

HALF YEAR RESULTS 2022

22 FEBRUARY 2022

TOGETHER WE DELIVER



MONADELPHOUS PROFILE

2 OPERATING DIVISIONS



ENGINEERING
CONSTRUCTION



MAINTENANCE
& INDUSTRIAL
SERVICES

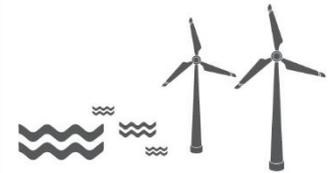
OUR INDUSTRIES



RESOURCES



ENERGY



INFRASTRUCTURE

7,083 EMPLOYEES



(TOTAL WORKFORCE 7,347)

30 LOCATIONS

IN 6 COUNTRIES



50 YEARS

OPERATING SINCE 1972



Employees and total workforce as at 31 December 2021



CELEBRATING OUR PAST,
BUILDING OUR FUTURE.



H1 2022 GROUP PERFORMANCE AND HIGHLIGHTS

REVENUE ¹

\$1,064.6 MILLION

NET PROFIT AFTER TAX

\$30.1 MILLION

EARNINGS PER SHARE

31.6 CENTS

INTERIM DIVIDEND

24.0 CENTS

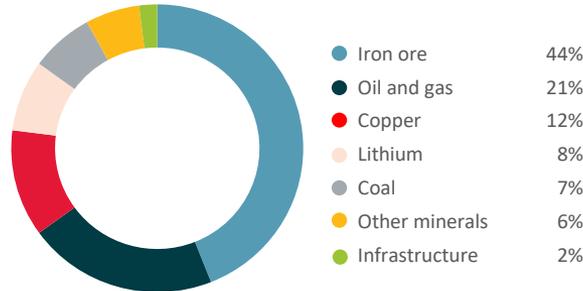
CASH

\$175.3 MILLION

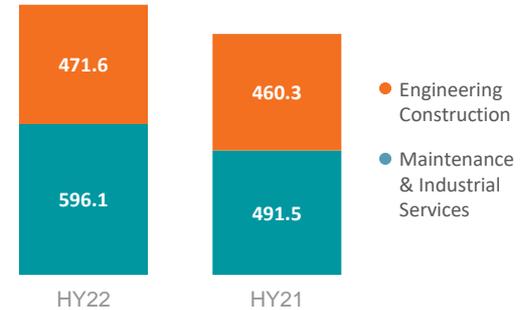
CONTRACTS SECURED

\$860 MILLION

REVENUE BY END CUSTOMER



REVENUE BY DIVISION (\$M)



- Revenue up 12.3% on pcp
- Net profit after tax up 17.7%² on pcp
- High activity levels in resources and energy sectors
- Extraordinary shortfall of available skilled resources
- Demand for maintenance services increased significantly
- Completed significant resource construction projects and shutdowns
- Secured around \$860 million of new contracts and contract extensions

¹ Includes Monadelphous' share of joint venture revenue

² Calculation based on prior corresponding period result, normalised to exclude the reversal of the \$6 million research and development tax incentive provision

CONTRACTS SECURED



ENGINEERING CONSTRUCTION

- 1 Origin – Supply of wellsite equipment
- 2 Rye Park Renewable Energy – Balance of plant works for Rye Park Wind Farm

Market Sector

- Oil and Gas
- Infrastructure

MAINTENANCE & INDUSTRIAL SERVICES

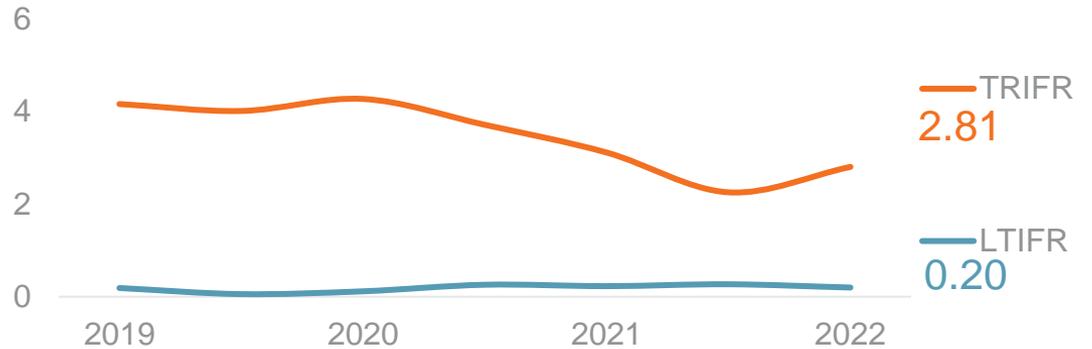
- 1 BHP – Extension to haul road at Jimblebar mine
- 2 BHP – General maintenance services for shutdowns, outages and minor capital works at various mine sites in Pilbara
- 3 BHP – Mechanical and electrical maintenance, shutdown and project services at nickel operations
- 4 BHP – Refurbishment of cells and rotating equipment on Car Dumper 1 at Nelson Point
- 5 BHP Mitsubishi Alliance – Dragline shutdown and maintenance services
- 6 Codelco – Construction work associated with new underground section of El Teniente copper mine
- 7 *Codelco – Maintenance of heap leaching process and electrowinning copper extraction plant at Radomiro Tomic copper mine
- 8 *Codelco – Mine infrastructure maintenance and repairs at Chuquicamata underground copper mine
- 9 *Collahuasi Mining Company – Modifications to concentrate distribution system
- 10 *Newcrest – Structural, mechanical, piping and electrical and instrumentation works
- 11 Queensland Alumina Limited – General mechanical maintenance services
- 12 Rio Tinto – Construction at Marandoo Dewatering Sump Project
- 13 Rio Tinto – Construction of new hawser rail and upgrades to dolphins at Cape Lambert
- 14 Rio Tinto – Upgrades to gravity take up systems at East Intercourse Island and Cape Lambert
- 15 *South32 – Shutdown and mechanical services at Worsley Alumina Refinery
- 16 *Tronox – Operation and maintenance of cogeneration power station at Kwinana
- 17 *Woodside Energy – Maintenance, shutdown and brownfields project services at onshore and offshore gas production facilities

Market Sector

- Iron Ore
- Iron Ore
- Other Minerals
- Iron Ore
- Coal
- Copper
- Copper
- Copper
- Copper
- Other Minerals
- Other Minerals
- Iron Ore
- Iron Ore
- Iron Ore
- Other Minerals
- Infrastructure
- Oil and Gas

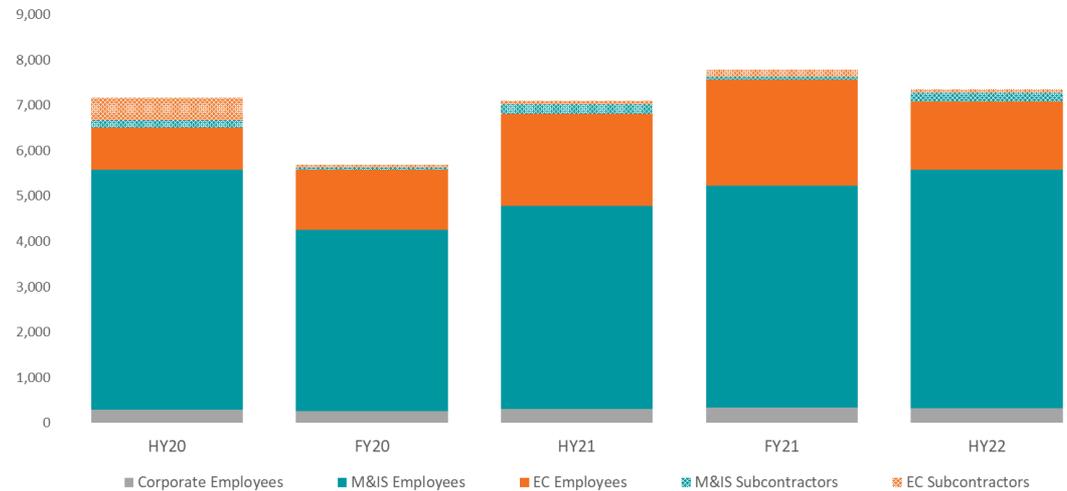


SAFETY AND WELLBEING



- Increased focus on front-line safety leadership programs
- Targeted safety campaigns to address common risks
- Finalist in safety innovation awards
- Implemented initiatives promoting employee health, wellbeing and resilience
- Participated in national programs such as R U OK? Day, National Diabetes Week and Movember

PEOPLE

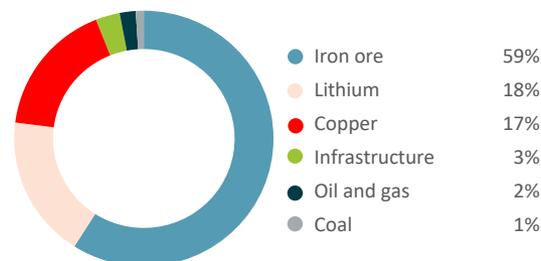


- Retention and attraction remains a priority in resource constrained market
- Key initiatives to reinforce employee engagement, including workplace flexibility and leadership development
- Issue of Retention Rights to support key talent retention
- Refreshed Code of Conduct to reinforce acceptable workplace behaviour
- Progressed strategic employee attraction initiatives, including employee referral and alumni programs, and in-house Talent Acquisition team
- Commenced organisational review

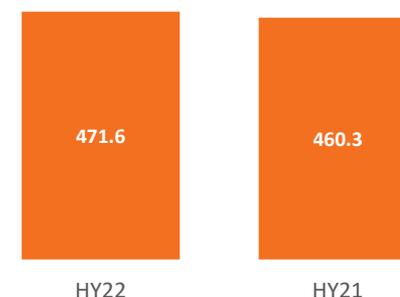
H1 2022 DIVISIONAL HIGHLIGHTS

ENGINEERING CONSTRUCTION

REVENUE BY END CUSTOMER



REVENUE (\$M)



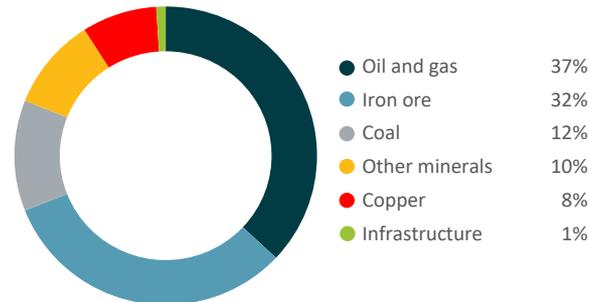
- Revenue of \$471.6 million¹, up 2.5%
- Strong demand for construction services
- Successfully completed significant resource construction projects
- Completed major shutdown at BHP's Olympic Dam mine and various packages under BHP's WAIO Panel Agreement
- Mobilised large workforce to Rio Tinto's Gudai Darri iron ore project
- Work continued at Kemerton lithium hydroxide plant
- Secured approximately \$200 million of new contracts
- SinoStruct secured new four-year agreement with Origin
- Zenviron secured \$250 million contract to deliver Rye Park Wind Farm
- Mondium completed construction at Rio Tinto's Western Turner Syncline Phase 2 Project and tailings retreatment plant at Talison Lithium's Greenbushes mine

¹ Includes Monadelphous' share of joint venture revenue

H1 2022 DIVISIONAL HIGHLIGHTS

MAINTENANCE & INDUSTRIAL SERVICES

REVENUE BY END CUSTOMER



REVENUE (\$M)



- Record revenue of \$596.1 million, up 21.3%
- Buoyant conditions across resources and energy in Australia, Chile and PNG
- Secured approximately \$660 million of new contracts and extensions since 1 July 2021
- Awarded significant amount of work in iron ore
- New three-year general maintenance services contract with Queensland Alumina Limited and extensions to contracts with BHP Nickel West, BHP Mitsubishi Alliance and Woodside
- Completed number of projects under BHP and Rio Tinto panel agreements
- Continued to grow civil and marine capability
- Turnarounds completed for Woodside and INPEX oil and gas operations
- Chile-based business, Buildtek, continues to go from strength to strength
- Acquired RTW Steel Fabrication and Construction in south-west WA

SOCIAL VALUE



DIVERSITY



- Inclusive organisational culture
- Employment pathways for Aboriginal and Torres Strait Islander peoples
- Increase female participation at all workforce levels

EDUCATION



- Future talent pipeline
- Promotion of STEM curriculum choices

COMMUNITY



- Strong relationships with local employees, businesses and community groups
- Local, grassroots initiatives

ENVIRONMENT



- Conservation and protection
- Waste reduction and management

- Launched second Gender Diversity and Inclusion Plan
- Re-signed partnerships with UWA and UQ, promoting gender diversity and inclusivity within STEM career pathways
- Renewed partnership with Polly Farmer Foundation
- Exceeded employment target set within Indigenous Employment Pathways Program partnership with Rio Tinto
- Participated in over 60 community events and initiatives

FINANCIAL SNAPSHOT

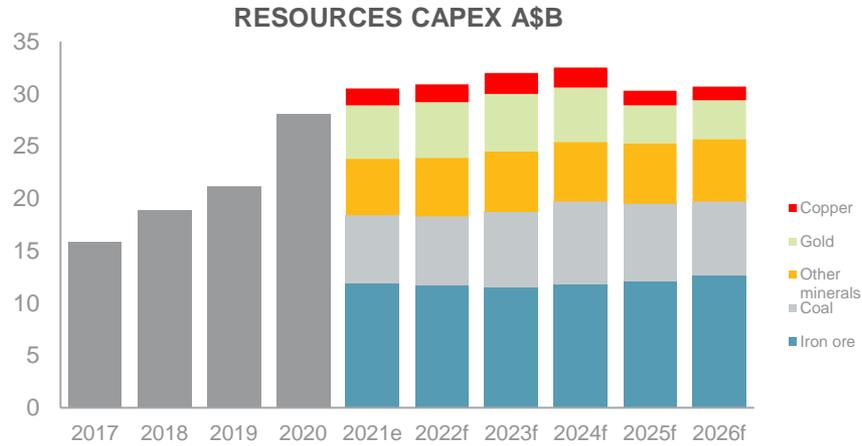
Period ended 31 December		HY22	HY21	CHANGE
Revenue ¹	\$M	1,064.6	947.8	12.3%
Engineering Construction ¹	\$M	471.6	460.3	2.5%
Maintenance & Industrial Services	\$M	596.1	491.5	21.3%
<i>Internal Eliminations</i>	\$M	(3.1)	(4.0)	
EBITDA ²	\$M	60.9	57.0	6.8%
EBITDA margin	%	5.7	6.0	(0.3pp)
NPAT ³	\$M	30.1	25.5	17.7%
EPS ³	cps	31.6	27.0	17.3%
DPS (fully franked)	cps	24.0	24.0	0%
Cash	\$M	175.3	169.4	3.5%

¹ Includes Monadelphous' share of joint venture revenue – refer to reconciliation on slide 18

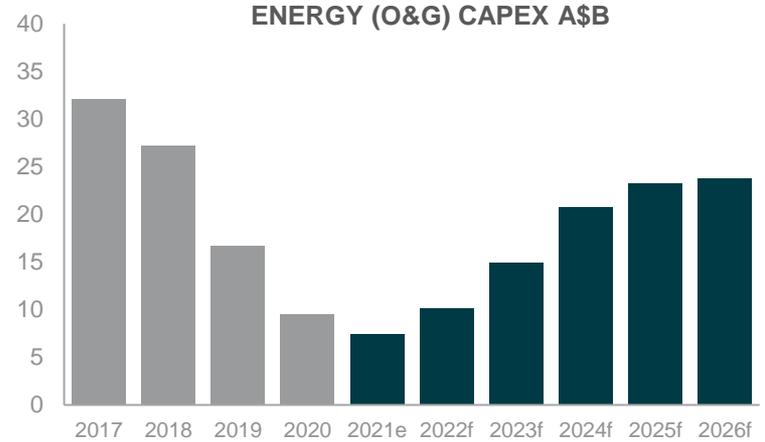
² Refer to reconciliation on slide 18

³ Prior corresponding period NPAT and EPS comparatives normalised to exclude the reversal of the \$6 million research and development tax incentive provision

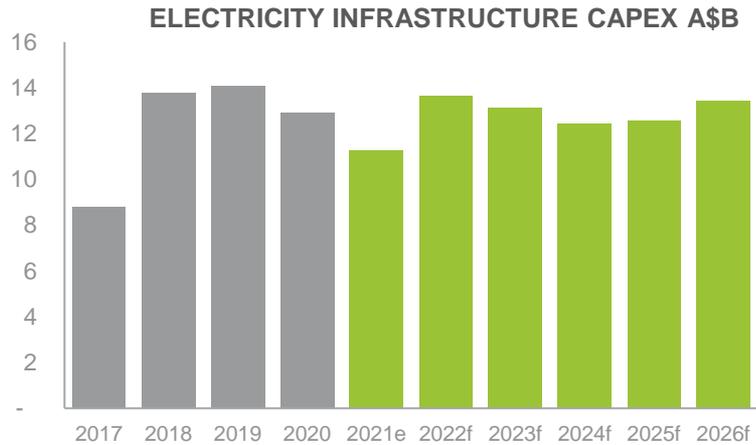
INDUSTRY OUTLOOK – AUSTRALIA



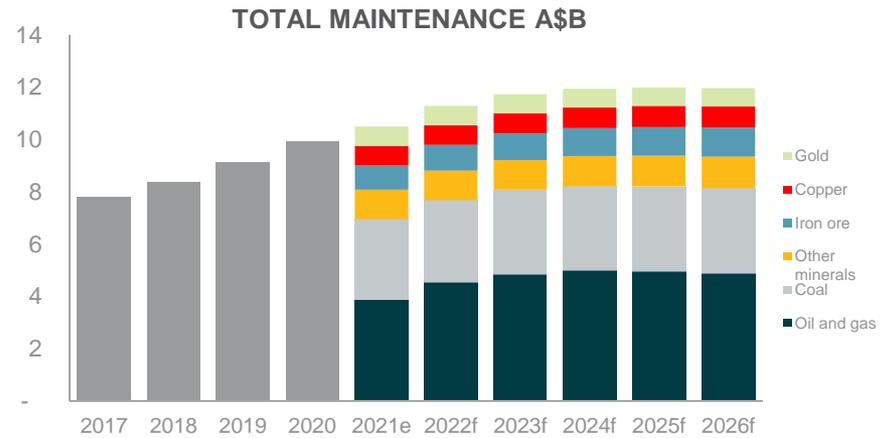
Source: BIS Oxford Economics, ABS (December 2021)



Source: BIS Oxford Economics, ABS (December 2021)



Source: BIS Oxford Economics, ABS (February 2022)



Source: BIS Oxford Economics, ABS (December 2021)

OUTLOOK

- Strong outlook for core markets
- Australian iron ore industry remains buoyant
- Strong demand for battery metals to provide numerous prospects in coming years
- Conditions improving in oil and gas sector
- Australia's transition to clean energy continues
- Skilled labour shortages to continue for some time
- Challenges expected with escalation of COVID-19 in WA
- Continue to work collaboratively with customers and take strategic approach to targeting new work
- Focus on initiatives to enhance retention and attraction of people and ensure safety and wellbeing
- FY22 revenue expected to be 5-10% lower than FY21 due to timing of new major projects
- Stronger construction activity to return in FY23



FOR MORE INFORMATION:

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APPENDICES



ENGINEERING CONSTRUCTION

MAJOR PROJECTS H1 2022

- MARBL Lithium Joint Venture – SMP works for lithium hydroxide plant, Kemerton, WA
- BHP – SMPE&I works associated with Inflow and Outflow infrastructure at South Flank Project, Pilbara, WA
- Rio Tinto – SMPE&I works associated with West Angelas Deposits C & D Project, Pilbara, WA
- Rio Tinto – SMPE&I works associated with Gudai Darri Project, Pilbara, WA
- BHP – Olympic Dam Asset Projects Framework, multidisciplinary construction services at Olympic Dam, SA
- BHP – WAIO Asset Projects Framework, various SMPE&I integrated packages, Pilbara, WA
- Fortescue Metals Group – Crane services, Pilbara, WA
- NMT Logistics – Lifting and haulage services, Pilbara, WA
- Rio Tinto – Design and construction of Western Turner Syncline Phase 2 mine, Pilbara, WA
- Talison Lithium – Design and construction of new tailings retreatment processing plant, Greenbushes, WA
- Rye Park Renewable Energy – Balance of plant civil and electrical works for Rye Park Wind Farm, Yass, NSW
- General Electric International – Balance of plant civil and electrical works for Murra Warra Stage II Wind Farm, Horsham, VIC

MAINTENANCE & INDUSTRIAL SERVICES

MAJOR SERVICE CONTRACTS H1 2022

- BHP Iron Ore – General maintenance, shutdowns and sustaining capital works, Pilbara, WA
- Woodside – Onshore and offshore maintenance and brownfields services for Woodside-operated gas production facilities in north-west WA, maintenance and turnarounds at Karratha Gas Plant and Pluto LNG, WA
- Rio Tinto – Fixed plant maintenance services, marine services and sustaining capital works, Pilbara, WA
- Shell – Provision of services in WA and QLD
- INPEX Operations Australia – Offshore maintenance services, Browse Basin, WA
- BHP – Shutdown maintenance and minor projects, Mt Arthur Coal, Hunter Valley, NSW, maintenance and shutdowns at Olympic Dam, Roxby Downs, SA
- Newcrest – Maintenance works, Lihir Island, PNG
- Rio Tinto – Maintenance services at Yarwun Alumina Refinery, Gladstone, QLD
- BHP Mitsubishi Alliance – Maintenance and shutdown works, Bowen Basin, QLD
- Roy Hill – Pipeline construction services, Pilbara, WA
- Oil Search – Engineering, procurement and construction services at oil and gas production and support facilities, Papua New Guinea
- Rio Tinto – Rail network maintenance, Pilbara, WA
- BHP Nickel West – Maintenance and shutdowns, Goldfields, WA
- South32 – Shutdown and mechanical services, Worsley, WA
- Queensland Alumina Limited – Maintenance and projects, Gladstone, QLD
- Minera Escondida – Construction of modularised pump stations and associated infrastructure, Coloso, Chile
- GNL Quintero – Removal and replacement of LNG discharge arms, Valparaiso, Chile
- Rio Tinto – Shutdown services, Gove, NT
- Codelco – Water infrastructure operations and maintenance at Chuquicamata underground mine in Calama, construction of new section of underground mine and maintenance activities associated with concentrator plant at El Teniente mine, Rancagua, Chile
- Synergy – Collie Basin Coal Plant Infrastructure operation and maintenance, Collie, WA
- Anglogold – Maintenance services, Goldfields, WA

NOTES TO FINANCIALS

Non-IFRS Financial Information

Monadelphous Group Limited results are reported under International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. The Company discloses certain non-IFRS measures that are not prepared in accordance with IFRS and therefore are considered non-IFRS financial measures. The non-IFRS measures should only be considered in addition to and not as a substitute for, other measures of financial performance prepared in accordance with IFRS.

Reconciliation of total revenue from contracts with customers including joint ventures to statutory revenue from contracts with customers

	HY22 \$'000	HY21 \$'000
Total revenue from contracts with customers including joint ventures	1,064,636	947,828
Share of revenue from joint ventures ¹	(69,901)	(105,750)
Statutory revenue from contracts with customers	994,735	842,078

Reconciliation of profit before income tax to EBITDA

Profit before income tax	44,753	39,241
Interest expense on loans and hire purchase finance charges	734	390
Interest expense on other lease liabilities	772	725
Interest revenue	(304)	(263)
Depreciation of owned and hire purchase assets	11,087	11,258
Depreciation of other lease assets	4,328	3,869
Amortisation expense	-	187
Share of interest, depreciation, amortisation and tax from joint ventures ²	(421)	1,642
EBITDA	60,949	57,049

¹ Represents Monadelphous' proportionate share of the revenue of joint ventures accounted for using the equity method

² Represents Monadelphous' proportionate share of interest, depreciation, amortisation and tax of joint ventures accounted for using the equity method

DISCLAIMER & IMPORTANT NOTICE

Information, including forecast financial information, in this presentation, should not be considered as a recommendation in relation to holding, purchasing or selling shares, securities or other instruments in Monadelphous Group Limited or any other company. Due care and attention has been used in the preparation of forecast information, however, actual results may vary from forecast and any variation may be materially positive or negative.

Forecasts, by their very nature, are subject to uncertainty and contingencies may occur which are outside the control of Monadelphous Group Limited. Before making or varying any decision in relation to holding, purchasing or selling shares, securities or other instruments in Monadelphous Group Limited, investors should consider the appropriateness of that investment in light of their individual investment objectives and financial situation and should seek their own independent professional advice.