

Malcolm Deane
 Managing Director and CEO
 ALS Limited ACN 009 657 489
 Annual General Meeting
 10:00am on 26 July 2023

Thank you, Bruce, and welcome everyone.

I truly appreciate your attendance here today both in person and virtually.

It is an honor to be serving as CEO & Managing Director of ALS. I feel privileged to be leading the company on its strategic journey.

I would like to thank the Board and our management team for their support and collaboration.

And a very special thanks to you, our shareholders, for your trust, confidence, and support of our company's growth and mission.

At ALS, we are guided by our vision to be the global leader in the discipline of scientific analysis in pursuit of a better world for all.

Whether we are helping protect the environment from toxic pollutants, assuring the safety of our food and water, or accelerating decarbonization in alignment with the United Nations climate action plan, our commitment to a more sustainable world is the passion behind everything we do at ALS. We already play a meaningful role in testing sustainability-linked activities, with approximately 50% of our revenue linked to sustainability outcomes.

This focus on sustainability drives the strength of our core businesses. It has helped us deliver industry-leading revenue growth and operating margins in Fiscal Year 2023. We are well-positioned to support the needs of our clients and achieve the performance goals in our 5-year strategic plan, which I will now discuss.

5-year strategic plan

A year since establishing our new 5-year strategic plan, we have already made progress on our fiscal year 2027 vision. By continuing to meet the plan's financial goals, we will be able to advance our position as a global leader.

We will achieve our revenue and EBIT targets by focusing our growth on key end markets both organically and through acquisitions – ensuring that our growth is aligned with industry megatrends.

We will also improve the underlying performance of the business. We expect margins to remain at industry-leading levels and above our minimum floor of 19%.

Operating margins, cash generation, and return on capital will all remain above the minimum targets. We will continue to preserve a solid balance sheet that can support our strong growth ambitions.

So how will we deliver this excellent performance? We will do it by focusing on six key objectives:



They are:

1. A strong growth agenda
2. Rebalancing our portfolio
3. Growth of our sustainability efforts
4. Market leadership in Geochemistry
5. A strong focus on our people, and...
6. The acceleration of our innovation journey

I would like to highlight 3 of these objectives, which will continue to drive excellent performance.

First is advancing our **strong growth agenda** through investments to capitalize on megatrends linked to sustainability and life sciences. We are expanding our environmental business in key geographies and services supported by the new sustainability regulations that are increasing the overall contested market. We are also building operational scale in our Food & Pharmaceutical businesses. We will continue executing on our inorganic strategy

Next is expanding our **market leadership in the geochemistry business**, where we see an upside opportunity in addressing green metal exposure. ALS has become an enabler of the global energy transition. Currently, battery metals represent 40% of the total mix tested in our labs. We will continue expanding market share in our exploration and mine site businesses.

Lastly, we will stay **focused on our people**, building a strong culture of innovation and collaboration with a high level of employee and client engagement. Strengthening our culture of diversity and inclusion will help us minimize psychosocial hazards at work to advance our industry-leading safety efforts.

In addition to our key objectives, there are two important focus areas that will help us continue to deliver value for our stakeholders and reach our fiscal year 2027 goals: **Client Centricity and Cultural Imperatives**.



Client Centricity means that our plans and actions must always centre on our clients’ needs.

We will develop new technologies and innovations through our client partnerships.

And we will solve problems for clients that they didn’t know they had.

Our Cultural Imperatives include:

Innovation, which means we think and act differently, stay open to new ideas, and take calculated risks.

Agility, enabling us to deliver superior results while always looking for opportunities with a sense of urgency.

Collaboration by focusing on creating and expanding partnerships.

And **Inclusion** - We must continue to build an inclusive culture to enable everyone to succeed.

Strengthening these aspects of our culture and being client-centric will guide our actions moving forward, and position us to become the partner of choice for current and future clients.

It is also important to understand how **success is measured** in the five-year strategic plan.

From a **financial perspective**, success means achieving the 3.3 billion revenue target, which represents an overall CAGR of 8%, delivering an underlying EBIT of 600 million with a floor margin of 19%.

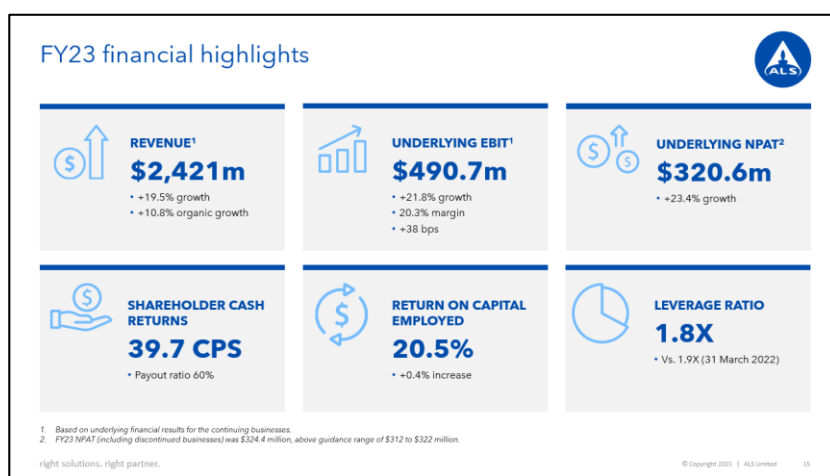
Second, success means that the company effectively rebalances its portfolio, increasing its Life Sciences divisions, while expanding the market-leading position of Commodities. ALS will continue supporting end-market growth in core activities, and ensuring we maintain strict capital allocation discipline.

Third, as the world increasingly relies on data, to be successful we should position our business to capture the trend toward digital enablement.

Our data sets are some of the largest in the world, so standardizing our systems and solutions will enable us to strengthen our leadership in providing client data solutions that are well aligned with industry megatrends.

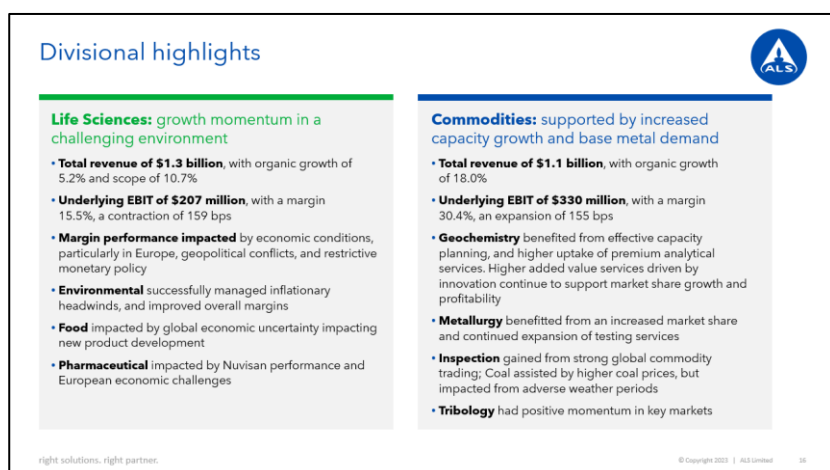
FY23 Financial Highlights

Turning to the financial highlights of the fiscal year 2023:



- As the Chairman shared, our business has continued to deliver industry-leading **revenue** growth and **operating margins**.
- We showed strong financial performance despite a challenging environment.
- We maintained strong **cash conversion** and a solid balance sheet and liquidity supporting our growth agenda.
- Our two core businesses both expanded margins in the period, growing the underlying performance of our overall business.
- Delivering on both growth and profitability is helping keep us on track to deliver on our FY27 financial objectives.

Divisional highlights



Looking at divisions individually, **life sciences** continued its growth momentum, increasing revenues to \$1.3 billion from \$1.1 billion, which now represents approximately 55% of total group revenues. This impressive revenue growth was supported by strong organic growth within our environmental business and meaningful scope growth within our food and pharmaceutical businesses.

Our market-leading environmental business maintained solid revenue growth across all geographies and successfully increased its margins, despite inflationary headwinds. This was achieved by leveraging its global footprint and scale.

Our Food business was impacted by global economic uncertainty, whilst our underlying Pharmaceutical business, excluding Nuvisan's, posted strong organic revenue growth with only minor margin deterioration.

Our **commodities division** continues to be a market leader, increasing revenues to \$1.1 billion from \$0.9 billion, and increasing underlying EBIT margin to 30.4%, up 155 basis points. This growth was supported by the strong operational model, and the underlying driver of the economy, decarbonization.

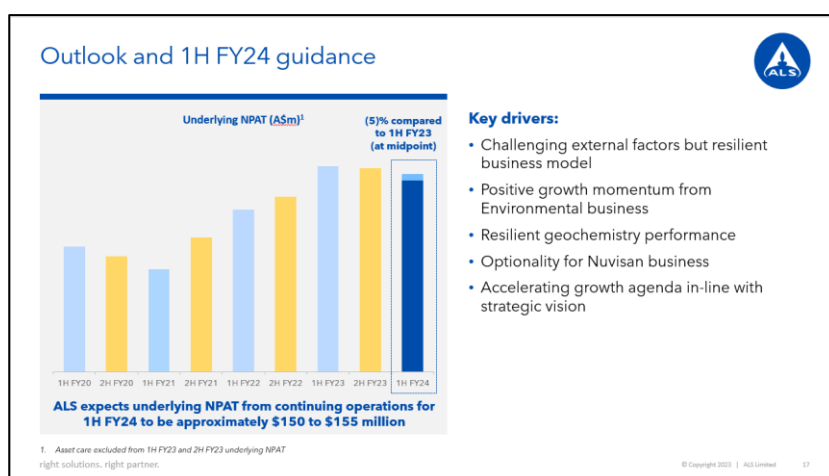
The geochemistry business increased both market share growth and profitability in FY23. Despite a slowdown in sample volume growth in the second half of 2023, we improved overall margins due to our superior service offering, effective capacity planning, global quality solutions, as well as the increased use of premium analytical testing services by our clients. Our Metallurgy business continued to expand its market share and showed a very strong performance.

Our other businesses, including Inspection and Tribology, all contributed to the overall strong result for the year.

Overall, divisional performance has contributed to our strong financial results and demonstrates the resilience and stability of our business irrespective of underlying macroeconomic conditions.

Outlook and HY24 guidance

As the Chairman announced earlier, the business expects to deliver an underlying NPAT from continuing operations of between **\$150 million and \$155 million** in the first half of FY24.



The mid-point of this range represents a decrease of approximately 5% compared to the prior corresponding period, largely attributable to the underperformance of our minority 49% shareholding in Nuvisan.

Although challenges such as inflation, economic uncertainty, and geopolitical issues persist, our demonstrated business model continues to prove its resilience whilst operating in an uncertain environment.

Our Environmental business has continued to deliver strong organic revenue growth and margin expansion across all regions, benefitting from strong pricing discipline and the ability to leverage its global scale.

Our other market-leading business, Geochemistry, has maintained resilient margins in a period of soft sample volume demand. This reflects the benefit from an increased uptake of our value-added services, effective capacity planning from our hub and spoke model, and superior client service offering. As mentioned before, ALS has become an enabler of the global energy transition.

The Life Sciences portfolio, excluding Nuvisan, has delivered solid organic growth and maintained margins comparable to the previous year. Nuvisan remains significantly impacted by unprecedented industry challenges arising from limited funding for new drug development research and challenges associated with the CRO/CDMO testing industry. We are actively engaged with Nuvisan as a 49% minority shareholder through the established joint



advisory board, with representatives from ALS providing advice to improve operational efficiencies and cost management.

The Nuvisan acquisition was structured to provide ALS with optionality to manage both the risk of exposure to the different parts of the Nuvisan business, and to provide some protection for the initial capital outlay. Our option window commences January 2024 and closes September 2026. The Company continues to evaluate all strategic options with regards to Nuvisan.

Strategic growth remains at the forefront of our agenda. We remain committed to targeted acquisitions that complement our existing businesses, expand our geographic reach, and enhance our service offerings – but these acquisitions must also enable us to add value. We remain open to pursuing strategic opportunities as they arise.

Conclusion

In closing, our commitment to our long-term strategic journey has helped us lead the industry in growth and performance. We will continue to pursue our mission and strengthen our determination to become one of the world's most respected companies.

Through the proven resiliency of our business model, the strong margins of our Environmental and Geochemistry businesses, and new opportunities for long-term growth, we are well-positioned to continue meeting our clients' needs and advance our position as an industry leader.

I would like to sincerely thank the chairman, the board, and our hard-working team of employees worldwide for their passion and dedication.

Finally, thank you for your ongoing support.

I will now hand the meeting back to the Chairman.