BINGO INDUSTRIES LIMITED

1H FY20

Investor Presentation

Thursday, 20 February 2020

Pushing for a waste free Australia

BINGO INDUSTRIES

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Throughout this document non-IFRS financial indicators are included to assist with understanding BINGO's performance. The primary non-IFRS information is Underlying EBITDA, Underlying EBIT, Underlying NPAT and Operating Free Cash Flow before interest and tax payments.

Management believes Underlying EBITDA, Underlying EBIT, Underlying NPAT and Operating Free Cash Flow before interest and tax payments are appropriate indications of the on-going operational earnings and cash generation of the business and its segments because these measures do not include one-off significant items (both positive and negative) that relate to acquisition and integration costs. A reconciliation of non-IFRS to IFRS information is included where these metrics are used. This document has not been subject to review or audit by BINGO's external auditors.

All comparisons are to the previous corresponding period of 1H FY19 – the 6 months ended 31 December 2018, unless otherwise indicated. Certain figures provided in this document have been rounded. In some cases, totals and percentages have been calculated from information that has not been rounded, hence some columns in tables may not add exactly. Year-on-year variances have been calculated as percentages for numbers and basis points for percentages.

All forward debt and leverage metrics do not include dividends or capital management initiatives such as a share buy-back.

Agenda

1. 1H FY20 highlights
2. Financial performance
3. Strategy and market dynamics
4. Development update
5. Outlook

SECTION 1

1H FY20 highlights

1H FY20 Highlights

- **Ongoing focus on enhancing safety outcomes;** reinvigorated safety communication plan rolled out across the business, with a continued focus on embedding ownership of safety
- **Solid result in a challenging market;** strong revenue growth of 50.7% to $271.2 million and underlying EBITDA growth of 67.9% to $78.8 million; including property sales, underlying EBITDA growth of 74.8% to $82.0[1] million
- **Continuing positive trend in margin;** underlying EBITDA margin increased by 690 bps to 33.0%[2]
- **Strong growth in operating free cash flow** up 49.1% to $70.4 million, from $47.2 million in the PCP
- **Strong growth in EPS** up from 2.5 cents per share to 5.8 cents per share. Statutory NPAT up 185.9% to $38.2 million and underlying NPAT up 31.9% to $28.4 million
- **Development program on track;** West Melbourne 24 hour licence modification approved. Mortdale and Patons Lane advanced recycling equipment fully operational and construction of MPC 2 well progressed
- **DADI integration well progressed;** $15 million of cost synergies over two years being realised through operational efficiencies, internalisation and overhead savings. Integration on track to conclude by Dec 2020
- Reaffirm **FY20 Underlying EBITDA guidance of $159 million to $164 million**

1. Underlying EBITDA excludes acquisition, capital raising, integration costs and other one-off non-recurring items and excludes gain on sale of Banksmeadow of $22.4 million. Underlying EBITDA of $82.0 million includes $3.2 million associated with profits from sale of properties in the ordinary course.
2. Excluding property sales Underlying EBITDA margin is 32.0%.

1H FY20 financial summary

Strong focus on cost control and realising synergies from DADI integration has strengthened EBITDA margin

A$m	1H FY19	1H FY20	Variance
Net revenue	180.0	271.2[1]	50.7%
Underlying EBITDA	46.9	82.0[2]	74.8%
Underlying EBITDA margin	26.1%	33.0%[3]	690 bps
Statutory NPAT[4]	13.4	38.2	185.9%
Statutory EPS	2.5 cents	5.8 cents	132.0%
Operating free cash flow	47.2	70.4	49.1%
Cash Conversion	103.5%	90.0%	(1,350 bps)
ROCE	13.1%	9.2%	(390 bps)
Net Debt	140.3	(321.1)	n.m.
Interim dividend per share	1.72 cents	2.20 cents	27.9%

- Net revenue up 50.7% to $271.2 million and underlying EBITDA up 74.8% to $82.0 million.
- Underlying EBITDA margin expanded by 690 bps to 33.0%, driven by:
  - A full six month contribution from:
    - DADI including cost synergies from operational efficiencies relating to the NSW network reconfiguration, internalisation and overhead savings
    - Other redeveloped or acquired post-collections assets including West Melbourne and Patons Lane
  - Implementation of NSW price rise from July 2019
  - Net gain on property sales of $3.2 million
- Solid cash conversion of 90.0% achieved, which is at lower end of the group target of >90% largely due to higher sales in December and lag on collections from acquired DADI business.
- As previously flagged, ROCE down 390 bps against the PCP. Impacted by lag in cash flow from recent capital investment.
- Statutory EPS of 5.8 cents per share, up from 2.5 cents per share.

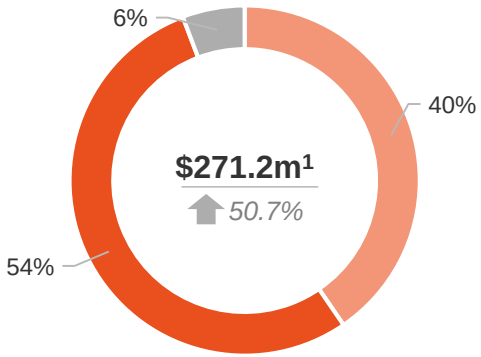
1. Net Revenue includes $22.4 million from gain on sale of Banksmeadow.
2. Underlying EBITDA excludes acquisition, capital raising, integration costs and prepayment amortisation and excludes gain on sale of Banksmeadow of $22.4 million. Underlying EBITDA of $82.0 million includes $3.2 million associated with profits from sale of properties in the ordinary course.
3. Excluding property sales Underlying EBITDA margin is 32.0%.
4. Statutory NPAT includes transaction and integration costs of $6.6 million associated with the DADI acquisition and one off profit from sale of Banksmeadow of $22.4 million.

Revenue and earnings split by segment

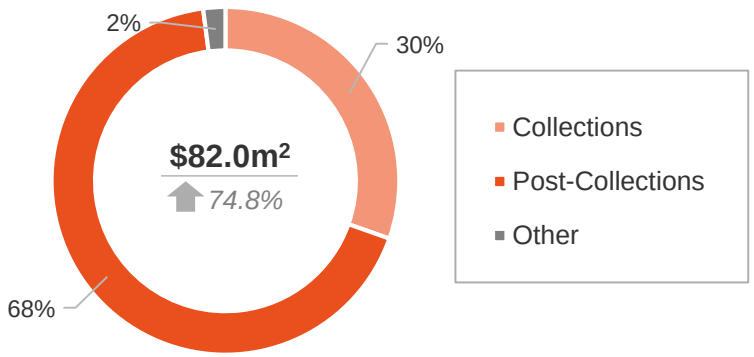
Approximately 70% of EBITDA is now from BINGO's post-collections infrastructure assets

SEGMENT

1H FY20 Net Revenue[1] $m

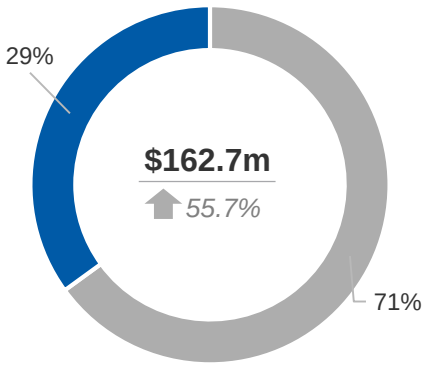


1H FY20 Underlying EBITDA $m

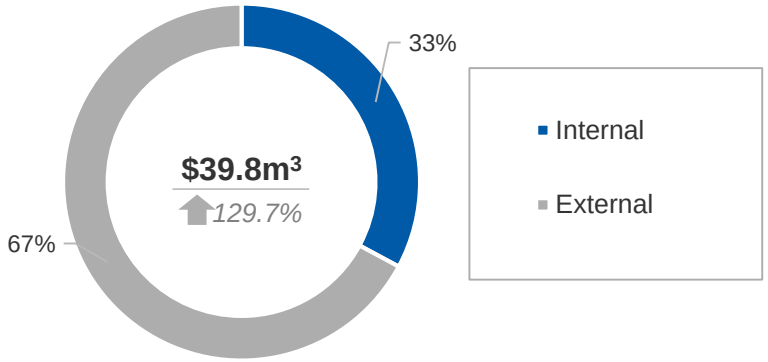


EXTERNAL / INTERNAL

1H FY20 Post-Collections Revenue $m



1H FY20 Toro & Other Revenue $m



1. Segmental proportions based on gross revenue excluding eliminations and excluding $22.4 million gain on sale of Banksmeadow.
2. Underlying EBITDA $82.0 million includes $3.2 million associated with profits from sale of properties in the ordinary course.
3. Other revenue includes $22.4 million from gain on sale of Banksmeadow which has been excluded for the purpose of calculating external and internal proportions.

1H FY20 operations update

In 1H FY20 we delivered:

- **DADI integration well progressed** and expected to complete by December 2020. Cost synergies of $15 million on track to be achieved equally over FY20 and FY21.
- **Banksmeadow divested and network reconfiguration delivering efficiencies.** Banksmeadow was divested in September 2019 for $50 million, recognising a profit on sale of $22.4 million.
  - Sale of non-core property assets[1] in the 1H FY20 resulted in profit of $3.2 million and capital return of ~$16 million[2].
  - Divestment of non-core asset sales ongoing and expected to deliver total capital return of $30 million.
- **NSW price rise implemented from July 2019 resulting from the introduction of the QLD levy**, and after allowing for loss in volumes, is expected to provide a net benefit to BINGO in FY20.
- **Licence modification for 24 hour operations at West Melbourne recycling facility approved in February,** West Melbourne recycling facility expected to be operating to the extended hours from May 2020.
- **Growing proportion of B&D collections Work In Hand (WIH) is under supply agreement –** WIH as a proportion of revenue has increased to ~25% and a healthy pipeline underpins our outlook.
- **Solid pipeline of C&I opportunities** focused on increasing tender activity and targeting customers with BINGO's unique value proposition in non-putrescible resource recovery, technology and sustainability credentials. C&I WIH up ~45% since FY19 result, with a win rate of approximately 50% and a renewal rate of 90%.
- **Appointment of key personnel –** Chris Jeffrey appointed Chief Financial Officer from November 2019; Declan Hogan as Chief Information Officer appointed to the Executive Leadership team in February 2020; Nik Comito appointed as Head of Sustainability, to further strengthen the group's ESG focus.

1. Further detail on net profit from sale of surplus property assets has been provided on slide 25.
2. Surplus property assets sold to date will return $15.6 million of which $11.8 million before 30 June 2020 and $3.8 million by 31 December 2020.

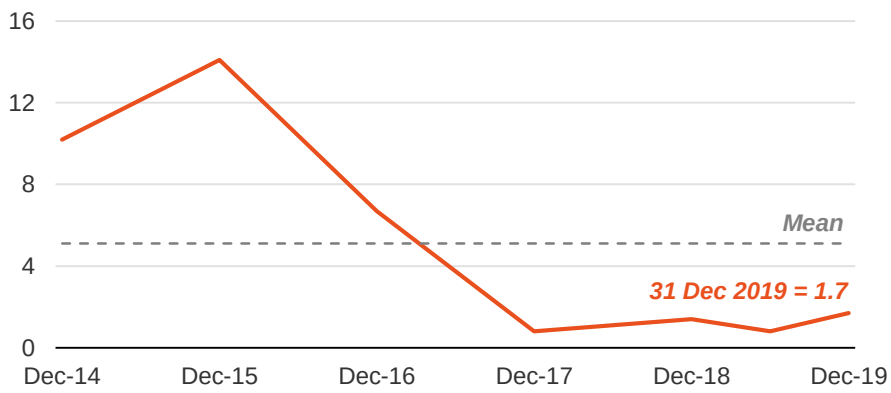
1H FY20 safety and sustainability achievements

THINK SAFE BE SAFE HOME SAFE THINK SAFE BE SAFE HOME SAFE THINK SAFE BE SAFE HOME SAFE

Achievements in 1H FY20

- **LTIFR of 1.7 for 1H FY20, up from 1.4 in 1H FY19;** safety lead and lag indicators continue to outperform industry averages.
- **Implemented a new approach to safety, including:**
  - Launch of new communication channels and engagement protocols
  - Relaunch of our *Think Safe, Be Safe, Home Safe* messaging
  - Introduction of BINGO Zero Harm Rules
  - Increasing the scope, function size and reach of Zero Harm Committee
- **Focused on increasing our diversity** by concentrating our inclusion efforts on groups that are traditionally disadvantaged or underrepresented – including Aboriginal and Torres Strait Islander peoples, those with disabilities and women. Female Directors now represent ~30% of the BINGO Board.
- **Launched and commenced implementation of first Reconciliation Action Plan** outlining how we intend to contribute to reconciliation in our communities.
- **Responsible Sourcing program well advanced** including:
  - Mapping and risk assessment of supply chain
  - Field assessments of high-risk suppliers completed
  - Updating procurement processes, including new supplier Code of Conduct
  - First Modern Slavery Statement to be delivered in 1H FY21

Lost Time Injury Frequency Rate (LTIFR)



BEST PRACTICE CERTIFICATION ISO 14001 ENVIRONMENT MANAGEMENT SYSTEM

BEST PRACTICE CERTIFICATION ISO 45001 OH&S MANAGEMENT SYSTEM

BEST PRACTICE CERTIFICATION ISO 9001 QUALITY MANAGEMENT SYSTEM

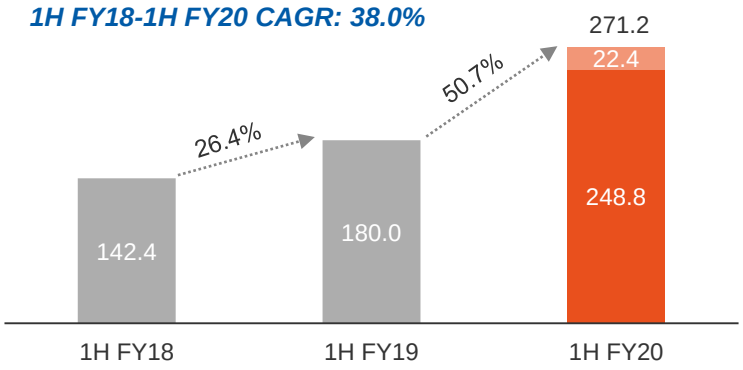
SECTION 2
Financial performance

Strong year-on-year growth across all key metrics despite ongoing headwinds in some key markets

BINGO INDUSTRIES

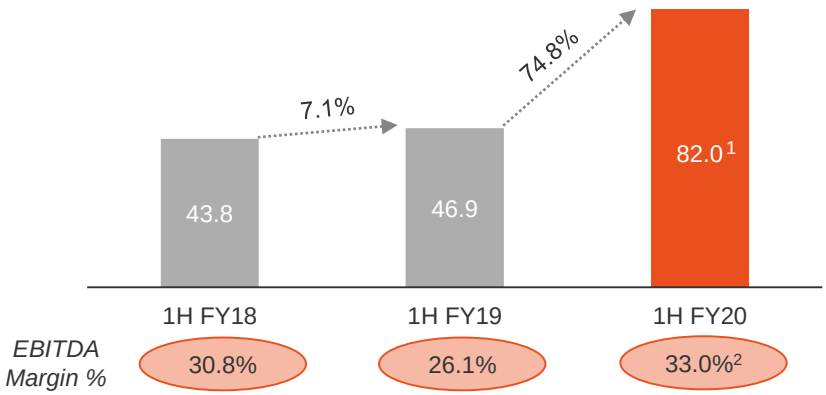
Net revenue $m

1H FY18-1H FY20 CAGR: 38.0%



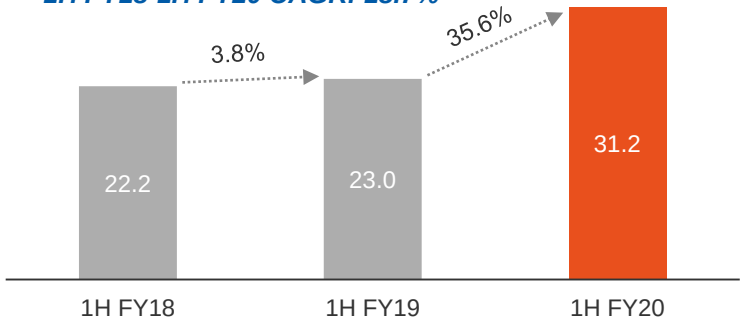
Underlying EBITDA $m

1H FY18-1H FY20 CAGR: 36.8%



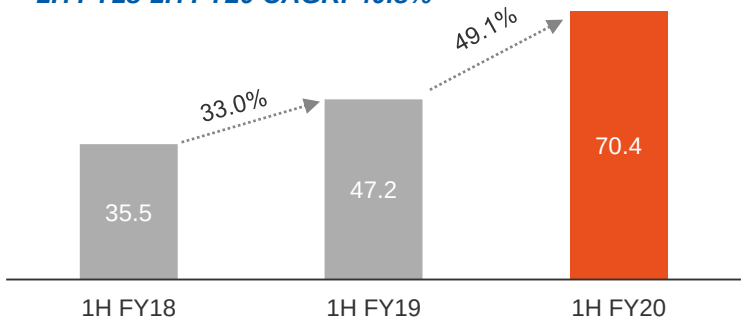
Underlying NPATA[3] $m

1H FY18-1H FY20 CAGR: 18.7%



Operating free cash flow[4] $m

1H FY18-1H FY20 CAGR: 40.8%



Profit on Banksmeadow *1H FY20*

1. Underlying EBITDA of $82.0 million includes $3.2 million associated with profits from sale of properties in the ordinary course.
2. Underlying EBITDA margin excludes gain on sale of Banksmeadow of $22.4 million in EBITDA and Revenue.
3. Underlying NPATA adds back amortisation of customer contracts and brand.
4. Operating free cash flow calculated as cash flow from operating activities net of income tax paid, acquisition and integration costs. 1H FY20 operating free cash flow excludes acquisition and integration costs paid of $9.7 million. 1H FY19 operating free cash flow excludes acquisition and integration costs paid of $7.9 million.

Summary segmental performance

A$m	1H FY19	1H FY20	Variance
Collections revenue	100.4	122.0	21.5%
Post-Collections revenue	104.4	162.7	55.7%
Other revenue	17.3	39.8[1]	129.7%
Eliminations[2]	(42.2)	(53.2)	26.0%
Net Revenue	180.0	271.2	50.7%
Collections Underlying EBITDA	19.3	24.7	28.0%
Post-Collections Underlying EBITDA	25.3	55.6	120.2%
Other Underlying EBITDA	2.4	1.7	(28.7%)
Underlying EBITDA	46.9	82.0	74.8%
Collections EBITDA margin	19.2%	20.3%	110 bps
Post-Collections EBITDA margin	24.2%	34.2%	1,000 bps
Other EBITDA margin	13.6%	9.7%[3]	(390 bps)
Group Underlying EBITDA margin	26.1%	33.0%[3]	690 bps

1. Other revenue includes $22.4 million from gain on sale of Banksmeadow.
2. Elimination of intercompany sales, which represent the revenue generated by the Post-Collections segment by processing waste delivered by the Collections segment, and the products sold by TORO to the Collections segment.
3. Underlying EBITDA margin excludes gain on sale of Banksmeadow of $22.4 million in EBITDA and Revenue.

Collections margin stabilised

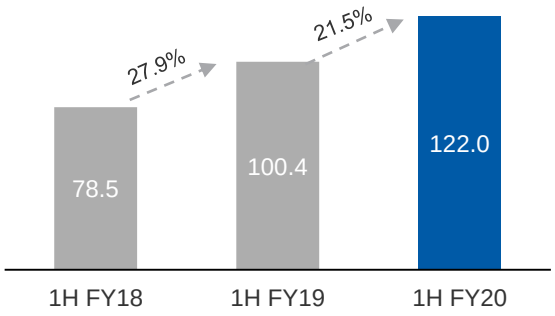
BINGO's Collections business continues to diversify across geography and business units, with a 21.5% and 28.0% increase in revenue and underlying EBITDA respectively

Summary

$m	1H FY19	1H FY20	Variance
Revenue	100.4	122.0	21.5%
Underlying EBITDA	19.3	24.7	28.0%
Underlying EBITDA margin	19.2%	20.3%	110 bps

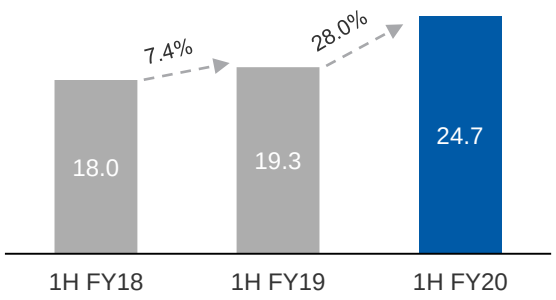
Revenue ($m)

1H FY18-1H FY20 CAGR: 24.7%



Underlying EBITDA ($m)

1H FY18-1H FY20 CAGR: 17.2%



EBITDA margin	**22.9%**	**19.2%**	**20.3%**

Commentary

- BINGO's Collections fleet consists of 286 B&D vehicles and 66 C&I vehicles, largely consistent with FY19. Latent capacity in the NSW fleet has been redeployed to VIC, with the VIC B&D fleet increasing by 14 vehicles.
- Collections revenue up 21.5% to $122.0 million and EBITDA up 28.0% to $24.7 million.
- B&D collections remains highly competitive with low barriers to entry. EBITDA margin is now approximately 20%.
  - Collections margin is expected to moderate slightly in 2H FY20 as we target greater volumes to support Patons Lane, Mortdale and in anticipation for licence modifications.
- BINGO continues to target expansion in C&I collections, ~15% year-on-year revenue growth achieved in 1H FY20.
- BINGO's C&I Collections revenue now represents ~30% of total Collections revenue.

Strong momentum in Post-Collections

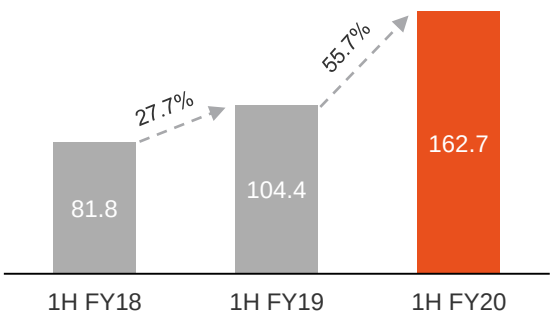
Post-Collections infrastructure now contributes approximately 70% of Group EBITDA

Summary

$m	1H FY19	1H FY20	Variance
Revenue	104.4	162.7	55.7%
Underlying EBITDA	25.3	55.6	120.2%
Underlying EBITDA Margin	24.2%	34.2%	1,000 bps

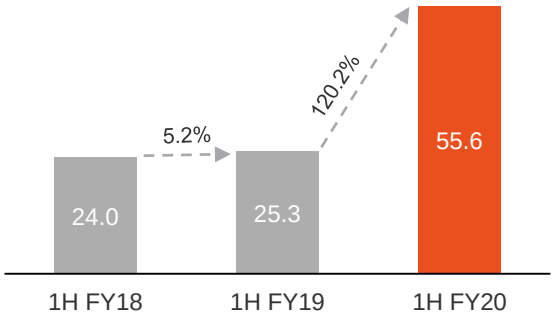
Revenue ($m)

1H FY18-1H FY20 CAGR: 41.0%



Underlying EBITDA ($m)

1H FY18-1H FY20 CAGR: 52.2%



EBITDA Margin	**29.3%**	**24.2%**	**34.2%**

Commentary

- Post-Collections infrastructure now contributes ~70% of the Group's EBITDA, reflecting recent investment in acquired assets and redeveloped sites.
- Year-on-year revenue growth underpinned by a full 6 month contribution of DADI and West Melbourne.
- Patons Lane[1] advanced recycling equipment now fully operational.
- Post-Collections EBITDA margin increased by 1,000 bps driven by:
  - DADI operational efficiencies and cost synergies
  - NSW network reconfiguration program
  - NSW price increases; partially offset by volume impact and customer losses during the period
- Post-Collections volumes in NSW impacted by headwinds in multi-residential construction and delays in commencements of announced infrastructure projects. VIC volumes continue to increase year-on-year.
- Recycled product sales has increased to 5.6% of Post-Collections revenue, 4.0% of total Group revenue and is expected to grow over the medium term.

1. Patons Lane advanced recycling equipment now fully operational as at February 2020 and 12 month forecast EBITDA of $20 million maintained on a run-rate basis.

Other performance

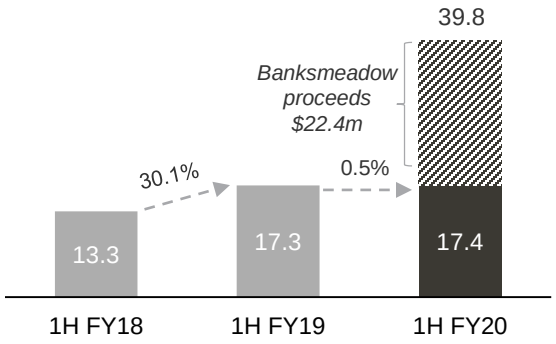
Other revenue up 129.7%, driven by proceeds from the sale of Banksmeadow

Summary

$m	1H FY19	1H FY20	Variance
Revenue	17.3	39.8[1]	129.7%
Underlying EBITDA	2.4	1.7	(28.7%)
Underlying EBITDA margin	13.6%	9.7%[2]	(390 bps)

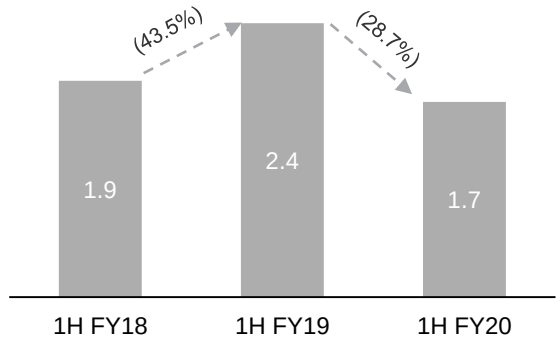
Revenue ($m)

1H FY19-1H FY20 CAGR: 72.9%



Underlying EBITDA ($m)

1H FY19-1H FY20 CAGR: (5.0%)



EBITDA margin	**14.0%**	**13.6%**	**9.7%[2]**

Commentary

- Other includes the manufacture and sale of bins through TORO, as well as unallocated corporate costs.
- Revenue up 129.7%, excluding the proceeds from Banksmeadow revenue was broadly flat year-on-year.
- Other EBITDA margin decreased to 9.7%[2] from 13.6% in PCP, impacted by:
  - TORO margin decreased due to focus on refurbishment and restoration of bins as part of the DADI integration;
  - no earnings from equipment rental;
  - higher insurance costs; and
  - increased corporate costs.
- Over the medium term, TORO continues to target market share in SA and VIC markets, and will support BINGO's expansion into QLD.

1. Other revenue includes $22.4 million from gain on sale of Banksmeadow.
2. Other Underlying EBITDA margin excludes gain on sale of Banksmeadow of $22.4 million in EBITDA and Revenue.

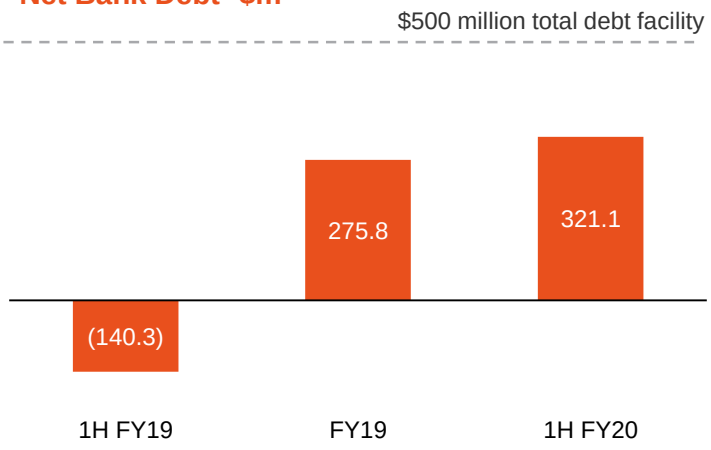
Strong balance sheet with flexibility maintained

Balance Sheet

$m	As at 31-Dec-19	As at 30-Jun-19
Total current assets	138.2	156.0
Total non-current assets	1,230.4	1,176.6
Total Assets	**1,368.6**	**1,332.7**
Total current liabilities	106.6	157.1
Total non-current liabilities	419.1	349.1
Total Liabilities	**525.7**	**506.2**
Net assets	**842.9**	**826.5**

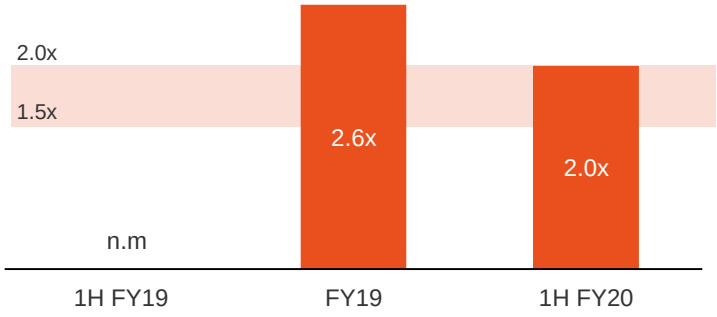
- Approximately $700 million of property, plant and equipment held on balance sheet (does not fully reflect valuation of associated licenses or mark to market property valuation).
- Net assets[1] per share of $1.29, up from $1.21 in 1H FY19.
- Net bank debt of $321.1 million and leverage ratio of 2.0x in line with guidance provided to the market.
- Existing principal debt facility, was amended during the reporting period to increase the total commitment by the amount of the accordion facility for up to $100 million increasing the total commitment to $500 million. The facility matures in August 2021.

Net Bank Debt[2] $m



Leverage Ratio[3] (Net Bank Debt / Annualised Underlying EBITDA)

Target Leverage Ratio 1.5x-2.0x



1. Net assets per share calculated as net assets / total shares outstanding as at 31 December 2019.
2. Net bank debt calculated as bank borrowings less cash.
3. Leverage ratio calculated as net bank debt (bank borrowings less cash) / Annualised 1H FY20 Underlying EBITDA.

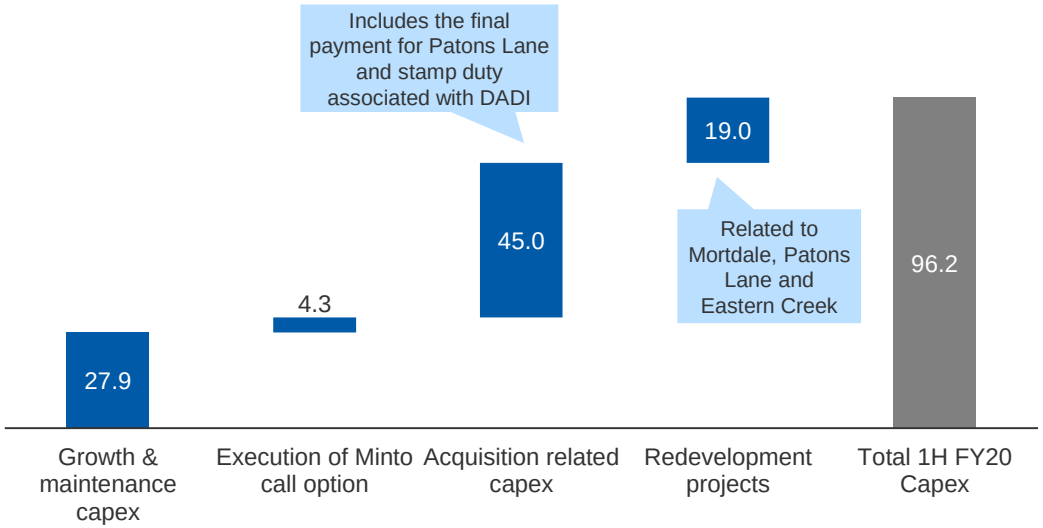
Summary cash flow and capex

Solid growth in operating free cash flow up 49.1% to $70.4 million

Underlying historical and forecast cash flow

$m	1H FY20	1H FY19
Underlying EBITDA	**82.0**[1]	**46.9**
Operating cash flow	**43.6**	**22.0**
Tax	17.2	17.3
Acquisition & integration costs	9.7	7.9
Operating free cash flow	**70.4**	**47.2**
Operating free cash flow conversion[2]	*90.0%*	*103.5%*

Capex cash flow breakdown $m



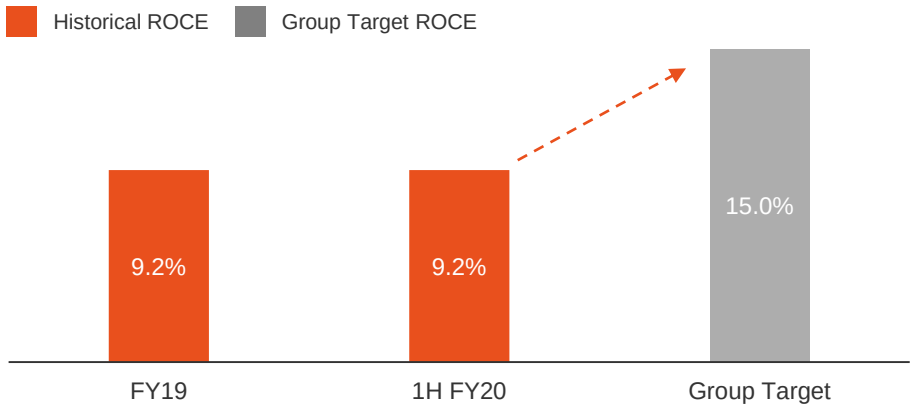
Comments and observations

- Operating free cash flow generation of $70.4 million an improvement of 49.1% against the PCP, positively impacted by the contribution from DADI.
- Further focus on debtor collections in 2H to achieve >90% target; cash conversion of 90.0% for the half year due to:
  - Stronger than expected sales in December
  - Lag in cash collections from acquired DADI business
- Total cash capital expenditure was $96.2 million for the half; we expect to end FY20 with capital expenditure between $140-$150 million, in line with prior guidance.
- Underlying steady state capex estimated to be approximately 8%-10% of revenue

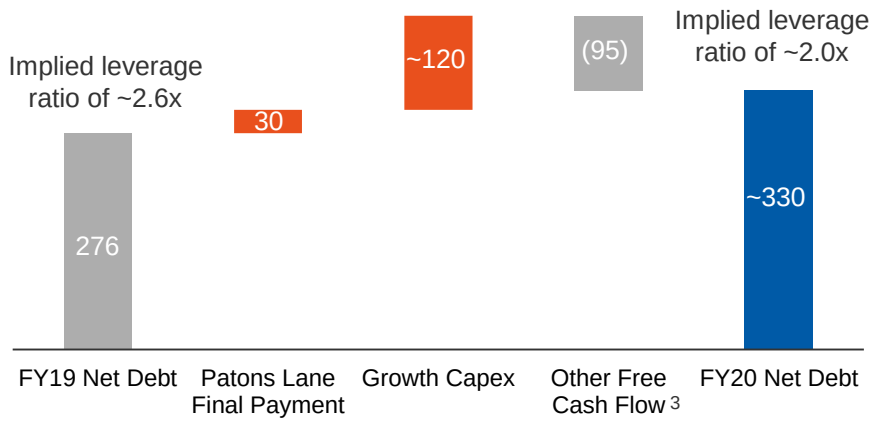
1. Underlying EBITDA excludes acquisition, capital raising, integration costs and prepayment amortisation and excludes gain on sale of Banksmeadow of $22.4 million. Underlying EBITDA of $82.0 million includes $3.2 million associated with profit from sale of properties in the ordinary course. Underlying EBITDA used in calculating operating free cash flow conversion is $78.2 million (1H FY19 is $45.6 million).
2. Cash conversion calculated as cash flow from operating activities net of acquisition and integration costs and tax divided by underlying EBITDA, excluding gain / loss on PP&E and interest income.

Progress towards ROCE and leverage targets

Group Return on Capital Employed (ROCE[1]) (%)



Forecast FY20 Net Debt[2] $m



- We expect to achieve a 15% Group ROCE incrementally over the medium term through:
  - full year of DADI earnings and cost synergies of $15 million over two years.
  - full year contribution from Patons Lane and West Melbourne.
  - driving efficiencies from existing assets and increasing returns on assets through our NSW network reconfiguration plan.
  - modifications to Eastern Creek licence approvals (Mod 6).
  - Mortdale and Eastern Creek MPC 2 operational.
  - ongoing review of balance sheet structure.
  - organic growth from structural shifts in the market supporting the business model.

- FY20 will see free cash flow generation from a full year contribution from DADI, West Melbourne, the sale of non-core assets, and an increased contribution from Patons Lane in the 2H.
- BINGO expects to end FY20 with a leverage ratio of ~2.0x, down from ~2.6x in FY19.
- Strong balance sheet supported by approximately $700 million of property, plant and equipment providing balance sheet flexibility (does not fully reflect valuation of associated licenses).

1. Return on Capital Employed (ROCE) calculated as Underlying EBIT / Average (Net Debt + Equity).
2. Net bank debt calculated as bank borrowings less cash.
3. Other Free Cash Flow includes cash generated in the ordinary course and proceeds from sale of non-core assets and Banksmeadow; offset by maintenance capex, interest and dividends.

Key projects awarded in 1H FY20

Strong momentum in VIC B&D diversified construction with tier 1 builders

Key B&D projects awarded

- Western Sydney Airport, bulk earthworks (Stage 2)
- WestConnex 3B, Rozelle interchange in NSW for 4 years
- Lendlease, Melbourne Airport T2 Upgrade, VIC for 18 months
- Multiplex, Sapphire by the Gardens, VIC for 2 years
- Watpac, Poly George Street in NSW for 2 years
- Lendlease, MQT Tower, VIC for 2 years
- Probuild, 1000 Latrobe Street VIC for 2 years
- Watpac, Natura Macquarie Park in NSW for 2 years
- Hickory, Hawthorn Park in VIC for 2 years
- Probuild, Corner Queen and Collins in VIC for 18 months
- Laing O'Rourke national preferred supplier

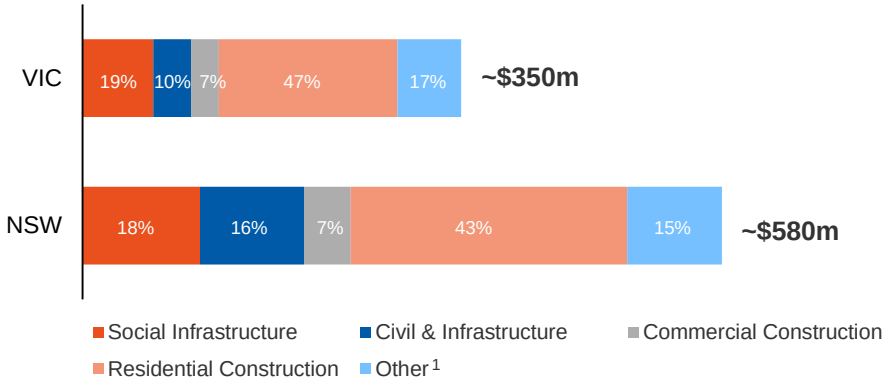
Key C&I contracts awarded

- Bunnings 12 month extension in NSW
- JLL Preferred Supplier Synergy Agreement in NSW for 3 years
- Brookfield Integrated Service, Correctional Facilities in NSW for 3 years
- Victorian Government Schools Preferred Supplier Agreement in VIC
- Renewed AHB Group whole of company contract for 2 years in VIC
- Porta Davis whole of company contract for 1 year in in VIC

Pipeline of opportunities remains healthy

BINGO Bins Pipeline – Building & Demolition

(A$m)



Work in Hand

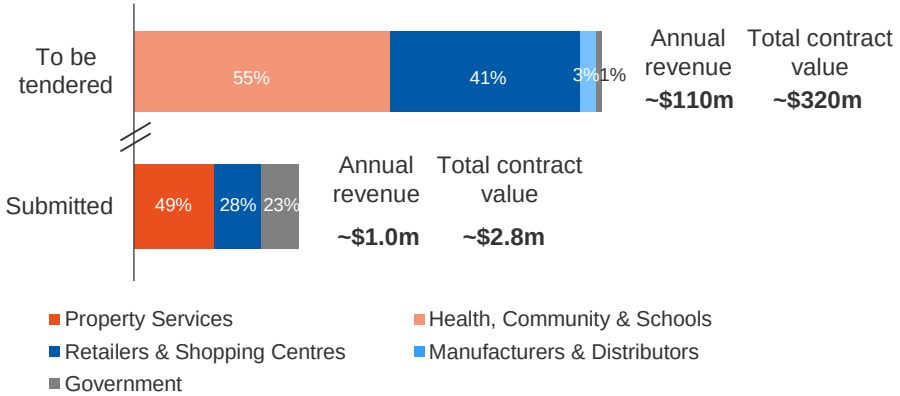
- BINGO has secured supplier agreements for approximately 25% of its B&D collections annual revenue (up from ~10-15% at the time of IPO).

Pipeline

- Direct pipeline of ~$930 million of waste revenue from announced B&D construction projects, up ~$190 million from August 2019. Largely driven by new residential projects in the pipeline. Residential construction as a total proportion of the pipeline across NSW and VIC has increased from ~35% in August 2019 to ~45%.
- Infrastructure projects (Civil and Social) continue to make up over 30% of the pipeline across NSW and VIC. Civil and Infrastructure pipeline expected to increase as commencement dates are locked in.

BINGO Commercial Pipeline – Commercial & Industrial

(A$m)



Work in Hand

- Renewal rate of ~90% over the last 12 months maintained.
- Win rate[2] of ~50%, up from 35% as at 30 June 2019. Largely driven by targeted bid strategy focused on customers with non-putrescible waste streams.
- Major C&I contracts have a typical tenure of approximately 3 years, average remaining tenure of contracted book is over 2 years.

Pipeline

- Total size of pipeline remains broadly consistent with pipeline as at August 2019. Significant opportunities in Retailers and Shopping Centres and Health, Community & Schools.
- Small pipeline of submitted tender represents only those tenders submitted in late 2019 and early 2020.

Note: Pipeline represents the estimated value of work to be awarded over the next 24 months, it does not include projects already secured by BINGO (i.e. work in hand). Includes contracts and projects which have been publicly announced and does not include small BAU style contracts. Typically the waste contract represents approximately 1.5% of the total project value.

1. Other includes retail, hotels, leisure and industrial construction.
2. Win Rate over the last 12 months to 30 Jan 2020, based on number of bids.

SECTION 3

Strategy and market dynamics

Key achievements in line with strategy

Our strategy is focused on retaining our competitive advantage in technology, customer service and recycling

PROTECT AND OPTIMISE THE CORE

ACHIEVED

- ✓ **Market leading position in B&D** collections and post-collections in both states
- ✓ **Double digit revenue growth in C&I** and organic entry in C&I in VIC
- ✓ **Enhanced network capacity**

FY20 Focus Areas

- **Superior SEQ performance** committed to Zero Harm and zero non-conformances
- ✓ **Preserve EBITDA margins** optimising network and reduced operating costs
- **Grow market share in C&I** across NSW and VIC and as a % of revenue
- **Increase recovery rates towards 80-85%** through investment in advanced recycling equipment
- **Business systems optimisation** deliver technology platform upgrades
- ✓ **Optimise digital customer channel** through website roll out, improved user experience and call centre operations

ENHANCED VERTICAL INTEGRATION

ACHIEVED

- ✓ **Advanced recycling processing capacity** in NSW and VIC
- ✓ **100% internalisation** of non-putrescible volumes in NSW
- ✓ **Recovery rates of >75%** in NSW

FY20 Focus Areas

NSW

- ✓ **Integrate DADI business**
- **Capacity enhancement - deliver MPC2** at DADI Eastern Creek, Mortdale upgrades and modifications to the Easter Creek license
- **Develop C&I post-collections offering** assess/scope suitable post-collections solutions for putrescible C&I waste i.e. EfW
- Deliver **Eastern Creek Recycling Ecology Park** Master Plan
- ✓ **Delivery of Patons Lane** recycling and landfill
- **Assess Energy from Waste (EfW) opportunities**

VIC

- **Assess EfW opportunities**
- **Enhance recycling capacity** and internalisation

GEOGRAPHIC EXPANSION

ACHIEVED

- ✓ **Expansion in NSW** and space to optimise business operations
- ✓ **Entry and expansion in VIC**
- ✓ **Market scoping for QLD entry**

FY20 Focus Areas

VIC

- ✓ **Enhance network and fleet utilisation** through optimisation of current footprint
- ✓ **Increase recovery rates** and waste internalisation
- **Diversification of markets**; grow C&I footprint; develop new & sustainable end product markets
- ✓ **Leverage national customer accounts** and target umbrella agreements
- **Deliver modifications to West Melbourne** operating hours to 24 hour operations

QLD

- **Target entry into QLD** in FY21

Structural and market drivers underpinning future organic growth

BINGO has invested ahead of the cycle and is expected to benefit from a rebound in the construction cycle together with structural shifts from changes in the regulatory environment

STRUCTURAL ← → MARKET

WASTE MARKET

- **Federal and State Government focus** on waste policy and climate change related impacts.
- **Waste Levies** increasing across Australian states. VIC waste levy expected to increase.
- **Circular economy** creating a market for recycled products.
- **Disruption and innovation** providing opportunities for new technology and enhanced recovery.
- **B&D and C&I the two largest waste segments**; accounting for 80% of waste volume in NSW and VIC.

RESIDENTIAL

- Rebound in residential cycle expected from late 2020 to March 2024 with a 50% increase from trough to peak[1].

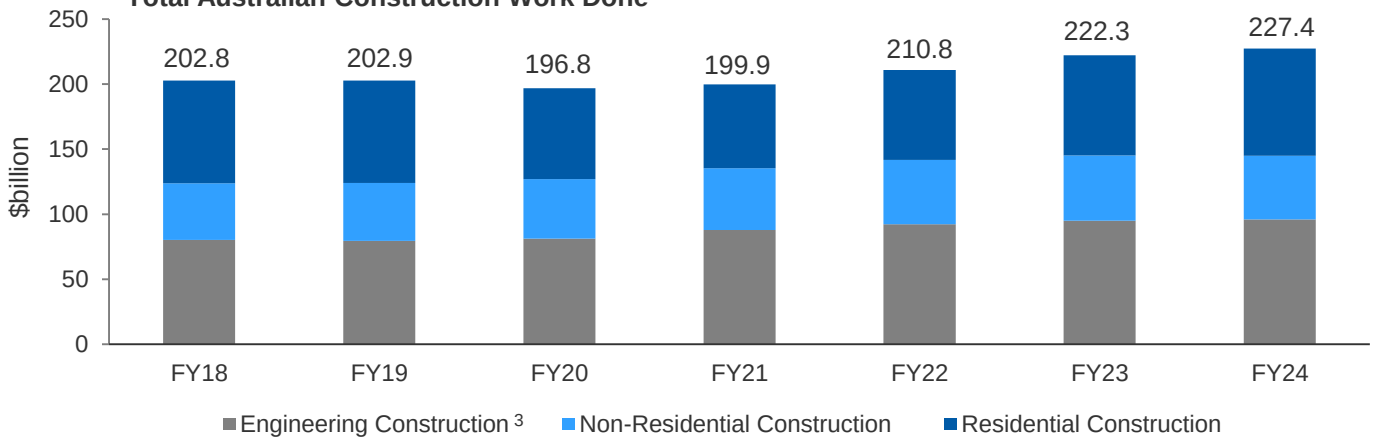
NON-RESIDENTIAL

- Non-residential pipeline underpinned by committed funding of over $20 billion from NSW and VIC Governments across health and education. Activity expected to remain elevated.

INFRASTRUCTURE

- Engineering pipeline of announced infrastructure projects continues to increase; over $125 billion of committed government funding in NSW and VIC ($70 bn in NSW and $50bn) over the next 4 years[2].

Total Australian Construction Work Done[1]



1. Source: BIS Oxford Economics, ABS. Refer to slide 52 for further information on the forecast recovery in the residential cycle.
2. Infrastructure Partnerships Australia analysis, based on 2019-20 budgets.
3. Engineering construction represents non-oil and gas engineering construction.

Regulatory landscape

Government policy and regulatory environment continue to pivot towards BINGO's recycling-led business model, and will see the sector under greater scrutiny

Regulatory dynamic		Implication for BINGO
2020 COAG ban on waste exports	Council of Australian Governments (COAG) to ban the export of waste plastic, paper, glass and tyres in 2020, which will necessitate the development of a more robust domestic recycling capability.	State and Federal Governments are conducting industry inquiries and preparing waste strategies and incentives which will further encourage investment in domestic recycling. BINGO continues to contribute to these inquiries/strategies.
State waste disposal levies	State waste disposal levies likely to continue to increase to incentivise recycling and disincentivise sending waste to landfill.	QLD and SA levy increases implemented in 2019. VIC levy expected to increase in 2020 providing upside for BINGO's Victorian operations.
Federal Government recycled content targets	Federal Government preparing to unveil ambitious new targets for recycled products requiring all states and territories to spend a portion of their procurement budgets on recycled materials for public projects.	BINGO produces over 500k tonnes of recycled products contributing ~4.0% of the Group's revenue. This will likely increase over the medium term as recycled products are mandated for us in new developments.
Heightened compliance focus from EPA	Heightened focus from EPA on raising and enforcing higher compliance standards for the waste industry (i.e. fire, environmental etc.).	Higher minimum standards for compliance increase barriers to entry. Minto and Mortdale matters resolved, fines of $90k and $30k respectively paid in H1FY20 relating to license breaches in 2017.
Increased regulator scrutiny	Recent consolidation in the waste industry has led to increased scrutiny from market regulators.	ACCC investigation into the NSW B&D waste sector price increase continues.

SECTION 4

Development update

The value of BINGO's property portfolio

BINGO actively manages it property and infrastructure portfolio to ensure value is maximised

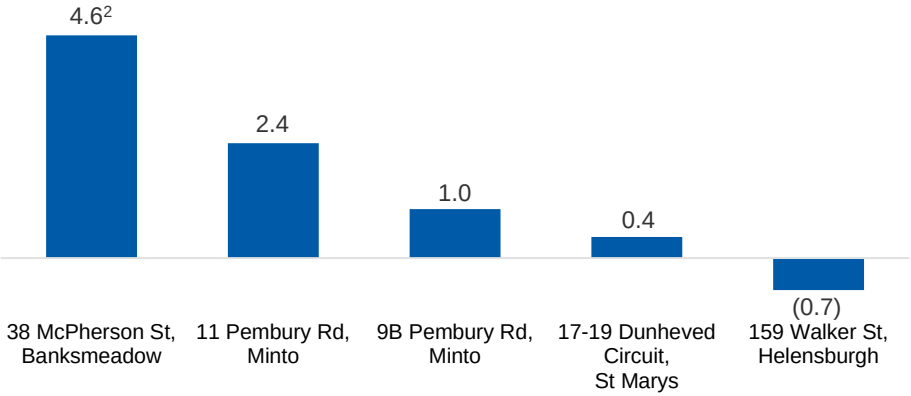
Overview

- BINGO's current property and infrastructure portfolio has a book value of approximately $446 million[1] and includes 20 of properties with ~145 hectares of land across NSW and VIC.
- BINGO holds options to purchase an additional c.$170 million of land covering ~30 hectares of property in Alexandria, Clayton South and Eastern Creek.
- BINGO maximises value from surplus property assets through value-added land management, rezoning or redevelopment.
- BINGO continuously reviews its property portfolio to optimise end-use value either through operational enhancements, or property redevelopment i.e. network reconfiguration in NSW.
- Recycling over $30 million in capital through property sales (excluding Banksmeadow).

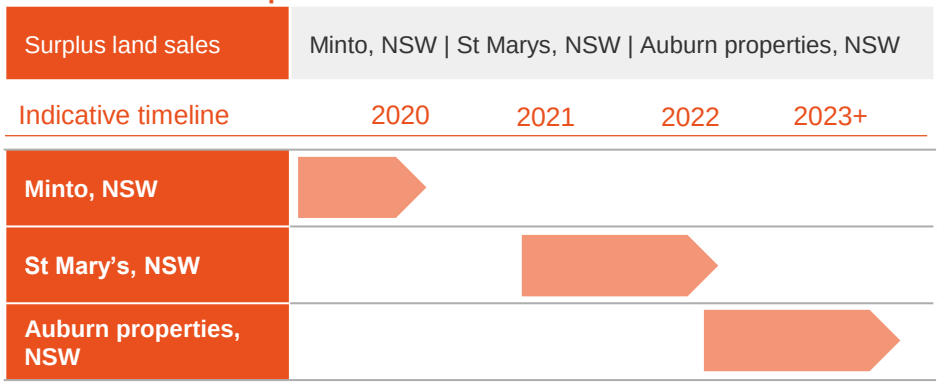
Banksmeadow case study: Increasing value of property assets through operational enhancements

- BINGO has invested in property assets in key locations across NSW and VIC which have significant value as licensed waste management facilities.
- BINGO acquired Banksmeadow in November 2015 for c.$27 million.
- As part of the ACCC clearance of the DADI acquisition, Banksmeadow was divested in September 2019 via a competitive process for $50 million.
- Demonstrates BINGO's ability to add value to property through development and operational enhancements.

Net profit from sale of surplus property assets $m



Potential future surplus land sales



1. Includes value of property (land and buildings) including landfill land, excludes value attributable to landfill void space.
2. Profit on property of $4.6 million is part of the total $22.4 million net gain on sale of Banksmeadow.

Development update

Mortdale transfer facility delivered and Patons Lane advanced recycling equipment installed and operational from February 2020

Patons Lane

- Patons Lane opened in July 2019, with interim recycling capacity.
- Installation of advanced recycling equipment now complete and site fully operational as at February 2020.
- As part of the network reconfiguration Patons Lane is being used as an integrated asset with Eastern Creek to optimise operating costs and throughput over a rolling 12 month period.

Eastern Creek

- Construction of Materials Processing Centre (MPC) 2 commenced in June 2019 and is expected to be complete late 1H FY21.
- Modification 6 which includes expansion of tonnes into the landfill and extension of site operating hours, continues to be progressed for approval.
- Site planning for delivery of Eastern Creek Recycling Ecology Park well underway.

Mortdale

- Mortdale transfer facility completed in February 2020.
- All site and building works complete including installation of solar panels.
- Adding 220,000 tonnes of network capacity to BINGO network in NSW, and greater capacity to serve the Southern Sydney market.

Pushing for a waste free Australia

SECTION 5

Outlook

Continuing to enhance returns on our existing investment

Solid result in a challenging market; Focus on execution discipline to benefit from significant upside from market turnaround

Focus areas for 2H FY20

PERFORMANCE

- Ongoing focus on safety initiatives to deliver our commitment of zero harm.
- Disciplined approach to cash collection to increase full year cash conversion towards 100%.
- Technology upgrades to ERP and customer portals.

UTILISATION

- Patons Lane now fully operational, further work to maximise returns on the asset through increasing volume and optimising operational strategy[1].
- Solid operating platform and market position established in VIC; strategy focused on attracting higher margin material and optimising recycling operations to enhance EBITDA margins. Longer term strategy to replicate NSW business model of vertical integration. Implement West Melbourne 24 hour operations from May 2020.
- Delivery of licence modifications at Eastern Creek to increase annual landfill capacity and extend operating hours.

MARKET

- Double digit C&I revenue growth is still below our expectations. Pricing pressure in putrescible waste and COAG impacting pricing for paper and cardboard and comingled materials. 2H focus on growing market share and expanding margin.
- Increasing throughput within the network to support recent redevelopments going into FY21.

1. Strategy focused on utilising Patons Lane and Eastern Creek as one integrated asset surging volume between the two sites to reduce operating costs.

Outlook

- BINGO expects to achieve solid year-on-year growth in FY20 underpinned by a full year contribution from West Melbourne recycling facility, DADI, Patons Lane recycling facility (now fully operational as at February 2020) and ongoing operational enhancements.
- Acquisitions and developments continue to perform in line with expectations.
- The following factors means there will be a slight skew towards the 2H:
  - Patons Lane advanced recycling facility fully operational;
  - Implementation of extension to West Melbourne operating hours in late 4Q FY20;
  - Mortdale operational in 3Q FY20; and
  - Higher volumes, partially offset by slight moderation in Group EBITDA margin versus 1H.
- Solid outlook for construction activity maintained. Headwinds in multi-dwelling residential construction are expected to continue in FY20; Infrastructure and the broader construction pipeline remains robust together with opportunities for further growth in C&I.
- Prior investment positions the business favourably for further growth, with the completion of MPC 2 at Eastern Creek, further consolidation in VIC and potential entry into QLD in FY21.

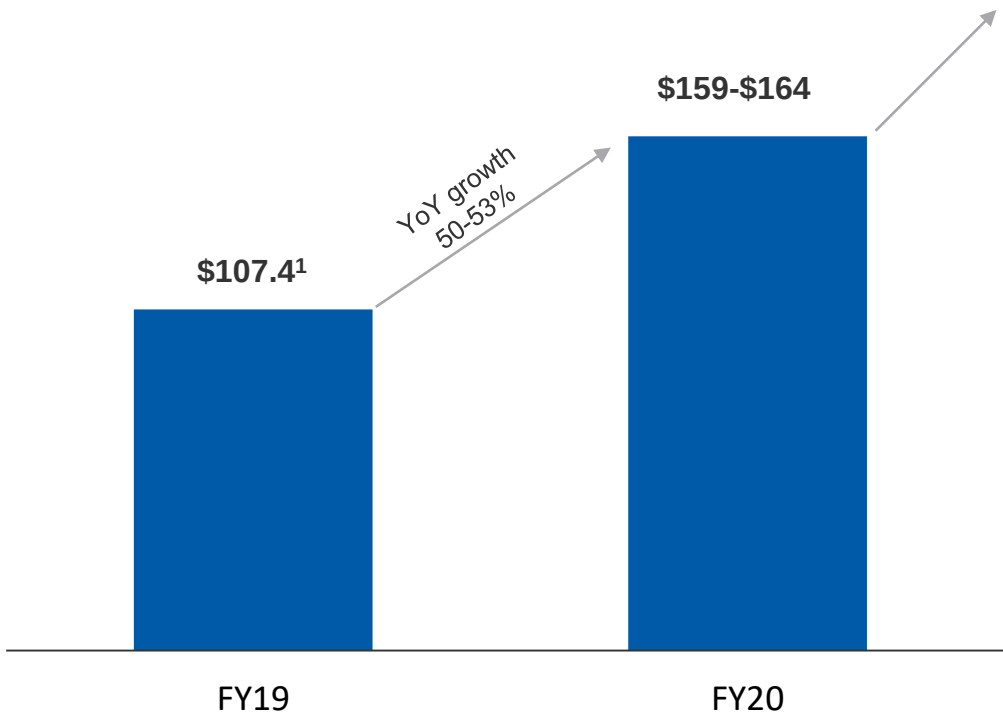
FY20 Guidance reaffirmed:
BINGO expects to report Underlying EBITDA[1] in the range of $159 million - $164 million[2] for the financial year ending 30 June 2020.

1. Underlying EBITDA excludes acquisition, capital raising, integration costs and other one-off non-recurring items.
2. Initial guidance range incorporates AASB16 changes of ~$4.8 million in EBITDA, table provided on slide 33.

Looking ahead – FY21 and beyond

BINGO has invested significantly in its post-collections network of infrastructure assets and expects above trend growth to continue into FY21 and beyond

Underlying EBITDA (A$m)



FY21 and beyond growth drivers

- MPC 2 operational end 1H FY21. Expected to deliver ~$15 million per annum.
- Full year contribution from Mortdale and Patons Lane advanced recycling equipment.
- Proposed Modifications to Eastern Creek licence approvals.
- Full year benefit of 24 hour operations at West Melbourne.
- Upside from potential VIC levy increase.
- Continued organic growth in the C&I business.
- Entry into QLD.
- Recovery in residential market.

1. FY19 Underlying EBITDA adjusted to include interest income of $1.3 million.


BINGO EDUCATION
Keep it Green!
Using recycled
and reused
products,
BINGO
INDUSTRIES
PLEDGE YOUR COMMITMENT TO

APPENDICES

i. FY20 financials & calibration

BINGO INDUSTRIES

FY20 calibration of key line items and AASB16 impact

Indicative figures for key line items provided below:

Item	Comment	FY20
Capex	• Capex is expected to be within the following range[1]	$140-$150 million
Interest	• Interest is based current year average. Debt maturity profile approx. 2 years • Incorporates AASB16.	$15-$16 million
Tax	• Taxation is based on normal tax profile and recent business performance	Effective Tax Rate ~30%
Depreciation	• Depreciation will increase incorporating DADI and Patons Lane in FY20; and AASB16	~$40 million
Amortisation	• Amortisation includes customer contracts, acquired brands and remaining void space of landfill assets	Amortisation of: • Customer contracts ~$6-7 million • Void space ~$12-14 million • Brand ~$2 million
DADI Integration Costs	• Relates to rebranding, compliance, systems integration and redundancies	$10-$11 million
Eliminations	• Bingo and DADI eliminations in revenue	$110-$120 million

AASB 16 impact:

$m	Previous AASB 117	AASB 16	Impact	Description
EBITDA	(4.8)	-	4.8	Reduction in rent expense
Interest expense	0	3.3	3.3	Increase in Interest expense
Depreciation	0	3.0	3.0	Increase in Depreciation expense
NPBT	(4.8)	(6.3)	(1.5)	Decrease in Net Profit Before Tax

1. Long term underlying growth and maintenance capex is expected to be equal to depreciation which represents 8-10% of revenue.

Reconciliation from statutory to underlying results

1H FY20 reconciliation from statutory to underlying

$m	Notes	Revenue	EBITDA	EBIT	NPAT	NPATA
1H FY20 statutory results		271.2	96.2	65.9	38.2	38.2
Gain on sale of Banksmeadow	1	(22.4)	(22.4)	(22.4)	(22.4)	(22.4)
Write-down on insurance receivables	2		1.6	1.6	1.6	1.6
Integration costs	4		6.6	6.6	6.6	6.6
Performance contract amortisation	4			0.1	0.1	0.1
Amortisation of certain intangibles	5					4.1
Pro forma tax adjustment	6				4.2	3.0
1H FY20 Underlying results		**248.9**	**82.0**	**51.9**	**28.4**	**31.2**

Commentary

1. Gain on sale of Banksmeadow facility of $22.4m.
2. Includes write-down on insurance receivables of $1.6m associated with the Kembla Grange rectification works.
3. Integration costs represent the costs incurred by BINGO to integrate businesses acquired, or to be acquired, into the Group. Integration costs include bringing the operations in line with BINGO safety standards, compliance costs, marketing and rebranding, travel and employee costs.
4. As part of an acquisition made during FY15 the Group pre-paid a portion of consideration to the vendor which was linked to the vendors continued employment. As certain employment conditions are satisfied the prepayment is amortised and recognised as remuneration expense. The amount will be fully amortised by the financial year ending 30 June 2020.
5. Includes the amortisation expense of certain intangibles being: (a) Customer contracts; and (b) Brands.
6. Represents the income tax impact of the underlying adjustments (excluding acquisition costs), calculated at 30%.

Summary profit and loss

Summary income statement

$'000	1H FY20	1H FY19
Revenue	243,269	176,353
Other income	27,979	3,605
Total revenue and other income	**271,248**	**179,958**
Tipping & transportation costs	(88,765)	(78,811)
Employee benefits expenses	(59,624)	(40,949)
Depreciation and amortisation expenses	(30,148)	(14,081)
Trucks and machinery costs	(7,995)	(5,438)
Finance costs	(7,782)	(2,843)
Acquisition costs	-	(3,690)
Rent and outgoings	(465)	(1,030)
Capital raising costs	-	(410)
Other expenses	(18,379)	(11,690)
Total expenses	**(213,158)**	**(158,942)**
Profit before income tax	58,090	21,016
Income tax expense	(19,891)	(7,657)
Profit for the period attributable to owners of the Company	**38,199**	**13,359**
Earnings per share		
Basic earnings per share	5.8 cents	2.5 cents
Diluted earnings per share	5.8 cents	2.5 cents

Financial position

Balance sheet ($'000)	1H FY20	FY19
Assets		
Current assets		
Cash and cash equivalents	13,905	39,189
Trade and other receivables	100,400	71,317
Contract assets	539	530
Inventories	7,407	7,552
Assets held for sale	3,800	24,928
Other assets	12,174	12,468
Total current assets	**138,225**	**155,984**
Non-current assets		
Property, plant and equipment	682,298	679,167
Right-of-use assets	40,435	-
Intangible assets	507,623	497,476
Total non-current assets	**1,230,356**	**1,176,643**
Total assets	**1,368,581**	**1,332,627**
Liabilities		
Current liabilities		
Trade and other payables	97,576	145,681
Income tax payable	3,887	6,391
Provisions	5,087	5,011
Total current liabilities	**106,550**	**157,083**
Non-current liabilities		
Borrowings	333,323	313,255
Deferred tax liabilities	30,913	25,852
Provisions	13,536	9,987
Other payables	41,323	-
Total non-current liabilities	**419,095**	**349,094**
Total Liabilities	**525,645**	**506,177**
Net assets	**842,936**	**826,450**
Equity		
Issued capital	1,282,575	1,288,923
Other contributed equity	1,244	1,244
Reserves	(542,889)	(541,825)
Retained earnings	102,006	78,108
Total Equity	**842,936**	**826,450**

Cash flow

Cash flow statement

$'000	1H FY20	1H FY19
Receipts from customers	252,970	186,926
Payments to suppliers and employees	(192,229)	(147,623)
Income tax paid	(17,170)	(17,256)
Net Cash Flows from Operating Activities	**43,571**	**22,047**
Purchase of property, plant and equipment	(77,857)	(150,766)
Purchase of business	(15,641)	(2,504)
Purchase of intangible assets	(12,553)	(2,589)
Net proceeds from sale of non-current assets	1,475	585
Net proceeds from sale of assets held for sale	47,402	-
Interest received	72	-
Net Cash Flows used in Investing Activities	**(57,102)**	**(155,274)**
Proceeds from issue of shares	-	424,926
Capital raising costs	(45)	(7,249)
Proceeds from borrowing	90,000	18,000
Repayment of borrowing	(70,000)	(176,000)
Principal payment for lease liabilities	(2,533)	-
Dividend paid	(13,151)	(7,753)
Share buy-back	(8,500)	-
Interest paid	(7,524)	168
Net Cash Flows (Used in)/ Provided by Financing Activities	**(11,753)**	**252,092**
Net increase/ (decrease) in cash held	**(25,284)**	**118,865**
Cash at beginning of the period	39,189	21,443
Cash at the end of the period	**13,905**	**140,308**

ii. Development slides

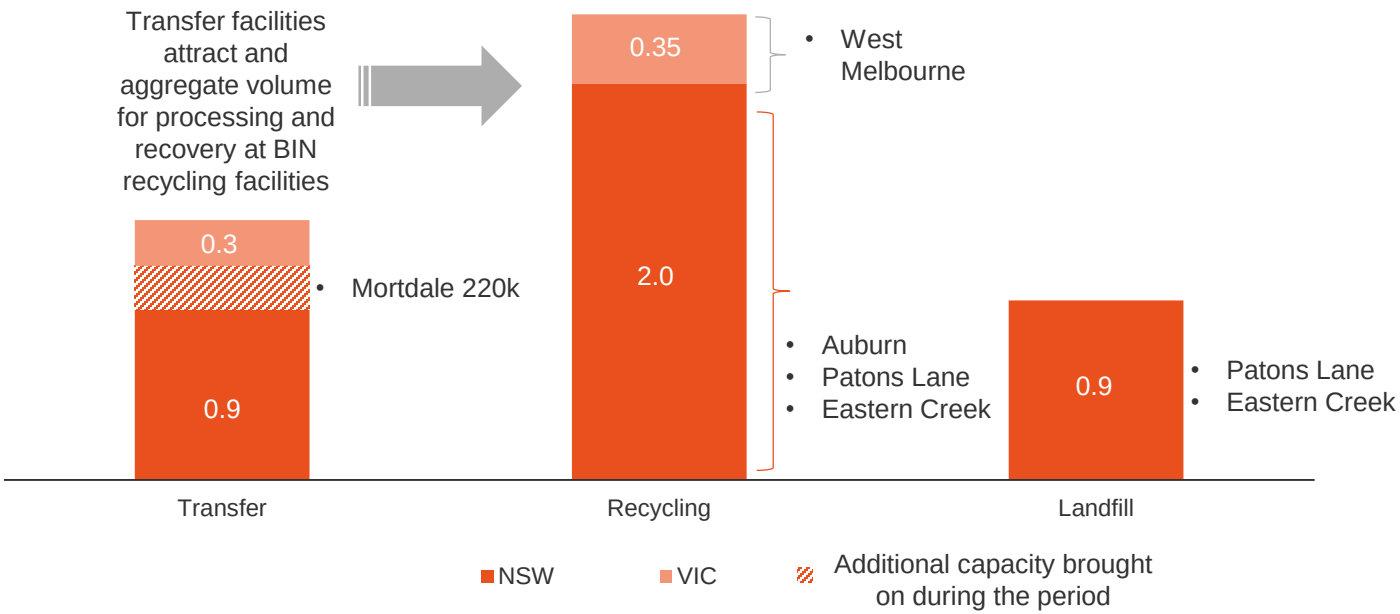
BINGO INDUSTRIES

Network capacity by state and function

BINGO's network consists of centrally located transfer facilities and integrated recycling precincts for advanced processing, separation and disposal

FY20 network capacity across NSW and VIC (million tonnes per annum)

Total Network Capacity: 4.6 mtpa
NSW: 4.0 mtpa **VIC:** 0.6 mtpa



- Mortdale transfer facility was completed in February and provides an additional 220k tonnes of annual capacity to the NSW network.
- Patons Lane advanced recycling facility operational from February 2020.
- The Eastern Creek facility provides 2.0 million tonnes of capacity (FY19 utilised 1.3 mtpa).
- MPC 2 at Eastern Creek will enable BINGO to fully utilise the 2.0 million tonnes of capacity and increase diversion from landfill.
- If approved, modification 6 at Eastern Creek will enhance annual landfill capacity by >40%.
- Approved operating hours extension to 24 hours at West Melbourne Recycling Facility will enable BINGO to increase operational capacity and defer the need for further capital to enhance recycling capacity in the short term.

Patons Lane overview

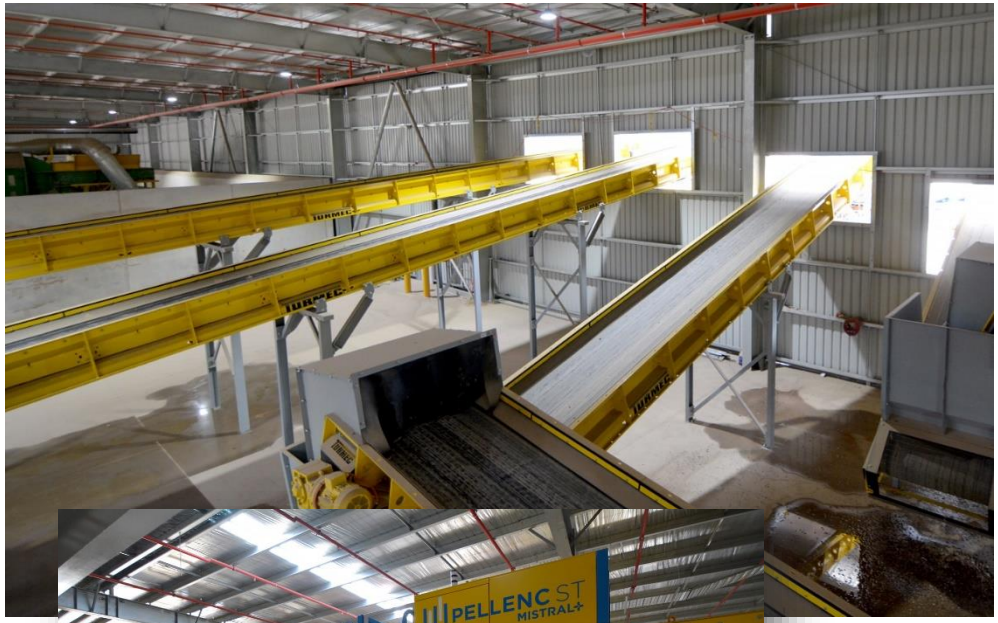
Patons Lane, located in Western Sydney, opened in July 2019. Patons Lane will internalise BINGO volumes and provide a future growth solution for increasing volume

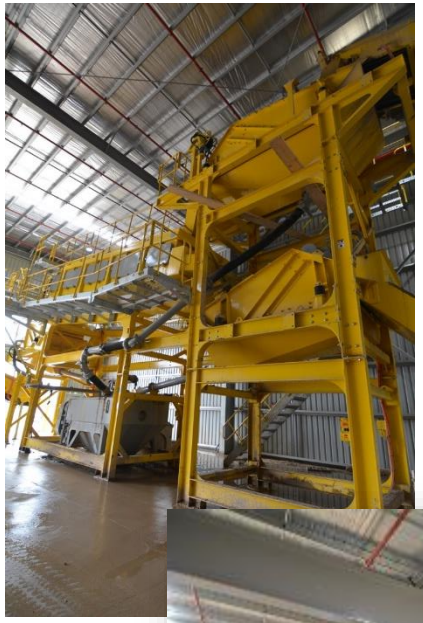
Operational Overview

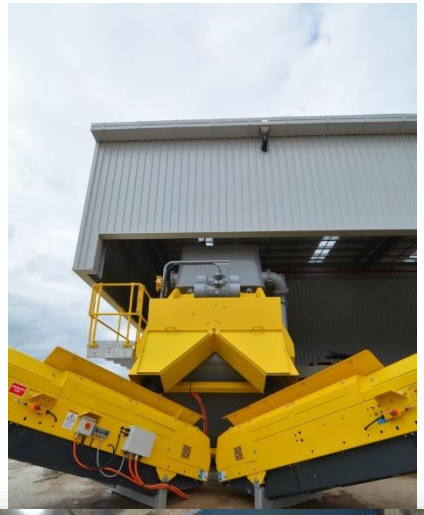
- Patons Lane opened in July 2019 after 15 months of construction. Advanced recycling equipment operational from February 2020.
- EPL formally granted on 28 June 2019.
- Patons Lane was acquired in December 2017 as a greenfield asset.
- Total site throughput capacity of 450,000 tonnes per annum, of which the Recycling Centre is approved to process up to 350,000 tonnes per annum.
- Approved landfill capacity of 4.3 million tonnes and maximum operational life of 25 years.
- $40 million invested in the development of the site.

Patons Lane advanced recycling facility

Full recycling plant was delayed to optimise design to complement Eastern Creek. Installation of advanced recycling equipment was commissioned and operational from February 2020

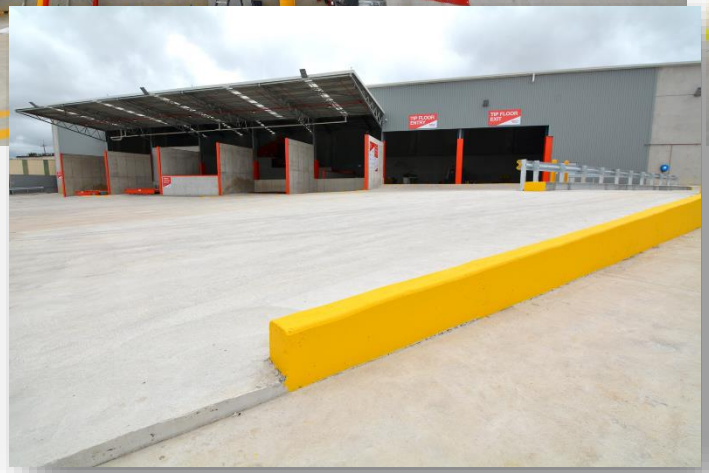






Mortdale transfer facility

Construction of Mortdale transfer facility completed in February 2020 and provides 220,000 tonnes of operational capacity to the BINGO NSW network



Eastern Creek MPC 2 development update

The development of Eastern Creek MPC 2 will provide additional recycling capacity and utilise the headroom under the existing license capacity

Eastern Creek – MPC 2

Expected to be operational	Late 1H FY21
Activities commenced / completed	• Bulk earthworks – 100% complete • Inground Services – 30% complete • Footings and ground slabs – 80% complete • Plant ordered
Key activities outstanding	• Structural steel framing • Roofing and cladding • Solar panels • Building Services (Mechanical / Hydraulic / Electrical / Fire) • Plant installation

iii. Other

BINGO INDUSTRIES

FY19 sustainability achievements

77%
Independently verified average recovery rate

188,297
tCO2-e ABATED EMISSIONS
from resource recovery

$13.4m
REVENUE FROM RECYCLED PRODUCT SALES[1]

80%
FY19 ENGAGEMENT SCORE

360kW
OF SOLAR POWER
Installed at Auburn and Mortdale recycling facilities

Best annual recovery rate of
85%
AT EASTERN CREEK RECYCLING FACILITY

FEMALE REPRESENTATION
29%
BINGO Board
19%
Across senior management

SUPPLIER CODE OF CONDUCT UNDER DEVELOPMENT
Supply chain mapping and review underway

Climate risk related reporting aligned with the
TCFD FRAMEWORK

BINGO's waste education program reached
1,688
STUDENTS IN FY19

In FY19 BINGO launched its
INAUGURAL RECONCILIATION ACTION PLAN (RAP)

McGrath Foundation
Cancer Council NSW
4 PINK
In support of the McGrath Foundation and the Cancer Council

1. Represents FY19 revenue from recycled products. FY20 revenue from recycled products with a full year contribution of DADI, is expected to increase significantly. BINGO is targeting to expand its recycled products to be 5% of Group Revenue over the medium term.

Responsible sourcing strategy

Our objectives

- Design a framework that supports BINGO's expectation and standards along with our keys stakeholders expectations (customers, shareholders, our people).
- Engage with key business stakeholders to better understand their expectations of Bingo (internal staff, key suppliers, NGO's).
- Support consolidation and streamlining of customer data to better manage ESG risks.
- Improve our internal stakeholders awareness and skills so that they can effectively manage the risks with their suppliers.
- Build a system that addresses our commitments to our stakeholders and most importantly improves the way that our suppliers operate.
- Risk management as Responsible Sourcing and Modern Slavery are listed on the Enterprise Risk Register as moderate risks.
- Design a program that will ensure that we adhere to the Modern Slavery Compliance requirements.

Supply Chain Governance Roadmap

1

PHASE 1

- Development of Responsible Sourcing Strategy
- Supplier Code of Conduct developed and released
- Modern Slavery mapping across supplier base

2

PHASE 2

- Supplier self-assessments for ESG risks
- Staff training and plan integration
- Modern Slavery statement released

3

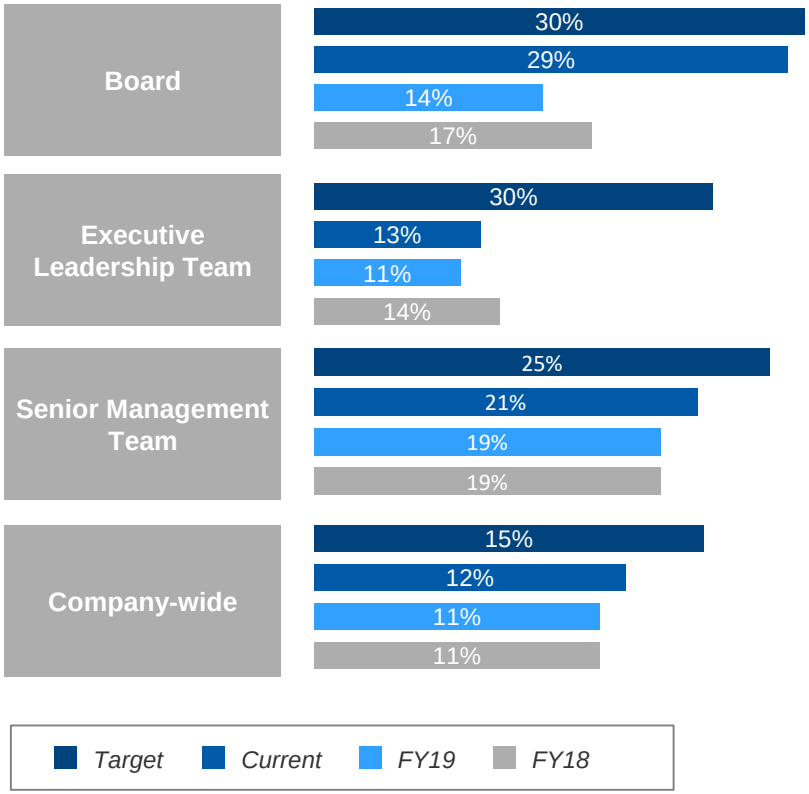
PHASE 3

- Business partners and due diligence procedures
- Key supplier audits
- Corrective action plans for suppliers

Diversity and inclusion

We are committed to implementing and supporting initiatives and processes to help facilitate equal gender participation and opportunity in our business

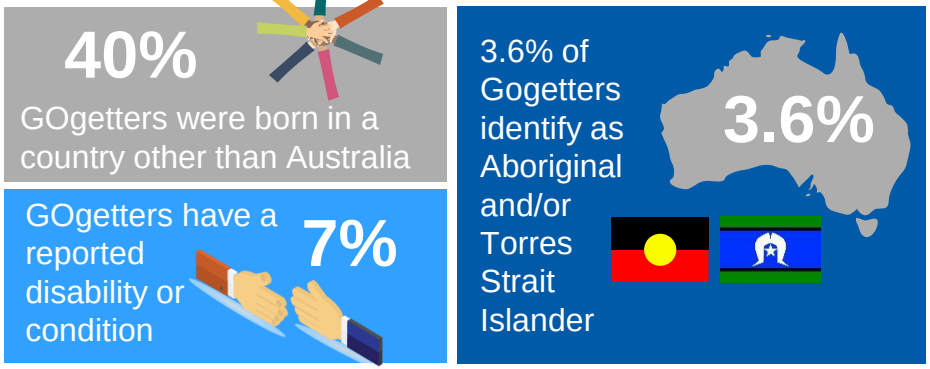
Female % of workforce



Inclusion initiatives

- BINGO's diversity and inclusion initiatives include:
  - Increased flexibility in working arrangements for employees which includes increasing our part-time and casual workforce
  - Launch of our first Indigenous Reconciliation Action Plan (RAP) to support our indigenous employees and create opportunities for indigenous candidates and businesses
  - Inclusion and unconscious bias awareness training to all managers during FY20
  - Enhancement of talent acquisition processes to reduce unconscious bias

Diversity snapshot



Launch of BINGO's RAP

Headwinds and tailwinds for BINGO

Headwinds

- **Residential market remains challenged** less than 20% of BINGO's revenue is currently related to the residential market which has moderated in line with expectations in FY20.
- **Exposure to cyclical end-markets** – Counter-cyclicality within construction sub-markets will help offset this together with ongoing focus on growth in C&I.
- **Increased pricing pressure from competition in B&D collections.**
- **Higher regulatory compliance** – higher cost of compliance for waste infrastructure assets i.e. fire safety and EPA compliance
- **Exposures to changes in the regulatory environment** including greater involvement from Government and regulatory bodies
- **Viable near term end-markets for recycled products** – subject to local markets for BINGO's recycled products, ECO product.
- **Lag between announced infrastructure projects and commencement** – significant pipeline of announced projects expected to commence construction over the next 24 months.

Tailwinds

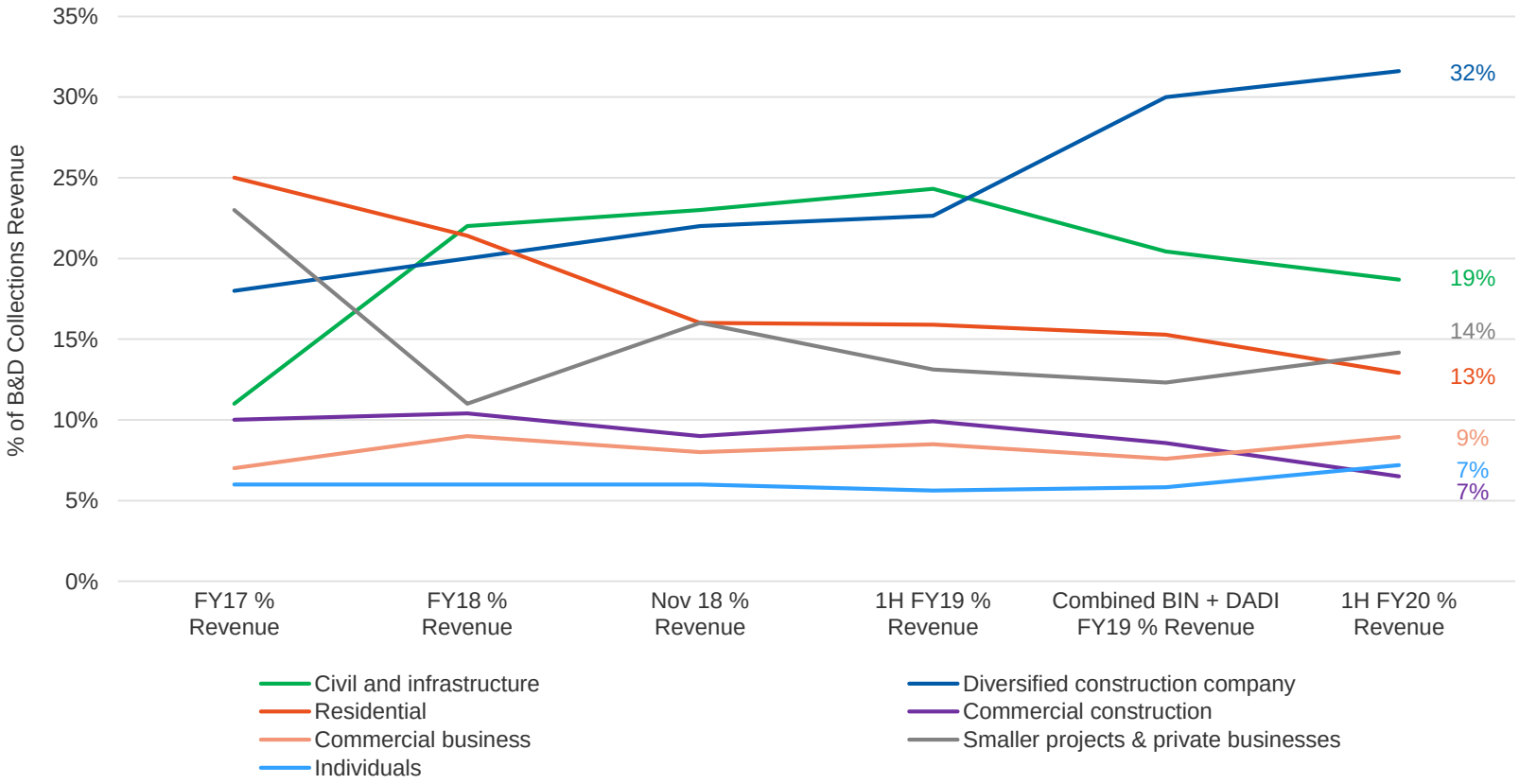
- **Continued economic and population growth** – providing favourable drivers for waste generation over the long term.
- **Growing waste generation** – BINGO is exposed to both cyclical and defensive end-markets.
- **Strong infrastructure investment**– Federal and State Government infrastructure funding $125 billion of committed government funding in NSW and VIC ($70 bn in NSW and $50bn) over the next 4 years.
- **Sustained overall construction activity** – forecast to remain elevated over the next five years.
- **Scope to build market share in Commercial & Industrial business** – BINGO currently has ~5%[2] market in NSW and <2%[2] in VIC.
- **Supportive regulatory environment for recycling** – Federal and State policies supportive of recycling. QLD and SA levy increases in 2019. Likely increase in VIC levy.
- **Strength of BINGO's network of vertically integrated waste infrastructure assets.**
- **Maturity of the Australian waste market** – ripe for disruption through investment in technology (i.e. EfW) to move to international best practice.
- **The Circular Economy** – the push to scale up and accelerate the development of a Circular Economy in Australia.
- **Export changes -** promoting the development of domestic end-markets and over time EfW.

1. National Waste Report, 2018. Blue Environment.
2. BINGO management estimate.

Evolution of B&D collections revenue across construction end markets

In excess of 50% of combined BINGO and DADI B&D collections revenue is from diversified construction and civil and infrastructure contractors, up from ~30% at IPO

BINGO B&D Collections Revenue by diversified end market

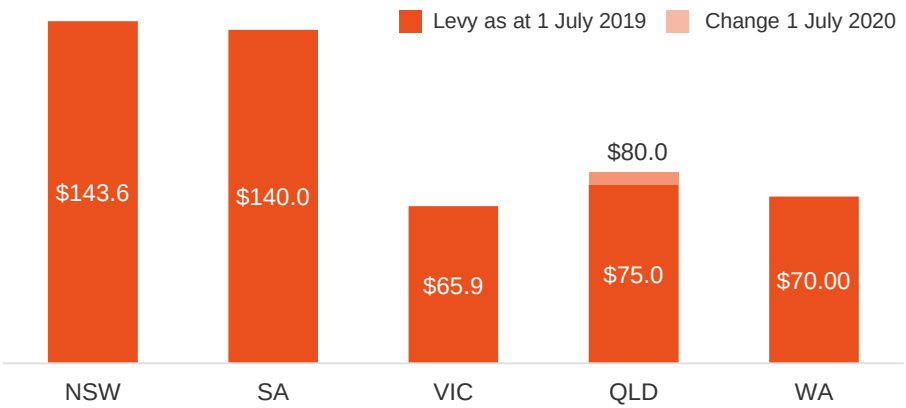


- Greater proportion of revenue from diversified construction due to focus on expanding contracted revenue with Tier 1 diversified construction companies
- The combined exposure to pure play residential construction customers is now 13% (vs 21% at FY18 and 24% at IPO)

.
Note: BINGO's estimated total residential exposure as a percentage of Group revenue is higher than shown in the chart above, as it accounts for residential exposure in smaller projects & private businesses, individuals and diversified construction, as well as post-collections.

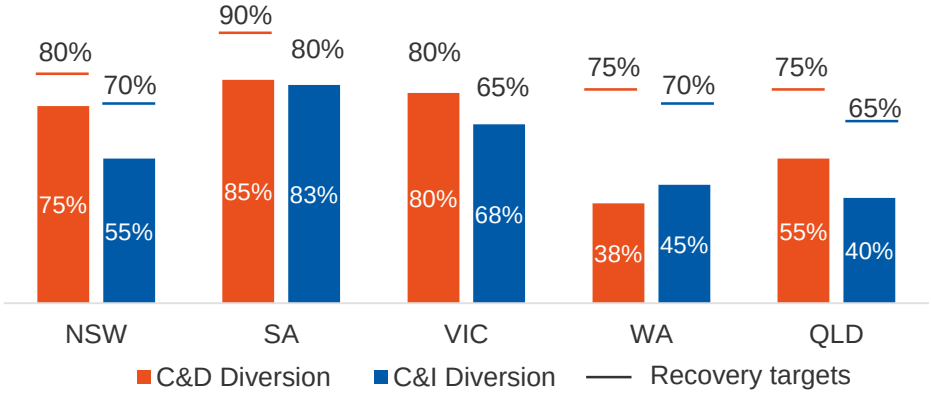
Supportive regulatory environment

Increasing state waste levies

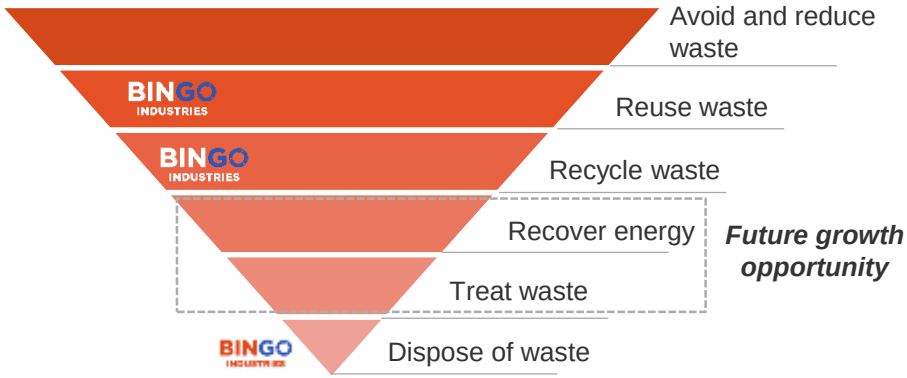


- The SA government announced the levy increase in its 2019/20 State Budget. The solid waste levy increased to $110 per tonne on 1 July 2019, followed by $140 per tonne on 1 January, 2020
- VIC levy expected to increase
- Rising landfill prices are driving resource recovery infrastructure investment – BINGO leading the way
- China's introduction of contamination thresholds for recyclables means more investment in recycling and product stewardship is required to develop the domestic recycling market
- Increased government investment in the sector and EPA funding to enhance compliance outcomes suits BINGO business model

State recycling targets and recovery rates[1]



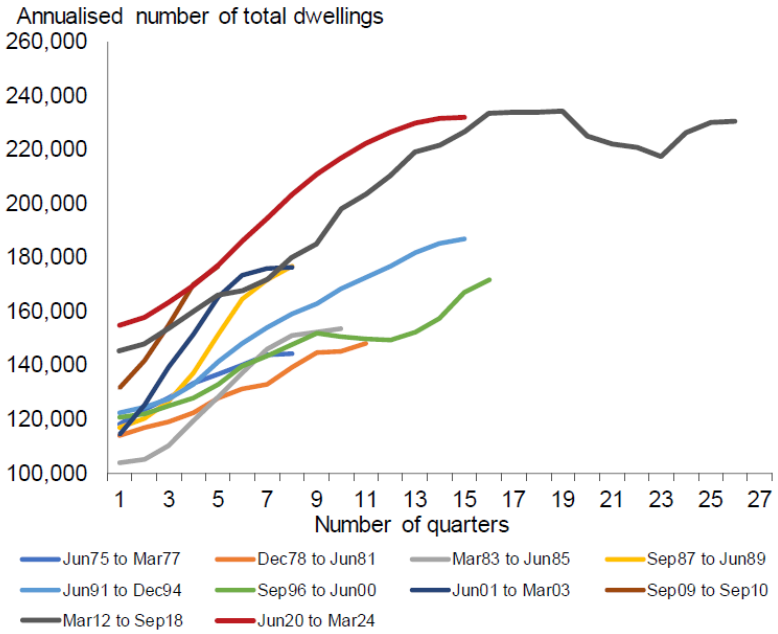
The Waste Hierarchy in Australia



Rebound in the residential cycle

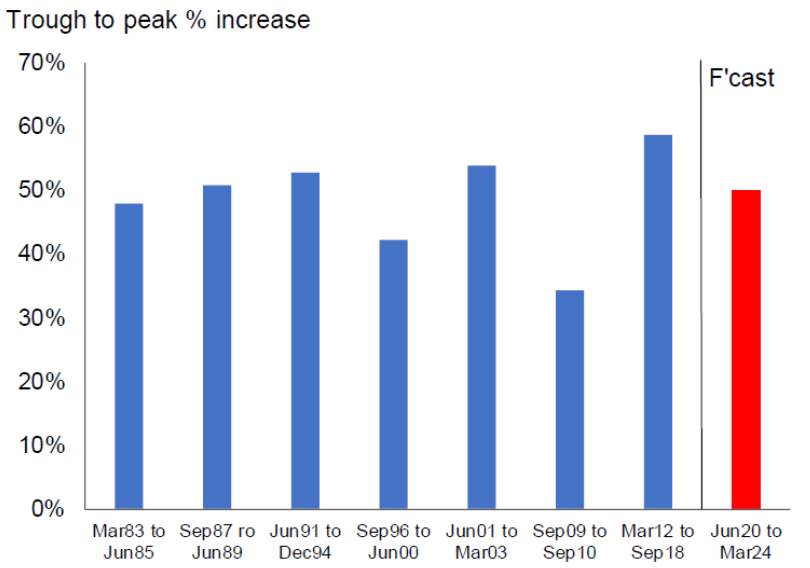
The rebound in the next residential cycle is expected from June 2020 and is expected to be as high as the prior cycle and last for approximately 15 quarters until March 2024

Dwelling commencement upturn comparison[1]



- The next residential cycle is expected from June 2020 to March 2024 and is expected to be as high as the prior cycle.

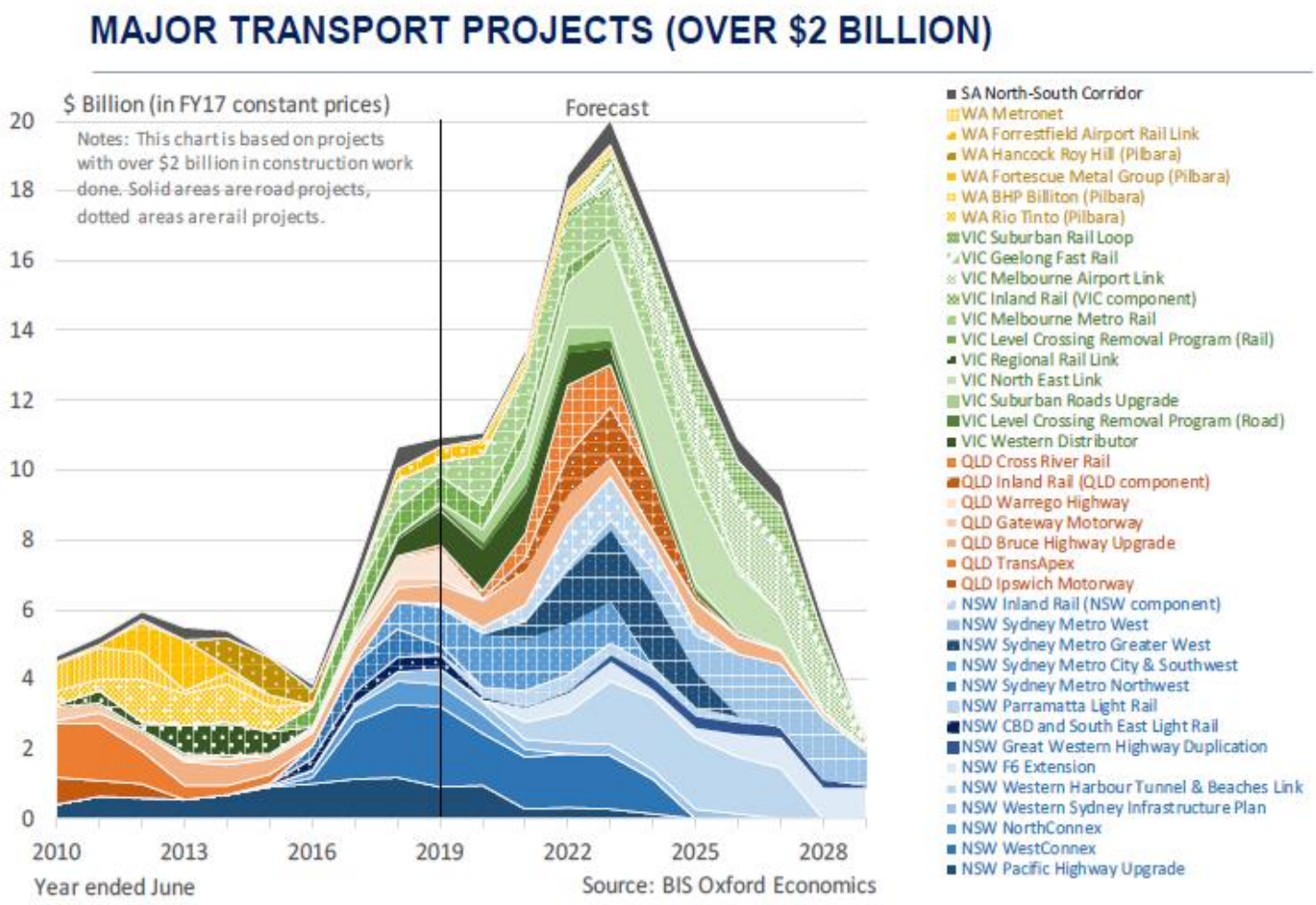
Dwelling commencement upturn comparison[1]



- Dwelling commencements are expected to increase by 50% from peak to trough in the next residential cycle.

1. Source: Bis Oxford Economics.

BINGO is well placed to benefit from significant pipeline of transport infrastructure

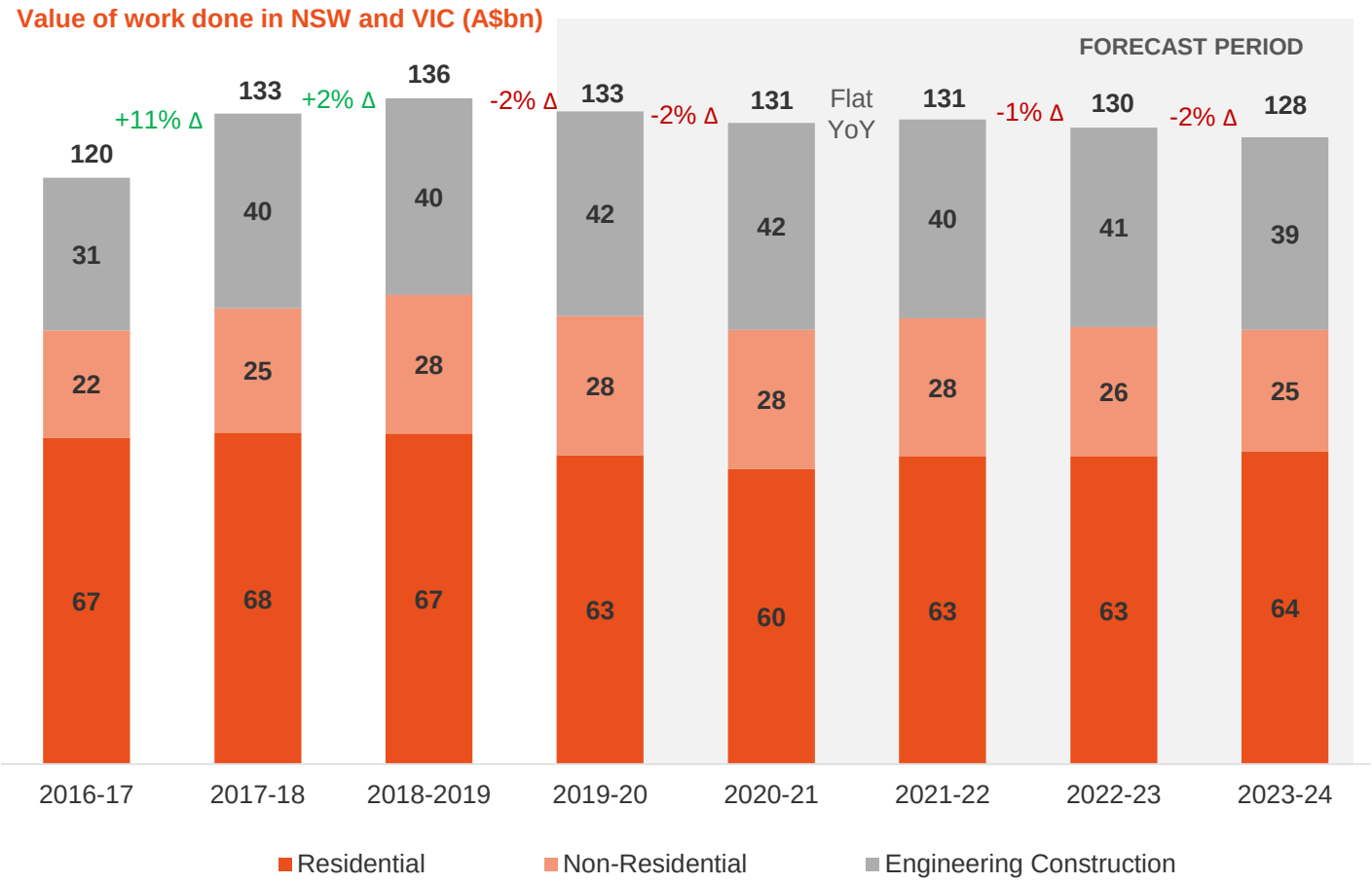


- Over the coming 10 years, half of the pipeline is from projects within NSW, while the other half is made up of QLD and VIC.
- This pipeline shows us we are currently at an elevated level compared with 3 years ago, with engineering construction only expected to increase more over the coming years.
- The inland rail project across VIC, NSW and QLD makes up a significant portion of the pipeline in each state.
- Major NSW projects: WestConnex and Sydney Metro West.
- Major VIC projects: North East Link and Inland Rail (VIC component).
- Major QLD projects: Cross River Rail and Inland Rail.

1. Source: Bis Oxford Economics.

Construction activity outlook – NSW and VIC

Total value of construction work is expected to remain robust over the next 5 years



Residential Building

- Signs of improvements in some indicators, such as auction volumes, values and clearance rates.
- Rebound in residential building activity is expected in 2021.

Non-Residential Building

- Expanded business investment in accommodation, industrial, offices and other commercial buildings has buoyed non-residential building activity.
- Above trend growth is expected to be carried through the remainder of this year and into 2020-21.

Engineering Construction

- New major projects are being added to the already solid pipeline.
- Some delays in projects commencing in 2018-19, expected to return to growth in 2019-20 and 2020-21.

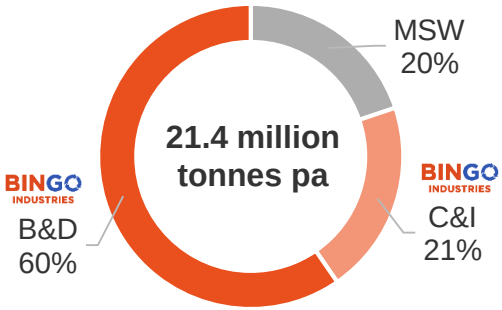
Source: Australian Construction Industry Forum (ACIF) November 2019.

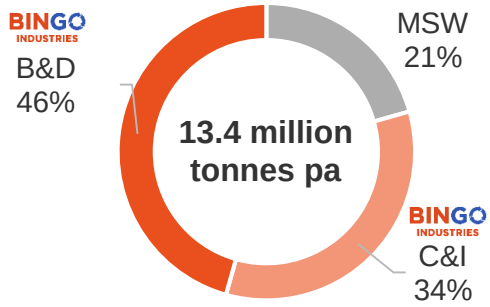
Waste market dynamics by state

B&D and C&I are the two largest waste streams by waste generation accounting for more than 80% of the volume across NSW and VIC

	NSW[1]	VIC[2]
% AUSTRALIAN WASTE	~40%	~25%

WASTE GENERATION BY WASTE STREAM





BINGO MKT SHARE & WASTE DRIVERS

	NSW B&D	NSW C&I	VIC B&D	VIC C&I
	~25-30%	~5%	~20%	<2%
	• Construction activity • Infrastructure pipeline • Population growth – 1.7%	• Taking market share • Population growth – 1.7% • NSW represents 33% of Australia's GDP	• Taking market share • Construction activity • Infrastructure pipeline • Population growth – 2.4%	• Taking market share • Population growth – 2.4% • VIC represents 23% of Australia's GDP

Note: Total Australian Waste Generation (core waste) 54.5 million tonnes per annum, National Waste Report 2018.

1. NSW EPA, Waste Avoidance and Resource Recovery Strategy Progress Report 2017-18.
2. Infrastructure Victoria, Recycling and Resources Recovery Infrastructure October 2019.