



INVESTOR PRESENTATION FY22 H1

Mark Benson
*Managing Director &
Chief Executive Officer*

24 FEBRUARY 2021

Rudy Sheriff
Chief Financial Officer



PERFORMANCE HIGHLIGHTS

\$46.4m

REVENUE

\$5.1m

EBITDA

11.1%

EBITDA MARGIN

\$0.27

EARNINGS PER SHARE

\$30.5m

CASH ON HAND

\$0.01

FY22 H1 INTERIM DIVIDEND

\$223m

ORDER BOOK

\$1,029m

TENDER PIPELINE

CORPORATE OVERVIEW

Capital Structure

ASX Code	SND
Shares on issue	105,244,051
Share price as at 19 January 2022	\$1.00
Market capitalization as at as 19 January 2022	\$105.24m
Net Cash as at 31 December 2021	\$30.5 m

Board and Company Secretary

Tim Burnett	Chairman
Mark Benson	Managing Director
Greg Fletcher	Non-Executive Director
Nick Yates	Non-Executive Director
Rudy Sheriff	Company Secretary

SND Performance against ASX300



Substantial Shareholders

Desmond Bryant	24,316,811
NAOS Asset Management Limited	23,433,595
Anacacia Pty Limited	12,430,740
Timothy Burnett	11,686,311

OPERATIONAL HIGHLIGHTS

SAFETY



- Our unwavering commitment to safety ensures Zero Harm remains our top priority.
- Our plant, equipment and stores team celebrated 3 years without a safety incident.
- Safety initiatives commenced as part of our “Raise the Bar” programme which will focus on improving our already strong safety culture.
- One of these initiatives led by the Executive Leadership team and the Board will focus over the next six months on site visits and proactive safety interactions.



Photo: Saunders Plant, Equipment
& Stores Team

OPERATIONAL HIGHLIGHTS

ESG

- Saunders will continue to expand our commitment to best practice ESG integration.
- ESG considerations are now a focus on decisions made during our everyday business, from our tendering, procurement to community engagement and indigenous participation.



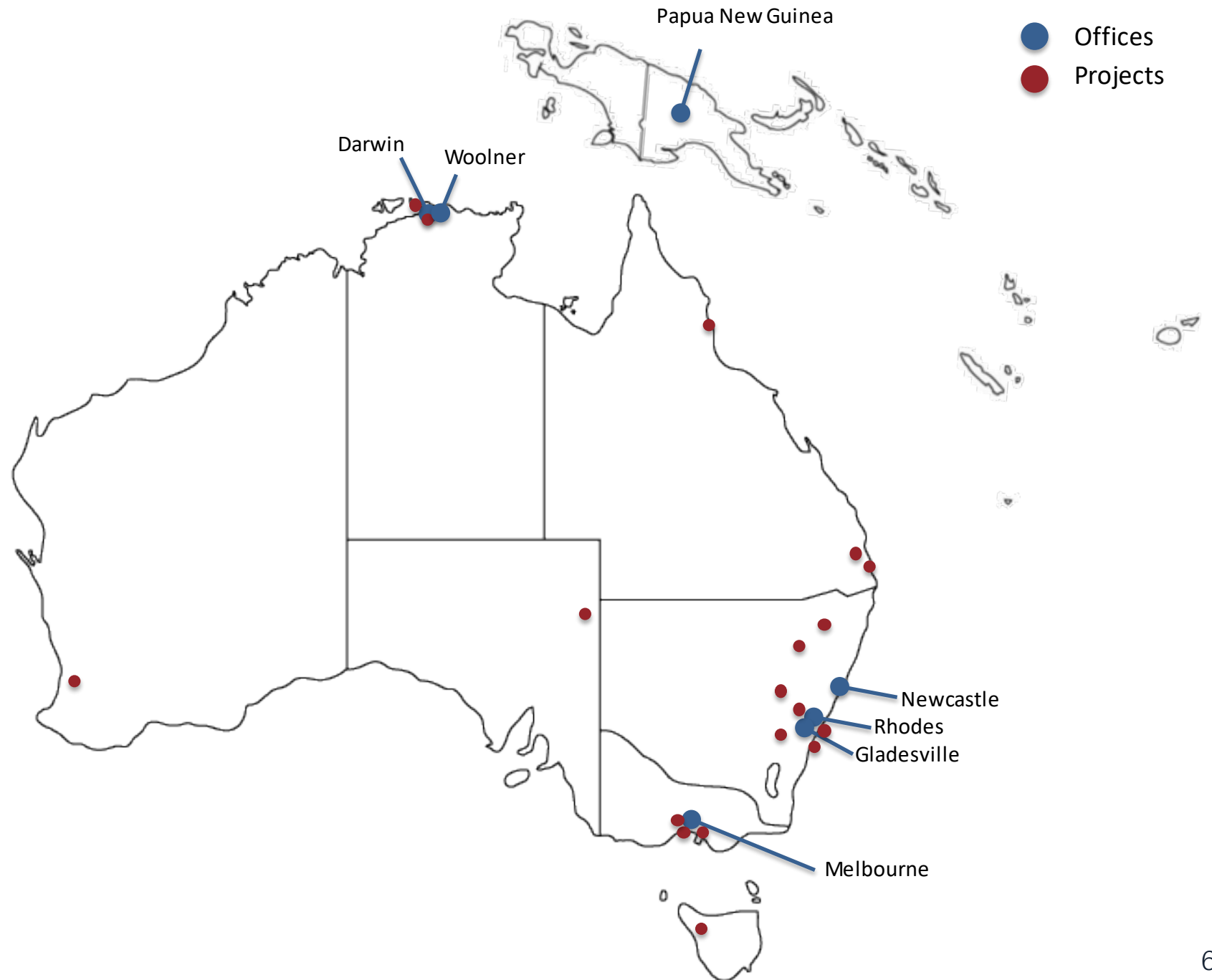
OUR BUSINESS

Saunders' Head Office is based at Rhodes with an additional 6 offices around Australia and the Pacific Islands.

Over the past 12 months we have completed projects across all states and territories and continue to tender works in the Pacific Islands.

230
employees

7
Offices



KEY CLIENTS

CROWLEY®



QUANTEM
BULK LIQUID STORAGE & HANDLING



AUSTRALIAN
DEFENCE FORCE

LAING O'ROURKE

Mobil

Sydney
WATER



**JOHN
HOLLAND**

VEOLIA



CPB
CONTRACTORS

BGIS

nacap

VIVA
EnergyAustralia

**Transport
Sydney Trains**

AMPOL



Photo: Saunders International CEO, Mark Benson
& Chief Minister NT, Michael Gunner

SECTORS

Oil & Gas



Defence



Infrastructure



Energy



Water



Mining & Minerals



SERVICES

CONSTRUCTION

- Tank Construction
- Bridge Construction
- Precast Fabrication
- Structural, Mechanical & Piping
- Electrical & Instrumentation

MAINTENANCE

- Tank Maintenance
- Asset Services,
Industrial Shutdowns
- Industrial Automation
- Bridge Maintenance
- Facilities Maintenance

ENGINEERING & DESIGN

- Tank Design
- Mechanical & Piping Design
- Electrical Instrumentation &
Automation Design
- EPCM
- EPC

FINANCIAL PERFORMANCE

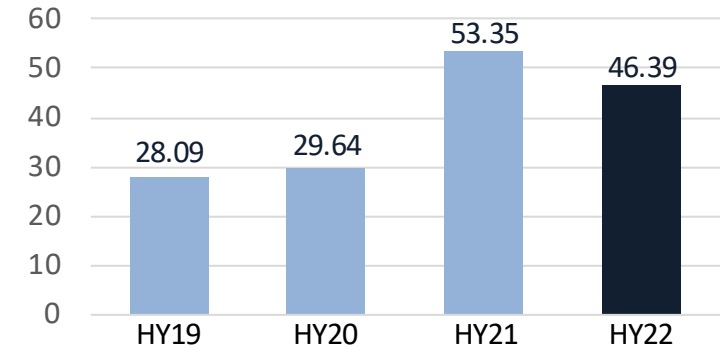


Photo: Vopak
D&C 3x new 35ML dual product storage tanks with geodesic dome roof

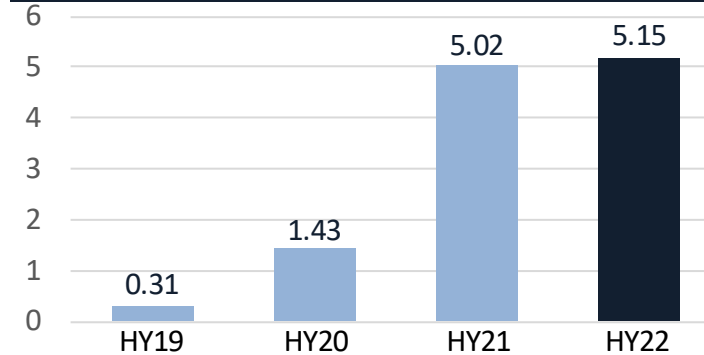
FINANCIAL HIGHLIGHTS

Summary (\$'m)	FY22 H1	FY21 H1	Change	Change %
Revenue	46,399	53,349	(9,650)	(18.09%)
EBITDA	5,147	5,019	128	2.59%
<i>EBITA %</i>	<i>11.09%</i>	<i>9.41%</i>	<i>1.61%</i>	
Depreciation & Amortisation	(1,084)	(940)	(144)	(15.32%)
EBIT	4,063	4,079	(16)	(0.39%)
Interest	(47)	(48)	1	2.08%
Tax	(1,214)	(1,318)	104	7.89%
NPAT	2,802	2,713	89	3.28%
<i>NPAT %</i>				
Earnings per share (EPS) – cents	2.69	2.63	0.06	2.28%

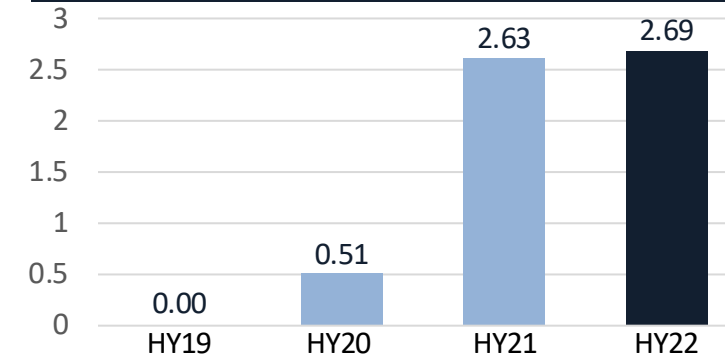
GROUP REVENUE (A\$M)



GROUP EBITDA (A\$M)

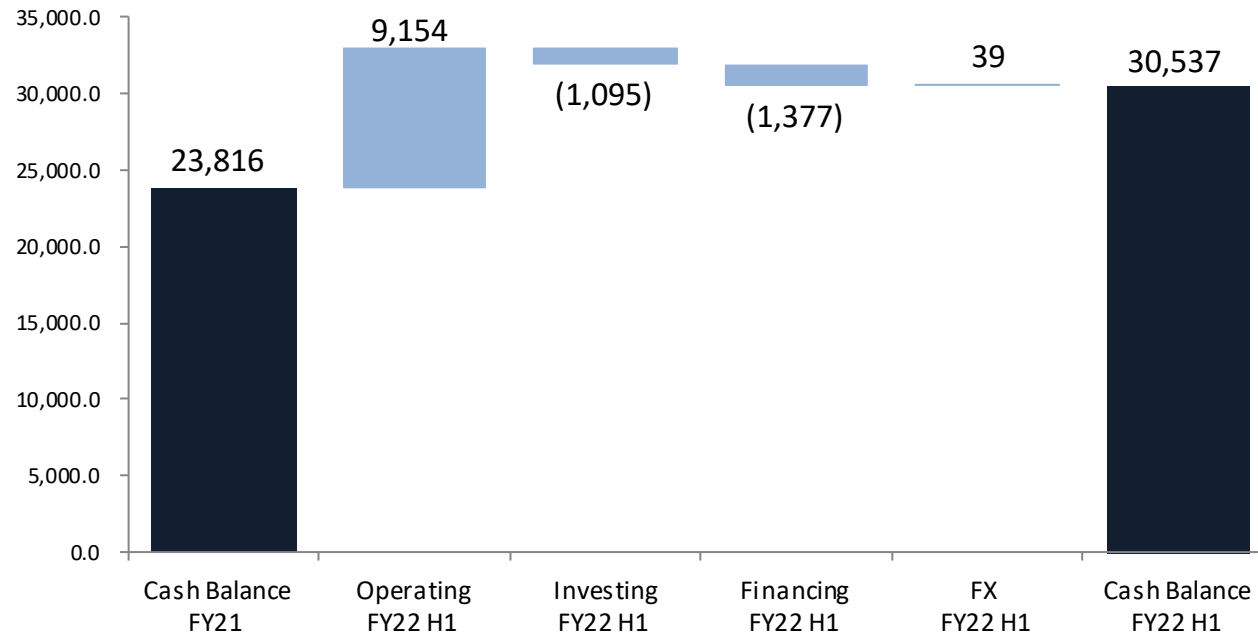


EPS (CENTS PER SHARE)



FINANCIAL HIGHLIGHTS

Group Cash Flow - Bridge (A\$000s)



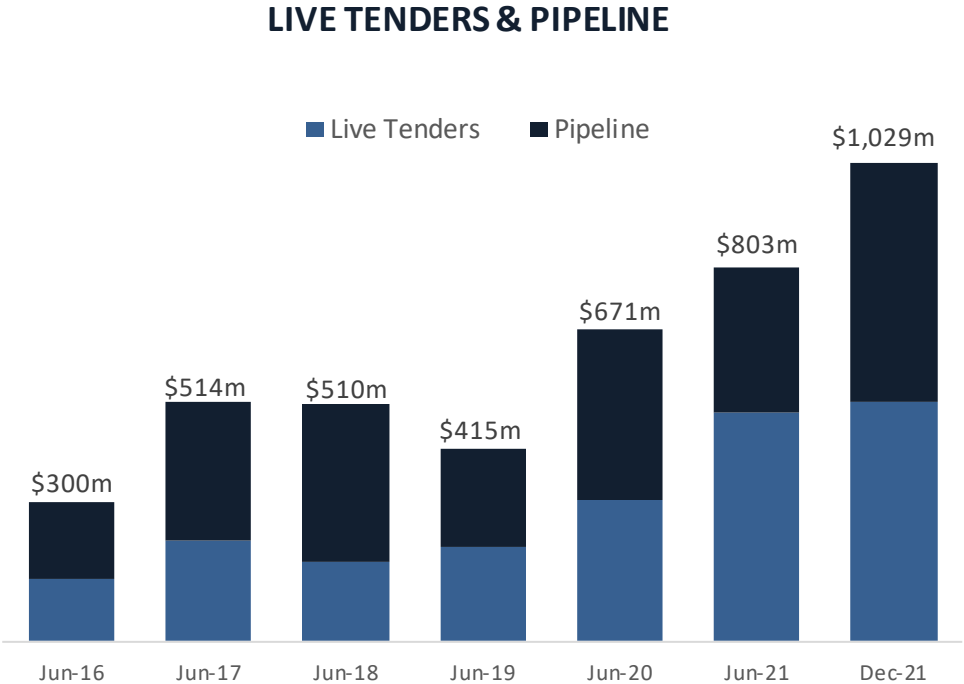
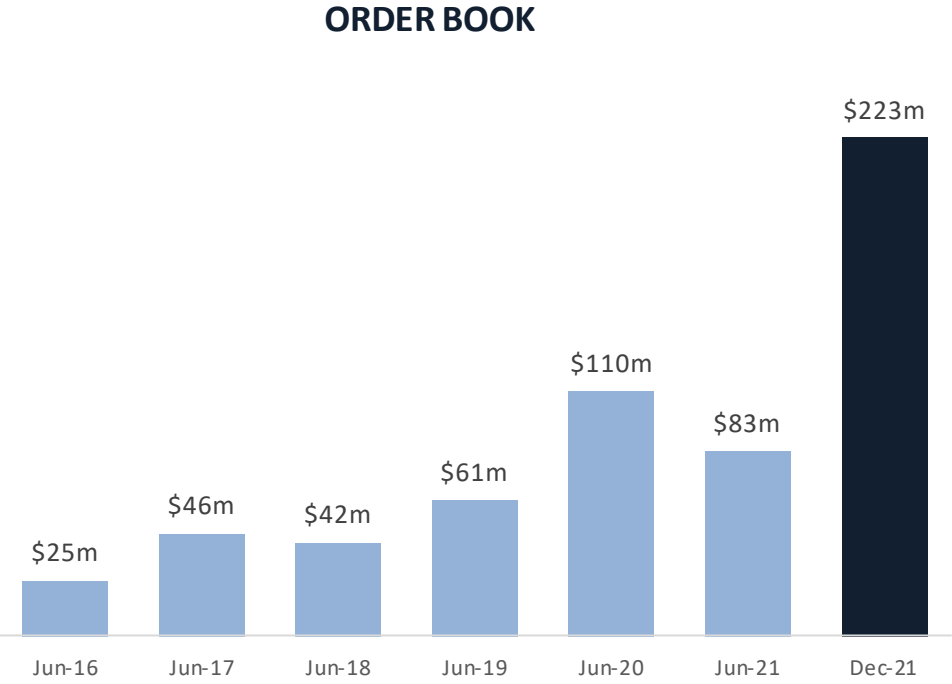
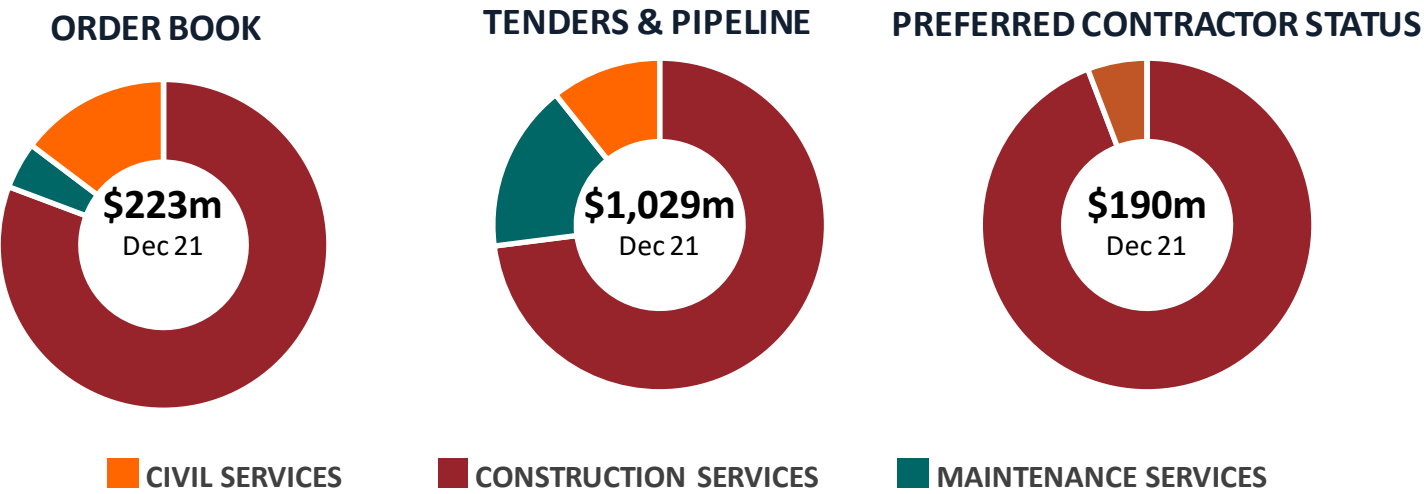
Cash flow results (\$'m)	FY22 H1	FY21 H1
EBITDA (Group)	5,147	5,019
Operations Cash flow before interest and tax (OCFBIT)	9,201	5,399
EBITDA/OCFBIT Conversion %*	179%	108%
Previously provided costs		
Interest	(47)	(48)
Cash flow from Operations	9,154	5,351
Cash flow from Investing Activities	(1,095)	(869)
Free Cash Flow		
Dividends paid	(1,800)	-
Borrowings & Lease liability payments	423	362
Movement in cash	6,682	4,844
Opening cash	23,816	11,085
FX Fluctuations on cash held	39	(132)
Closing Cash	30,537	15,797

GROUP OUTLOOK



*Photo: John Holland Rail
Replacement of timber over rail bridge, Range Rd Mittagong*

ORDER BOOK & PIPELINE



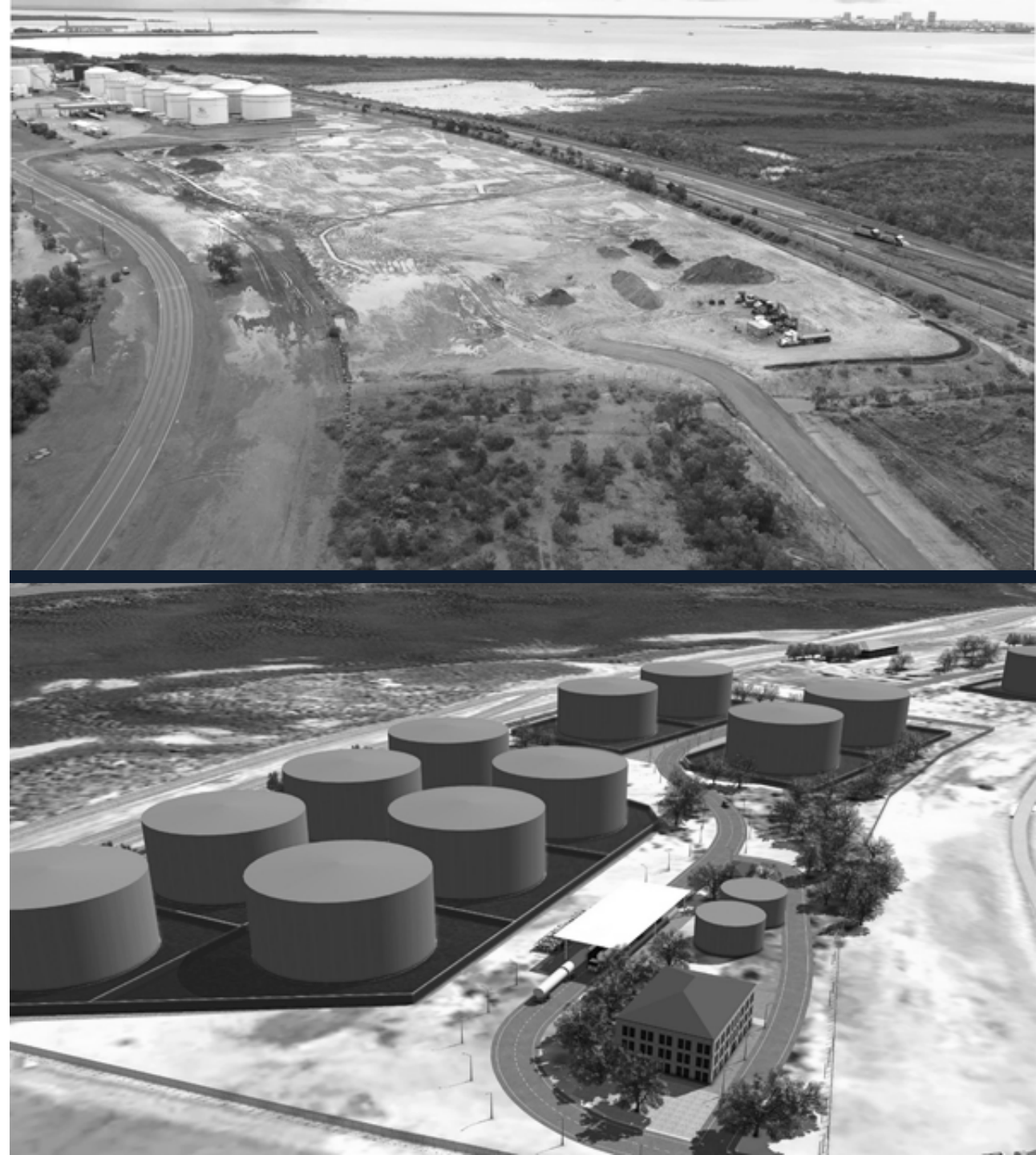
GROUP OUTLOOK

- Focus on operational delivery of Project Caymus and securing further related work packages as part of the terminal construction.
- Strategically placed to deliver further works in the ever-growing Defence sector.
- Strong market position for the remaining projects in the Boosting Australian Diesel Storage Program.
- Well positioned to continue to secure works from Government Infrastructure stimulus programs.
- Robust balance sheet and financial capacity to assist with the delivery of record orderbook and strong pipeline of opportunities.
- Saunders revenue for FY22 is expected to be between \$115-\$130 million with EBIT expected to be between 6.5% to 7.5%.
- This revised guidance will be dependent on any further impacts from COVID-19 to our clients, our people, our supply chains and delays to the commencement of projects.



CAYMUS UPDATE

- Saunders was awarded the contract for the design and construction of eleven jet fuel tanks for Crowley Solutions' U.S. Defence fuels facility in Darwin.
- In addition to the design and construction works, Saunders will provide the "EPCM" management services and construction expertise to develop the balance of plant works packages for the project.
- Total works awarded to date for D&C and EPCM is approximately \$165m. Further packages to follow for the balance of plant.
- Saunders intends to construct this project using a majority of Australian resources and materials with a focus on local NT content where possible. The earthworks package is already contracted to a local company.
- Site clearing and tank foundation construction works have commenced.
- The recruitment of the project teams for both the design and construction and EPCM is progressing well with most key personnel having relocated to Darwin.



APPENDIX



Photo: Sydney Water Liverpool
Early stages foundation of 60ML Reservoir with Foundation & stair tower

PROFIT & LOSS

	31 Dec 2021 \$'000	31 Dec 2020 \$'000	Variance
Continuing Operations			
Revenue	46,399	53,349	(6,950)
Other income	836	617	219
Materials and third-party costs charged to projects	(26,851)	(33,424)	(6,573)
Employee benefits expense	(13,870)	(13,201)	669
Depreciation expense	(1,084)	(940)	144
Finance costs	(47)	(48)	(1)
Motor vehicle expenses	(136)	(152)	(16)
Occupancy and operating lease expense	(222)	(136)	(86)
Other expenses	(1,009)	(2,034)	(1,025)
Profit before tax	4,016	4,031	(15)
Income tax (expense)	(1,214)	(1,318)	(104)
Profit for the period	2,802	2,713	89
Other comprehensive income	-	-	
Total comprehensive income for the period	2,802	2,713	89
Attributable to:			
Equity holders of the parent	2,802	2,713	89
Earnings per share			
Basic (cents per share)	2.69 cents	2.63 cents	
Diluted (cents per share)	2.62 cents	2.58 cents	

BALANCE SHEET

	Dec-21 \$'000	Jun-21 \$'000
Assets		
Current Assets		
Cash and Cash equivalents	30,537	23,816
Trade and other receivables	5,114	10,258
Contract assets	7,076	2,884
Inventories	391	163
Other current assets	810	151
Total current assets	43,928	37,272
Non-current assets		
Property, Plant and equipment	10,711	10,473
Right of use assets	2,147	2,534
Intangible assets	321	-
Deferred tax assets	374	63
Total non-current assets	13,553	13,070
Total Assets	57,481	50,342

	Dec-21 \$'000	Jun-21 \$'000
Current liabilities		
Trade and other payables	10,694	10,725
Contract liabilities	8,323	5,684
Lease liabilities	728	704
Provisions	3,594	2,642
Current tax liability	2,053	524
Borrowings	768	-
Total current liabilities	26,160	20,279
Non-current liabilities		
Provisions	707	237
Lease liabilities	1,350	1,719
Total non-current liabilities	2,057	1,956
Total liabilities	28,217	22,235
Net assets	29,264	28,107
Equity		
Issued capital	21,195	20,687
Shares buy-back reserve	(674)	(674)
Share based payments reserve	577	736
Retained earnings	8,166	7,358
Total equity	29,264	28,107

CASHFLOW

For the Half-Year ended	Dec-21 \$'000	Dec-21 \$'000
Cash flows from operating activities		
Receipts from customers	55,324	59,776
Payment to suppliers and employees	(46,123)	(54,378)
Interest received	-	1
Interest and finance costs paid	(47)	(48)
Income taxes refunded / (paid)	-	-
Net cashflows (used in)/from operating activities	9,154	5,351
Cash flow from investing activities		
Payments for property, plant and equipment	(922)	(844)
Proceeds received in sale of assets	12	7
Payments for right-of-use assets	-	(32)
Payments for business acquisition	(185)	-
Net cashflows used in investing activities	(1,095)	(869)
Cash flow from financing activities		
Dividends paid to shareholders	(1,799)	-
Proceeds from Borrowings	1,407	1,173
Repayment of Borrowings	(640)	(534)
Repayment Lease Liabilities	(345)	(277)
Net cashflows from/ (used in) financing activities	(1,377)	362
Net (decrease)/increase/in cash and cash equivalents	6,682	4,844
Cash and cash equivalents at beginning of period	23,816	11,085
Effects of exchange rates fluctuations on cash held	39	(132)
Cash and cash equivalents at the end of the period	30,537	15,797

HIGHLIGHTED PROJECTS

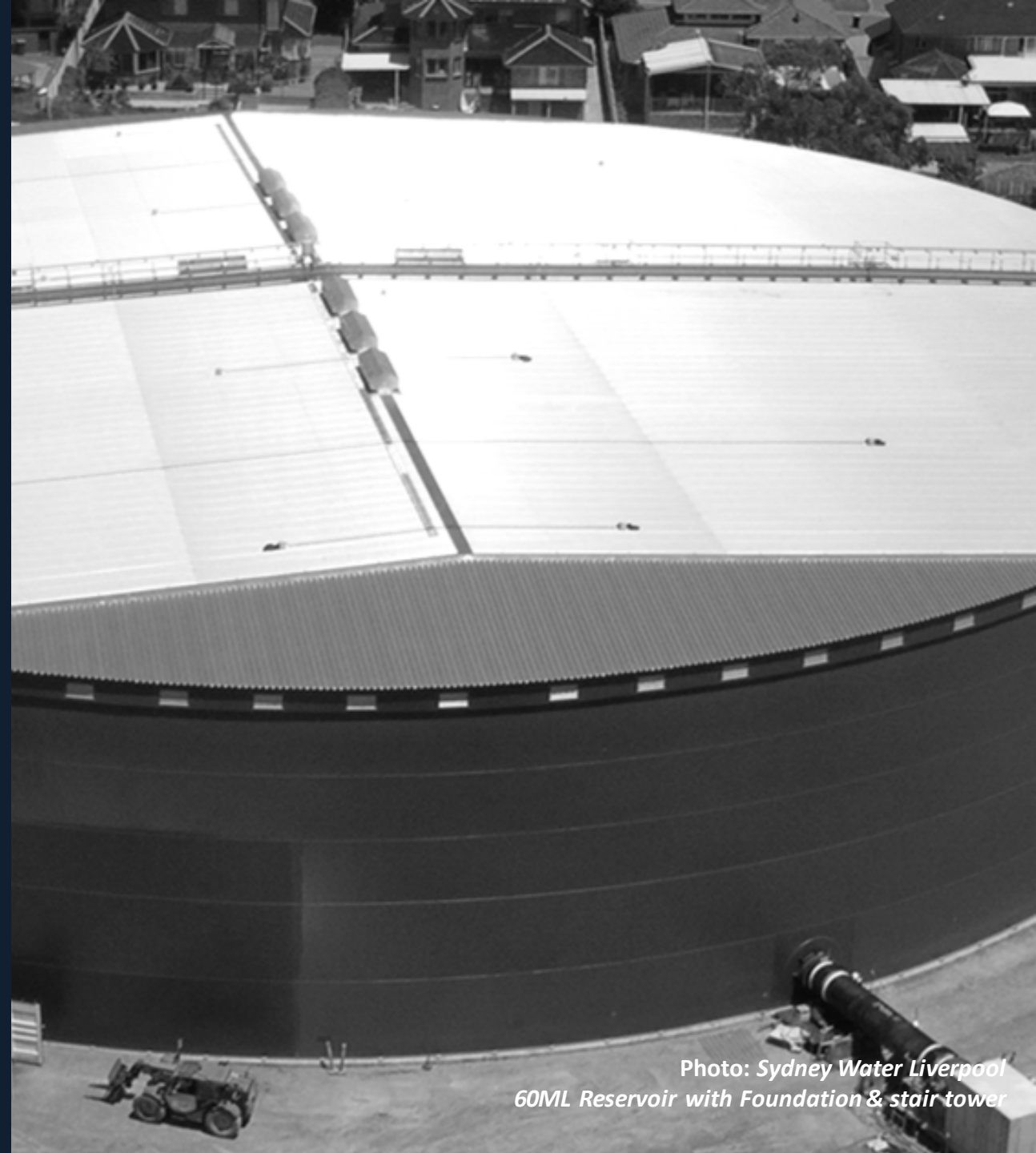


Photo: Sydney Water Liverpool
60ML Reservoir with Foundation & stair tower

CONSTRUCTION

LAING O'ROURKE AUSTRALIA, LARRAKEYAH NT

Defence Fuel Infrastructure Marine (Tanks, SMP and E&I) for the Larrakeyah Defence Precinct Redevelopment Program (LDRRP) in Darwin

Scope of works includes:

- Construction of two 1.75ML diesel fuel tanks and two new 300kL quarantine tanks and foundations;
- Installation of site-wide diesel fuel system including piping, valves, supports;
- Construction of the tank farm pump facility;
- Construction of the site-wide infrastructure including: fire water, electrical and safety services;
- Construction of piping and instrumentation for the fuel system at the new outer wharf;
- Development, installation and testing of control system, including the Supervisory Control and Data Acquisition System;



MAINTENANCE

QUANTEM, PORT BOTANY NSW

Supply and Installation of Aluminium Geodesic Dome Roof for Service Conversion of Tank 91 (ULP to AVGAS 100) and Tank 92 (ULP to Jet-A1) with associated Piping Works.

Scope also includes:

- Installation of floating suction and sample systems
- Filter water separators
- Installation of Coalescer vessels and
- Painting

Saunders is the market leader in the installation of Geodesic Dome roofs in Australia with seven rooves installed over the past 18 months.

A further 11 Geodesic Dome Roof will be installed on Project Caymus Darwin.



INDUSTRIAL AUTOMATION

LEND LEASE, BARANGAROO PRECINCT

Saunders PlantWeave was awarded the Lend Lease Building DCP MACS contract for the District Cooling Plant (DCP) expansion to the \$2.2 billion Crown Resort tower and now Residential Towers 1 and 2, in the heart of Sydney's CBD.

The DCP is critical infrastructure for the entire Barangaroo precinct, delivering chilled water to all connected buildings and tenants on a 24/7, 365 days basis.

The DCP Monitoring and Control System (MACS) is responsible for control and management of the entire plant.

Dual redundant SCADA systems, PLC controllers and fibre networks are the core of this complex system.



SND Disclaimer

Important Information for Investors

This presentation has been prepared by Saunders International Limited ("Saunders") as a summary of the Company and its operations and for general information purposes only.

This presentation is not and should not be considered as an offer or invitation to subscribe for or purchase any securities in Saunders, or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in Saunders will be entered into on the basis of this presentation.

Saunders has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. Accordingly, to the maximum extent permitted by applicable laws, neither makes any representation and neither can give any assurance, guarantee or warranty, express or implied, as to, and neither takes any responsibility and assumes liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this presentation.

You should not act or refrain from acting in reliance on this presentation material. This overview of Saunders does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Company's prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation and making any investment decision.

The contents of this presentation are confidential. This presentation is being provided to you on the condition that you do not reproduce or communicate it or disclose it to, or discuss it with, any other person without the prior written permission of the Company.

The presentation contains certain forward-looking statements which have not been based solely on historical facts but, rather, on Saunders's current expectations about future events and on a number of assumptions which are subject to significant uncertainties and contingencies many of which are outside the control of Saunders and its directors, officers and advisers.



MARK BENSON

Managing Director & Chief Executive Officer

(02) 9792 2444

L2, 1F Homebush Bay Drive, Rhodes NSW 2138

www.saundersint.com

mark.benson@saundersint.com