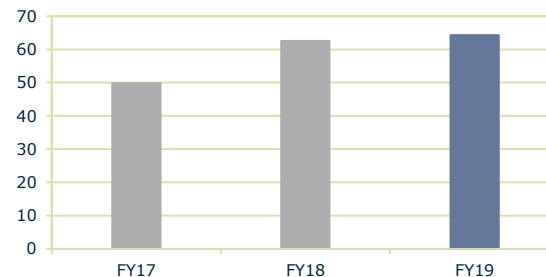
- Negotiated new Enterprise Agreements with the CFMMEU and industrial dispute now resolved
- Agreed to stand alone labour agreements at Port Kembla, Singleton and Newcastle
- Focus on rebuilding credibility and working closely with our customers in the region
- Recover labour cost increases, general market prices to rise between 10% to 20%
- Restructuring and downsizing Newcastle crane depot – economically unsustainable
- Relocate Newcastle assets to other regions to support new growth opportunities & release for sale
- Financial impact from the NSW industrial dispute, will be circa \$3.0 million decrease in EBITDA



Results to October 2018 and Outlook

- Revenue at the end of October at \$64 million compared to \$62 million last year
- Trading EDITDA in the first four months is circa \$7.5 million
- Trading EBIT of circa \$2.3 million is marginally ahead of last year
- The negative impact of the NSW strike was circa \$1.5 million EBIT in the period to October
- As utilisations improve, crane availability tightens, general price rises are projected. Negotiations with customers to occur as existing contracts are renewed
- EBITDA is forecast to be circa \$27 million for the full year, 30% higher than FY18

REVENUE Jul to Oct (\$m)



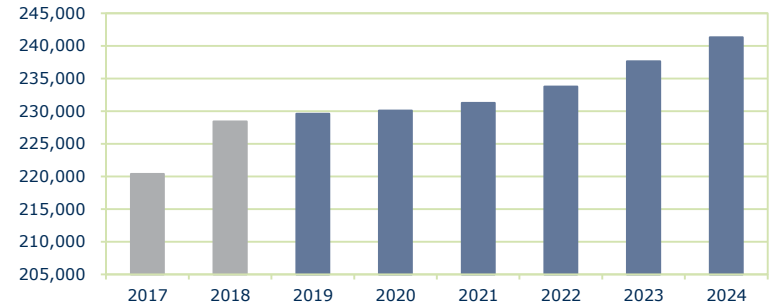
Trading EBIT - Jul to Oct (\$m)



Mining & Resources

- Solid contracts with major customers in the mining and resources sector
- Renewed contracts with BMA, Curragh and Alcoa
- Mining maintenance increasing
- Build new revenue around current depot structure to maximise operational leverage
- Continue core lifting solutions and build new revenue streams expanding into new services:
 - engineering services
 - maintenance programs
 - specialised labour skills
- Cross-sell Boom and readi with major customers and contractors on site

Mining in Australia (\$m)

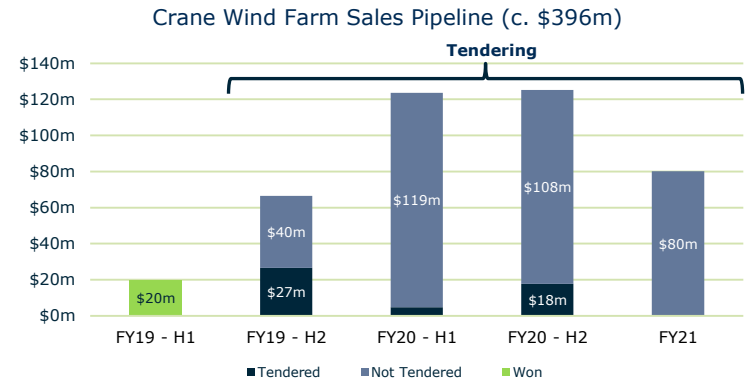


Source: IBIS World



Renewables / Wind Farms

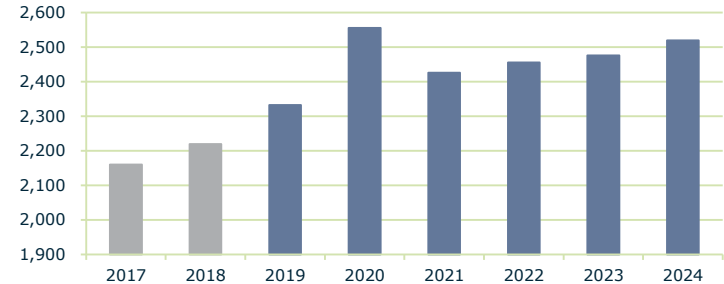
- Success with our “bundled services” model on wind farm construction projects
- Total service offer including:
 - Cranes & Rigging
 - Engineering service
 - Mechanical fitout
 - Electrical installation
 - Lifting project management & supervision
- Secured \$20 million of wind farm projects to-date, which includes Coopers Gap in Queensland
- In final negotiations to commence new wind farm in February 2019, revenue at circa \$12m
- Strong sales pipeline of circa \$390 million of opportunity over next two years



Telecommunications & Travel Towers

- General Manager appointed with new management structure and specialised sales team now in place
- Panel agreements in place with major customers
 - Nokia, Ericsson, Kordia, Visionstream
- Focus on the Power companies, Renewables sector and Telco 5G and data upgrade opportunities
- Capacity to improve utilisation and increase market share at our metropolitan depots
- Telecommunications pipeline is solid over the next 2 years with the 5G roll-out

Wireless Tower Construction in Australia (\$m)



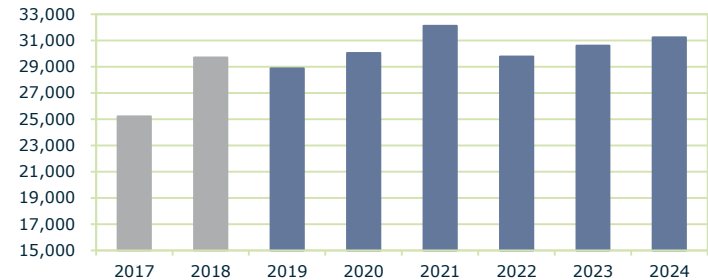
Source: IBIS World



Infrastructure & Construction

- Strong pipeline over the next three years in infrastructure and mining construction sectors
- Customer preference to hire equipment rather than capital expenditure on major projects
- Promote model of dry hire cranes plus readi labour hire services
- Supply assets on a back to back rental agreement, when completed the asset can be relocated to a new project or returned
- Major growth opportunity for readi labour hire services on East Coast in infrastructure sector
- Focus on major civil projects including bridges and rail - cross selling across all Boom business units

Road and Bridge Construction in Australia (\$m)



Source: IBIS World

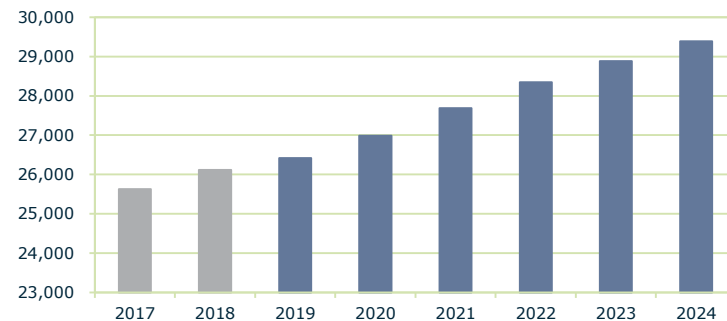


readi – specialised labour hire services

- readi achieved \$22 million revenue in FY18 with a revenue growth target of 50% in FY19
- readi services Boom casual labour hire needs for customer shutdown programs
- Growth in external revenue using the Boom customer network and relationships
- Focus on providing specialised skilled labour services to the mining, renewables and infrastructure sectors
- Important non-capital intensive revenue stream for the Group

readi

Temporary Staff Services in Australia (\$m)



Source: IBIS World



Innovation / Technology

- Introduced new customer planning and booking system providing a real-time order to invoice system
- Installing tablet technology to all assets across Australia
- Provide information to our customers in real-time:
 - Safety pre-start checks
 - Job status reporting
 - Electronic signature at completion of works
- Expansion of remote diagnostic technology in assets
- The first stage of our Digital Transformation plan, moving from a paper based environment to an electronic management system is underway



People and Development

- Commenced leadership training program for our supervisors and managers in October 2018
- Looking to the future, we are building the next talent pool of employees
- Developing a cadet program to attract the “leaders of tomorrow” and progress a career path in our industry
- Introducing a “youth and apprenticeship” training program for riggers and operators
- Mentoring and on-the-job training for our next generation of employees, by our experienced operators, to Boom safety standards and values
- Commitment to training & development



Capital Management

Asset Management & Capital Expenditure

- Review of utilisation and profitability on all assets
- Under performing assets continue to be relocated to regions where demand is higher and greater returns, or released for sale
- Older assets in NSW will be released for sale, estimated value of \$3 million
- Introduced a flexible capital model; larger assets acquired on a rental basis. Review our mix of capital expenditure versus rental assets
- We will undertake a strategic review of the small travel tower assets in early 2019
- Diligent on capital allocation focussed on delivering shareholder returns

Share Buy-back

- Recently we conducted a minimum holding buy back
 - purchased and cancelled circa 1.1 million shares
 - represented 23% of shareholders on register
- We are now in a position to commence a broader on market share buy back of up to 10% of Boom shares over the next 12 months.
- The share buy back will be funded from operating cash flows

Formal Business

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Item 1

Financial Statements and Reports

Item 2

- **That Mr. Terence A Hebiton be re-elected as a Director of the Company**

<i>Source: Computershare</i>	Number of Shares	% of all issued Shares
For	127,876,966	26.99%
Against	23,526,282	4.97%
Discretionary *	541,911	0.11%
Abstain	349,814	0.07%

* The number of the Chairman's discretionary proxy votes are 350,885.

Note: These figures relate to the proxies lodged 48 hours prior to the meeting.

Item 3

- **That the Remuneration Report for the financial year ended 30 June 2018 be adopted**

<i>Source: Computershare</i>	Number of Shares	% of all issued Shares
For	145,335,778	30.68%
Against	6,045,906	1.28%
Discretionary*	527,177	0.11%
Abstain	386,112	0.08%

* The number of the Chairman's discretionary proxy votes are 336,151.
Note: These figures relate to the proxies lodged 48 hours prior to the meeting.

Item 4

□ **Grant of Rights and Options to the Managing Director**

- **That for the purposes of ASX Listing Rule 10.14 and all other purposes, approval be given for the issue of the following Rights and Options to the Managing Director under the Company's Executive Remuneration Plan on the terms summarised in the Explanatory Memorandum:**
- **(a) The issue of Rights to the Managing Director up to a maximum value of \$180,000 in relation to the FY19 Salary Sacrifice Rights Plan;**
- **(b) The issue of Rights to the Managing Director up to a maximum value of \$120,000 in relation to the deferred component of the FY19 Short Term Incentive Plan; and**
- **(c) The issue of Options to the Managing Director up to a maximum value of \$300,000 in relation to the FY19 Long Term Incentive Plan.**

Item 4

□ Grant of Rights and Options to the Managing Director

<i>Source: Computershare</i>	Number of Shares	% of all issued Shares
For	146,065,943	30.83%
Against	5,169,839	1.09%
Discretionary*	527,177	0.11%
Abstain	532,014	0.11%

* The number of the Chairman's discretionary proxy votes are 336,151.

Note: These figures relate to the proxies lodged 48 hours prior to the meeting.

Investor enquiries:

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Managing Director and Chief
Executive Officer

03 9207 2500

Tim Rogers

Chief Financial Officer

03 9207 2500



Disclaimer

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of Boom and certain plans and objectives of the management of Boom. Forward-looking statements can generally be identified by the use of words such as 'project', 'believe', 'foresee', 'plan', 'expect', 'aim', 'potential', 'goal', 'target', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'could', 'should', 'will' or similar expressions. All such forward looking statements involve known and unknown risks, significant uncertainties, assumptions, contingencies and other factors, many of which are outside the control of Boom, which may cause the actual results or performance of Boom to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward-looking statements speak only as of the date of this announcement. Factors that could cause actual results or performance to differ materially include without limitation the following: risks and uncertainties associated with the Australian and global economic environment and capital market conditions, fluctuations in foreign currency exchange and interest rates, competition, Boom's relationships with, and the financial condition of, its suppliers and customers, or legislative changes, or regulatory changes or other changes in the laws which affect Boom's business. The foregoing list of important factors is not exhaustive. There can be no assurance that actual outcomes will not differ materially from these statements. Readers should not place undue reliance on forward looking statements. Except as required by law and ASX Listing Rules, Boom undertakes no obligation to update publicly or otherwise revise any forward looking statement as a result of new information, future events or other factors.