



TEMPO AUSTRALIA INVESTOR PRESENTATION

ASX: TPP

SEPTEMBER 2016



OVERVIEW

ABOUT TEMPO

- ASX listed contractor servicing the resources, commercial and industrial sectors
- Target contract size <\$50m – geared for scopes of work that are not economic for large players
- Larger works targeted in partnership with large Engineering Procurement and Construction firms, and Original Equipment Manufacturers
- Well positioned for sustainable and strategic growth – healthy tender pipeline

Key Value Proposition:

- Flat management structure that drives lean overheads and improved client responsiveness
- Structured front line employee engagement process focused on driving retention and continuous improvement
- Established frontline productivity tool-kit, comprising of five key tools developed to drive site based activities through continuous monitoring of leading productivity indicators
- Exclusive partnership with a tech company aimed at obtaining site-based productivity metrics through the use of innovative micro and geo-fencing techniques
- Recent acquisition of Cablelogic provides further specialization in the resources sector, and diversification in the industrial and commercial sector.



Capital Structure

ASX code	TPP
Shares on issue	201.8m
Options and performance rights on issue ¹	11.8m
Market capitalisation ²	A\$56.5m
Cash in hand ³	\$13.3m

Shareholders

Board and Management	~25.5%
Top 20 Shareholders	61.5%

1) Employees and Board member options and performance rights with various vesting conditions

2) As at 7 September 2016

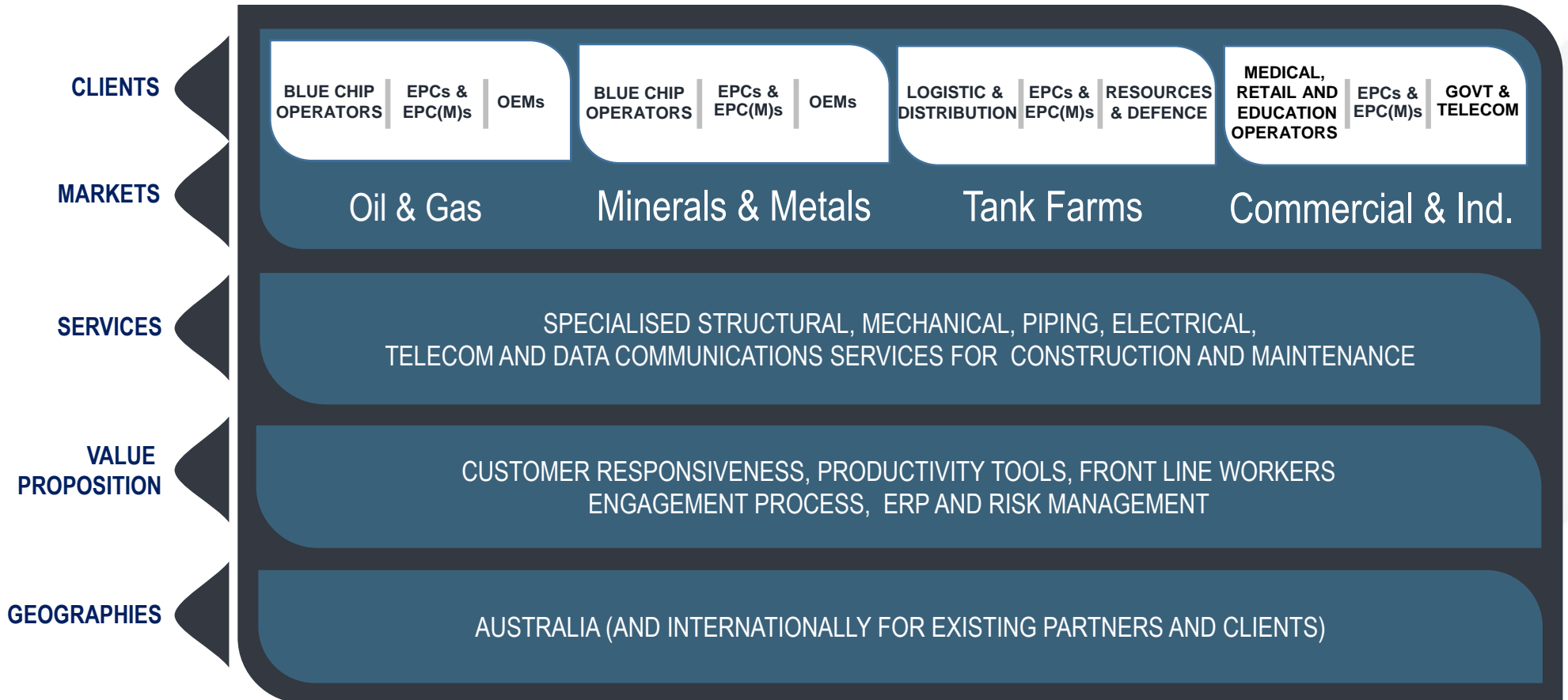
3) As at 8 July 2016

Financials	HY 2016	YE 2015
Revenue	\$55.2m	\$79.2m
NPAT	\$3.7m	\$6.7m

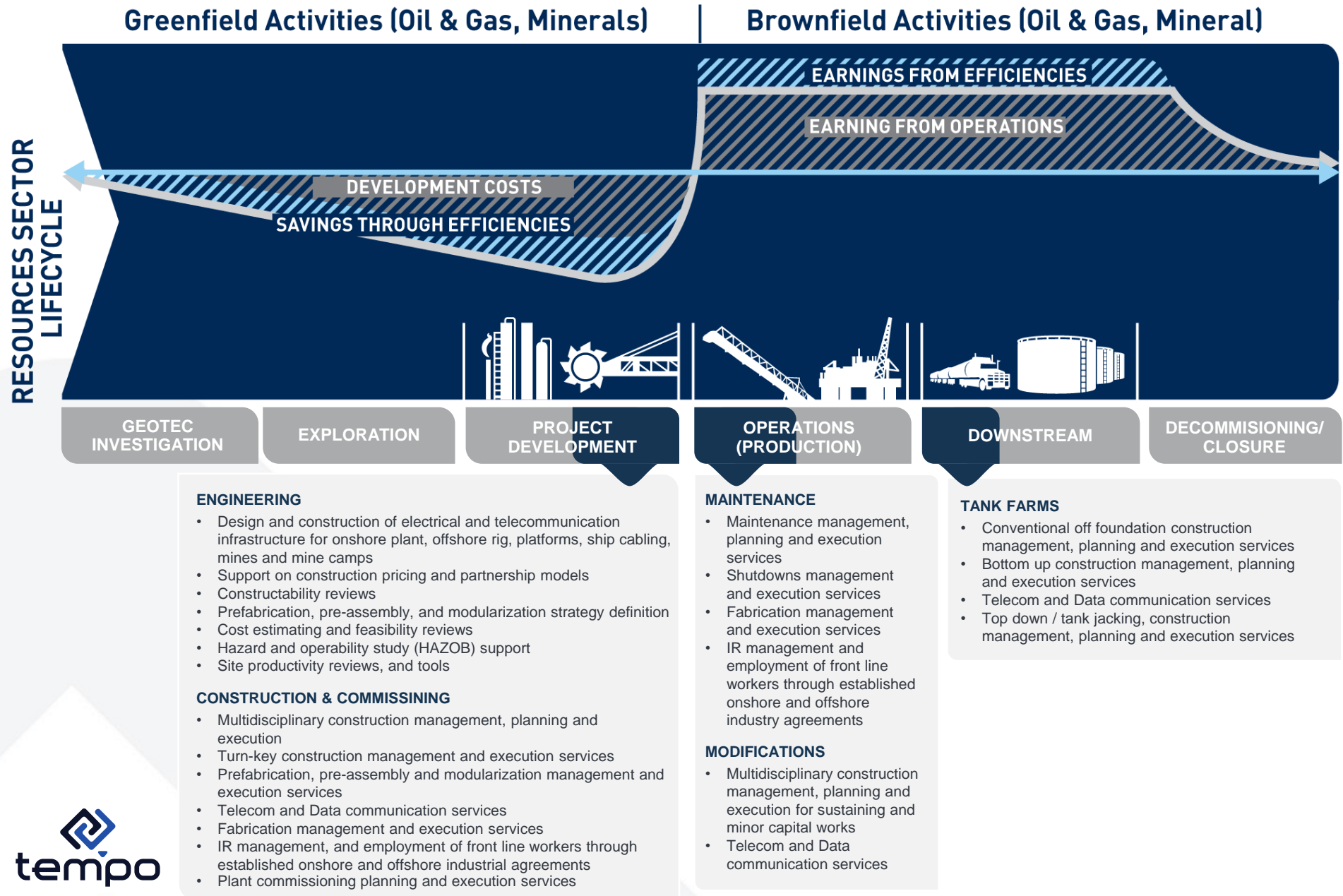
OPERATING MODEL

Purpose:

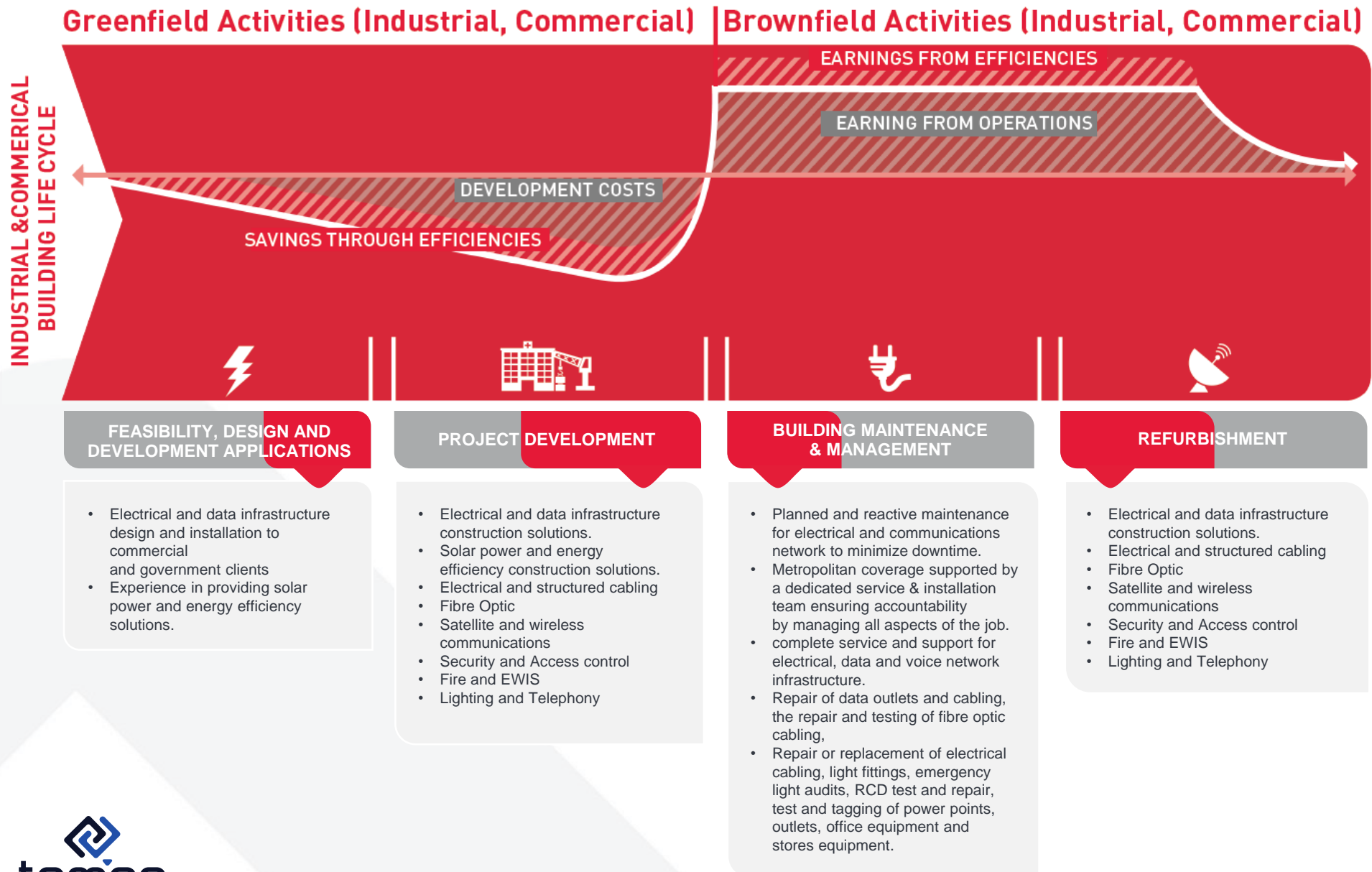
To deliver to clients in the resources, industrial and commercial sector, specialist multidisciplinary maintenance and construction services, which protect and enhance their investments, without ever compromising on our values



CORE CAPABILITIES – RESOURCES SECTOR



CORE CAPABILITIES – COMMERCIAL & IND. SECTORS



DRIVING SITE PRODUCTIVITY

BUILT FOR PRODUCTIVITY



Bottom-up engagement philosophy, which can be summarised as follows:

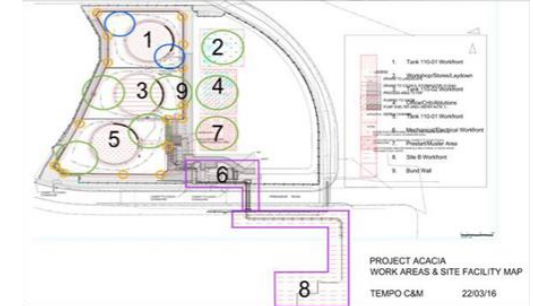
- Consistently developing work practices by seeking front line engagement at the inception stage of our project
- Team leaders (supervisors) retain the ownership for planning and executing jobs at site
- Regularly soliciting suggestions for improvements from the front line so they can do their job as effectively and safely as possible
- Management system locks in the learnings

Three Tiered Approach to Productivity

- Well-defined Corporate IR strategy - e.g. Industrial agreement in place until 2020
- Effective Project Planning— e.g. Management system tailored to monitor Leading and Lagging productivity indicators
- Driving Front Line Competencies – e.g. In-house welding training school, and established ties with government training institutes

TECHNOLOGY TO DRIVE PRODUCTIVITY

- Technology focused on:
 - Location based services using innovative geo-fencing techniques
 - Aerial inspection services using innovative imaging techniques
- Faster and smarter way of automating data handling utilising software
- Micro and Geo-fencing to record minute by minute data
 - A range of hardware solutions available used depending on site location: i beacons, satellite positioning, and RFID
 - Expansion to the tracking of plant and equipment utilisation vs downtime
- Aerial inspection for faster TT monitoring, and asset inspection and modeling
 - A range of drones available for high definition inspections and TT reporting
- Establish and drive cultural / behavioural change among crews through use of the productivity tools



2016 PROJECTS & CONTRACTS

KEY 2016 PROJECTS – RESOURCES SECTOR



Barrow Island Construction

Clients: Chevron & CKJV



Ore Car Repair Workshop

Client: BHP Billiton & Calibre



Cape Lambert Port B Expansion

Clients: Rio Tinto



Santos Maintenance

Clients: Santos



Wheatstone Offshore Platform

Client: Chevron & BAE Systems



Karratha LNG Woodside

Client: Woodside Petroleum

KEY 2016 PROJECTS – COMMERCIAL & IND. SECTOR



Red Cross, Stage 2 & 3
Client: Cockram Construction



Mandurah Aquatic Centre
Client: Perkins



Perth Airport T1 & T2
Client: CAM and Vodafone



Australian Government
Attorney-General's Department

Attorney General's Dept
Client: Australian Government



vodafone

Vodafone
Client: Cellular Asset Management
and Vodafone

**FLIGHT
CENTRE®**
The Airfare Experts

Flight Centre
Client: One Group Retail
and Flight Centre

HALF YEAR RESULTS

FINANCIAL RESULTS

Strong Half year result:

- Revenue of \$55.2 million
- EBITDA* of \$4.4 million
- NPAT of \$3.7 million
- Profit before tax and NPAT margins of approx. 7.5% and 6.8% respectively
- Cash of \$ 3.7 million (excluding three substantial client payments received post reporting date taking the cash balance to \$13.3m at the 8 July 2016)
- \$10 million working capital facility in place and undrawn
- Bonding and bank guarantees facilities available worth \$12 million (undrawn)

Key P&L items	HY 2016	YE 2015
Revenue	\$55.2m	\$79.2m
EBITDA*	\$4.4m	\$5.8m
NPAT	\$3.7m	\$6.7m

Key Balance sheet items	HY 2016	YE 2015
Cash	\$13.3m^	\$7.4m
Net Assets	\$18.2m	\$13.9m
Net Tangible Assets	\$15.1m	\$10.8m

^ Adjusted from \$3.7m at 30 June to account for receipt of 3 substantial client payments received by 8 July 2016

*EBITDA Reconciliation	HY 2016	YE 2015
Profit before income tax	\$4.1m	\$5.1m
Interest and finance charges	\$0.1m	\$0.5m
Depreciations and Amortisation	\$0.1m	\$0.1m
Share based payments	\$0.1m	\$0.1m
EBITDA	\$4.4m	\$5.8m

OUTLOOK & VALUE PROPOSITION

MARKET CONDITIONS



- Despite general resources sector market deterioration, at least four existing major LNG capital development projects will continue over the next year or so
- Seven new LNG projects moving into production over near term
- Available market revenue in resources sector maintenance and construction ca.\$8 billion p.a. by 2020 (O&G, M&M, and import terminals tanks)
- Available market revenue in industrial and commercial sector for electrical, telecom, and data construction work is ca. \$1.5B pa. (source WA Construction Industry Snapshot published by the WA Government)
- Whilst this available market is very large for Tempo, it is far smaller then what it was a few years back
- Resources clients are tendering out smaller work packages (\$20-\$100 million in size)
- Resources clients willing to contract directly with tier two companies, provided the business foundations are solid: safety, productivity and quality standards are met
- Industrial & commercial clients looking for specialised delivery capabilities and balance sheet

VALUE PROPOSITION



- Tempo is in a size bracket that is unique in both O&G and M&M sectors
 - Tempo has a highly experienced Executive Leadership Team and Board, with strong alignment
 - Flat management structure, lean overheads, and no legacy from resource “boom” time (i.e. culture, REM, management systems, etc)
 - Few companies in peer set have similar relationships with clients, and international contractors
 - Established frontline productivity tool-kit, comprising of five key tools developed to drive site based activities through continuous monitoring of leading productivity indicators
- Recent acquisition allows Tempo to:
 - further differentiate on upcoming rail line technology and upgrades, mining, oil and gas maintenance and sustaining capital projects where specialised electrical, telecom and data communication expertise and equipment is required
 - diversify into telecom and data communications in the commercial and industrial building sectors through a 20 year track record of delivery with well established clients
- Well over \$900 million of pipeline opportunities (> 15 distinct near/mid term targets identified across all focus markets)
- Selective tendering approach - focus on blue chip clients

DISCLAIMER

This Presentation is provided by Tempo Australia Ltd (the Company).

You should not rely upon anything in this presentation and/or any information obtained from the Company, its Directors or their associates in deciding whether or not to seek to participate in the shares of the Company.

This is not an offer to subscribe for securities in the Company.

The Presentation may contain quantitative statements of anticipated future performance such as projections, forecasts, calculations, forward-looking statements or estimates all of which are based on certain assumptions (Forward Looking Statements).

The Forward Looking Statements may involve subjective judgements and are based on a large number of assumptions and are subject to significant uncertainties and contingencies, many of which are outside the control of the Company and may not prove to be correct.

No representation or warranty is made that any Forward Looking Statements will be achieved, or occur, or that the assumptions upon which they are based are reasonable or the financial calculations from which they have been derived are correct. Actual future events may vary significantly from the Forward Looking Statements.

Each Recipient should undertake its own independent review of the Forward Looking Statements, including the assumptions on which they are based and the financial calculations from which they are derived

END

