

Analyst

Joseph House 613 9235 1624

Associate analyst

Baxter Kirk 613 9235 1625

Authorisation

Stuart Howe 613 9235 1856

Mader Group Limited (MAD)

Q4 FY23: Midas touch

Recommendation

Hold (unchanged)

Price

\$6.02

Target (12 months)

\$6.10 (previously \$5.10)

GICS Sector

Commercial Services and Suppliers

Expected Return

Capital growth	1.3%
Dividend yield	1.3%
Total expected return	2.6%

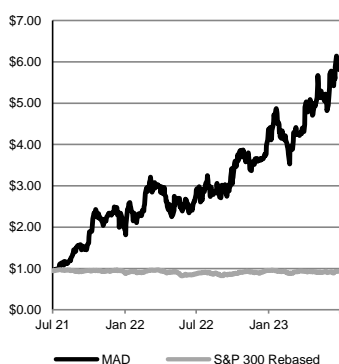
Company Data & Ratios

Enterprise value	\$1,255m
Market cap	\$1,204m
Issued capital	200m
Free float	23.4%
Avg. daily val. (52wk)	\$483,290
12 month price range	\$2.51-6.15

Price Performance

	(1m)	(3m)	(12m)
Price (A\$)	5.02	4.26	2.62
Absolute (%)	19.9	41.3	129.8
Rel market (%)	19.6	41.7	121.6

Absolute Price



SOURCE: IRESS

Strong final quarter results in FY23 revenue guidance beat

MAD reported its 12th consecutive quarter of revenue growth. Quarterly revenue of \$173m resulted in FY23 revenue of \$609m, in line with our expectation and MAD's twice-upgraded full year guidance of >\$580m. The seasonally strong quarter was underpinned by growth across Australian operations, reflecting robust demand for MAD's core mechanical services and new vertical service offerings, and in North America as penetration into new US regions was executed and headcount growth in Canada continued. Quarterly EBITDA grew to \$23.5m, higher than our \$20.1m expectation, partly reflecting timing of contracted work scopes. FY23 EBITDA was \$75.0m, ahead of our \$71.6m estimate. Quarter-end net debt (excluding leases) was \$42.7m, in line with the prior quarter. EPS changes in this report reflect an upward revision in our revenue growth assumptions, reduction in EBITDA margin assumptions and higher depreciation expense as a result of increased capital expenditure over FY23-25: FY23 +3%; FY24 +7%; and FY25 +15%.

All eyes on FY24 revenue & NPAT guidance

Having materially exceeded its twice-upgraded FY23 revenue guidance, management's messaging of FY24 financial performance is now key. It is clear the FY23 financial performance exit-rate is strong, with positive momentum across Australian and North American operations to carry forward into FY24. Our outlook indicates EPS growth of 31.6% in FY24, compared with 50.3% (BPe) in FY23. At the current share price, we believe this EPS growth outlook is appropriately priced-in.

Investment thesis: Hold; TP\$6.10/sh (prev. \$5.10)

Our MAD earnings outlook is underpinned by ongoing expansion of the company's core and new service offerings across its mature Australian operations and large growth markets, including the United States and Canadian mining and energy sectors. We believe MAD's valuation premium of 107% (FY24 EV / EBITDA) against Mining Services sector peers justifies our high-growth earnings outlook; our Hold recommendation recognises MAD is fairly valued.

Earnings Forecast

Year ending 30 June	2022a	2023e	2024e	2025e
Sales (A\$m)	402	609	773	888
EBITDA (A\$m)	48	75	97	113
NPAT (reported) (A\$m)	28	39	52	61
NPAT (adjusted) (A\$m)	26	39	52	61
EPS (adjusted) (eps)	13.0	19.6	25.8	30.7
EPS growth (%)	35%	50%	32%	19%
PER (x)	46.2x	30.7x	23.4x	19.6x
FCF Yield (%)	0%	-1%	2%	3%
EV/EBITDA (x)	26.2x	16.8x	13.0x	11.1x
Dividend (eps)	4.0	5.0	6.5	7.7
Yield (%)	1%	1%	1%	1%
Franking (%)	100%	100%	100%	100%
ROE (%)	36%	39%	37%	34%

SOURCE: BELL POTTER SECURITIES ESTIMATES

Q4 FY23: Midas touch

Table 1 - Quarterly summary

	Jun-22(a)	Sep-22(a)	Dec-22(a)	Mar-23(a)	Jun-23(a)	QoQ(Δ%)	Jun-23(BPe)	vs BPe(Δ%)	FY23(a)	vs BPe(Δ%)
Total revenue (A\$m)	118.7	135.3	145.0	155.6	172.9	11%	166.1	4%	608.8	1%
Australia (A\$m)	99.5	106.6	111.8	119.6	130.5	9%	124.6	5%	468.5	1%
North America (A\$m)	16.9	26.3	31.1	34.4	40.4	17%	39.5	2%	132.2	1%
Rest of World (A\$m)	2.3	2.4	2.1	1.6	2.0	25%	2.0	0%	8.1	0%
Group EBITDA (A\$m)	15.1	15.8	18.0	17.7	23.5	33%	20.1	17%	75.0	5%
Group EBITDA margin (%)	12.7%	11.7%	12.4%	11.4%	13.6%	19%	12.1%		12.3%	
Net debt / (cash) (A\$m)*	25.7	34.2	50.9	42.4	42.7					

SOURCE: COMPANY DATA AND BELL POTTER SECURITIES ESTIMATES

Figure 1 - Quarterly Australia segment revenue & growth



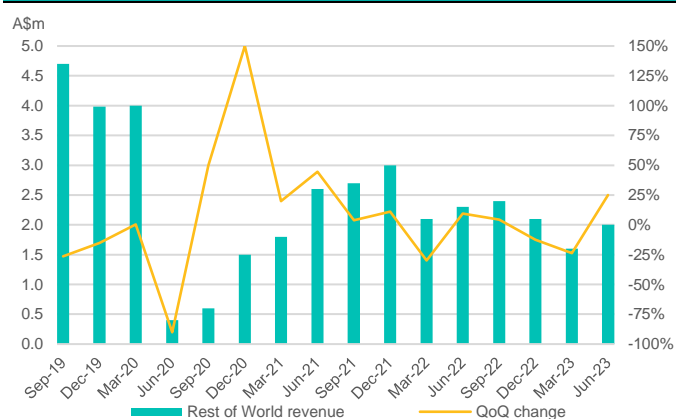
SOURCE: COMPANY DATA

Figure 2 - Quarterly North America segment revenue & growth



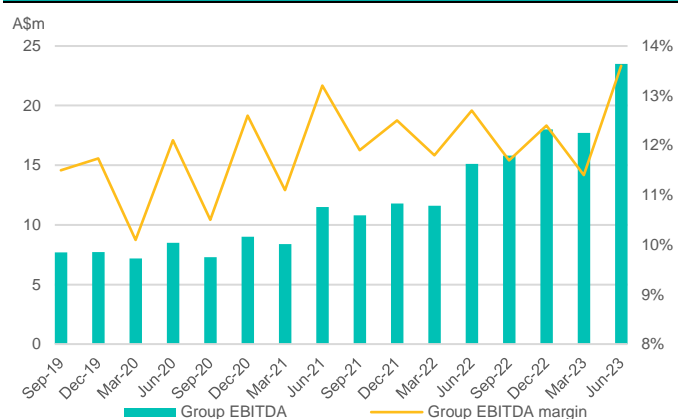
SOURCE: COMPANY DATA

Figure 3 - Quarterly Rest of World segment revenue & growth



SOURCE: COMPANY DATA

Figure 4 - Quarterly Group EBITDA and margin



SOURCE: COMPANY DATA

FY23 revenue guidance achieved

Table 2 - FY23 guidance vs. Bell Potter estimates

FY23 guidance metric	FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	FY23e	FY23e	FY23e
	Actual	Actual	Actual	Actual	Actual	Actual	Guidance	BPe
Australian revenue A\$m	341.9	106.6	111.8	119.6	130.5	468.5		468.6
North American revenue A\$m	50.0	26.3	31.1	34.4	40.4	132.2		132.2
Rest of World revenue A\$m	10.1	2.4	2.1	1.6	2.0	8.1		8.1
Group revenue A\$m / %	402.1	135.3	145.0	155.6	172.9	608.8	>580.0	608.8
Underlying NPAT A\$m / %	26.0						>37.0	39.2

SOURCE: COMPANY DATA AND BELL POTTER SECURITIES ESTIMATES

Guidance Notes:

Prior to today's quarterly update, FYTD performance implied >\$144.1m revenue generation for the June 2023 quarter, given the company's >\$580m guidance. Today's announced \$172.9m June 2023 quarter revenue is markedly higher than MAD's implied final quarter guidance and modestly ahead of our prior \$166.1m estimate. FY23 revenue of \$609m was in line with our \$602m estimate.

FY23 NPAT guidance of >\$37m was reiterated, implying a 6.1% margin. The average NPAT margin for the last 3 years was around 6.4%; we expect this margin will hold for FY23, implying FY23 NPAT of \$39.2m.

Key observations from the quarterly update

- Increased activity across core mechanical, infrastructure maintenance and ancillary services boosts Australian segment revenues:** MAD noted demand for its core mechanical services continues to exceed its ability to supply services across its national customer base. Infrastructure maintenance activity also expanded as the company grew its customer base and regional presence. Activity across other service lines including rail, road transport and marine also improved over the quarter.
- Another quarter of double-digit revenue growth across North America operations:** In the US, service offerings were expanded to new regions and planning is underway to expand ancillary services offerings to existing customers. In Canada, demand for MAD's core services remained strong. Mader Canada now have 160 technicians mobilised across 5 provinces and territories: British Columbia; Alberta; Ontario; Nunavut; and North West Territories. In FY24, Canadian activity expansion will focus on diversification of commodity exposures. 65 expatriates from Australia and New Zealand have now been mobilised through MAD's Global Pathways Program.
- Quarterly earnings:** Quarterly EBITDA of \$23.5m (BPe \$20.1m) was up 33% QoQ. We note margin variability on a quarter-to-quarter basis is partly due to timing of work scope completions
- Net debt in line with the prior quarter:** June 2023 quarter net debt remained consistent with the prior quarter at \$42.7m, and is down \$8.2m on the 31 December 2022 balance, reflecting strong operating cash flows and diligent working capital management over 2H FY23.

Changes to earnings & valuation

Earnings & valuation changes

We have updated our MAD financial model for the June 2023 quarterly update, making the following notable changes:

- Increased our revenue growth assumptions in FY24-25, reflecting continued expansion of core mechanical services and vertical service offerings in Australia and North America.
- Made minor downward revisions to our EBITDA margin outlook.
- Increased our capital expenditure assumptions across FY23-25 to better reflect expected investment programs in support of service offering growth in North America and ongoing capital expenditure support for core and newer service offerings in Australia.
- Updated MAD's financial position as at end of June 2023.
- Reduced our dividend payout assumptions.
- Rolled forward our DCF models.

Table 3 - Changes to earnings estimates

Year ending 30 June	Previous			New			Change		
	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25
Revenue A\$m	602.0	710.1	769.7	608.8	773.3	888.0	1%	9%	15%
EBITDA A\$m	72.9	90.5	99.6	74.6	96.6	113.5	2%	7%	14%
NPAT (underlying) A\$m	38.0	48.1	53.3	39.2	51.5	61.5	3%	7%	15%
EPS (underlying) Acps	19.0	24.1	26.6	19.6	25.8	30.7	3%	7%	15%
DPS Acps	5.4	8.2	9.0	5.0	6.5	7.7	-7%	-21%	-14%
Valuation \$/sh		5.04			6.04			20%	

SOURCE: BELL POTTER SECURITIES ESTIMATES

Sum of the parts valuation summary

We have upgraded our Target Price to \$6.10/sh (previously \$5.10/sh), reflecting the model changes mentioned above. Our Hold recommendation recognises MAD is fairly valued. MAD currently trades at 13.0x FY24 EBITDA, a 107% valuation premium against the Mining Services sector average. We believe this valuation premium appropriately accounts for MAD's strong EPS growth outlook.

Table 4 - Sum of the parts valuation summary

	200m		New	
	Old		A\$m	A\$/sh
Shares on issue				
+12 months valuation				
Australian operations	\$623m	\$3.11	\$815m	\$4.08
North American operations	\$476m	\$2.38	\$505m	\$2.53
Rest of World operations	\$2m	\$0.01	\$2m	\$0.01
Total value of operating assets	\$1,101m	\$5.50	\$1,322m	\$6.61
Corporate & admin	-\$54m	(\$0.27)	-\$64m	(\$0.32)
Enterprise value	\$1,047m	\$5.24	\$1,258m	\$6.29
Net debt / (cash)	\$39m	\$0.20	\$49m	\$0.24
Total equity value	\$1,008m	\$5.04	\$1,209m	\$6.04
Current share price				\$6.02
Upside to current share price				0%

SOURCE: BELL POTTER SECURITIES ESTIMATES

ASX-listed peer comparison

Table 5 - Mining Services industry comps

	EV (\$m)	EPS growth (%)			EV/EBITDA (x)			P/E (x)		
		FY23e	FY24e	FY25e	FY23e	FY24e	FY25e	FY23e	FY24e	FY25e
Capital products										
EHL	652	-16%	32%	7%	2.6x	2.3x	2.2x	6.6x	5.0x	4.7x
ORI	8,730	12%	22%	13%	8.2x	7.5x	7.1x	19.8x	16.2x	14.4x
Drilling & exploration										
ALQ	6,812	23%	0%	7%	10.5x	10.2x	9.6x	17.4x	17.3x	16.2x
DDH	397	-1%	22%	15%	3.3x	3.0x	2.8x	8.3x	6.9x	6.0x
IMD	1,055	15%	1%	9%	8.2x	7.0x	6.6x	14.0x	13.9x	12.7x
MSV	130	83%	95%	-14%	3.5x	3.1x	3.2x	18.9x	9.7x	11.2x
XRF	169	35%	10%	8%	12.9x	11.6x	10.8x	21.6x	19.5x	18.1x
Contractors										
MAD	1,255	39%	23%	20%	17.3x	14.4x	12.4x	32.7x	26.6x	22.1x
MAH	559	11%	13%	6%	1.8x	1.8x	1.7x	4.8x	4.3x	4.0x
PRN	1,382	66%	12%	19%	2.5x	2.3x	2.1x	6.6x	5.9x	5.0x
Engineering & construction										
ANG	184	-4%	81%	15%	6.0x	3.8x	3.5x	10.6x	5.9x	5.1x
GNG	283	-31%	5%	-12%	7.5x	7.1x	7.5x	15.8x	15.1x	17.2x
LYL	321	75%	-2%	-6%	4.7x	4.8x	5.2x	9.4x	9.5x	10.2x
MND	1,194	7%	22%	20%	10.8x	9.6x	8.6x	24.3x	20.0x	16.7x
WOR	10,783	8%	14%	20%	13.4x	11.9x	10.7x	25.6x	22.4x	18.6x
Diversified										
GNP	211	-16%	59%	34%	6.5x	4.5x	3.6x	15.8x	9.9x	7.4x
NWH	1,335	7%	9%	5%	4.7x	4.4x	4.2x	10.9x	10.0x	9.6x
SRG	372	46%	11%	8%	4.7x	3.9x	3.7x	10.6x	9.6x	8.9x
Simple average										
					7.2x	6.3x	5.9x	15.2x	12.6x	11.6x
Trimmed average (25%)										
					6.7x	5.9x	5.6x	14.6x	12.1x	11.3x
Median										
					6.2x	4.6x	4.7x	14.9x	10.0x	10.7x

SOURCE: BLOOMBERG

Summary: Mader Group Limited (MAD)

Company description

Mader Group (MAD) is a leading provider of specialised contract labour for maintenance of heavy mobile equipment in the resources and civil industries. The company was founded in Perth in 2005 and has since grown to become the largest independent heavy mobile equipment labour provider in Australia outside of the original equipment manufacturers (OEMs). MAD is currently pursuing growth opportunities in larger addressable markets, namely, the United States (Mining and Energy) and Canada, which are extensions to its existing operations outside Australia.

MAD provides a broad range of contract labour services to support and maintain the heavy mobile equipment fleets of miners and contractors. MAD leverages its large employment base of qualified tradespeople to also provide ancillary services to heavy mobile equipment, light vehicles, drills and rail and also through the provision of auto-electricians, high voltage electricians and boilermakers.

Investment thesis: Hold; TP\$6.10/sh (prev. \$5.10/sh)

Our MAD earnings outlook is underpinned by ongoing expansion of the company's core and new service offerings across its mature Australian operations and large growth markets, including the United States and Canadian mining and energy sectors. We believe MAD's valuation premium of 107% (FY24 EV / EBITDA) against Mining Services sector peers justifies our high-growth earnings outlook; our Hold recommendation recognises MAD is fairly valued.

Valuation methodology

Our MAD valuation is based on discounted cash flow models of the company's core assets and includes an allowance for Group level corporate costs. Key inputs underpinning our DCF valuations include a nominal WACC of 10%, terminal growth rate of 3.0% and target gearing ratio of 30%.

Key risk to investment thesis

Risks to investment thesis

Key risks to MAD include, although are not limited to:

COVID-19: The substantial impact of COVID-19 on the global and domestic economies is creating enormous volatility and uncertainty in global share markets.

Commodity price risk: Customer production and capital expenditure decisions are typically made based upon commodity prices that are inherently cyclical. While production is typically more resilient than capital expenditure, a prolonged contraction to demand may have an adverse effect on demand for MAD's services.

Declines to fleet requirements in mining: While demand for commodities is the major driver for commodity production, any exogenous changes to mining such as declines in stripping ratios or changes to mining operations that reduce the volumes of earth moved via fleet in mining, may negatively affect demand for MAD's services.

Reputation risk: Poor delivery of services, failures, adverse media coverage or other publicity may impact MAD's brand and reduce the demand for MAD's services, adversely impacting relationships with potential and existing customers and/or employees.

Occupational health & safety risk - Any adverse workplace incident or the failure to comply with applicable regulations or requirements may result in significant liabilities against MAD, increase costs or cause suspension of operation, and also negatively affect the ability of the company to retain and win contracts within the resources industry.

Key staff risk: The loss of key Management personnel, delays in their replacement, and/or failure to attract new talent may adversely affect MAD's operations.

Risks of labour shortages and costs: Increases to activity in the resources industry, both domestically and globally, may increase the competition for skilled personnel, increasing the cost of labour and effecting MAD's ability to fulfil its employee requirements.

Changes to industrial relations or labour laws: Any changes to Australian industrial relations laws or policy, or an adverse ruling against MAD's casual employment arrangements could increase labour costs and adversely affect MAD's financial performance, as well as its ability to attract and retain employees.

Competition risk: MAD operates in a competitive market, with OEMs, labour houses and smaller competitors providing a similar service. An escalation in competition or new entrant to the market may result in lower rates, margins or market shares, negatively impacting MAD's financial performance.

Debt servicing and financing risk: Any material deterioration in MAD's financial performance could adversely affect its ability to service and/or refinance these facilities, or achieve its stated growth objectives.

Operational risks: The projects undertaken by MAD are in a variety of locations, some of which are remote, exposing the company to a range of operational risks (e.g. isolation, weather events, and travel impediments).

Regulations: Any adverse changes in regulations that affect MAD's underlying customers business models such as additional environmental regulations or regulations relating to climate change, could adversely affect demand for MAD's services.

Table 6 - Financial summary

Date	25/07/23					Bell Potter Securities							
Price	A\$/sh	6.02					Joseph House (jhouse@bellpotter.com.au, +61 3 9235 1624)						
Target price	A\$/sh	6.10											
PROFIT AND LOSS													
Year ending 30 June	Unit	2021a	2022a	2023e	2024e	2025e	FINANCIAL RATIOS						
Revenue	\$m	304	402	609	773	888	VALUATION						
Expenses	\$m	(270)	(354)	(534)	(677)	(775)	EPS (adjusted)	Ac/sh	9.7	13.0	19.6	25.8	30.7
Underlying EBITDA	\$m	35	48	75	97	113	Underlying EPS growth	%	10.5%	34.7%	50.3%	31.6%	19.3%
Depreciation & amortisation	\$m	(8)	(9)	(16)	(21)	(25)	PER	x	62.2x	46.2x	30.7x	23.4x	19.6x
EBIT	\$m	27	39	58	75	89	DPS	Ac/sh	3.0	4.0	5.0	6.5	7.7
Net interest expense	\$m	(1)	(1)	(3)	(4)	(4)	Franking	%	100%	100%	100%	100%	100%
Profit before tax	\$m	26	37	55	71	85	Yield	%	0.5%	0.7%	0.8%	1.1%	1.3%
Tax expense	\$m	(7)	(12)	(16)	(20)	(24)	FCF/share	Ac/sh	0.7	2.2	(3.4)	9.4	20.0
NPAT (underlying)	\$m	19	26	39	52	61	FCF yield	%	0.1%	0.4%	-0.6%	1.6%	3.3%
Adjustments	\$m	-	2	-	-	-	EV/EBITDA	x	36.2x	26.2x	16.8x	13.0x	11.1x
NPAT (reported)	\$m	19	28	39	52	61	LIQUIDITY & LEVERAGE						
CASH FLOW STATEMENT													
Year ending 30 June	Unit	2021a	2022a	2023e	2024e	2025e	Net debt / (cash)	\$m	28	35	51	43	18
OPERATING CASH FLOW													
Receipts from customers	\$m	321	423	612	754	870	Net debt / Equity	%	45.5%	41.1%	43.3%	27.6%	8.7%
Payments to suppliers and employees	\$m	(296)	(374)	(554)	(670)	(767)	Net debt / Net debt + Equity	%	31.3%	29.1%	30.2%	21.6%	8.0%
Tax paid	\$m	(8)	(12)	(12)	(20)	(24)	Net debt / EBITDA	x	0.8x	0.7x	0.7x	0.4x	0.2x
Net interest	\$m	(1)	(1)	(3)	(4)	(4)	EBITDA / net interest expense	x	24.6x	33.4x	21.4x	25.2x	30.8x
Other	\$m	-	-	-	-	-	PROFITABILITY RATIOS						
Operating cash flow	\$m	16	35	43	60	76	EBITDA margin	%	11.4%	11.9%	12.3%	12.5%	12.8%
INVESTING CASH FLOW													
Capex	\$m	(11)	(39)	(49)	(42)	(36)	EBIT margin	%	8.9%	9.7%	9.6%	9.7%	10.0%
Disposal of assets	\$m	0	0	0	-	-	Return on assets	%	17.3%	17.6%	18.6%	19.0%	19.1%
Other	\$m	(4)	8	-	-	-	Return on equity	%	35.6%	35.8%	38.7%	37.5%	33.9%
Investing cash flow	\$m	(15)	(31)	(49)	(42)	(36)	Return on invested capital	%	32.9%	36.9%	36.8%	38.5%	40.2%
Free cash flow	\$m	1	4	(7)	19	40	Segment assumptions						
FINANCING CASH FLOW													
Debt proceeds/(repayments)	\$m	2	6	27	-	-	Year ending 30 June	Unit	2021a	2022a	2023e	2024e	2025e
Dividends paid	\$m	(6)	(7)	(9)	(11)	(14)	Australia						
Proceeds from share issues (net)	\$m	-	-	-	-	-	Revenue	\$m	273	342	469	575	654
Other	\$m	-	-	-	-	-	Operating EBITDA	\$m	27	36	50	63	71
Financing cash flow	\$m	(4)	(1)	19	(11)	(14)	Operating EBITDA margin	%	10.0%	10.6%	10.7%	10.9%	10.9%
Change in cash	\$m	(3)	3	12	7	26	North America						
BALANCE SHEET													
Year ending 30 June	Unit	2021a	2022a	2023e	2024e	2025e	Revenue	\$m	24	50	132	190	223
ASSETS													
Cash	\$m	3	7	19	26	52	Operating EBITDA	\$m	7	10	26	38	47
Receivables	\$m	68	86	109	129	146	Operating EBITDA margin	%	27.9%	19.9%	20.0%	20.0%	21.0%
Property, plant & equipment	\$m	37	68	102	122	133	Rest of World						
Other assets	\$m	14	13	18	18	18	Revenue	\$m	7	10	8	8	10
Total assets	\$m	123	173	248	295	350	Operating EBITDA	\$m	2	3	2	2	2
LIABILITIES													
Creditors	\$m	22	39	49	56	63	Operating EBITDA margin	%	35.2%	25.6%	22.8%	24.0%	23.0%
Borrowings	\$m	27	33	61	61	61	Half yearly assumptions						
Provisions	\$m	3	4	5	5	5	Year ending 30 June	Unit	1H 2021a	1H 2022a	1H 2023e	1H 2024e	1H 2025e
Other liabilities	\$m	11	12	16	16	16	Revenue	\$m	141	185	280	372	430
Total liabilities	\$m	62	88	131	137	145	EBITDA	\$m	16	21	34	46	55
NET ASSETS	\$m	61	85	117	157	205	Depreciation & amortisation	\$m	(4)	(4)	(7)	(10)	(12)
Share capital	\$m	0	0	0	0	0	Net interest	\$m	(0)	(1)	(1)	(2)	(2)
Reserves	\$m	(1)	2	4	4	4	Pre-tax profit	\$m	12	16	25	34	41
Retained earnings	\$m	62	83	113	153	201	Tax expense	\$m	(4)	(4)	(8)	(9)	(11)
Non-controlling interest	\$m	-	-	-	-	-	Tax rate	%	30%	27%	30%	28%	28%
SHAREHOLDER EQUITY	\$m	61	85	117	157	205	Share of associates	\$m	0	1	-	-	-
Weighted average shares	m	200	200	200	200	200	NPAT (underlying)	\$m	9	12	18	25	30
							Adjustments	\$m	-	-	-	-	-
							NPAT (reported)	\$m	9	12	18	25	30

SOURCE: BELL POTTER SECURITIES ESTIMATES

Recommendation structure

Buy: Expect >15% total return on a 12 month view. For stocks regarded as 'Speculative' a return of >30% is expected.

Hold: Expect total return between -5% and 15% on a 12 month view

Sell: Expect <-5% total return on a 12 month view

Speculative Investments are either start-up enterprises with nil or only prospective operations or recently commenced operations with only forecast cash flows, or companies that have commenced operations or have been in operation for some time but have only forecast cash flows and/or a stressed balance sheet.

Such investments may carry an exceptionally high level of capital risk and volatility of returns.

Research Team

Staff Member	Title/Sector	Phone	@bellpotter.com.au
Chris Savage	Head of Research/Industrials	612 8224 2835	csavage
Analysts			
John Hester	Healthcare	612 8224 2871	jhester
Anubhav Saxena	Healthcare	612 8224 2846	asaxena
Thomas Wakim	Healthcare	612 8224 2815	twakim
Michael Ardrey	Industrials	613 9256 8782	mardney
Marcus Barnard	Industrials	618 9326 7673	mbarnard
Sam Brandwood	Industrials	612 8224 2850	sbrandwood
Olivia Hagglund	Industrials	612 8224 2813	ohagglund
Joseph House	Industrials	613 9325 1624	jhouse
Daniel Laing	Industrials	612 8224 2886	dlaing
Hayden Nicholson	Industrials	613 92351757	hnicolson
Chami Ratnapala	Industrials	612 8224 2845	cratnapala
Jonathan Snape	Industrials	613 9235 1601	jsnape
Regan Burrows	Resources	618 9236 7677	rburrows
David Coates	Resources	612 8224 2887	dcoates
Stuart Howe	Resources	613 9325 1856	showe
Brad Watson	Resources	618 9326 7672	bwatson
Associates			
Connor Eldridge	Associate Analyst	612 8224 2893	celdridge
Baxter Kirk	Associate Analyst	613 9235 1625	bkirk
Ritesh Varma	Associate Analyst	613 9235 1658	rvarma
James Williamson	Associate Analyst	613 9235 1692	jwilliamson

Research Coverage & Policies

For Bell Potter Securities' Research Coverage Decision Making Process and Research Independence Policy please refer to our company website: <https://bellpotter.com.au/research-independence-policy/>.

Authoring Research Analyst's Certification

The Authoring Research Analyst is responsible for the content of this Research Report, and, certifies that with respect to each security that the Analyst covered in this Report (1) all the views expressed accurately reflect the Analyst's personal views about those securities and were prepared in an independent manner and (2) no part of the Analyst's compensation was, is or will be, directly or indirectly, related to specific recommendations or views expressed by that Research Analyst in the Research Report.

Research Analyst's Compensation

Research Analyst's compensation is determined by Bell Potter Securities Research Management and Bell Potter Securities' Senior Management and is based upon activities and services intended to benefit the investor clients of Bell Potter Securities Ltd. Compensation is not linked to specific transactions or recommendations. Like all Company employees Research Analysts receive compensation that is impacted by overall Company profitability.

Prices

The Price appearing in the Recommendation panel on page 1 of the Research Report is the Closing Price on the Date of the Research Report (appearing in the top right hand corner of page 1 of the Research Report), unless a before midday (am) time appears below the Date of the Research Report in which case the Price appearing in the Recommendation panel will be the Closing Price on the business day prior to the Date of the Research Report.

Availability

The completion and first dissemination of a Recommendation made within a Research Report are shortly after the close of the Market on the Date of the Research Report, unless a before midday (am) time appears below the Date of the Research Report in which case the Research Report will be completed and first disseminated shortly after that am time

Dissemination

Bell Potter generally disseminates its Research to the Company's Institutional and Private Clients via both proprietary and non-proprietary electronic distribution platforms. Certain Research may be disseminated only via the Company's proprietary distribution platforms; however such Research will not contain changes to earnings forecasts, target price, investment or risk rating or investment thesis or be otherwise inconsistent with the Author's previously published Research. Certain Research is made available only to institutional investors to satisfy regulatory requirements. Individual Bell Potter Research Analysts may also opt to circulate published Research to one or more Clients by email; such email distribution is discretionary and is done only after the Research has been disseminated. The level and types of service provided by Bell Potter Research Analysts to Clients may vary depending on various factors such as the Client's individual preferences as to frequency and manner of receiving communications from Analysts, the Client's risk profile and investment focus and perspective (e.g. market-wide, sector specific long term and short term etc.) the size and scope of the overall Client relationship with the Company and legal and regulatory constraints.

Disclaimers

This Research Report is a private communication to Clients and is not intended for public circulation or for the use of any third party, without the prior written approval of Bell Potter Securities Limited.

The Research Report is for informational purposes only and is not intended as an offer or solicitation for the purpose of sale of a security. Any decision to purchase securities mentioned in the Report must take into account existing public information on such security or any registered prospectus.

This is general investment advice only and does not constitute personal advice to any person. Because this Research Report has been prepared without consideration of any specific client's financial situation, particular needs and investment objectives ('relevant personal circumstances'), a Bell Potter Securities Limited Broker (or the financial services licensee, or the representative of such licensee, who has provided you with this report by arrangement with Bell Potter Securities Limited) should be made aware of your relevant personal circumstances and consulted before any investment decision is made on the basis of this Research Report.

While this Research Report is based on information from sources which are considered reliable, Bell Potter Securities Limited has not verified independently the information contained in this document and Bell Potter Securities Limited and its directors, employees and consultants do not represent, warrant or guarantee expressly or impliedly, that the information contained in this Research Report is complete or accurate.

Nor does Bell Potter Securities Limited accept any responsibility for updating any advice, views, opinions or recommendations contained in this Research Report or for correcting any error or omission which may have become apparent after the Research Report has been issued.

Bell Potter Securities Research Department has received assistance from the Company referred to in this Research Report including but not limited to discussions with management of the Company. Bell Potter Securities Policy prohibits Research Analysts sending draft Recommendations, Valuations and Price Targets to subject companies. However, it should be presumed that the Author of the Research Report has had discussions with the subject Company to ensure factual accuracy prior to publication.

All opinions, projections and estimates constitute the judgement of the Author as of the Date of the Research Report and these, plus any other information contained in the Research Report, are subject to change without notice. Prices and availability of financial instruments also are subject to change without notice.

Notwithstanding other departments within Bell Potter Securities Limited advising the subject Company, information obtained in such role is not used in the preparation of the Research Report.

Although Bell Potter Research does not set a predetermined frequency for publication, if the Research Report is a fundamental equity research report it is the intention of Bell Potter Research to provide research coverage of the covered issuers, including in response to news affecting the issuer. For non-fundamental Research Reports, Bell Potter Research may not provide regular updates to the views, recommendations and facts included in the reports.

Notwithstanding that Bell Potter maintains coverage on, makes recommendations concerning or discusses issuers, Bell Potter Research may be periodically restricted from referencing certain Issuers due to legal or policy reasons. Where the component of a published trade idea is subject to a restriction, the trade idea will be removed from any list of open trade ideas included in the Research Report. Upon lifting of the restriction, the trade idea will either be re-instated in the open trade ideas list if the Analyst continues to support it or it will be officially closed.

Bell Potter Research may provide different research products and services to different classes of clients (for example based upon long-term or short term investment horizons) that may lead to differing conclusions or recommendations that could impact the price of a security contrary to the recommendations in the alternative Research Report, provided each is consistent with the rating system for each respective Research Report.

Except in so far as liability under any statute cannot be excluded, Bell Potter Securities Limited and its directors, employees and consultants do not accept any liability (whether arising in contract, in tort or negligence or otherwise) for any error or omission in the document or for any resulting loss or damage (whether direct, indirect, consequential or otherwise) suffered by the recipient of the document or any other person.

In the USA and the UK this Research Report is only for institutional investors. It is not for release, publication or distribution in whole or in part in the two specified countries. In Hong Kong this Research Report is being distributed by Bell Potter Securities (HK) Limited which is licensed and regulated by the Securities and Futures Commission, Hong Kong. In the United States this Research Report is being distributed by Bell Potter Securities (US) LLC which is a registered broker-dealer and member of FINRA. Any person receiving this Research Report from Bell Potter Securities (US) LLC and wishing to transact in any security described herein should do so with Bell Potter Securities (US) LLC.

Bell Potter Securities Limited

ABN 25 006 390 772
Level 29, 101 Collins Street
Melbourne, Victoria, 3000
Telephone +61 3 9256 8700
www.bellpotter.com.au

Bell Potter Securities (HK) Limited

Room 1701, 16/F
Prosperity Tower, 39 Queens
Road Central, Hong Kong, 0000
Telephone +852 3750 8400

Bell Potter Securities (US) LLC

Floor 39
444 Madison Avenue, New York
NY 10022, U.S.A
Telephone +1 917 819 1410

Bell Potter Securities (UK) Limited

16 Berkeley Street London, England
W1J 8DZ, United Kingdom
Telephone +44 7734 2929