



SAUNDERS
INTERNATIONAL

2023

Investor Presentation

Mark Benson

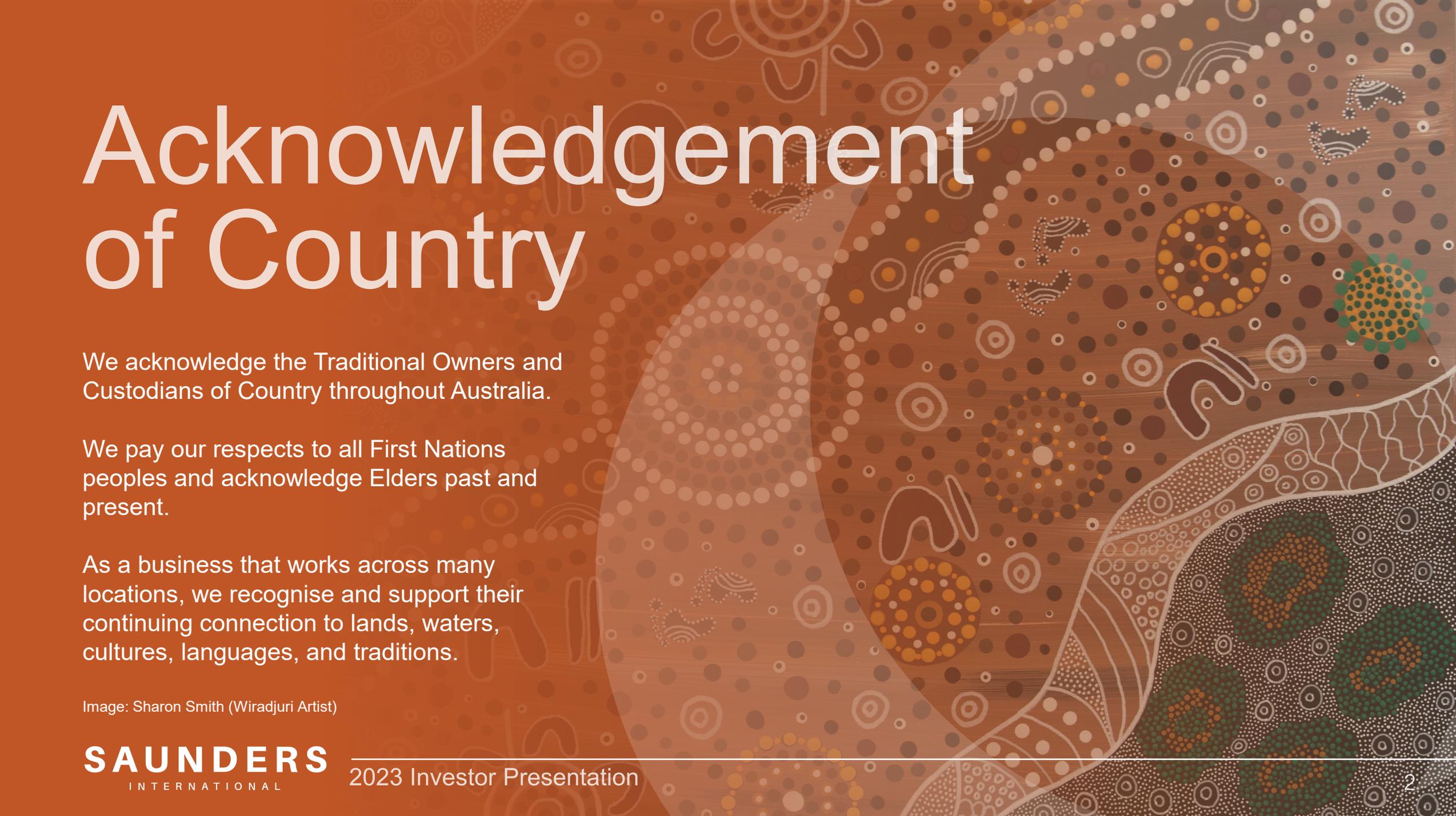
Managing Director
& Chief Executive Officer

Brett Gregory

Chief Financial Officer

29 August 2023

Acknowledgement of Country



We acknowledge the Traditional Owners and Custodians of Country throughout Australia.

We pay our respects to all First Nations peoples and acknowledge Elders past and present.

As a business that works across many locations, we recognise and support their continuing connection to lands, waters, cultures, languages, and traditions.

Image: Sharon Smith (Wiradjuri Artist)

At a glance

We're an integrated engineering construction and infrastructure company recognised for innovation and expertise in bulk storage terminal construction, piping, civil works, asset services and industrial automation.

We're proud to work with some of the world's largest oil and gas companies, tier-one construction contractors and across all levels of government.

Our specialist teams are the greatest contributors to our success, combining deep sector knowledge with strong customer relationships.

At a glance

Defence



Power & Water



Mining & Minerals



Oil & Gas



Infrastructure



New Energy



422

in our workforce



NINE

metropolitan & regional offices



38

major projects in delivery

FOUR
operational areas

Engineering
Construction



Asset
Services



Civil



Automation



At a glance

We have metropolitan and regional offices located strategically across Australia, along with established operations in Papua New Guinea and a new presence in New Zealand.

Founded in 1951, we've been listed on the Australian Securities Exchange (ASX: SND) since 2007.

KEY

- Office locations
- Major projects in delivery

Performance highlights

In 2023, we produced a strong financial result with a record revenue and EBIT; Saunders' fourth consecutive year of growth.

We focused on our continuing strategic growth trajectory and delivering on that growth, providing attractive returns for our shareholders.

References to 'year', 'Financial Year', '2023', or 'FY2023' all refer to the Financial Year ended 30 June 2023. All dollar figures are expressed in Australian dollars and comparisons are to the 2022 financial year, unless otherwise stated.

Revenue

\$200.9m

54.5% up (\$130.0 million)

Full time employees

422

19.9% up (352)

EBIT

\$14.4m

51.6% up (\$9.5 million)

Earnings per share (basic)

8.84 cents

41.7% up (6.24 cents)

Cash

\$12.8m

65.1% down (\$36.7 million)

Annual dividend distribution

4.0 cents

46.5% payout (3.0 cents)

Fully Franked

Order book

\$201.0m

(at 31 July 2023) 4.2% up
(\$193.0 million at 30 June 2022)

Market Capitalisation

\$120.6m

11.6% up (\$108.1 million)

Pipeline

\$1.6b

(at 31 July 2023) 23.1% up
(\$1.3 billion at 30 June 2022)

Performance highlights

In the last 12 months, we secured three projects with values in excess of \$40 million each, and our current order book at 31 July 2023 is in excess of annual revenues

Acquisitions

Acquisition of Automation IT, expanding Saunders' capabilities across industrial automation and technology solutions, following the acquisition of PlantWeave Technologies in August 2021.

Safety

Securing our Defence Industry Security Program (DISP) accreditation and finalisation of Federal Safety Commissioner (FSC) accreditation.

Strong safety performance with a Lost Time Injury (LTI) in 2023 and a TRIFR¹² metric of 1.68, representing a 13% improvement on 2022's TRIFR¹² ¹ of 1.93.

2023 MAJOR PROJECTS SECURED

\$44.4 million Western Sydney International Airport Aviation Fuel Terminal, NSW

\$9.0 million Park Fuels at Kooragang Island, NSW

\$8.5 million Nova Nacap Joint Venture, Katherine, NT

\$11.2 million Port Macquarie Hastings Council 5 Bridges, NSW

\$42.4 million Kwinana Renewable Fuels, WA

\$9.3 million Lytton Refinery, Port of Brisbane, QLD

\$44.1 million Pelican Point Terminal, SA

¹ TRIFR¹² is the number of occurrences of injury for each 200,000 hours worked.

Financial highlights

Record revenue and earnings by the Group in 2023, achieved through successful delivery of key projects and our ability to continually secure key new opportunities and repeat business with our clients, particularly as they seek to reposition existing and build new assets in the renewable energy sector.

Financial highlights

GROUP REVENUE (A\$M)

▲ Up 54.6% Revenue Change



GROUP CASH (A\$M)

▼ Down 64.9% Cash Change



GROUP EBIT (A\$M)

▲ Up 51.6% EBIT Change



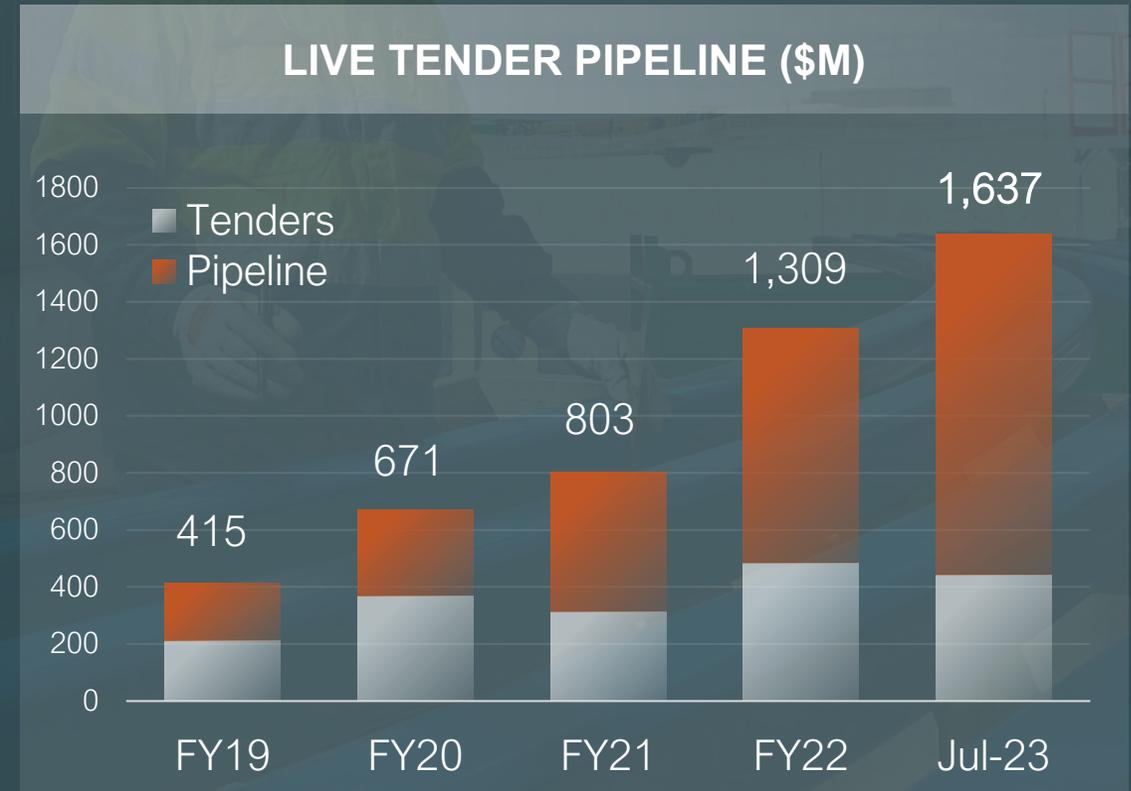
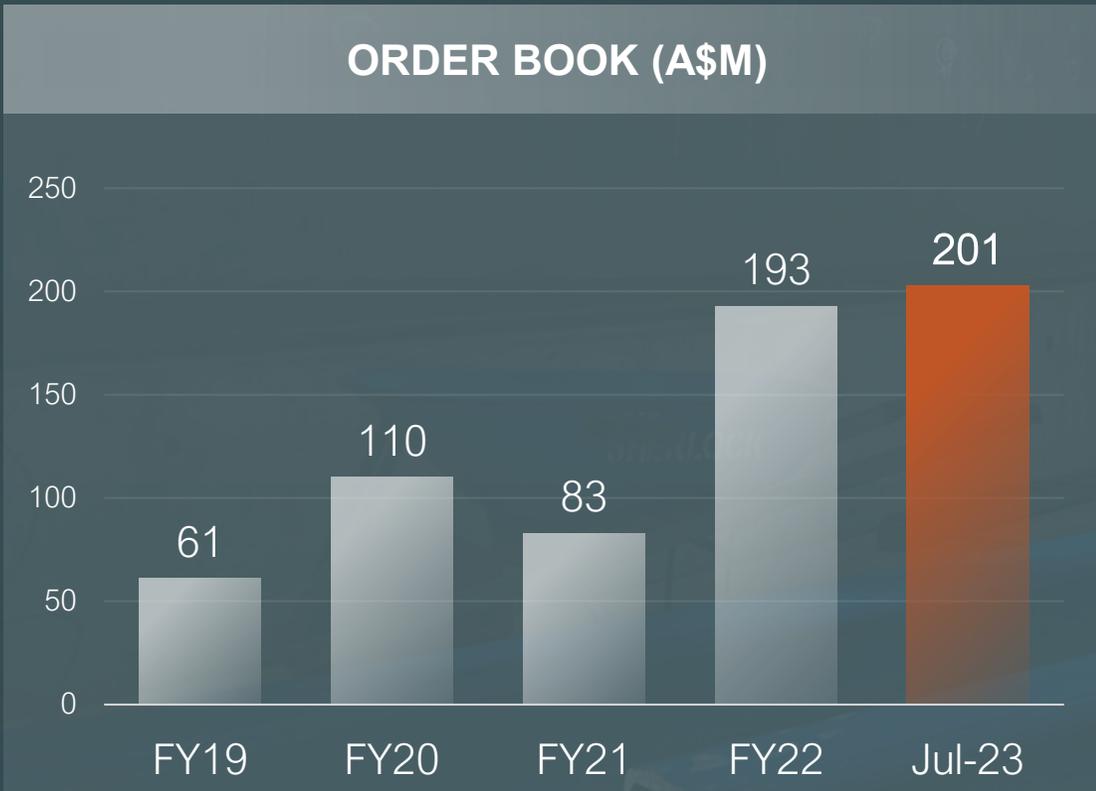
EARNINGS PER SHARE

▲ Up 41.7% EBIT Change



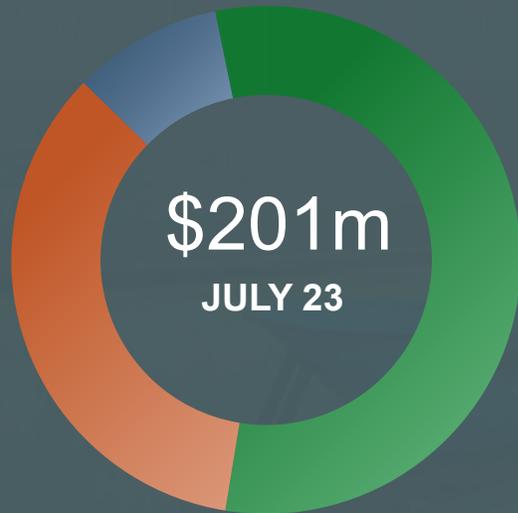
Sustained growth

Saunders will start the new financial year well positioned to take advantage of opportunities across our sectors and services; underpinned by solid fundamentals, record orderbook, record pipeline and our strong balance sheet.

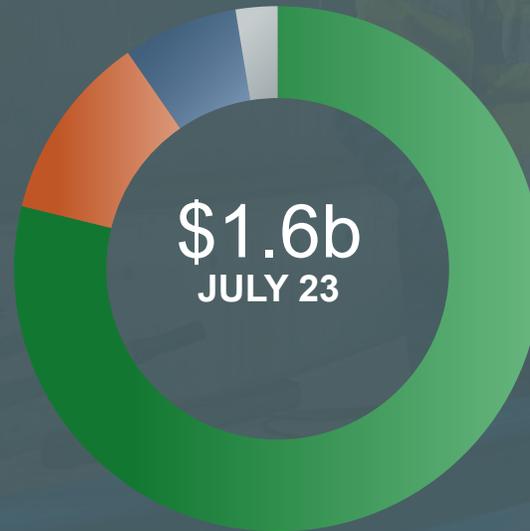


Sustained growth

ORDER BOOK BREAKOUT



PIPELINE



PREFERRED CONTRACTOR STATUS



Construction Services
Civil Services

Maintenance Services
Automation

Total Tenders
Preferred Projects

Outlook

Increased scale of multi-disciplined projects continue to be secured, demonstrating the strength of our operating model

Securing three projects in excess of \$40 million each in the last 12 months has replenished our order book to \$201.0 million

We are well positioned to leverage the \$1.6 billion pipeline of opportunities before us and continue our growth trajectory

We have strengthened our executive and senior leadership team, and are continuously improving our systems and processes to help set us up for growth in the years ahead

We are reviewing project opportunities in other regions and actively evaluating acquisitions that would deliver accretive earnings to the Group

Cash is anticipated to improve upon finalising Project Caymus contract closure with our client



Appendix 1

Financials

SAUNDERS
INTERNATIONAL

2023 Investor Presentation

PETROL
T107
CLASS 3-PGII

DIESEL
T108



Corporate Snapshot

CAPITAL STRUCTURE

ASX Code	SND
Ordinary shares on issue	107,698,732
Share price as of 30 June 2023	\$1.12 cents
Market capitalization 30 June 2023	\$120.6m

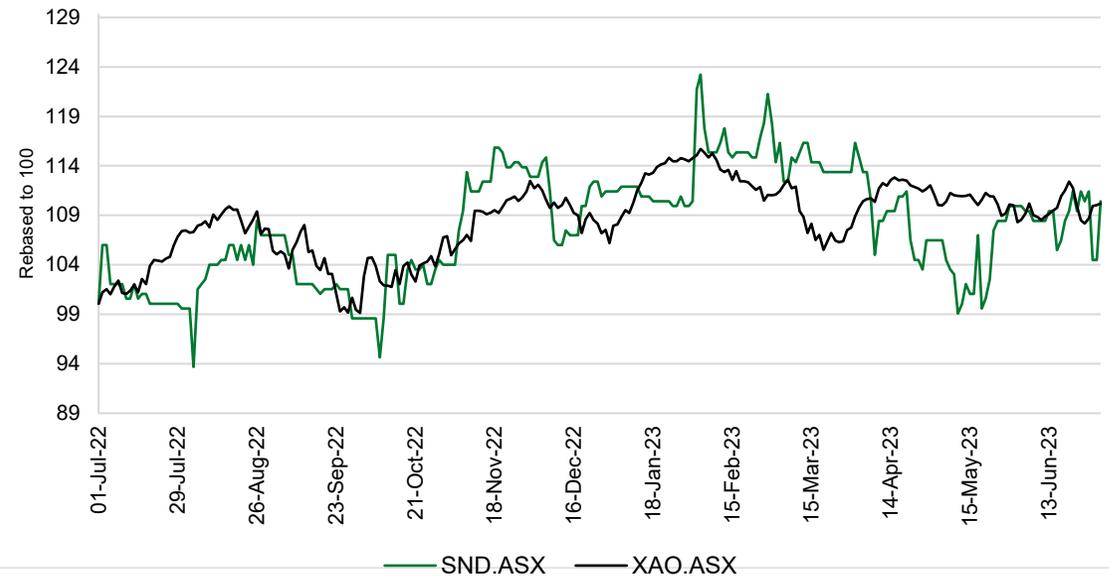
BOARD AND SENIOR MANAGEMENT

Nick Yates	Non-Executive Director & Chairman (appointed Chairman 1 July 2023)
Timothy Burnett	Non-Executive Director (retired as Chairman 30 June 2023)
Greg Fletcher	Non-Executive Director
Brendan York	Non-Executive Director (appointed 24 July 2023)
Mark Benson	Managing Director & Chief Executive Officer
Brett Gregory	Chief Financial Officer & Company Secretary

SUBSTANTIAL SHAREHOLDERS

NAOS Asset Management	24.57%
Mr. Desmond Bryant	22.58%
Anacacia Pty Ltd	11.49%
Mr. Timothy Burnett	10.85%

SND PERFORMANCE AGAINST ASX300



Income Statement

A\$000	2023	2022	%
Revenue	200,886	129,955	54.6%
Other Income	436	897	(51.4%)
Materials and third-party costs charged to projects	(115,078)	(87,552)	31.4%
Employee benefits expense	(60,754)	(27,709)	119.3%
Depreciation expense	(3,036)	(2,246)	35.2%
Motor vehicle expense	(426)	(365)	16.7%
Occupancy and operating lease expense	(866)	(468)	85.0%
Finance costs	(397)	(106)	274.5%
Other expenses	(6,614)	(3,027)	118.5%
Profit before income tax	14,151	9,379	50.9%
Income tax (expense)	(4,660)	(2,828)	64.8%
Profit after income tax	9,491	6,551	44.9%
Basic (cents per share)	8.84	6.24	41.7%
Diluted (cents per share)	8.71	6.07	43.5%

Balance Sheet

A\$000	2023	2022
Current assets		
Cash and cash equivalents	12,833	36,746
Trade and other receivables	23,099	28,946
Contract assets	33,145	9,340
Other current assets	332	381
Total current assets	69,409	75,413
Non-current assets		
Property, plant and equipment	11,495	12,086
Right-of-use assets	4,952	3,674
Intangible assts	3,978	321
Deferred tax assets	823	-
Total non-current assets	21,248	16,081
Total assets	90,657	91,494

A\$000	2023	2022
Current liabilities		
Trade and other payables	25,727	35,500
Contract liabilities	11,174	13,023
Current provisions	6,887	4,427
Other current liabilities	4,138	3,280
Total current liabilities	47,926	56,230
Non-current Liabilities		
Lease liabilities	2,647	2,328
Other non-current liabilities	809	911
Total non-current liabilities	3,456	3,239
Total liabilities	51,382	59,469
Net assets	39,275	32,025
Equity		
Issued capital	24,104	22,482
Treasury shares under employee share plan	(1,475)	(1,806)
Share based payments reserve	572	384
Retained Earnings	16,074	10,965
Total equity	39,275	32,025

Cashflow

A\$'000	2023	2022
Cash flows from Operating activities	(14,096)	19,763
Cashflows from Investing activities	(3,558)	(3,279)
Cashflows from Financing activities	(6,261)	(3,649)
Net Increase in cash and cash equivalents	(23,915)	12,835
Opening cash on hand	36,746	23,816
Effects of exchange rate fluctuations on cash held	2	95
Closing cash on hand	12,833	36,746

Appendix 2

Business and Operations

SAUNDERS
INTERNATIONAL

2023 Investor Presentation

PETROL
T107
CLASS 3-PGII

DIESEL
T108



Engineering Construction

Though Saunders boasts a rich history as one of Australia's premier bulk liquid storage and geodesic dome construction contractors, our business has significantly evolved from its modest origins 73 years ago. Today, we stand as leaders in executing multi-disciplined construction projects for blue-chip and government clients.

OUR SERVICES

Front End Engineering Design (FEED)

Structural Mechanical & Piping design

3D drafting of large fuel terminals

Control system design and implementation

Network design and implementation

High Voltage and Low Voltage electrical design and implementation

Engineering, Procurement and Construction (EPC) & Engineering, Procurement, Construction and Management (EPCM) services

New tank builds for bulk fuel and chemical storage terminals

Water reservoirs and pumping stations

Tank Jacking technology (top-down construction)

Engineering Construction

2023 HIGHLIGHTS

\$44.4 million contract	Contract to deliver the Western Sydney International (Nancy Bird Walton) Airport Aviation Fuel Terminal for Multiplex in NSW (secured October 2022)
\$9.0 million contract	Contract to design and construct a new diesel storage tank for Park Fuels at Kooragang Island, Newcastle, NSW as part of the Australian Government's Boosting Australia's Diesel Storage Program (secured October 2022)
\$8.5 million contract	Contract with Nova Nacap Joint Venture to design and construction two cut and cover bulk liquid storage tanks in Katherine, NT (secured December 2022)
11 Jet Fuel tanks	Delivery of 11 jet fuel storage tanks with a capacity of 300 megalitres for the US Defence in Darwin, NT
Success with Laing O'Rourke	Significant progress at our \$31 million Defence Fuel Infrastructure project for Laing O'Rourke, a part of the Larrakeyah Defence Precinct Redevelopment Program in Darwin, NT (due for completion in early 2024)

ENGINEERING CONSTRUCTION PROJECT PROFILE

Western Sydney International Airport

Client: Multiplex

Value: \$44.4 million

Location: Luddenham, NSW

Date secured: October 2022

Business Units: Engineering Construction and Automation

The project brings together an integrated Saunders team across both Construction and Automation to build the aviation fuel terminal.

Our scope includes the design and construction of:

- three aviation fuel storage tanks
- the aviation fuel terminal's mechanical piping, valves, pumps, filters, instrumentation, and controls
- the aviation fuel terminal's electrical services, including cabling and switchboards, SCADA electrical, and controls

The project will contribute to our revenue and earnings in 2023 and 2024.



ENGINEERING CONSTRUCTION PROJECT PROFILE

Pelican Point

Client: Quantem

Value: \$44.1 million

Location: Adelaide, SA

Date secured: July 2023

Business Units: Engineering Construction and Automation

Our multi-disciplinary in-house engineering and operational teams worked closely with long-term and repeat client Quantem to value engineer, optimise constructability and conduct a full lifecycle analysis on this critical new diesel storage project in Adelaide.

Our scope includes detailed design, procurement, construction, fabrication, installation, and commissioning of three 30,000 cubic metre diesel storage tanks and associated interconnecting piping.

Construction is set to begin on site in Q4 calendar 2023, with the site commissioned by Q2 calendar 2025. The project will contribute to Saunders' revenue and earnings in 2024 and 2025.



Asset Services

Saunders are at the forefront of providing asset services, with a specialised focus on inspection, repair, modification, and maintenance solutions. Our expertise lies in reviving and revitalising our clients' assets, enhancing their condition and availability, right through the asset's lifecycle to decommission.

OUR SERVICES

Repair and maintenance of bulk liquid and chemical storage tanks

Asset management services

Industrial boiler repairs

Plant and facility shutdowns and decommissioning

Facilities maintenance

Shutdowns and upgrades

Structural Mechanical Piping installation

Pump and valve overhauls or replacements

Pressure welding

Asset Services

2023 HIGHLIGHTS

\$42.4 million contract

Provide tank refurbishment and modification services for BP at its Kwinana Energy Hub in Western Australia (secured June 2023)

\$44 million contract

Expand diesel storage capacity at Quantem's Pelican Point Terminal (secured July 2023)

Success with bp

Significant progress in mechanical modifications and supply and installation of the two largest aluminium geodesic dome roofs in the Southern Hemisphere at BP's Bulwer Island fuel terminal, QLD

Success with Mobil

Continuing delivery of our longer, cornerstone contracts, including year three of our five-year maintenance program for Mobil in Altona, VIC

ASSET SERVICES PROJECT PROFILE

Kwinana Renewable Fuels

Client: bp

Value: \$42.4 million

Location: Kwinana, WA

Date secured: June 2023

We're particularly proud of our Kwinana Renewable Fuels Project win this year. Not only because it's the largest project ever awarded to our Asset Services business unit, but also because of its bold sustainability ambitions.

Our scope includes:

- Refurbishment and modification of 25 tanks so they can be utilised for feedstock or biofuels storage.
- We're helping to repurpose bp's former refinery site at Kwinana into a new integrated energy hub.

The project commenced in July 2023 and will contribute to Saunders' revenue and earnings from 2024 to 2026.



ASSET SERVICES PROJECT PROFILE

Gore Bay

Client: Viva Energy

Value: \$5.7 million

Location: Gore Bay, NSW

Date secured: July 2022

We've been trusted by repeat client Viva Energy to help maintain one of their important projects; 70-year-old Tank 6030 at the iconic Gore Bay Terminal on Sydney Harbour.

Our scope includes replacing the floor and bottom strake and installing a concrete reinforced ring beam as part of a preventative maintenance program to ensure the tank continues to reliably service the Sydney market for many decades to come.

Repairs are progressing very well and we're estimating it to be ready just in time for the upcoming cruise season in early 2024.

OPERATIONS UPDATE

Civil

Our civil capability and know-how have enabled us to develop a reputation for delivering challenging projects using innovative design alternatives and construction methods, that are on time and to budget.

For precast beams and super-T's, we are the go-to supplier to Tier 1 companies for their major project work. We excel in complex and precision precast and have a track record over 50 years of successful delivery.

OUR SERVICES

Road and rail bridge construction

Marine structures

Precast fabrication

Concrete foundation systems

Manufacturing of complex Super-T and planks for infrastructure projects

Excavation and installation of support structures

Road works

CIVIL PROJECT PROFILE

Port Macquarie Bridges project

Client: Port Macquarie Hastings Council

Value: \$11.2 million

Location: Various locations, Port Macquarie, NSW

Date secured: May 2023

In May 2023, Saunders was awarded a new contract for \$11.22 million to replace five existing timber bridges across the Port Macquarie Hastings Council area with concrete bridges.

The project will be completed over the next 12 months and once finished the new concrete bridges will reduce future ongoing maintenance costs for the Council and increase connectivity by allowing increased vehicle load limits.

The project is being funded by Council and Transport for NSW under the NSW Government's Fixing Country Bridges Program. The project will contribute to our revenue and earnings through 2023 and 2024.

Image: Harty's Creek Bridge delivered by Saunders for Port Macquarie Hastings Council in 2018.



Automation

Saunders specialises in turnkey industrial automation and control systems to help streamline processes, increase output, improve efficiency and deliver overall process quality – enabling our clients to achieve key production goals.

OUR SERVICES

Operational Technology (OT)

Industrial automation solutions

Control system upgrades

Panel manufacturing and testing

Machine learning and statistical/physical process modelling

Asset and inventory management

Instrumentation selection, installation and calibration

Plant commissioning

Process optimisation

Preventative maintenance

Cyber security auditing and hardening to ISA/IEC

Automation

2023 HIGHLIGHTS

Saunders Automation IT

In May 2023, we welcomed Automation IT, a specialist automation and control systems engineering business operating in the energy, water, defence and mining industries to the Saunders team

Saunders PlantWeave

This follows our acquisition of PlantWeave in 2021 and further expands our industrial automation and technology-based infrastructure offering for our clients who are increasingly moving towards technology driven solutions

Ongoing Research

We continue to assess various opportunities to diversify and grow our operations and provide increased earnings to the Group and shareholders through acquisitions

Integration

Automation IT and PlantWeave have commenced the integration of their team and operations to form Saunders Automation

AUTOMATION PROJECT PROFILE

Barangaroo South

Client: Lendlease

Location: Barangaroo, NSW

Business Unit: Saunders PlantWeave

Lendlease has trusted our expert industrial automation team at Barangaroo South, Australia's first carbon-neutral precinct since it was first constructed in 2015.

We've successfully delivered the Operational Technology (OT) solutions that not only provide chilled water for air conditioning, but also critical real-time analysis and automated system responsiveness, ensuring the precinct continues to achieve carbon neutral and water positive outcomes.

We continue to expand, optimise and support this incredible subterranean infrastructure across the:

- 62MW District Cooling Plant
- Recycled Water Plant
- High Voltage Embedded Electrical Network
- Implementation and monitoring of an ISA/IEC 62443-based Cybersecurity Solution



AUTOMATION PROJECT PROFILE

Gatton Prison

Client: Confidential

Location: Gatton, QLD

Business Unit: Automation IT

Our Gatton Prison complex infrastructure project is a crucial component of the Southern Queensland Correctional Precinct (SQCC), a two-stage expansion and upgrade initiative.

The project includes the construction of a new 1,500-cell, high security facility for male prisoners in Gatton, in order to address growing demand for correctional facilities in Queensland over the next three to five years.

We were appointed to deliver the design, supply, programming, testing and commissioning of the power Network Control System (NCS), generator control and Energy Management System (EMS) and Sewage Treatment Plant control system.

We are able to provide a diverse range of technical solutions to handle all the power, water and sewage control requirements.



People and Capability

We're recognised for our commitment to safety, collaborating with our clients to find new and smarter ways to support them, and coming together as 'One Team' – because we know we're stronger when we work together to achieve our goals.

HIGHLIGHTS

01

Enhancing our employee benefits offering including development of learning and development capabilities and career progression strategies.

02

Launching an Employee Referral Program to boost our talent finding power in early FY24.

03

Contributing to the community through fundraising challenges and charitable events.

Sustainability

We're fortunate to be working with leading organisations including bp, Ampol and Lendlease, supporting them to not only deliver their projects, but also achieve their bold sustainability targets.

We're doing this through repurposing and repositioning assets, supporting carbon reduction initiatives, and aiding sustainable and ethical procurement.

We're also leveraging their plans and learnings as we embark on our own sustainability journey, focused on meeting the expectations of our people, our investors and our communities.

KEY FOCUS AREAS IN 2024

Environment

- Helping clients to achieve their sustainability targets.
 - Growing our commitment to environmental sustainability.
 - Setting our own carbon reduction targets and plan.
 - Continued focus on environmental protection and enhancement.
-

Social

- Creating value through our local and diverse supply chain.
 - Engaging and respecting the communities we work in.
 - Increasing procurement activity with Aboriginal and Torres Strait islander businesses.
 - Investing in continuous improvement in diversity and inclusion.
-

Governance

- Embedding sustainability in our decision making.
- Building trust in our sustainable business practices.
- Advancing sustainable and ethical procurement.

Important information for investors

This presentation has been prepared by Saunders International Limited ("Saunders", "the Company", "The Group") 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, Saunders can neither make any representation nor give any assurance, guarantee or warranty, express or implied, nor 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 when 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' 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 | mark.benson@saundersint.com

L2, 1F Homebush Bay Drive, Rhodes NSW 2138

saundersint.com

SAUNDERS
INTERNATIONAL

2023 Investor Presentation

Image: Optus Stadium, WA
(Automation IT project)