MONADELPHOUS GROUP LIMITED

A.B.N. 28 008 988 547

CONSOLIDATED FINANCIAL REPORT

30 JUNE 2025

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CONTROLLED ENTITIES
Monadelphous Engineering Associates Pty Ltd
Monadelphous Engineering Pty Ltd
Monadelphous Properties Pty Ltd
Monadelphous Workforce Pty Ltd
Genco Pty Ltd
Monadelphous Electrical & Instrumentation Pty Ltd
Monadelphous PNG Ltd
Monadelphous Holdings Pty Ltd
Moway International Limited
Inteforge Pty Ltd
Moway AustAsia Steel Structures Trading (Beijing) Company Limited
Monadelphous RTW Pty Ltd
Monadelphous Group Limited Employee Share Trust
Monadelphous KT Pty Ltd
Monadelphous Energy Services Pty Ltd
Monadelphous Mongolia LLC
M&ISS Pty Ltd
M Maintenance Services Pty Ltd
Evo Access Pty Ltd
Monadelphous NPI Pty Ltd
M Workforce Pty Ltd
Monadelphous Investments Pty Ltd
MWOG Pty Ltd
Arc West Group Pty Ltd
MOAG Pty Ltd
Monadelphous International Holdings Pty Ltd
R.I.G. Installations (Newcastle) Pty Ltd
R E & M Services Pty Ltd
Pilbara Rail Services Pty Ltd
EC Projects Pty Ltd
Monadelphous Chile SpA
Inteforge Engineering & Fabrication (Tianjin) Co. Ltd
MMW Projects Pty Ltd
BMC Holdings (Vic) Pty Ltd
BMC Welding & Construction Pty Ltd
BMC HV Electrical & Instrumentation Pty Ltd
BMC Civil Pty Ltd
Melchor Contracting Pty Ltd

Monadelphous is an Australian engineering group headquartered in Perth, Western Australia, providing construction, maintenance and industrial services to the resources, energy and infrastructure sectors.

The Company builds, maintains and improves its customers' operations through safe, reliable, innovative and cost-effective service solutions. It aims to be recognised as a leader in its chosen markets and a truly great company to work for, work with and invest in.

OUR HISTORY

Monadelphous emerged from a business which started in 1972 in Kalgoorlie, Western Australia, providing general mechanical contracting services to the growing mining industry.

The name Monadelphous was adopted in 1978 and by the mid-1980s the Company had expanded into a number of markets, both interstate and overseas. In the late 1980s, a major restructure of the Company took place with the business refocusing on maintenance and construction services in the resources industry.

By the 1990s, under a new management team, the Company had established the foundations for sustained growth and continued to diversify and extend its reputation as a supplier of multidisciplinary construction, maintenance and industrial services to many of the largest resources and energy companies.

Today, Monadelphous' shares are included in the S&P/ASX 200 index.

OUR OPERATIONS

Monadelphous has two operating divisions working predominately in Australia, with overseas operations and offices in China, Mongolia, Papua New Guinea, Vietnam and the Philippines.

Engineering Construction

The Engineering Construction division provides large-scale multidisciplinary and vertically integrated project management and construction services. These include earthworks, structural concrete and inground services, fabrication, modularisation, structural, mechanical, piping, heavy lift, electrical and instrumentation, commissioning and demolition.

Maintenance and Industrial Services

The Maintenance and Industrial Services division specialises in the planning, management and execution of mechanical and electrical maintenance services, shutdowns, sustaining capital works, fixed plant maintenance services, access solutions, specialist coatings and rail maintenance services.

OUR PURPOSE

To build, maintain and improve our customers' operations through the reliable delivery of safe, cost-effective and customer-focused solutions.

OUR VISION

Monadelphous will achieve long-term sustainable growth by being recognised as a leader in our chosen markets and a truly great company to work for, to work with and invest in.

We are committed to the safety, wellbeing and development of our people, the delivery of outstanding service to our customers and the provision of superior returns to our shareholders.

OUR COMPETITIVE ADVANTAGE

We deliver what we promise.

OUR VALUES

Safety and Wellbeing

We show concern and actively care for others. We always think and act safely.

Integrity

We are open and honest in what we say and what we do. We take responsibility for our work and our actions.

Achievement

We are passionate about achieving success for our customers, our partners and each other. We seek solutions, learn and continually improve.

Teamwork

We work as a team in a cooperative, supportive and friendly environment. We are open-minded and share our knowledge and achievements.

Loyalty

We develop long-term relationships, earning the respect, trust and support of our customers, partners and each other. We are dependable, take ownership and work for the Company as our own.

The Directors of Monadelphous Group Limited are pleased to report the Company's financial results for the year ended 30 June 2025.

Revenue

Monadelphous recorded revenue of $2.27 billion[1] for the financial year ended 30 June 2025. The result, which represents a 12 per cent increase on the prior year, reflects an increased level of construction activity during the period.

The Maintenance and Industrial Services division reported record revenue for the year of $1.35 billion, a slight increase on the prior year, with strong demand for maintenance services and sustaining capital works, particularly in the energy sector.

The Engineering Construction division delivered revenue of $925 million[1] for the period, up around 30 per cent on last year, driven by solid demand across the iron ore, energy, copper, lithium and renewable energy sectors.

Statutory revenue from contracts with customers, which excludes Monadelphous' share of revenue from joint ventures, was $2.15 billion.

Earnings

Earnings before interest, tax, depreciation and amortisation (EBITDA) was $158.2 million[2], an increase of 24.2 per cent on the prior year. The Company's EBITDA margin increased to 6.98 per cent, up from 6.28 per cent last year. Approximately one-third of the variance is attributable to non-operating items, most notably proceeds from insurance, with the balance of the increase relating to an improvement in the operating EBITDA margin.

Improved operating margins contributed to net profit after tax increasing to $83.7 million, up 34.6 per cent on the prior period, delivering earnings per share of 85 cents.

Dividend

Monadelphous' Board of Directors declared a final dividend of 39 cents per share, taking the full year fully franked dividend to 72 cents per share, resulting in a dividend payout ratio of 85 per cent. The Monadelphous Group Limited Dividend Reinvestment Plan will apply to the final dividend.

Balance sheet

The Company ended the year with a strong cash balance of $205.8 million.

Cash flow from operations for the period was $81.0 million, delivering a cash flow conversion rate of 77 per cent.

[1] Includes Monadelphous' share of joint venture revenue – refer to page 16 for reconciliation.
[2] Refer to page 16 for reconciliation of EBITDA.

STRATEGIC PROGRESS

Monadelphous has secured approximately $2.5 billion in new contracts and contract extensions since the beginning of the 2025 financial year, representing a record total value of awards in a period, and enters the new financial year with a strong pipeline of committed work.

In the energy sector, the Company was awarded approximately $1.1 billion in major construction and maintenance contracts with blue chip customers, including Shell and Woodside.

A highlight was the award of a seven-year contract to continue providing maintenance services at Shell's Prelude Floating Liquefied Natural Gas (FLNG) facility, off Western Australia's (WA) north-west coast, where the Company has provided services for the past nine years.

Subsequent to year end, the Company secured a contract with Technip Energies for the provision of multidisciplinary services associated with the hook up and commissioning of Shell's Crux platform off the coast of WA. The platform is located around 160 kilometres from Shell's Prelude FLNG and forms part of the long-term backfill to Prelude.

In addition, Monadelphous was awarded a contract for multidisciplinary services associated with the hook up and commissioning of Woodside's Floating Production Unit in the Scarborough Gas Field, off the Pilbara coast of WA.

The Company also secured a significant multidisciplinary construction contract with Woodside for modifications required to the Pluto Liquefied Natural Gas Train 1 facility in Karratha, WA. The works, which will enable the processing of gas from the Scarborough Energy Project, are valued at approximately $200 million.

Monadelphous continued to experience strong demand for its services in the iron ore sector in WA, securing a significant volume of maintenance and construction work with Rio Tinto, BHP and Fortescue.

The Company secured a five-year master services agreement for marine structural integrity works at Rio Tinto's Cape Lambert Hub and was awarded its first package of work under the agreement. The Company has procured a 250-tonne jack-up barge to support its self-execution delivery strategy, enhancing its marine structural integrity service offering to customers.

Monadelphous also secured a multidisciplinary construction contract with Rio Tinto under its sustaining capital projects panel agreement for a replacement ammonium nitrate storage facility at the Brockman 4 mine, as well as a three-year panel contract to provide water management works across Rio Tinto's mine operations. Mondium, the Company's engineering, procurement and construction joint venture with Lycopodium, secured a major design and construct contract, also with Rio Tinto, for a new sampling facility at Cape Lambert.

Zenviron, the Company's renewable energy joint venture, continued to strengthen its market position with a number of key contract awards during the period. In Victoria, it was awarded a contract with EnergyAustralia for the delivery of the 350 MW Wooreen Battery Energy Storage System in the Latrobe Valley. The work includes balance-of-plant design, construction, installation and commissioning and is expected to be completed in late 2026. Zenviron was also awarded a contract for the delivery of balance-of-plant civil and electrical works at CS Energy's Lotus Creek Wind Farm in Central Queensland.

Monadelphous continued to progress its markets and growth strategy related to the energy transition with the acquisition of Perth-based high voltage services business, High Energy Service (HES). HES provides specialist high voltage electrical maintenance and testing, commissioning and engineering to major resources companies throughout WA, adding to the Company's existing electrical services capability and broadening its service offering to customers. The acquisition was finalised subsequent to year end on 1 July 2025.

SUSTAINABILITY

Monadelphous continues to focus on achieving long-term sustainable growth, building on its reputation for being a great company to work for, work with and invest in. The Company is committed to the safety and wellbeing of its people, delivering strong outcomes for customers and shareholders, and contributing positively to the communities in which it operates.

Monadelphous' approach is guided by its Sustainability Framework, covering the key areas of people, safety and wellbeing, diversity and inclusion, community and environment.

People

The Company's workforce (including subcontractors) at 30 June 2025 totalled 9,095 people, a 23 per cent increase on the prior year, driven by high levels of maintenance activity and the continued ramp up in construction work.

Monadelphous remains focused on retaining, developing and attracting highly talented people who share the Company's values and play an active role in its success.

During the year, around 330 graduates, undergraduates, apprentices, and trainees participated in Monadelphous' early career programs, with the Company being named amongst Australia's Top 20 Intern Programs and Top 20 Graduate Program Employers for 2025 by the Australian Association of Graduate Employers. The Company also introduced a Winter Internship Program to complement its existing Summer Vacation Program.

The Company continued to successfully deliver its suite of in-house leadership programs, with more than 100 of the Company's future leaders participating in networking and leadership development opportunities. The Company's registered training organisation engaged over 2,800 trades personnel with more than 6,000 developmental interactions throughout the period, including high risk work license training accreditation and verification of competency.

Monadelphous conducted a comprehensive review of its end-to-end recruitment process to maintain the effectiveness and efficiency of its attraction efforts, while also enhancing the candidate experience. The Company also introduced a refreshed induction hub, providing new starters with more relevant and accessible information.

As part of Monadelphous' commitment to providing safe, respectful and inclusive workplaces, the Company further embedded the Respect@Monadelphous framework through the launch and rollout of its "Respect in Every Step" initiative, a leadership led program reinforcing expected behaviours of all employees. In addition, a Values Recognition Guideline was developed to further promote the Monadelphous way of working and encourage consistent values-driven conduct across the business.

The Company reviewed its approach to managing psychosocial risks, developing a strategy that not only meets compliance requirements but also meaningfully enhances employee wellbeing and resilience. Monadelphous also continued to work with its community partner, Starick Foundation, hosting employee education sessions highlighting the importance of supporting people impacted by domestic and family violence.

Safety and Wellbeing

The Company's 12-month Total Recordable Injury Frequency Rate for the year ended 30 June 2025 was a disappointing 4.42 incidents per million hours worked. In response, targeted campaigns have been launched to drive improved performance.

Monadelphous maintained its steadfast commitment to *The Safe Way is the Only Way* with the delivery of the Fatal Risk Awareness program designed to enhance the identification, elimination and mitigation of fatal hazards. The Company sustained its focus on the consistent and effective application of its Fatal Risk Control Standards, particularly addressing risks associated with pedestrian interactions with mobile plant, active hazard monitoring and verification of controls during high-risk tasks.

Monadelphous continued to identify opportunities to mitigate equipment related risks, including the deployment of a Driver Fatigue and Distraction Monitoring system across its vehicle fleet, advancing the rollout of a Pedestrian Avoidance system in telehandlers and forklifts, and introducing an Overload Override Alert System to its fleet of Franna cranes.

As part of the Company's ongoing commitment to health and wellbeing, a range of complimentary health initiatives were offered to employees, including skin and heart health checks, annual flu vaccinations, as well as online information sessions covering topics such as mental health and women's health. The Company also launched its latest program with the Resilience Project, "Authentic Connection", in which leaders shared their personal reflections on vulnerability, perfectionism and passion, encouraging employees to recognise the value of genuine human connection in building strong relationships, positive company culture and mental wellbeing.

Monadelphous was recognised for its commitment to safety and innovation, with Melchor, the Company's civil business, receiving multiple awards at the Mates in Construction WA Awards and the Western Australian Civil Construction Industry and Training Awards. Alevro, Monadelphous' heavy lifting services joint venture, was also acknowledged with awards from the Crane Industry Council of Australia. Monadelphous was also named a finalist across several categories of awards by the Department of Energy, Mines, Industry Regulation and Safety, the NSCA Foundation National Safety Awards of Excellence, and the Workplace Health and Safety (WHS) Foundation Awards of Excellence.

Diversity and Inclusion, Community and Environment

Monadelphous is committed to promoting a positive legacy in the regions where it operates, with a focus on increasing diversity and inclusion, enriching communities and progressing its Net Zero by 2050 goal.

The Company has commenced the renewal of its Stretch Reconciliation Action Plan after exceeding all its current commitments.

Monadelphous' Aboriginal and Torres Strait Islander workforce participation rate was 3.5 per cent at year end, reflecting the Company's focus on creating long-term employment opportunities and delivering meaningful training and development programs for Indigenous people. Career pathways for current and future Aboriginal and Torres Strait Islander employees were supported through traineeships, apprenticeships and the Indigenous Pathways Program in partnership with Rio Tinto. The Company also extended its partnership with the Polly Farmer Foundation for a further two years, helping to provide industry pathways for students and alumni.

Monadelphous continued its support for Indigenous businesses, spending more than $27 million with Indigenous suppliers during the period, an increase of 35 per cent on the previous year.

The Company completed consultations across the business and with industry leaders to ensure it is well-informed ahead of renewing its Gender Diversity and Inclusion Plan. The renewed plan will focus on fostering a culture of inclusion and accountability, ensuring a safe, respectful and inclusive workplace for all, providing meaningful career pathways for women through targeted training, coaching and support, and developing emerging and high-potential female talent.

Monadelphous celebrates International Women's Day each year across its sites and offices, showcasing individual career journeys and highlighting the support and development opportunities available to employees. The outstanding contributions of Monadelphous' female employees were recognised in the 2025 Women in Resources Awards, winning the Outstanding Tradeswoman in the Northern Territory (NT), as well as winning a finalist nomination in WA.

The Company remains committed to making a positive impact in the regions where it operates, expanding its Community Grants Program to support a broader range of community and grassroots organisations across the Karratha, Darwin and Bunbury regions. This expansion more than doubled the number of grants awarded compared to the previous year. In total, the Company supported over 110 community organisations and grant recipients, contributing approximately $250,000 in funding and in-kind support, along with volunteer hours to local community support organisations.

Monadelphous continues to progress initiatives in line with its Net Zero emissions by 2050 goal, including trialling fully electric utility vehicle options and increasing the number of hybrid and electric vehicles across the business. Site-based trials of a hybrid power solution - combining a diesel generator with a battery electric storage system - achieved an estimated 32 per cent reduction in carbon emissions compared to traditional diesel-only power.

Monadelphous is also committed to supporting its customers' environmental objectives, highlighted by the installation and commissioning of Fortescue's first battery charging facilities to support the transition of its mobile plant fleet from diesel to electric.

The Company remains committed to switching its Australian facilities to renewable power by 2030. During the period, a 40-kilowatt solar system was installed on its Mackay workshop facility in Queensland, a 99-kilowatt solar system was commissioned on its Karratha Gap Ridge workshop facility in WA, and solar installations were commenced on its Darwin, NT, and Gladstone, Queensland, workshops.

The Company continued to prepare for the first year of reporting under Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures, completing a gap analysis to identify necessary process improvements. Work is now underway to effectively address these opportunities. Additionally, the Company began the implementation of its greenhouse gas reporting solution to support compliance with the new disclosure requirements.

PRODUCTIVITY AND INNOVATION

Monadelphous actively identifies and implements innovative solutions to achieve improved safety outcomes, boost productivity and deliver optimal value to customers. The Company fosters a culture of continuous improvement by engaging employees to identify opportunities that drive safety and productivity gains across all operations, whilst keeping abreast of emerging trends and technologies that support innovation.

During the year, the development of a novel 15-tonne lifting frame for pipe spools improved traditional practices by reducing manual handling, enhancing task efficiency, lowering injury risks, and increasing productivity. Additionally, the Company developed a Chain Buddy innovation, a hands-free solution designed in collaboration with a vendor, that eliminates manual handling risks associated with heavy chain oblongs. The innovation removed pinch points during crane hook attachment, significantly improving operational safety.

Monadelphous collaborated with drone experts and inspection specialists to introduce tethered drones and developed a methodology for tank inspections for INPEX. This technology-driven approach eliminated confined space entry and mitigated battery related risks inside tanks, significantly improving inspection coverage and safety, and delivering long-term cost savings.

The Company employed underwater remote-operated technology at the Kwinana Power Station in WA to inspect cooling water ducts, eliminating the need for physical inspections, enhancing safety and improving productivity.

Monadelphous addressed forklift load security risks by developing and trialling a universal securing device that enhances load stability, reducing the likelihood of load-related incidents. This innovation is scalable across the business, contributing to a safer and more efficient work environment.

Alevro achieved recognition from The Crane Industry Council of Australia, winning two awards for its synchronous jacking system innovation. Utilised at Woodside's Pluto Train 2 project, the system enabled greater precision in module placement and significantly reduced installation time.

OPERATIONAL ACTIVITY

Engineering Construction

The Company's Engineering Construction division reported revenue of $925.3 million[1] for the year, an increase of 29.8 per cent on the prior year, with higher levels of construction activity across iron ore, energy, copper, lithium and renewable energy sectors. The division also secured approximately $1 billion of new construction work since 1 July 2024.

Monadelphous continued to provide construction services in Western Australia's iron ore sector, supporting blue chip customers BHP, Fortescue and Rio Tinto.

Key projects included ongoing work at BHP's Car Dumper 3 Renewal Project at Nelson Point in Port Hedland, and a multidisciplinary construction contract at BHP's Orebody 32 in Newman. The Company also provided crane and heavy lift services at Fortescue's Pilbara iron ore sites.

At Rio Tinto's Western Range Project in Paraburdoo, Monadelphous delivered shutdown and miscellaneous services. Following the end of the reporting period, Rio Tinto awarded the Company a contract for electrical and instrumentation construction services at the Parker Point Stockyard Sustaining Project near Dampier, with completion expected in mid-2026.

In the energy sector, the Company commenced multidisciplinary construction works for modifications to the existing Woodside-operated Pluto Liquefied Natural Gas (LNG) Train 1 facility near Karratha, WA. Alevro also provided specialist haulage and lifting services to Bechtel at Woodside's Pluto Train 2 project.

Progress continued at Chevron Australia's Jansz-Io Compression Project in WA, where the Company is delivering the installation and modification of essential electrical power and control infrastructure.

Outside Western Australia, Monadelphous was awarded a multidisciplinary construction contract at BHP's Prominent Hill Expansion Project, an underground mining operation and copper processing facility located in South Australia (SA). The scope includes supply, fabrication and installation works, with steelwork delivered by Inteforge, and civil services by Melchor.

Melchor was also awarded a structural concrete construction contract by the Saipem Clough Joint Venture at Project Ceres, Perdaman Industries' urea plant located near Dampier, WA. In addition, Alevro is providing heavy haulage services to the project.

[1] Includes Monadelphous' share of joint venture revenue.

Melchor secured a multidisciplinary construction contract with Mid West Ports Authority as part of the Geraldton Port Maximisation Project in WA, supporting a state government initiative to increase the Port's capacity.

Multidisciplinary construction services continued at Talison Lithium's Greenbushes site in the southwest of WA, with Melchor delivering associated civil and concrete works.

The Company also successfully completed construction of the wet plant at Liontown Resources' Kathleen Valley Project, a spodumene lithium and tantalum mining and processing facility located near Leinster, WA.

Post year end, McConnell Dowell Constructors and B.M.D. Constructions in a Joint Venture awarded Monadelphous a contract to provide electrical and instrumentation works associated with the Fitzroy to Gladstone Pipeline in Central Queensland.

Inteforge, the Company's fabrication business, supported the supply and fabrication of structural steelwork and pipe racks for Iluka's Eneabba Rare Earths Refinery Project in WA. After year end, Inteforge also secured a two-year extension to its master goods agreement with Origin Energy, continuing the supply of packaged and modularised equipment for Australia Pacific LNG in Queensland, a relationship in place since 2015.

In Mongolia, Monadelphous successfully completed construction of surface infrastructure at the Oyu Tolgoi Underground Project, achieving a strong safety record for the duration of the project.

Finally, Zenviron commenced delivery of balance-of-plant civil and electrical works at CS Energy's Lotus Creek Wind Farm in Central Queensland, and completed its first battery energy storage system (BESS) contract at Tilt Renewables' Latrobe Valley BESS Project, located south of Morwell in Victoria.

Maintenance and Industrial Services

Monadelphous' Maintenance and Industrial Services division generated revenue of $1.35 billion for the financial year, supported by continued strong demand for maintenance services. Since the beginning of the financial year, the division has secured approximately $1.5 billion in new contracts and contract extensions. Maintenance activity remained high across the energy sector with the Company delivering a significant volume of work.

Monadelphous provided ongoing maintenance and turnaround services to Woodside's onshore and offshore gas production facilities in WA's north-west region with additional work secured during the year.

Maintenance and minor construction services continued at Shell's Prelude FLNG facility, along with planning and preparation for a major turnaround scheduled for the next financial year.

Activity remained high at the INPEX-operated Ichthys LNG onshore processing facilities in Darwin, NT, following completion of minor turnarounds for Trains 1 and 2. The Company also continued to provide maintenance services for the Ichthys Explorer central processing facility and the Ichthys Venturer floating production storage and offloading facility in the Browse Basin, WA.

In Queensland, Monadelphous was awarded a seven-year maintenance and construction services contract for Shell QGC's Curtis Island LNG operations in Gladstone. The Company added brownfields project construction services to the existing scope of midstream maintenance and turnaround services it has been providing since 2013.

The Company also progressed delivery of decommissioning services for Petrofac on the Northern Endeavour floating production, storage and offtake facility, with the vessel ready to move off station in the next financial year.

Sustained demand for maintenance activity continued across WA's iron ore sector, with the Company providing fixed plant maintenance services and sustaining capital projects to Rio Tinto, fixed plant services to Fortescue under its long-term maintenance and non-process infrastructure panel agreements, as well as general maintenance services to BHP.

Monadelphous was awarded two one-year contract extensions for fixed plant maintenance services and sustaining capital projects across Rio Tinto's iron ore operations, as well as a fabrication, supply, installation and commissioning contract at Rio Tinto's Tom Price mine. The Company also performed multidisciplinary construction services at Rio Tinto's Brockman 4 for an ammonium nitrate storage facility.

The Company secured a contract to deliver structural remediation works at Rio Tinto's Paraburdoo, Marandoo, and Western Turner Syncline sites, with the program continuing through to early 2029. An additional contract was secured for the upgrade of the Rolling Stock Maintenance Workshop at Fortescue's Thomas Marshalling Yard in Port Hedland.

In Papua New Guinea, Monadelphous continued to provide sustaining capital projects and maintenance support activities at Newmont's gold operations at Lihir Island, as well as Santos' production and support facilities in the Southern Highlands.

Monadelphous was awarded a three-year contract (with two one-year extension options) for shutdown and maintenance services at South32's Worsley Alumina operations in WA. In addition, the Company secured a new contract for minor project works at the site, where it has maintained a long-standing presence for over 20 years.

Subsequent to year end, the Company secured a five-year extension to its existing contract providing general mechanical and electrical maintenance services at Newmont's gold operations in Boddington, WA, and Tanami, NT.

Other significant contract activity during the period included:

- Mechanical maintenance services at Queensland Alumina Limited's operations in Gladstone, Queensland;
- Rope access and associated services for Dalrymple Bay Coal Terminal in Hay Point, Queensland;
- Rail maintenance projects for Pacific National across WA, NSW and SA;
- Dragline shutdowns for BHP Mitsubishi Alliance and Whitehaven Coal in central Queensland;
- Operation and maintenance of the coal handling facility at the Muja Power Station for Synergy in Collie, WA;
- Compressor station upgrade works at Jemena's Eastern Gas Pipeline reversal project in Victoria and NSW;
- Mechanical, electrical and access maintenance services for fixed plant shutdowns at Rio Tinto's Gove operations, NT; and
- Maintenance services across BHP operations at the Olympic Dam mine site, SA.

MARKETS AND OUTLOOK

Longer-term demand trends across the resources and energy markets are forecast to continue to remain robust, despite the short to medium term impacts of moderating global economic growth and the higher level of global uncertainty.

Production levels across most commodities continue to drive demand for sustaining capital works and maintenance services. Despite a lower forecast for iron ore prices, production rates are expected to be at least maintained and will support the continued investment in new projects in Australia's iron ore sector with a focus on efficiency to maintain its globally competitive position.

Demand for energy transition metals is showing signs of improvement following a period of significant price volatility. Over the long-term, mining and mineral processing development in this sector, including copper and critical minerals, is projected to increase, requiring substantial capital investment to meet projected demand.

The energy sector continues to provide significant opportunities, including several gas construction projects and ongoing strong demand for maintenance services. Monadelphous remains well positioned to continue supporting customers throughout the asset life cycle, including late life and decommissioning support.

Customer decarbonisation activities continue to support the electrification of operations and energy storage and are now driving a more significant pipeline of nearer term prospects.

Australia's Net Zero emissions objective is driving a pipeline of opportunities in the renewable energy sector over the coming years, with investment activity increasing across generation, storage and transmission. Zenviron remains well positioned to continue to secure work in the wind farm and battery energy storage sectors, and to capitalise on this growth sector.

Although labour demand has eased and workforce availability has improved, skilled labour shortages persist across Australia's resources and energy sectors. Monadelphous is responding to this challenge by strengthening the capability and capacity of its workforce through focused employee attraction, retention and development initiatives, supporting long-term employee engagement.

Monadelphous remains focused on sustainable growth and the delivery of quality earnings by taking a selective approach to securing new work, fostering collaborative customer relationships, upholding high standards of delivery and taking a disciplined approach to the allocation of risk.

The Company has entered the new financial year with a strong pipeline of committed work and with activity levels rising across the business over the past six months, Monadelphous is well placed to deliver growth for the 2026 financial year.

Monadelphous is focused on growing over the long-term by continuing to expand its services and capabilities and diversify its markets. This strategy is supported by a strong balance sheet which provides the flexibility to assess and pursue targeted acquisition opportunities that align with its vision of building a more diverse and resilient business.

In closing, I would like to express my sincere gratitude to the dedicated Monadelphous team, whose loyalty and commitment are fundamental to our continued growth and success. I also extend my thanks to our customers, shareholders and our many other stakeholders for their continued trust and support.

Robert Velletri
Chair
18 August 2025

A review of the Company's performance over the last five years is as follows:

	2025 $'000	2024 $'000	2023 $'000	2022 $'000	2021 $'000
Revenue	**2,162,571**	2,015,915	1,725,691	1,810,390	1,754,242
Total revenue from contracts with customers including joint ventures	**2,265,875**	2,029,758	1,828,755	1,930,040	1,953,180
EBITDA	**158,211**	127,436	109,083	111,201	108,696
Profit before income tax expense	**119,140**	91,945	73,446	73,511	70,372
Income tax expense	**35,393**	29,720	21,520	21,227	21,906
Profit after income tax expense attributable to equity holders of the parent	**83,721**	62,203	53,543	52,219	47,060
Basic earnings per share	**85.01c**	64.08c	55.85c	54.90c	49.70c
Interim dividends per share (fully franked)	**33.00c**	25.00c	24.00c	24.00c	24.00c
Final dividends per share (fully franked)	**39.00c**	33.00c	25.00c	25.00c	21.00c
Net tangible asset backing per share	**486.08c**	458.99c	437.97c	427.54c	413.31c
Total equity and reserves attributable to equity holders of the parent	**497,836**	465,594	437,978	412,184	395,572
Depreciation	**42,331**	37,719	33,157	33,097	32,476
Debt to equity ratio	**8.4%**	11.7%	8.7%	14.3%	10.1%
Return on equity	**16.8%**	13.4%	12.2%	12.7%	11.9%
EBITDA margin	**7.0%**	6.3%	6.0%	5.8%	5.6%

Revenue including joint ventures is a non-IFRS measure which does not have any standardised meaning prescribed by IFRS and therefore may not be comparable to revenue presented by other companies. This measure, which is unaudited, is important to management when used as an additional means to evaluate the Company's performance.

Reconciliation of Total Revenue from Contracts with Customers including joint ventures to Statutory Revenue from Contracts with Customers (unaudited)

	2025 $'000	2024 $'000
Total revenue from contracts with customers including joint ventures	**2,265,875**	2,029,758
Share of revenue from joint ventures [1]	**(112,719)**	(21,196)
Statutory revenue from contracts with customers	**2,153,156**	2,008,562

EBITDA is a non-IFRS earnings measure which does not have any standardised meaning prescribed by IFRS and therefore may not be comparable to EBITDA presented by other companies. This measure, which is unaudited, is important to management as an additional way to evaluate the Company's performance.

Reconciliation of profit before income tax to EBITDA (unaudited):

	2025 $'000	2024 $'000
Profit before income tax	**119,140**	91,945
Interest expense on loans and hire purchase finance charges	**2,570**	2,345
Interest expense on other lease liabilities	**1,222**	1,441
Interest revenue	**(9,415)**	(7,353)
Depreciation of owned and hire purchase assets	**34,234**	29,005
Depreciation of right of use assets	**8,097**	8,714
Amortisation of intangibles	**820**	747
Share of interest, depreciation, amortisation and tax of joint ventures [2]	**1,543**	592
EBITDA	**158,211**	127,436

[1] Represents Monadelphous' proportionate share of the revenue from joint ventures accounted for using the equity method.
[2] Represents Monadelphous' proportionate share of the interest, depreciation, amortisation and tax of joint ventures accounted for using the equity method.

GOVERNANCE

The Board of Directors of Monadelphous Group Limited is responsible for establishing the Company's corporate governance framework with regard to the ASX Corporate Governance Council's Principles and Recommendations.

The Board guides and monitors the business and affairs of Monadelphous on behalf of its shareholders, by whom they are elected and to whom they are accountable. The Company has in place charters, policies and procedures which support the framework and ensure a high standard of governance is maintained.

Monadelphous' full Corporate Governance Statement, Board and Committee charters, and the Company's governance policies, are published on its website.

RISK MANAGEMENT

Risk management roles and responsibilities

The Board is responsible for setting the strategic direction of the Company and for creating and maintaining the environment and structures within which risk management practices can operate effectively. The Board also sets the Company's appetite for risk taking and risk tolerance.

The Audit Committee, in conjunction with the Board, assesses the effectiveness of risk management policies, procedures and internal controls in identifying business and financial risks and controlling their financial impact by considering any significant matters identified by management.

The Managing Director and Chief Financial Officer have ultimate accountability to the Board for the risk management and internal control system. The Group Risk function is responsible for the risk management framework. The risk management framework describes the processes and tools available to manage the risks which relate to the achievement of the Company's vision and strategic objectives. It involves the identification of material risks relevant to the Company's objectives, nominating risk appetite, assessing the risks in terms of likelihood and magnitude of impact, determining a response strategy and monitoring progress. It also provides a feedback mechanism to enable knowledge sharing. The framework is designed to identify potential events that may impact the Company and manage risks within the risk appetite endorsed by the Board to provide reasonable assurance regarding the achievement of vision and strategic objectives.

The risk management framework is made up of the following elements:

1. Control Environment – The control environment sets the tone for the Company's risk management, influencing the risk consciousness of its people and sets the basis for how risk is viewed and addressed. It is the foundation for all other components of risk management and provides discipline and structure. It includes the Company's risk management philosophy and risk appetite, integrity and ethical values, and the environment in which it operates.

2. Risk Identification and Assessment – The identification and evaluation of internal and external factors that impact the Company's performance and ability to meet its vision and strategic objectives. This includes the structured and disciplined oversight of all operations at both the Board and executive level and periodic environmental scans to understand current conditions in which the Company operates.

3. Risk Management and Control Activities – Risk management processes, including related systems of internal control, are formalised and maintained within the Company's Business Management System (BMS). The BMS contains the policies and procedures designed to ensure that the Company operates within the risk appetite set by the Board. The BMS formalises the actions to be taken to ensure the effective management of operations, protection of shareholder value, compliance management and regulatory reporting. Risk management processes and controls include a range of activities as diverse as approvals, authorisations, performance reviews and the appropriate segregation of duties. The Group Authorities Matrix is a tool used to apply decision making and expenditure authorities as approved by the Board consistently across the Company.

4. Information and Communication – Relevant information is identified, captured and effectively communicated in a timely manner that enables people to carry out their responsibilities effectively and efficiently. Technology plays an important role in the flow of information in the Company, from its core business systems for accounting, through to its incident reporting system which provides an early warning system detailing the effectiveness with which major incidents and hazards are being managed.

5. Monitoring and Reporting – The processes to determine whether performance objectives are being met and internal controls are operating as designed. Both key performance indicators and internal controls need to be monitored regularly to assess performance. Any deficiencies detected through these monitoring activities should be reported and corrective actions taken to ensure the continued reliability of the system. Tools in place include strategic planning and analysis, the annual budget process, key performance indicator reporting, customer surveys, Board reporting, risk appetite and assessment reporting, the Group Assurance function and its associated reporting to the Audit Committee, the ongoing health, safety, environmental and quality certification process, and the Company's productivity and innovation framework.

The Group Assurance function is responsible for providing an appraisal of the adequacy of, and compliance with, the risk management and internal control system. The Group Assurance function reports to the Audit Committee and undertakes the annual audit plan as approved by the Audit Committee. The function formally reports to the Audit Committee twice a year, or more regularly as required.

On an annual basis, the Audit Committee reviews the Company's risk management framework and makes recommendations to the Board. A review of the framework was conducted during the year ended 30 June 2025 with no material governance changes required.

The Board formally reviews the material business risks and risk tolerance levels as part of the Company's annual strategic planning process to ensure risks are effectively identified and addressed. Regular updates are provided by management on the effectiveness of the Company's management of its material business risks. This includes an assessment of whether the Company is operating within, approaching or outside the Board's risk tolerance levels.

Economic, social and environmental sustainability risks

In conducting its business, the Company takes commercial and business risks to achieve its objectives and deliver shareholder value. It is exposed to various risks in its day-to-day operation, both general and Company specific. The ability of the Company to achieve its objectives and long-term sustainable growth is impacted by the effective management of the risks to which it is exposed. The key material risks faced by the Company, and the management thereof, are outlined below, with further detail provided in the Chair's Report.

Risk Type	Identified Material Risk
Economic sustainability risks	External market forces
	Contract pricing
	Contractual risk
	Operational execution
	Liquidity
	Acquisitions and joint ventures
	Foreign exchange
	Innovation and technology
	Cyber security and information technology (IT) business continuity
	Compliance with laws and regulations
Social sustainability risks	Employee retention, attraction and development
	Harm to people (safety and wellbeing)
	Industrial relations
Environmental sustainability risks	Harm to the environment
	Climate risk

Economic sustainability risks

External market forces

The Company operates in the resources, energy and infrastructure sectors. The demand for Monadelphous' services can vary greatly as a result of changes in market conditions, including the timing and award of projects, project deferrals and cancellations, changes in political, economic and environmental conditions, the cyclical nature of commodity prices and the demand for customers' goods and services. These markets are competitive by nature. Increased levels of competition and competitors' particular strategic objectives may result in the Company unsuccessfully tendering for projects.

In response to these risks, Monadelphous has an established markets and growth strategy ensuring a diverse offering of services and exposure across multiple markets. The limits of strategic risk the Company is willing to accept are defined within the strategy which is approved by the Board. The Company regularly reviews its market position and competitive advantage, as well as that of competitors, to ensure that it is well placed to secure opportunities as they arise. It undertakes a comprehensive opportunity identification and selection process when tendering for projects. The Company also has comprehensive crisis management and business continuity plans in place to assist with recovery from potential risk events which may significantly impact critical business processes, reputation and revenue streams.

Contract pricing

The Company undertakes a variety of fixed price lump sum, schedule of unit rates or cost-plus contracts, or a combination thereof. If Monadelphous underestimates the cost to complete a project, or applies an inadequate pricing strategy, there is a risk that the Company's financial performance may be negatively impacted. Inaccurate or inadequate pricing may result in reduced margin and financial liability.

To mitigate this, the Company is selective in the work that it tenders and undertakes a thorough review process for all tenders prior to submission. The Company has an established tender risk management system involving capable, experienced subject matter experts, historical data and productivity metrics and appropriate authority and approval levels, to ensure effective identification and assessment of risk at the tender stage. The Company also includes appropriate clauses in its contracts to address pricing fluctuations.

Contractual risk

The Company is typically contracted under customer proposed terms and conditions, which can vary widely and expose the Company to the risk of financial loss.

The Company identifies and analyses contractual risk at the time of tender and employs suitably qualified and experienced personnel to undertake contractual negotiations in accordance with prescribed tolerance limits. Where contractual risk cannot be avoided through negotiations, appropriate mitigating controls and treatment strategies are employed at an operational level to minimise risk exposure.

Operational execution

Monadelphous is involved in planning, developing, constructing and executing a range of projects and contracts with varying degrees of difficulty. If projects and contracts are not executed effectively, there is a risk of financial and/or reputational damage to the Company. Key risks include poor financial performance, schedule slippage, inadequate contract administration and poor execution quality. Supply chain disruptions may result in protracted lead times, delays and increased costs.

Monadelphous maintains a robust project management system which effectively manages projects from inception to completion. The Company employs suitably qualified, experienced and capable employees for the work that it undertakes and ensures employees are familiar with the Company's execution methodologies and provides them with the necessary resources to effectively and efficiently execute their responsibilities. Relationships are maintained with key suppliers to ensure potential supply impacts are understood and can be planned around during execution. Projects and contracts are reviewed on an ongoing basis by general and executive management, as well as the Board, with independent performance reviews undertaken by divisional and group assurance teams. Monadelphous operates management systems certified to ISO 9001 Quality Management Systems.

Liquidity

In the normal course of business, the Company is exposed to liquidity risks. Customers may extend payment terms beyond those contractually agreed and contractual variations or claims may take extended periods of time to resolve. In addition, certain contracts require the Company to provide bank guarantees or performance bonds.

To ensure the Company maintains an effective and appropriate level of working capital, the Company regularly reviews cash flow forecasts including project cash flows, closely monitors cash collections and payment obligations and undertakes appropriate credit verification procedures on customers. The Company also regularly reviews its facility levels and compliance with banking covenants.

Acquisitions and joint ventures

To support its growth strategy, the Company may enter new markets and gain access to new customers via acquisitions and joint ventures. This may expose the Company to the risk of financial loss due to over valuation, underperformance of the acquired business or joint venture, or inadequate or poorly executed integration.

The Company mitigates these risks by undertaking thorough due diligence and integration planning prior to executing agreements. This due diligence and planning covers, amongst other areas, valuation, financial stability and liabilities, alignment with strategic objectives, and complementary organisational values and culture.

Foreign exchange

The Company operates in, and sources supplies from, a number of foreign jurisdictions and as a result, is exposed to the risk of financial loss from fluctuating foreign exchange rates.

The Company adopts practices in accordance with its Foreign Exchange Risk Management Policy to effectively mitigate and manage exposures to foreign currency fluctuations. This includes avoiding foreign exchange risk in contracts where possible, minimising the amount of excess foreign currency in foreign jurisdictions and hedging exposures using forward contracts.

Innovation and technology

The application of innovative solutions, including the use of technology in the provision of construction and maintenance services and administrative functions, can deliver improvements in productivity, quality, sustainability, safety and environmental performance, and enable growth in new markets. The failure to identify and act decisively on threats or opportunities presented by innovation and new technologies can have a negative impact on the business in terms of reduced competitiveness, attractiveness as an employer and reputation among customers and industry more broadly.

The Company drives innovation across the business by leveraging ideas from employees and industry, systematically implementing improvements and strategically monitoring the external landscape and actions of customers and competitors with respect to innovation, initiatives and technology adoption. Successfully implemented ideas are communicated across the business to drive replication and standardisation where it makes good business sense.

Cyber security and information technology (IT) business continuity

The Company uses information technology in the conduct of its business and recognises the importance of protecting its systems and safeguarding sensitive data. The ever-increasing sophistication and frequency of cyber-attacks, such as phishing and ransomware and other malicious hacking activities, heightens the risk of business disruption, financial loss, legal implications and reputational damage should sensitive data be unlawfully accessed or lost. The Company may also encounter significant business disruption resulting in financial loss or reputational damage should there be a failure of critical IT systems.

Monadelphous invests in systems, equipment, training and resources to mitigate the risks associated with maintaining the confidentiality, integrity and availability of its systems, IT equipment and data. Additionally, the Company ensures its systems are appropriately maintained and supported to meet agreed performance expectations and that contingency plans exist and are tested regularly to minimise downtime and data loss in the event of a system fault or failure.

Compliance with laws and regulations

The Company is subject to a range of legal and regulatory requirements in the jurisdictions in which it operates. Non-compliance with relevant laws and regulations may result in criminal prosecution, significant penalties or reputational damage, and can adversely impact the Company's ability to operate.

The Company manages its compliance with legal and regulatory requirements through the implementation of appropriate systems and controls, employing suitably qualified subject matter experts and engaging region specific advisors where required. The Company also monitors changes in laws and regulations and updates its systems and controls as necessary to ensure ongoing compliance. If a non-compliance is identified, it is notified to the appropriate level of management or the Board for remediation.

Social sustainability risks

Employee retention, attraction and development

As a services business, Monadelphous' people are its greatest asset. The failure to retain, attract and develop highly competent people who live the Company's values may impact its ability to achieve its strategic vision and deliver value for stakeholders, resulting in financial loss and reputational damage.

The Company focuses on attracting people who desire to have a long-term career at Monadelphous, whose experience demonstrates proven capability and whose behaviours exhibit cultural alignment. Targeted sourcing strategies and resource planning ensure the Company can recruit and mobilise the right people at the right time. A strong focus is placed on developing employee skills and leadership capability to enable the achievement of the Company's strategic objectives, whilst providing challenging and rewarding opportunities which facilitate career progression and retention. Monadelphous aims to retain all those who are aligned to the Company's culture and contribute to its long-term success.

Harm to people (safety and wellbeing)

Monadelphous is subject to work health and safety regulations and there is a high degree of operational risk inherent in the industries in which it operates, along with psycho-social hazards. Failure to address these risks may result in wellbeing impacts, injury or loss of life to its people and those people it manages and interacts with.

The Company operates under its safety directive *The Safe Way is the Only Way*, with a goal of zero harm and a commitment to ensuring people are treated with dignity and respect. It has a robust, effective and mature safety management system and is committed to monitoring and improving safety performance, ensuring the provision of safe work practices and providing training and initiatives that ensure the safety and wellbeing of its employees. Monadelphous is certified to ISO 45001 Occupational Health and Safety Management Systems.

Industrial relations

A large proportion of Monadelphous' workforce operates under collective industrial agreements. Monadelphous may be exposed to the risk of employee and industrial unrest associated with the management of these arrangements along with associated employee related matters, which have the potential to impact operational continuity and damage the reputation of the Company.

The Company mitigates this risk by ensuring processes are in place to proactively consider the appropriateness of these arrangements, effectively engage with employees, address grievances and comply with workplace laws. The Company also consults regularly with unions to understand and address any concerns in a cooperative manner.

Environmental sustainability risks

Harm to the environment

Environmental risk is the actual or potential threat of harm to living organisms and the environment by effluents, emissions, waste and resource depletion, arising out of the Company's activities. The Company's reputation may be tarnished as a result of environmental damage from its activities, impacting its ability to retain and attract employees, retain and secure future work opportunities, and affecting shareholder value.

Monadelphous conducts work in environmentally sensitive areas, has a responsibility to protect the local ecosystems when delivering projects, and aims to leave a lasting positive legacy at every stage in the lifecycle of its operational activities. It is committed to environmental sustainability through the diligent management of its activities, including the identification of risks to the natural and built environment and the implementation of strategies and actions to mitigate or reduce its impact.

Monadelphous works together with its customers to identify specific environmental risks and determines how these can be managed, including biodiversity, climate change, flora and fauna, dust and emissions, heritage, soils, water and waste. Ensuring compliance with customer requirements and environmental legislation and regulation is also critical to maintaining its strong reputation as a contractor of choice. To support this, the Company applies an environmental management system that is certified to ISO 14001 Environmental Management Systems.

Climate risk

Climate risk is the risk that climate change poses to the Company's strategy and business model. If the Company does not remain agile in adapting to the changing climate and associated market conditions, it may be exposed to financial and reputational loss.

The move towards a low-carbon economy will continue to influence change in a number of industries within which Monadelphous operates. The Company's markets and growth strategy provides the flexibility for the Company to diversify into new markets, creating opportunities and mitigating the risk of market changes. Monadelphous remains committed to the ongoing monitoring of its environmental risk profile, taking into consideration the impacts of climate change on its business and strategy, and adapting to customer and market shifts.

In recent years, Monadelphous has been on a journey of improving its external reporting of climate-related risks and opportunities. This initially commenced several years ago with evolving alignment with the recommendations of the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD), which has transitioned to ensuring effective compliance with the incoming mandatory Australian climate reporting requirements. Monadelphous continues to implement process improvements following a gap analysis undertaken against AASB S2 Climate-related Disclosures to ensure readiness for its first year of reporting in 2026.

GOVERNANCE

On an annual basis, Monadelphous undertakes an assessment of its climate risks and opportunities (refer Risk Management section below).

The Board reviews the climate risk and opportunity assessment as part of the Company's annual strategic planning process and considers the impact of climate risks and opportunities on the Company's operations and strategy. The Board provides strategic guidance to management to aid in the development of the Company's strategy for future years, including direction around target markets (for example, energy transition markets) or markets to divest from. Applying the Board's guidance, it is the responsibility of management to develop the strategy for approval by the Board, including the identification of key strategic initiatives required to achieve the Company's strategic objectives. Strategic initiatives to address climate risks and opportunities are managed by operational and corporate management depending on the nature of the initiative and their completion forms part of the individual employee's performance assessment. The progress of initiatives is reported to the Board regularly during the year, as well as through periodic strategic and risk management updates.

In accordance with its charter, the Audit Committee reviews the Company's risk management framework and risk appetite (of which climate risk forms a part) annually to ensure the effective integration of risk management in the Company's day-to-day decision making.

The Board and Audit Committee are also kept up to date by management and the Company's external auditors on the incoming Australian climate reporting requirements and the actions underway to address any gaps in existing processes. The Company continues to improve and evolve its processes to ensure the consideration of climate and environmental risk in all applicable areas of the business.

The Board oversees the Company's environmental strategy and the achievement of its goal of Net Zero emissions by 2050. Monadelphous' Emissions and Energy Reduction Roadmap (Roadmap) outlines a series of interim targets towards achieving this goal. The Environmental Strategy Steering Committee, which reports through to the Executive Health Safety and Environment (HSE) Committee and comprises representatives from HSE, Risk, Marketing and Communications, Investor Relations, Business Services and the operating divisions, is charged with overseeing the delivery of actions in line with the Roadmap. These initiatives are being actioned by Net Zero working groups from across the business focused on transitioning the Company's facilities and operations to renewable energy sources, 'greening' the Company's fleet of plant and equipment and reducing carbon emissions through optimisation of operational activities.

The progress of these initiatives is reported to the Board in quarterly sustainability presentations. An annual HSE management review is also presented to the Board which includes detailed environmental performance and emissions data associated with the Company's Net Zero strategy.

STRATEGY

In the climate risk and opportunity assessment, Monadelphous considers each of the climate-related risk and opportunity types, along with the potential impact to the Company. The following time horizons are applied:

Short – 2030
Medium – 2040
Long – 2050

An overview of the Company's climate risk and opportunity assessment is outlined below.

Risk (Risk Type)	Description	Potential Business Impact	Risk Management	Timing
Changing Customer Behaviour (Transition – Market)	The move towards a low carbon economy may reduce demand for fossil fuels.	Reduced demand for new construction projects and ongoing maintenance services in fossil fuel industries.	Continue to monitor industry and customer forecasts for shifting demand and adjust strategy accordingly. Pursue opportunities in energy transition sectors. Climate change scenario analysis to identify impacts on business resilience and adjustment as required.	Short to medium.
Increased stakeholder concern (Transition – Reputation)	Negative perception of various stakeholder groups to the Company operating in fossil fuel industries.	Ability to retain and secure quality workforce. Potential stakeholder concerns.	Environmental strategy including Net Zero goal and Emissions and Energy Reduction Roadmap. Continue implementation of changes to processes and disclosures to satisfy new climate reporting requirements. Continue to progress markets and growth strategy in energy transition sectors. Effectively communicate the Company's energy transition strategy to internal and external stakeholders. Monitoring investor perspectives through ongoing engagement with shareholders, proxy advisors and ESG ratings agencies.	Short to long.

Risk (Risk Type)	Description	Potential Business Impact	Risk Management	Timing
Government climate policy and regulatory changes (Transition – Policy and Legal)	Implementation of climate / emissions related requirements in the jurisdictions in which the Company operates (for example increased compliance and reporting requirements). Increased cost of carbon offsets.	Increased operating costs associated with reporting to governments, customers, and shareholders. Increased operating cost associated with offsetting emissions.	Monitoring legislative and reporting changes and addressing requirements accordingly. Maintaining relationships with stakeholders to understand requirements. Continue to progress actions under environmental strategy including Net Zero goal and Emissions and Energy Reduction Roadmap. Implementation of emissions accounting software. Monitor carbon offsetting programs to understand the potential cost of offsetting future carbon emissions.	Uncertain.
Extreme weather events and changes (Physical – Acute and Chronic)	Increased frequency and severity of extreme weather events such as cyclones, flood and bushfires, impacting Company facilities, operations and projects. Longer term shifts in climate pattern (sustained higher temperatures) may cause rising sea levels and chronic heat waves.	Inability to deliver according to contractual requirements. Increased costs, reputational damage and reduced operational activity. Impacts to health and safety of workforce (threat of injury or loss of life, disruption to operations, reduced productivity).	Analyse historical and recent inclement weather patterns (chronic). Monitoring extreme weather events (acute) and patterns for consideration in crisis management, business continuity planning and disaster recovery strategies. Assessing contractual requirements and ensuring implementation of appropriate mitigation strategies and provisions. Climate change risk assessment for Company owned facilities and climate risk considered in future location planning and lease/buy decisions.	Short to long.

Risk (Risk Type)	Description	Potential Business Impact	Risk Management	Timing
Customer climate-related mandates to support their adaptation to climate change (Transition and Technology Risk)	Inability to work for certain customers or on specific sites due to customer climate-related mandates (for example, customers prohibiting the use of assets which produce greenhouse gas (GHG) emissions on their sites).	Loss of competitive advantage. Increased operating cost to meet customer requirements.	Maintaining relationships with customers to understand requirements and where applicable, build into environmental strategy. Trialling, and transitioning to, alternative low and zero emission alternatives (for example, electric / hybrid vehicles).	Short to medium.

Opportunity (Opportunity Type)	Description	Potential Business Impact	Opportunity Management	Timing
Renewable energy market presence (Energy Sources, Products and Services)	Growth in renewable energy market.	Renewable energy opportunities for Zenviron (wind, battery storage).	Monitoring market changes. Continue to enhance Zenviron's position in the renewable energy market through securing and effectively executing wind and battery storage opportunities. Leverage capability to support renewable energy sector with asset renewal, operations and maintenance opportunities. Ensure capacity to effectively capitalise on opportunities.	Short to long.
Capitalise on growth in existing markets (Markets)	The resources and energy sectors are expected to provide a significant pipeline of prospects across a broad range of commodities, with expenditure related to the energy transition representing an increasingly larger proportion of investment in coming years.	Growth in existing markets supporting the energy transition. Opportunities assisting customers with decommissioning existing assets (for example, coal, oil and gas).	Monitoring customer and market forecasts and adjusting strategy as required. Target opportunities with existing and new customers. Position for late life asset support (i.e. decommissioning and mine rehabilitation works). Ensure capacity to effectively capitalise on opportunities.	Short to long.

Opportunity (Opportunity Type)	Description	Potential Business Impact	Opportunity Management	Timing
Leverage existing capabilities to access new and emerging markets (Markets)	Development of future energy markets will provide prospects (for example, hydrogen, emerging markets).	Opportunity to leverage current capabilities to new markets that emerge as a result of the transition to a low carbon economy.	Monitor market movements and new opportunities resulting from advancing technologies. Target new opportunities in future energy markets with existing and new customers. Ensure capacity to effectively capitalise on opportunities.	Short to long.

To assist in the Company's strategic planning process, a scenario analysis is performed annually and presented to the Board along with the climate risk and opportunity assessment. The impact of two different scenarios (a 1.5°C increase accelerated action scenario and a greater than 4°C increase runaway climate change scenario) on the climate risks to which the Company is exposed is assessed to test the resilience of the Company's strategy and identify any further actions that may be required under certain scenarios.

Risk Type	Accelerated Action Scenario – low carbon economy limited to 1.5°C increase	Implications / Actions
Market (Transition Risk)	Increased demand for energy transition metals increasing investment. Exit from metallurgical coal activities. New oil and gas project cancellations and reduced maintenance opportunities. Accelerated expectation from customers on their suppliers and contractors reducing their operational greenhouse gas emissions. Customers prohibiting the use of assets and equipment which produce GHG emissions on their operation sites.	Respond to opportunities in energy transition metals. Limited metallurgical coal exposure, resources to be deployed elsewhere taking advantage of other opportunities. Decommissioning opportunities. Resources to be deployed elsewhere taking advantage of other opportunities. Decommissioning opportunities. Acceleration of measures to reduce emissions and implement tracking mechanisms. Transitioning fleet to low and zero emission alternatives. Opportunity to increase market share over competitors.
Policy (Transition Risk)	Imposition of government climate policies and carbon price regimes.	Dependent on nature of policy, may include increased cost of greenhouse gas emissions, increased cost to meet policy requirements, increased legal exposure and more stringent reporting requirements.

Risk Type	Accelerated Action Scenario – low carbon economy limited to 1.5°C increase	Implications / Actions
Reputation (Transition Risk)	Stakeholder expectations to deliver upon climate strategy impacting attraction of investors, retention and attraction of employees, customer expectations.	Timely response to opportunities in energy transition markets. Improve disclosures to clearly articulate implementation of climate strategy and associated initiatives.
Acute and Chronic Weather Impacts (Physical Risk)	Increased frequency and severity of bushfires, flood, cyclones and rainfall.	Consideration for climate impacts in operational locations, buy/lease decisions.

Risk Type	Runaway Climate Change Scenario – with >4°C increase	Implications / Actions
Market (Transition)	Ongoing demand for metallurgical coal and oil and gas. Delays or deferral of energy transition metals and renewable energy projects.	Respond to opportunities in coal and oil and gas markets. Reputational implications of continuing to service high emission industries.
Acute and Chronic Weather Impacts (Physical Risk)	Increased frequency and severity of bushfires, flood, cyclones.	Damage to infrastructure, Company owned facilities, disruption to operations and reduced productivity.
Chronic Weather Changes (Physical Risk)	Rising temperatures, sea levels and rainfall.	Increased health and safety incidents, reduced productivity, damage to coastal operations, increased maintenance costs, increased insurance cost (or failure of insurance market resulting in self-insurance cost). Opportunities in maintenance of customer assets and operations (beyond existing markets).
Reputation (Transition Risk)	Reduced expectations on meeting climate strategy and targets.	Reputational implications of failing to reduce carbon emissions and continuing to service high emission industries.

The Company is continuing to work on improving its scenario analysis process, including quantifying the potential impact of the risks on the Company's future financial performance.

RISK MANAGEMENT

Monadelphous' risk management framework outlines the Company's approach to risk and the processes and controls in place to aid in the mitigation and management of material and emerging risks. Climate risk is included in the risk management framework.

A climate risk and opportunity assessment is facilitated annually by management from the Company's Group Risk and HSE functions, along with input and review by strategic and operational teams and executive management. Management undertakes research of publicly available climate data to understand the potential impact of climate change on the industries and geographical locations in which the Company operates, and customer and peer analysis is also performed.

The specific actions to manage the identified key climate risks and opportunities are noted above. Strategic actions are recorded in the Company's strategic management tool, alongside other strategic initiatives and the status reported upon monthly.

METRICS AND TARGETS

Monadelphous is committed to minimising the impact of its operations on the environment and to the achievement of Net Zero emissions by 2050. The Company's Emissions and Energy Reduction Roadmap outlines a series of interim targets towards achieving this goal and the Company continues to work through a number of initiatives to address its environmental impact.

The Company has an interim target of 20 to 40 per cent reduction in Scope 1 and 2 absolute emissions across its Australian and international operationally controlled locations by 2030. This is the first phase in a staged approach to reduce emissions.

The key areas of focus to achieving these targets, which are supported by Net Zero working groups, include transitioning the Company's facilities and operations to renewable energy sources, 'greening' the Company's fleet of plant and equipment and reducing carbon emissions through optimisation of operational activities.

Activities undertaken during the year by the Company's Net Zero working groups included increasing the number of hybrid and electric vehicles within the Company's fleet which now stands at around 20, and leasing a 25-tonne electric pick and carry crane with an option to purchase. The Company also continued its installation and commissioning of rooftop solar to its owned workshop facilities, with solar installed at Mackay, Queensland, and Gap Ridge in Karratha, Western Australia.

Monadelphous' base year has been recalculated following the introduction of the Workiva Carbon - Advanced GHG reporting solution, the acquisition of High Energy Service and the divestment of international company, Maqrent, during the financial year, which is being retrospectively applied to the base year in line with the GHG Protocol guidance for acquisitions and divestments. Monadelphous continues to look for ways to reduce emissions, and monitors advances in technology which could support its goal of Net Zero emissions by 2050.

Greenhouse gas emissions and energy data is collated and reported as part of the Company's environmental planning and legislative requirements, and Net Zero and sustainability reporting purposes. This involves the collection of data relating to liquid fuel use, energy consumption and indirect emissions.

Following the recalculation of Monadelphous' base year, the Company formally requested to deregister from reporting to the Clean Energy Regulator as the Company no longer triggered the reporting thresholds under the National Greenhouse and Energy Reporting (NGER) Act for its Australian operationally controlled locations, and the deregistration was approved by the Clean Energy Regulator. GHG data continues to be captured to the same standard required by the NGER Act, as this will be utilised for the AASB S2 disclosure reporting commencing in the 2026 financial year. The greenhouse gas data is reviewed to identify trends and used as part of innovation and mitigation strategy development for business activities. This in turn supports the Company's efforts to minimise its greenhouse gas footprint and drive performance towards Net Zero. Monadelphous also continues to support its customers' ambitions to pursue their Net Zero emission goals, constantly looking for ways to decarbonise its operations to reduce Scope 1 and 2 emissions produced on customer sites.

The Company has a target of continued certification to ISO 14001 Environmental Management Systems, with the aim of continued improvement in environmental performance. The Company is currently transitioning to the Workiva Carbon reporting solution for greenhouse gas data collation and analysis, ensuring greater reporting efficiency under the incoming Australian climate-related reporting requirements, including expanding data captured and reporting for Scope 3 emissions in the Company's value chain.

As Monadelphous continues its climate journey, further measures and targets will be considered to assess the effectiveness of its climate-related strategies.

For further details, including the Company's annual emissions and its Emissions and Energy Reduction Roadmap, refer to the Company's website.

The information on pages 6 to 29 forms part of the Directors' Report for the year ended 30 June 2025 and is to be read in conjunction with the following information.

DIRECTORS

The names and details of the directors of the Company in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Robert Velletri	Chair Appointed as Director 26 August 1992 Appointed as Managing Director on 30 May 2003 and ceased as Managing Director following his appointment as Chair on 22 November 2022 Mechanical Engineer, Member of Institution of Engineers Australia 46 years of experience in the construction and engineering services industry
Zoran Bebic	Managing Director Appointed as Managing Director 22 November 2022 Certified Practising Accountant, Fellow Member of CPA Australia 32 years of experience in the construction and engineering services industry
Susan Lee Murphy AO	Lead Independent Non-Executive Director Appointed 11 June 2019 Civil Engineer, Honorary Fellow of Institution of Engineers Australia 46 years of experience in the resources and infrastructure industries Also a non-executive director of the following other publicly listed entities: MMA Offshore Limited (ASX: MRM) – appointed 30 April 2021, resigned 26 July 2024 RemSense Technologies Limited (ASX: REM) – appointed 17 May 2023, resigned 21 February 2024
Dietmar Robert Voss	Independent Non-Executive Director Appointed 10 March 2014 Chemical Engineer, Member of the Australian Institute of Company Directors 51 years of experience in the energy, and mining and minerals industries
Helen Jane Gillies	Independent Non-Executive Director Appointed 5 September 2016 Solicitor, Master of Business Administration and Construction Law, Fellow of the Australian Institute of Company Directors 29 years of experience in the construction and engineering services industry Also a non-executive director of the following other publicly listed entities: Yancoal Australia Limited (ASX: YAL) – appointed 30 January 2018, resigned 9 February 2024 Aurelia Metals Limited (ASX: AMI) – appointed 21 January 2021, resigned 31 January 2024

Enrico Buratto	Independent Non-Executive Director Appointed 11 October 2021 Civil Engineer, Fellow of Institution of Engineers Australia 50 years of experience in the construction and engineering services industry

COMPANY SECRETARIES

Philip Trueman	Company Secretary and Chief Financial Officer Appointed 21 December 2007 Chartered Accountant, Member of Chartered Accountants Australia and New Zealand 25 years of experience in the construction and engineering services industry
Kristy Glasgow	Company Secretary Appointed 8 December 2014 Chartered Accountant, Member of Chartered Accountants Australia and New Zealand 20 years of experience in the construction and engineering services industry

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of this report, the interests of the directors in the shares, rights and options of Monadelphous Group Limited were:

	Ordinary Shares	Performance Rights over Ordinary Shares
R. Velletri	2,302,026	Nil
Z. Bebic	160,165	101,365
D. R. Voss	72,659	Nil
H. J. Gillies	10,476	Nil
S. L. Murphy	14,137	Nil
E. P. Buratto	7,330	Nil

EARNINGS PER SHARE

	Cents
Basic Earnings Per Share	85.01
Diluted Earnings Per Share	84.10

DIVIDENDS

	Cents	$'000
Final dividends declared		
▪ on ordinary shares	39.00	38,719
Dividends paid during the year:		
Current year interim		
▪ on ordinary shares	33.00	32,586
Final for 2024		
▪ on ordinary shares	33.00	32,411

CORPORATE INFORMATION

Corporate structure

Monadelphous Group Limited is a company limited by shares that is incorporated and domiciled in Australia. Monadelphous Group Limited has prepared a consolidated financial report incorporating the entities that it controlled during the financial year (refer note 20 in the financial report).

The registered office of Monadelphous Group Limited is located at:

59 Albany Highway
Victoria Park
Western Australia 6100

Nature of operations and principal activities

Engineering Services

Monadelphous is a diversified services company operating in the resources, energy and infrastructure industry sector.

Services provided include:
- Fabrication, modularisation, offsite pre-assembly, procurement and installation of structural steel, tankage, mechanical and process equipment, piping, demolition and remediation works
- Multi-disciplined construction services
- Plant commissioning
- Electrical and instrumentation services
- Engineering, procurement and construction services
- Process and non-process maintenance services
- Front-end scoping, shutdown planning, management and execution
- Water and waste water asset construction and maintenance
- Construction of transmission pipelines and facilities
- Operation and maintenance of power and water assets
- Heavy lift and specialist transport
- Access solutions
- Dewatering services
- Corrosion management services
- Specialist coatings
- Rail maintenance services
- Structural concrete and associated works

General

Monadelphous operates from major offices in Perth and Brisbane, with regional offices in Newcastle, Beijing (China), Ulaanbaatar (Mongolia) and Manila (Philippines), and a network of workshop facilities in Kalgoorlie, Karratha, Port Hedland, Newman, Tom Price, Darwin, Roxby Downs, Gladstone, Hunter Valley, Mackay, Bibra Lake, Bunbury, Capel, Chinchilla, Osborne Park, Morwell and Vung Tau City (Vietnam).

The consolidated entity's revenue is earned predominantly from the resources, energy and infrastructure industry sector. There have been no significant changes in the nature of those activities during the year.

Employees

The consolidated entity employed 7,375 employees as of 30 June 2025 (2024: 6,481 employees).

OPERATING AND FINANCIAL REVIEW

Review

A review of operations of the consolidated entity during the financial year, the results of those operations, the changes in the state of affairs and the likely developments in the operations of the consolidated entity are set out in the Operating and Financial Review section of this report.

Operating results for the year

	2025 $'000	2024 $'000
Revenue from contracts with customers	**2,153,156**	2,008,562
Profit after income tax expense attributable to equity holders of the parent	**83,721**	62,203

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the parent entity or the consolidated entity during the financial year.

SIGNIFICANT EVENTS AFTER REPORTING PERIOD

Dividends declared

On 18 August 2025, the directors of Monadelphous Group Limited declared a final dividend on ordinary shares in respect of the 2025 financial year. The total amount of the dividend is $38,718,571 which represents a fully franked final dividend of 39 cents per share. This dividend has not been provided for in the 30 June 2025 financial statements. The Monadelphous Group Limited Dividend Reinvestment Plan will apply to the dividend.

Acquisition of High Energy Service Pty Ltd

On 1 July 2025, Monadelphous Group Limited acquired 100% of the share capital of a Perth-based high voltage services business High Energy Service Pty Ltd ('HES'). The acquisition of HES supports Monadelphous' strategic efforts to expand its capabilities and support the development and ongoing maintenance of the essential electricity generation, storage and infrastructure needed for Australia's energy transition.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Refer to the Chair's Report for information regarding the likely developments and future results.

ENVIRONMENTAL REGULATION AND PERFORMANCE

Monadelphous Group Limited is subject to a range of environmental regulations.

During the financial year, Monadelphous Group Limited met all reporting requirements under any relevant legislation. There were no incidents which required reporting.

The Company strives to continually improve its environmental performance.

SHARE OPTIONS

Unissued shares

As at the date of this report, there were 958,320 performance rights on issue as follows:

- 295,784 performance rights to take up one ordinary share in Monadelphous Group Limited. The performance rights have a vesting date 1 July 2026
- 162,635 performance rights to take up one ordinary share in Monadelphous Group Limited. The performance rights have a vesting date 1 July 2027
- 207,538 long-term performance rights to take up one ordinary share in Monadelphous Group Limited. The performance rights have a vesting date 20 December 2026
- 292,363 long-term performance rights to take up one ordinary share in Monadelphous Group Limited. The performance rights have a vesting date 1 November 2027.

Performance rights and option holders do not have any right, by virtue of the performance right or option, to participate in any share issue of the Company or any related body corporate or in the interest of any other registered Scheme.

Shares issued as a result of the exercise of performance rights, retention rights and options

On 1 July 2025, 444,273 ordinary shares in Monadelphous Group Limited were issued upon the vesting and exercise of performance rights.

On 20 December 2024, 324,248 ordinary shares in Monadelphous Group Limited were issued upon vesting and exercise of retention rights.

On 4 September 2024, 457,116 ordinary shares in Monadelphous Group Limited were issued following exercise of 1,475,000 options.

On 1 July 2024, 295,443 ordinary shares in Monadelphous Group Limited were issued upon the vesting and exercise of performance rights.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company has paid premiums in respect of a contract insuring all the directors and officers of Monadelphous Group Limited against a liability incurred in their role as directors of the Company, except where:

(a) the liability arises out of conduct involving a wilful breach of duty; or

(b) there has been a contravention of Sections 182 or 183 of the *Corporations Act 2001*.

INDEMNIFICATION OF AUDITORS

The Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against certain liabilities to third parties arising from the audit to the extent permitted by law. The indemnity does not extend to any liability resulting from a negligent, wrongful or wilful act or omission by Ernst & Young. No payment has been made to indemnify Ernst & Young during or since the audit.

INTERESTS IN CONTRACTS OR PROPOSED CONTRACTS WITH THE COMPANY

During or since the end of the financial year, no director has had any interest in a contract or proposed contract with the Company being an interest the nature of which has been declared by the director in accordance with Section 300(11)(d) of the *Corporations Act 2001*.

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director are shown in the table below.

		Meetings of Committees		
	Directors' Meetings	**Audit**	**Remuneration**	**Nomination**
Number of meetings held:	12	6	3	1
Number of meetings attended:				
R. Velletri	11	-	-	1
Z. Bebic	11	-	-	-
D. R. Voss	12	6	3	1
H. J. Gillies	12	6	3	1
S. L. Murphy	12	6	3	1
E. Buratto	12	6	3	1

COMMITTEE MEMBERSHIP

As at the date of this report, the Company had an audit committee, a remuneration committee and a nomination committee.

Members acting on the committees of the Board during the year were:

Audit	Remuneration	Nomination
H. J. Gillies (c)	S. L. Murphy (c)	R. Velletri (c)
D. R. Voss	D. R. Voss	H. J. Gillies
S. L. Murphy	H. J. Gillies	D. R. Voss
E. P. Buratto	E. P. Buratto	S. L. Murphy
		E. P. Buratto

Note: (c) Designates the chair of the committee.

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest thousand dollars ($'000) (where rounding is applicable) under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which the legislative instrument applies.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

The directors have received an independence declaration from the auditor of Monadelphous Group Limited, as shown on page 63.

The following non-audit services were provided by the entity's auditor, Ernst & Young. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Ernst & Young received or are due to receive the following amounts for the provision of non-audit services:

	$
Tax compliance services	42,125
	42,125

REMUNERATION REPORT (AUDITED)

CONTENTS **PAGE**

REMUNERATION REPORT (AUDITED)

1. Remuneration Report Overview

The Remuneration Report for the year ended 30 June 2025 outlines the remuneration arrangements for Key Management Personnel (KMP) of the Company (consolidated entity comprising the parent entity Monadelphous Group Limited and its subsidiaries) in accordance with the requirements of the *Corporations Act 2001.* The Remuneration Report forms part of the Directors' Report and has been audited in accordance with the *Corporations Act 2001.*

2. Remuneration Philosophy

The performance of the Company depends predominantly and primarily upon the quality of its employees. To prosper, the Company must attract, motivate and retain highly skilled employees, which includes the directors and executives of the Company.

To this end, the Company embodies the principles of providing competitive rewards to attract and retain high calibre executives, and the linking of executive rewards to the creation of shareholder value.

3. Remuneration Governance

3.1 Overview

The Remuneration Committee of the Board of Directors of the Company is responsible for reviewing and recommending to the Board for approval, compensation arrangements for directors and the executive management team. The composition of the Remuneration Committee is set out on page 35 of this report. Further information about the Remuneration Committee's role and responsibilities is available on the Company's website at www.monadelphous.com.au.

The Remuneration Committee utilises remuneration survey data compiled by recognised remuneration research organisations across a range of industries and geographic regions. The remuneration survey data is updated every 6 months and is used to assess the appropriateness of the nature and amount of remuneration of directors and the executive management team. This assessment is made with reference to relevant employment market conditions, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

In recommending the remuneration levels of directors and executives, the Remuneration Committee takes into consideration the performance of the Company, divisions and business units, as well as that of the individual.

3.2 Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

3.3 Employment Contracts

All executives have non-fixed term employment contracts. The Company or the executive may terminate the employment contract by providing the required notice (3 months for the Chief Financial Officer or 6 months for the Managing Director and Executive General Managers). The Company may terminate the contract at any time without notice if serious misconduct has occurred.

REMUNERATION REPORT (AUDITED) (CONTINUED)

3. Remuneration Governance (continued)

3.4 Hedging of Equity Awards

The Company prohibits executives from entering into arrangements to protect the value of unvested equity-based awards. The prohibition includes entering into contracts to hedge their exposure to options awarded as part of their remuneration package.

3.5 Share Trading Policy

Under the Company's Share Trading Policy, Key Management Personnel and other employees may only trade in securities of the Company during specific periods, and then only if they do not possess any unpublished, price-sensitive information in relation to those securities.

The trading periods in which buying and selling of the Company's securities, either directly or indirectly, by a Key Management Personnel or other employee is allowed, spans the periods between 24 hours and 30 working days after each of the following events:

- release of the annual and half-yearly results to the ASX;
- the close of the Annual General Meeting; or
- any other time as the Board permits.

All other periods are 'closed periods' during which Key Management Personnel and other employees are prohibited from dealing in Monadelphous securities, except with the explicit approval of the Executive Chair. From time to time, the Board may also declare that Key Management Personnel and other employees are prohibited from dealing in Monadelphous securities during trading periods even though those trading periods are not closed periods.

Before commencing to trade, a Key Management Personnel or other employees must first notify the Company Secretary of their intention to do so. The notification must state that the proposed purchase or sale is not as a result of access to, or being in possession of, price sensitive information that is not currently in the public domain.

As required by the ASX Listing Rules, the Company notifies the ASX of any transaction conducted by the directors in the securities of the Company.

For a copy of the Share Trading Policy, please refer to the Company's website.

4. Key Management Personnel

For the purposes of this report Key Management Personnel of the Company are defined as those persons having the authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the parent entity. For the purposes of this report, the term 'executive' encompasses the Executive Chair, Managing Director (MD), Chief Financial Officer (CFO) and Executive General Managers (EGM) of the Company.

REMUNERATION REPORT (AUDITED) (CONTINUED)

4. Key Management Personnel (continued)

The following persons were classified as Key Management Personnel during the financial year ended 30 June 2025:

Directors

R. Velletri	Executive Chair
Z. Bebic	Managing Director
S. L. Murphy	Deputy Chair and Lead Independent Non-Executive Director
D. R. Voss	Independent Non-Executive Director
H. J. Gillies	Independent Non-Executive Director
E. P. Buratto	Independent Non-Executive Director

Senior Executives

P. Trueman	Chief Financial Officer and Company Secretary
A. Reid	Executive General Manager, Maintenance & Industrial Services
A. Cook	Executive General Manager, Engineering Construction

5. Executive Remuneration

5.1 Overview

Objective

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company to:

- Reward executives for Company, divisional, business unit and individual performance,
- Align the interests of executives with those of shareholders, and
- Ensure total remuneration is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Remuneration Committee receives external survey data from recognised remuneration research organisations and considers market levels for comparable executive roles when making its recommendations to the Board.

The Executive Chair receives only fixed remuneration and is not eligible to participate in the variable remuneration plans.

Executive remuneration consists of fixed and variable remuneration elements comprising short- and long-term reward plans. The proportion of fixed and variable remuneration is established for each executive by the Remuneration Committee and Board.

From time to time, the Company reviews the structure and composition of variable remuneration to ensure it remains relevant and market competitive.

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. Executive Remuneration (continued)

Below is a diagram of the composition of Executive Remuneration provided during the financial year ended 30 June 2025:

Fixed Remuneration

Base Salary + Superannuation + Other Benefits

Variable Remuneration

Short Term Incentive – Combined Reward Plan

Cash

Deferred Shares
(1, 2 and 3 years)

Long-Term Incentive – Long-Term Senior Leadership Performance Reward Plan

Performance Rights
(3 years)

The following table provides an overview of the various elements of Executive Remuneration for the financial year ended 30 June 2025. Further details of each element are provided in subsequent sections of this report.

Remuneration Element	Individual Components	Purpose	Link to Performance
Fixed Remuneration	Comprises base salary, superannuation and other benefits.	To provide market competitive fixed remuneration appropriate to the position and competitive in the market, taking into account the individual's skills, experience and qualifications.	Assessed at an individual level based on performance of responsibilities and cultural alignment with the Company's values.
Variable Remuneration – Short Term Incentive (STI) – Combined Reward Plan	Comprises cash and/or performance rights under the Monadelphous Group Limited Performance Rights Plan Rules.	To recognise and reward senior leaders of the business who contribute to the Company's performance and ensure employee retention and the creation of shareholder wealth through deferred equity ownership.	Awards are made following an annual performance assessment against financial, safety, people, customer satisfaction and strategic progress targets set by the Board. Vesting of performance rights is dependent on continuity of employment.
Variable Remuneration – Long Term Incentive (LTI) – Long-Term-Senior Leadership Performance Reward Plan	Comprises performance rights issued under the Monadelphous Group Limited Performance Rights Plan Rules.	To retain and reward key employees in a manner aligned to the creation of shareholder wealth.	Vesting of awards is dependent on exceeding Earnings Per Share (EPS) growth targets and continuity of employment.

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. Executive Remuneration (continued)

Certain awards made in prior years under the Employee Option Plan and the one-off Employee Retention Plan, vested during the year ended 30 June 2025. The following table provides an overview of these plans.

Remuneration Element	Individual Components	Purpose	Link to Performance
Variable Remuneration – LTI – Employee Option Plan	Comprises options issued under the Monadelphous Group Limited Employee Option Plan.	To retain and reward key employees in a manner aligned to the creation of shareholder wealth.	Vesting of awards is dependent on exceeding EPS growth targets and continuity of employment.
Variable Remuneration – One-off Retention Incentive – Employee Retention Plan	Comprises a one-off issue of Retention Rights granted in the form of performance rights subject to the Monadelphous Group Limited Performance Rights Plan Rules.	Specifically developed to mitigate the effects of the extremely tight labour market. To retain and recognise key employees whose contribution is of critical strategic and operational importance to Monadelphous, enabling them to share in the long-term performance of the Company in a manner which is aligned to the creation of shareholder wealth.	Vesting of awards is dependent on continuity of employment.

5.2 Fixed Remuneration

Objective

Monadelphous has a structured approach aimed at delivering fixed remuneration which is market competitive and rewards performance. The Company participates in a number of respected remuneration surveys, receiving six-monthly market and forecast data, and its remuneration system is designed to analyse detailed market and sector information at various levels.

The level of fixed remuneration is set to provide a base level of remuneration which is both appropriate to the position and competitive in the market, taking into account the individual's skills, experience and qualifications.

Fixed remuneration levels are considered annually by the Remuneration Committee having reviewed an individual's performance, alignment with the Company's values and comparative remuneration levels in the market.

Structure

Executives are given the opportunity to receive their fixed remuneration in a variety of forms including base salary, superannuation and other benefits. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. Executive Remuneration (continued)

5.3 Variable Remuneration – STI – Combined Reward Plan

Objective

The objective of the Combined Reward Plan (CR Plan) is to recognise and reward the senior leaders of the business who contribute, and are key to, the Company's success. The CR Plan is a short-term incentive plan, rewarding the annual performance of both the Company and the employee. A deferred equity component in the award, which is subject to continued employment and disposal restrictions, encourages employee retention and the creation of shareholder value through long-term share ownership, with employee and shareholder alike benefitting from the long-term growth in the share price.

Structure

Under the CR Plan, the Board has the discretion to make awards on an annual basis subject to Company and individual performance. Awards may be delivered in the form of a combination of cash and/or performance rights.

The number of performance rights offered is calculated using the arithmetic average of the ten-day daily volume weighted average market price of the Company's ordinary shares commencing on the second trading day after the record date in respect of the final dividend. This calculation is the same as that used to determine the undiscounted share price for the Dividend Reinvestment Plan.

The performance rights vest into Monadelphous ordinary shares in equal instalments, one, two and three years after award, subject to the employee remaining continuously employed by the Company between grant and vest date. No exercise price is payable at the time of grant or vesting of performance rights. Any shares acquired upon vest of performance rights are restricted from disposal until the opening of the Monadelphous share trading window following release of the Company's financial results, three years following award.

Unvested performance rights remain subject to Monadelphous' clawback policy. The Board has the discretion as to the circumstances that would result in a clawback of unvested performance rights and may give consideration to factors resulting in material financial misstatement, significant Company financial underperformance, negligence, lack of compliance, significant personal underperformance or behaviour that is likely to damage the Company's reputation.

Performance Requirements

At the beginning of each financial year, the Board sets quantified, challenging, short term performance targets for the key performance areas of the business, taking into account the prevailing economic conditions for the year ahead, the Company's strategic objectives and the key risk factors facing the business at that time. The targets are designed to focus the activities of the business on the key areas of performance that deliver long term sustainable growth for shareholders.

For the year ended 30 June 2025, the Managing Director had a target opportunity of 40% of fixed remuneration, and a maximum opportunity of 60%. Executives had a target opportunity of 30% of fixed remuneration, and a maximum opportunity of 45%. The target opportunity is awarded for achieving the objectives set by the Board at the beginning of each financial year. In order for the maximum opportunity to be awarded, performance must be a clear margin above the planned targets that were set.

At the end of each financial year, the Board assesses the Company's net profit before tax performance against the budgeted target prior to any awards being considered under the CR Plan.

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. Executive Remuneration (continued)

Once the Board has approved that an award can be made under the CR Plan, executive performance is assessed against the relevant targets set at the beginning of the financial year at a Company, division, business unit and individual level. This assessment is taken into account when determining the amount, if any, of the award to be made to each individual under the CR Plan, with annual awards being subject to approval by the Remuneration Committee and Board. The following key performance areas are considered in the assessment process, covering a number of financial and non-financial, Company and divisional measures of performance. The table below provides an overview of these key performance areas and the weighting applied when assessing performance.

	Earnings Performance		Other Key Performance Areas	
	Company Earnings Per Share	**Divisional Earnings Contribution**	**Company**	**Divisional**
MD	60%	-	40%	-
CFO	60%	-	-	40%
EGM	30%	30%	-	40%

Other key performance areas include:
- Working capital management
- Safety performance
- People performance
- Customer satisfaction
- Strategic progress

The Company regards the performance targets and the actual result as confidential and commercially sensitive in nature and if disclosed, would provide an unfair advantage to competitors.

Awards made under the CR Plan for the year ended 30 June 2025 are outlined in section 7.2.1.

5.4 Variable Remuneration – LTI – Long-Term Senior Leadership Performance Reward Plan

Objective

The objective of the Long-Term Senior Leadership Performance Reward (LTPR) Plan is to retain and reward members of the senior leadership team in a manner aligned to the creation of long-term shareholder wealth. The LTPR Plan is the Company's primary long-term employee equity plan, with the Employee Option Plan available for future use as appropriate.

Structure

Awards under the LTPR Plan are in the form of performance rights and will be considered on an annual basis, with the timing of the awards and the vesting criteria, determined by the Remuneration Committee and Board. Participation in the LTPR Plan is limited to the senior leadership of the business, being those responsible for the development and management of the strategic direction of the Company. The quantum of the awards under the LTPR Plan are 50% of fixed annual remuneration for the Managing Director and 40% of fixed annual remuneration for senior executives.

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. Executive Remuneration (continued)

Performance rights vest three years after grant, subject to the satisfaction of an Earnings Per Share growth performance hurdle and a continued employment vesting condition for the period from grant to vest. No exercise price is payable at the time of grant or vesting of performance rights. One share will be issued for each vested performance right. Performance is not re-tested and any rights which do not vest will lapse.

Unless otherwise determined by the Board, unvested performance rights will be forfeited if an employee ceases employment with the Company or if the Board determines (acting reasonably and in good faith) that any applicable performance hurdles or vesting conditions have not been met or cannot be met by the relevant date.

Unvested performance rights remain subject to Monadelphous' clawback policy. The Board has the discretion as to the circumstances that would result in a clawback of unvested performance rights and may give consideration to factors including where the employee acts fraudulently or dishonestly or otherwise acts in a manner that causes damage to the Company's reputation, material financial misstatement, significant Company financial underperformance, or there is negligence, lack of compliance or significant personal underperformance on the employee's part.

Performance Requirements

The Board believes that Earnings Per Share growth over the measurement period is considered to be the most appropriate indicator of Company performance and is closely aligned with executive effectiveness. When the Company delivers long term Earnings Per Share growth, improved shareholder returns typically follow. In contrast, shareholder return alone is not a reliable measure of executive impact, as it can be heavily influenced by external market forces beyond management's control.

As noted above, performance rights vest three years after grant, subject to the satisfaction of the Earnings Per Share growth performance hurdle and a continued employment vesting condition for the period from grant to vest.

Awards made under the LTPR Plan during the year ended 30 June 2025 and the specific performance requirements for the award are outlined in section 7.3.1.

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. Executive Remuneration (continued)

5.5 Prior Year Plans – Variable Remuneration – LTI – Employee Option Plan

Objective

The objective of the Employee Option Plan is to retain and reward key employees in a manner aligned with the creation of shareholder wealth. As noted above, the LTPR Plan has replaced the Employee Option Plan as the Company's primary long-term employee equity plan.

Structure

Awards under the Employee Option Plan to executives are at the discretion of the Remuneration Committee and Board and are delivered in the form of options.

Should any issue of options be considered, the performance rating of each executive and the annual cost to the Company, on an individual basis, is taken into account when determining the amount, if any, of options granted.

In accordance with the terms of the offer and the rules of the Monadelphous Group Limited Employee Option Plan, options can only be exercised in specified window periods (or at the discretion of the Board in particular circumstances) and are subject to the financial performance of the Company during the option vesting period (measurement period).

Earnings Per Share growth is used to measure the performance of the Company over the measurement period, as in the opinion of the Board this metric provides the best representation of Company performance on an annual basis and is influenced by executive performance.

In subsequent window periods, performance will be re-tested and any options that were incapable of exercise in earlier window periods will become available for exercise to the extent that EPS performance has 'caught up' and the EPS growth hurdle is met over the longer measurement period. At the end of the final window period, any options remaining that are not capable of exercise, as a result of the performance hurdle not being achieved, will lapse.

No awards were granted under the Employee Option Plan during the year ended 30 June 2025. The final tranche of the award made under the 2020 Employee Option Plan vested in September 2024.

5.6 Prior Year Plans – Variable Remuneration – One-off Retention Incentive – Employee Retention Plan

Objective

In response to significantly high industry activity levels which have extensively impacted the Company's ability to source and retain talent over recent years, the Company implemented the Monadelphous Employee Retention Plan (ER Plan) in December 2021.

The objective of the ER Plan is to act as a retention incentive and to recognise key employees whose sustained contribution is of critical strategic and operational importance to the success of the business, in a manner aligned to the creation of shareholder wealth through equity ownership.

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. Executive Remuneration (continued)

Structure

The ER Plan provided a one-off issue of retention rights to key employees, with vesting subject to continued employment between grant and vest, as well as disposal restrictions attached to resulting shares. It enabled employees critical to the achievement of the Company's strategic objectives to share in the long-term performance of the Company.

Retention rights were allocated under the terms of the Monadelphous Group Limited Employee Retention Plan and were granted in the form of performance rights subject to the Monadelphous Group Limited Performance Rights Plan Rules.

The retention rights vest into Monadelphous ordinary shares in equal instalments, one, two and three years after grant (i.e. 20 December 2022, 20 December 2023 and 20 December 2024), subject to the vesting condition of the employee remaining continuously employed by the Company between grant and vest dates, with one share issued for each vested retention right. If the vesting condition is not satisfied, the retention right will lapse. Any shares acquired upon vesting of retention rights are restricted from disposal until the earlier of: three years from grant (i.e. 20 December 2024), subject to that date being within a Monadelphous share trading window, and if not, when the next share trading window opens (i.e. February 2025); and the date on which the employee ceases to be employed by the Company.

Unvested retention rights remain subject to Monadelphous' clawback policy. The Board has the discretion as to the circumstances that would result in a clawback of unvested retention rights and may give consideration to factors resulting in material financial misstatement, significant Company financial underperformance, negligence, lack of compliance, significant personal underperformance or behaviour that is likely to damage the Company's reputation.

No awards were granted under the ER Plan during the year ended 30 June 2025. The final tranche of the award made in 2021 under the ER Plan vested in December 2024.

REMUNERATION REPORT (AUDITED) (CONTINUED)

6. Company Performance

The table below sets out the earnings and movements in shareholder wealth for the Company for the last five years. Further information has also been provided on page 15 of this report.

	Change 2024 to 2025	**2025**	2024	2023	2022	2021
Profit after income tax expense attributable to equity holders of the parent ($'000)	**+34.6%**	**83,721**	62,203	53,543	52,219	47,060
Basic earnings per share (cents)	**+32.7%**	**85.01**	64.08	55.85	54.90	49.70
Share price as at 30 June ($)	**+36.8%**	**17.56**	12.84	11.72	9.95	10.45
Total dividends (cents per share)	**+24.1%**	**72.00**	58.00	49.00	49.00	45.00

7. 2025 Executive Remuneration Outcomes

7.1 Fixed Remuneration

Refer to Tables at 7.6.1 and 7.6.2 for the fixed remuneration for Executive Key Management Personnel for the financial years ended 30 June 2025 and 30 June 2024. The fixed remuneration component comprises salary and fees, leave (annual and long service leave accrual less annual and long service leave taken), superannuation and non-monetary benefits (life and salary continuance insurance premiums).

7.2 Combined Reward Plan

7.2.1 Performance rights awarded under the Combined Reward Plan for the year ended 30 June 2025

Based on the financial performance of the Company for the year ended 30 June 2025, the Board determined that an award would be made under the 2025 CR Plan with approximately 230 employees eligible for an award, comprising cash and performance rights.

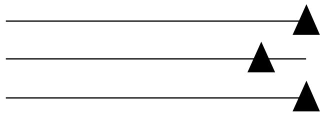
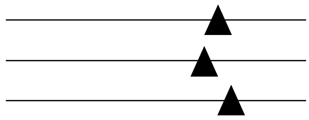
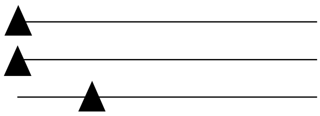
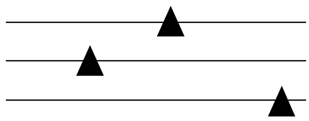
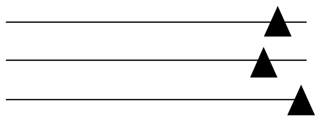
Key elements of the award made under the 2025 CR Plan are outlined in the table below:

	2025 CR Plan Award
Performance Period	1 July 2024 to 30 June 2025
Performance Requirements	Refer to section 5.3.
Performance Outcomes	Refer to table on page 49.
Award Components	▪ 25% cash payment to be paid in August 2025 ▪ 75% to be offered as performance rights in or around October 2025 ▪ The number of performance rights to be offered will be calculated using the arithmetic average of the ten-day daily volume weighted average market price of the Company's ordinary shares commencing on the second trading day after the record date in respect of the FY25 final dividend. This calculation is the same as that used to determine the undiscounted share price for the Dividend Reinvestment Plan.
Vesting Condition	The employee must remain in the employ of the Company between the grant and vesting date (unless the Board determines otherwise).
Vesting Date	It is intended that the performance rights component will vest into shares in equal instalments, on 1 July 2026, 1 July 2027 and 1 July 2028, with one share issued for each vested performance right.
Disposal Restriction	Resulting shares will be restricted from disposal until the opening of the Monadelphous share trading window following the release of the 30 June 2028 financial results, in or around August 2028.

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. 2025 Executive Remuneration Outcomes (continued)

The following table provides an overview of the Company and divisional performance for the year ended 30 June 2025 against the key performance areas:

Key Performance Area	FY25 Performance Threshold Target Maximum	Commentary
Earnings Performance *Company* *Engineering Construction* *Maintenance & Industrial Services*		▪ Earnings Per Share for the year was 85.0 cents, an improvement of 32.7 per cent on the prior corresponding period. ▪ The Company's EBITDA percentage increased to 6.98 per cent, a 70 basis points increase on the prior period. ▪ Net Profit After Tax was $83.7 million, an increase of 34.6 per cent compared to the prior year.
Working Capital Management *Company* *Engineering Construction* *Maintenance & Industrial Services*		▪ The cash balance at year end was a strong $205.8 million. ▪ Monadelphous generated a healthy cash flow from operations for the period of $81.0 million. ▪ The Company delivered a cashflow conversion rate of 77 per cent for the period.
Safety *Company* *Engineering Construction* *Maintenance & Industrial Services*		The Company's 12-month Total Recordable Injury Frequency Rate for the year ended 30 June 2025 was a disappointing 4.42 incidents per million hours worked. In response, targeted campaigns have been launched to drive improved performance.
People *Company* *Engineering Construction* *Maintenance & Industrial Services*		The Company's workforce (including subcontractors) at 30 June 2025 totalled 9,095 people, a 23 per cent increase on the prior year, driven by high levels of maintenance activity and the continued ramp up in construction work. Key talent retention performance measures remained high, improving from the prior period.
Customer Satisfaction *Company* *Engineering Construction* *Maintenance & Industrial Services*		Customer satisfaction levels are measured through customer surveys. Customer expectations and performance against competitors were above target. For the year, the survey data consistently showed a high level of customer satisfaction with the quality of services delivered by Monadelphous.
Strategy *Company* *Engineering Construction* *Maintenance & Industrial Services*		Monadelphous secured approximately $2.5 billion in new contracts and contract extensions since the beginning of the financial year, representing a record total value of awards in a period, and enters the new financial year with a strong pipeline of committed work. Monadelphous continued to progress its markets and growth strategy related to the energy transition with the acquisition of Perth-based high voltage services business, High Energy Service (HES). HES provides specialist high voltage electrical maintenance and testing, commissioning and engineering to major resources companies throughout Western Australia, adding to the Company's existing electrical services capability and broadening its service offering to customers. Melchor, Monadelphous' civil business continued to grow, delivering both standalone projects and civil works for integrated multidisciplinary contracts. Zenviron, Monadelphous' renewable energy business, successfully delivered its first balance-of-plant contract in the energy storage market and secured additional projects in both wind energy and energy storage.

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. 2025 Executive Remuneration Outcomes (continued)

The following table sets out the awards under the CR Plan for each executive for the financial years ended 30 June 2025 and 30 June 2024:

Executive	**2025 Total Award $**	2024 Total Award $	**2025 % of Maximum Opportunity Earned**	2024 % of Maximum Opportunity Earned
Z. Bebic	**534,300**	472,300	**87%**	81%
P. Trueman	**276,400**	231,000	**92%**	80%
A. Cook	**264,300**	200,600	**82%**	64%
A. Reid	**300,600**	256,700	**93%**	82%

The performance right component of the award relating to the year ended 30 June 2025, which is to be offered in or around October 2025, will be amortised over four years. It is estimated, based on the share price at 30 June 2025, that approximately 58,753 performance rights will be offered to Key Management Personnel under the terms of the 2025 CR Plan (2024: 67,792 performance rights – refer to 7.2.2).

<u>7.2.2 Performance rights granted during the year under the 2024 Combined Reward Plan</u>

Key elements of the award made under the 2024 CR Plan and granted during the year ended 30 June 2025 are outlined in the table below:

	2024 CR Plan Award
Performance Period	1 July 2023 to 30 June 2024
Performance Requirements and Outcomes	Performance requirements for the year ended 30 June 2024 were satisfied, resulting in an award during the year ended 30 June 2025.
Award Components	▪ 25% cash payment paid August 2024 ▪ 75% performance rights issued in November 2024 ▪ The number of performance rights issued were calculated using the arithmetic average of the ten-day daily volume weighted average market price of the Company's ordinary shares commencing on the second trading day after the record date in respect of the FY24 final dividend, equivalent to the Dividend Reinvestment Plan price which was $12.27.
Vesting Condition	The employee must remain in the employ of the Company between the grant and vesting date (unless the Board determines otherwise).
Vesting Date	The performance rights component for the 2024 award vests into shares in equal instalments, on 1 July 2025, 1 July 2026 and 1 July 2027, with one share issued for each vested performance right.
Disposal Restriction	Resulting shares will be restricted from disposal until the opening of the Monadelphous share trading window following the release of the 30 June 2027 financial results, in or around August 2027.

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. 2025 Executive Remuneration Outcomes (continued)

Performance rights granted to Key Management Personnel under the 2024 CR Plan during the year ended 30 June 2025 are outlined in the following table.

	Terms and Conditions for Each Grant						
	Granted Number	Grant Date	Fair Value per Right at Grant Date $	Exercise Price per Right $	Expiry Date	First Exercise Date	Last Exercise Date
Executive Directors							
R. Velletri	-	-	-	-	-	-	-
Z. Bebic	28,869	19/11/2024	11.85	Nil	1/7/2027	1/7/2025	1/7/2027
Other Key Management Personnel							
P. Trueman	14,119	24/09/2024	11.81	Nil	1/7/2027	1/7/2025	1/7/2027
A. Cook	12,261	24/09/2024	11.81	Nil	1/7/2027	1/7/2025	1/7/2027
A. Reid	15,690	24/09/2024	11.81	Nil	1/7/2027	1/7/2025	1/7/2027
Total	**70,939**						

Subsequent to year end on 1 July 2025, 23,646 shares were issued to Key Management personnel on vesting and exercise of performance rights representing the first tranche of the award under the terms of the 2024 CR Plan.

7.2.3 Performance rights exercised during the year under the Combined Reward Plan

Shares issued during the year ended 30 June 2025 to Key Management Personnel on vesting and exercise of performance rights representing the second tranche of the award under the terms of the 2022 CR Plan and the first tranche of the award under the terms of the 2023 CR Plan are outlined in the following table.

	Performance Rights Vested	Performance Rights Exercised	Shares Issued	Paid per Share $
Executive Directors				
R. Velletri[1, 2]	9,673	9,673	9,673	Nil
Z. Bebic[1]	10,721	10,721	10,721	Nil
Senior Executives				
P. Trueman[1]	7,458	7,458	7,458	Nil
A. Cook[1]	3,127	3,127	3,127	Nil
A. Reid[1]	5,565	5,565	5,565	Nil
Total	**36,544**	**36,544**	**36,544**	

[1] On 1 July 2024, the date of exercise of the above performance rights, the closing share price was $13.08.
[2] Vesting of performance rights granted to R. Velletri in his previous role as Managing Director.

Subsequent to year end on 1 July 2025, 36,550 shares were issued to Key Management Personnel on vesting and exercise of performance rights representing the third tranche of the award under the terms of the 2022 CR Plan and the second tranche of the award under the terms of the 2023 CR Plan.

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. 2025 Executive Remuneration Outcomes (continued)

7.3 Long-Term Senior Leadership Performance Reward Plan

7.3.1 Performance rights granted during the year under the Long-Term Senior Leadership Performance Reward Plan

On 1 November 2024, 250,647 performance rights were issued under the LTPR Plan for 2024 to approximately 30 employees, including 68,697 performance rights to Key Management Personnel, with a further 41,716 performance rights issued to the Managing Director on 19 November 2024 following shareholder approval at the Company's AGM.

A further 34,440 performance rights offered to the Managing Director in December 2023 under the Long-Term Senior Leadership Performance Reward Plan for 2023, were issued on 19 November 2024 following shareholder approval (as the timing of the offer did not allow for a resolution to be tabled at the Company's 2023 AGM).

Key elements of the award made under the LTPR Plan in November 2024 are outlined in the table below:

	2024 LTPR Plan Award
Award Components	100% granted as performance rights on 1 and 19 November 2024
Performance Period	Performance is assessed over a three year period between the financial years ending 30 June 2025 and 30 June 2027 (measurement period).
Performance Requirement	▪ EPS growth is used to measure the financial performance of the Company over the measurement period. ▪ For 100 per cent of the performance rights to vest, EPS growth of at least 8 per cent per annum (compounded over the measurement period) is required. ▪ If EPS growth is 4 per cent per annum (compounded over the measurement period), 50 per cent of the performance rights will vest. ▪ If EPS growth is between 4 and 8 per cent per annum (compounded over the measurement period), a pro-rata number of performance rights will vest. ▪ No performance rights will vest if EPS growth is less than 4 per cent per annum (compounded over the measurement period). ▪ Unless the Board determines otherwise, any performance rights that do not vest as a result of the performance hurdle not being satisfied will be forfeited.
Vesting Condition	The employee must remain in the employ of the Company between the grant and vesting date (unless the Board determines otherwise).
Vesting Date	Performance rights will vest three years after grant on 1 November 2027, subject to the financial performance of the Company over the measurement period and continued employment vesting condition.

7.3.2 Performance rights exercised during the year under the Long-Term Senior Leadership Performance Reward Plan

There were no performance rights exercised under the Long-Term Senior Leadership Performance Reward Plan during the year ended 30 June 2025.

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. 2025 Executive Remuneration Outcomes (continued)

Performance rights granted to Key Management Personnel under the Long-Term Senior Leadership Performance Reward Plan during the year ended 30 June 2025 are outlined in the following table.

	Terms and Conditions for Each Grant						
	Granted Number	**Grant Date**	**Fair Value per Right at Grant Date $**	**Exercise Price per Right $**	**Expiry Date**	**First Exercise Date**	**Last Exercise Date**
Executive Directors							
R. Velletri	-	-	-	-	-	-	-
Z. Bebic[1]	76,156	19/11/2024	11.30	Nil	1/11/2027	1/11/2027	1/11/2027
Other Key Management Personnel							
P. Trueman	21,735	24/9/2024	10.65	Nil	1/11/2027	1/11/2027	1/11/2027
A. Cook	23,481	24/9/2024	10.65	Nil	1/11/2027	1/11/2027	1/11/2027
A. Reid	23,481	24/9/2024	10.65	Nil	1/11/2027	1/11/2027	1/11/2027
Total	**144,853**						

[1] Represents 41,716 performance rights under the LTPR for 2024 and 34,440 performance rights under the LTPR for 2023 (the timing of the 2023 offer did not allow for a resolution to be tabled at the 2023 Annual General Meeting) issued following shareholder approval at the Company's 2024 Annual General Meeting.

The performance rights are being amortised over three years.

7.4 Employee Option Plan

7.4.1 Options granted during the year under the Employee Option Plan

There were no options granted under the Employee Option Plan during the year ended 30 June 2025.

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. 2025 Executive Remuneration Outcomes (continued)

7.4.2 Options exercised during the year under the Employee Option Plan

The EPS growth performance hurdle was achieved for the measurement period between the financial years ended 30 June 2020 and 30 June 2024, resulting in the third and final tranche (50 per cent) of options issued under the 2020 Employee Option Plan vesting and being exercised during the window period commencing 1 September 2024.

Key elements of the award made under the Employee Option Plan in 2020 are outlined in the table below:

	2020 Employee Option Plan
Award Components	100% granted as options on 5 November 2020 (23 November 2021 for Managing Director following shareholder approval)
Performance Period	Performance is assessed over a four-year period between the financial years ending 30 June 2020 and 30 June 2024 (measurement period).
Performance Requirement	EPS growth is used to measure the financial performance of the Company over the measurement period. ▪ For 100 per cent of the options to be exercisable, EPS growth of at least 8 per cent per annum (compounded over the measurement period) is required. ▪ If EPS growth is 4 per cent per annum (compounded over the measurement period), 50 per cent of the options will be exercisable and if EPS growth is between 4 and 8 per cent per annum (compounded over the measurement period), a pro-rata number of options will be exercisable. ▪ No options will be exercisable if EPS growth is less than 4 per cent per annum (compounded over the measurement period). ▪ In subsequent window periods, performance will be re-tested and any options that were incapable of exercise in earlier window periods will become available for exercise to the extent that EPS performance has 'caught up' and the EPS growth hurdle is met over the longer measurement period. At the end of the final window period, any options remaining that are not capable of exercise, as a result of the performance hurdle not being achieved, will lapse.
Vesting Date	Subject to the satisfaction of the EPS performance hurdle, options may be exercised in the following window periods: ▪ Up to a maximum of 25% during the window period commencing 1 September 2022; ▪ Up to a maximum of 25%, plus any options rolled over from the previous window period, during the window period commencing 1 September 2023; and ▪ Up to a maximum of 50%, plus any options rolled over from the previous window period, during the window commencing 1 September 2024.
Exercise Price	$9.30

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. 2025 Executive Remuneration Outcomes (continued)

Shares issued to Key Management Personnel on vesting and exercise of options under the Employee Option Plan during the year ended 30 June 2025 are outlined in the following table.

	Options Vested	Options Exercised	Shares Issued[2]	Exercise Price $
Directors				
R. Velletri[1, 2]	150,000	150,000	42,857	9.30
Z. Bebic[1]	100,000	100,000	28,571	9.30
Executives				
P. Trueman[1]	80,000	80,000	22,857	9.30
A. Cook	-	-	-	-
A. Reid[1]	50,000	50,000	14,285	9.30
Total	**380,000**	**380,000**	**108,570**	

[1] On 4 September 2024, the date of exercise of the above options, the closing share price was $12.51.
[2] All participants elected to exercise the above options using the cashless method (380,000 options exercised at $nil (pursuant to cashless exercise) resulting in 108,570 shares).
[3] Vesting of options granted to R. Velletri in his previous role as Managing Director.

7.5 Employee Retention Plan

7.5.1 Retention rights exercised during the year under the Employee Retention Plan

Shares issued to Key Management Personnel on vesting and exercise of retention rights under the Employee Retention Plan during the year ended 30 June 2025 are outlined in the following table.

	Retention Rights Vested	Retention Rights Exercised	Shares Issued	Paid per Share $
Directors				
R. Velletri[1, 2]	14,534	14,534	14,534	Nil
Z. Bebic[1]	10,900	10,900	10,900	Nil
Executives				
P. Trueman[1]	9,068	9,068	9,068	Nil
A. Cook	-	-	-	-
A. Reid[1]	5,434	5,434	5,434	Nil
Total	**39,936**	**39,936**	**39,936**	

[1] On 20 December 2024, the date of exercise of the above retention rights, the closing share price was $13.34.
[2] Vesting of retention rights granted to R. Velletri in his previous role as Managing Director.

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. 2025 Executive Remuneration Outcomes (continued)

7.6 Executive Statutory Remuneration Disclosures

7.6.1 Remuneration for the year ended 30 June 2025

	Short Term Benefits				Post Employment	Long Term Benefits	Share-Based Payments [3]	Total	Total Perform-ance Related	Total Rights and Options Related
	Salary & Fees $	Leave [1] $	Non-Monetary [2] $	Cash Award $	Super-annuation $	Leave[1] $	Rights and Options $	$	%	%
Executive Directors										
R. Velletri	688,068	30,498	-	-	29,932	(245,546)	80,648	583,600	13.82	13.82
Z. Bebic	975,000	(13,442)	18,800	133,575	29,932	51,370	582,616	1,777,851	40.28	32.76
Subtotal Executive Directors	**1,663,068**	**17,056**	**18,800**	**133,575**	**59,864**	**(194,176)**	**663,264**	**2,361,451**	**33.74**	**28.09**
Other Key Management Personnel										
P. Trueman	625,000	10,537	11,800	69,100	29,932	(24,826)	312,288	1,033,831	36.89	30.21
A. Cook	677,500	4,670	12,850	66,075	29,932	14,784	278,810	1,084,621	31.80	25.71
A. Reid	677,500	1,296	12,850	75,150	29,932	19,096	320,492	1,136,315	34.82	28.20
Subtotal Other Key Management Personnel	**1,980,000**	**16,503**	**37,500**	**210,325**	**89,796**	**9,054**	**911,590**	**3,254,767**	**34.47**	**28.01**
Total Executive Key Management Personnel	**3,643,068**	**33,559**	**56,300**	**343,900**	**149,660**	**(185,122)**	**1,574,854**	**5,616,218**	**34.16**	**28.04**

[1] Leave reflects annual and long service leave accrual less annual and long service leave taken.
[2] Non-monetary benefits consist of Life and Salary Continuance insurance premiums.
[3] Relates to the 2022, 2023, 2024 and 2025 awards under the CR Plan, 2020 award under the Option Plan, 2021 award under the ER Plan, and 2023 and 2024 awards under the LTPR Plan

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. 2025 Executive Remuneration Outcomes (continued)

7.6.2 Remuneration for the year ended 30 June 2024

	Short Term Benefits				Post Employment	Long Term Benefits	Share-Based Payments [3]	Total	Total Perform-ance Related	Total Rights and Options Related
	Salary & Fees $	Leave [1] $	Non-Monetary [2] $	Cash Award $	Super-annuation $	Leave[1] $	Rights and Options $	$	%	%
Executive Directors										
R. Velletri	665,000	343	-	-	27,399	(95,237)	289,838	887,343	32.66	32.66
Z. Bebic	930,000	61,008	17,900	118,075	27,399	54,569	434,270	1,643,221	33.61	26.43
Subtotal Executive Directors	**1,595,000**	**61,351**	**17,900**	**118,075**	**54,798**	**(40,668)**	**724,108**	**2,530,564**	**33.28**	**28.61**
Other Key Management Personnel										
P. Trueman	600,000	36,310	11,300	57,750	27,399	(16,580)	264,603	980,782	32.87	26.98
A. Cook	652,500	8,601	12,350	50,150	27,399	14,161	131,744	896,905	20.28	14.69
A. Reid	652,500	(13,964)	12,350	64,175	27,399	21,991	221,034	985,485	28.94	22.43
Subtotal Other Key Management Personnel	**1,905,000**	**30,947**	**36,000**	**172,075**	**82,197**	**19,572**	**617,381**	**2,863,172**	**27.57**	**21.56**
Total Executive Key Management Personnel	**3,500,000**	**92,298**	**53,900**	**290,150**	**136,995**	**(21,096)**	**1,341,489**	**5,393,736**	**30.25**	**24.87**

[1] Leave reflects annual and long service leave accrual less annual and long service leave taken.
[2] Non-monetary benefits consist of Life and Salary Continuance insurance premiums.
[3] Relates to the 2022, 2023 and 2024 awards under the CR Plan, 2020 award under the Option Plan, 2021 award under the ER Plan and 2023 award under the LTPR Plan

REMUNERATION REPORT (AUDITED) (CONTINUED)

8. Non-Executive Director Remuneration

8.1 Overview

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The most recent determination was at the Annual General Meeting held on 19 November 2019 when shareholders approved an aggregate remuneration of $850,000 in the 'not to exceed sum' paid to non-executive directors.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Remuneration Committee and Board consider the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Non-executive director fees consist of base fees and committee chair fees. The Deputy Chair/Lead Independent Non-executive Director also receives an additional fee. The payment of committee chair fees recognises the additional time commitment required by non-executive directors to chair the Board committees. Committee members do not receive a separate fee for sitting on a committee.

8.2 Fees and Other Benefits

The table below summarises Board and Committee fees payable to non-executive directors for the financial year ended 30 June 2025 (inclusive of superannuation):

Board / Committee Chair Fees	$
Non-executive Director fee	139,500
Board Deputy Chair/Lead Independent Non-executive Director & Chair of Remuneration Committee additional fee	20,000
Chair of Audit Committee additional fee	15,000

Note, the Nomination Committee is chaired by the Executive Chair and there is no additional fee.

REMUNERATION REPORT (AUDITED) (CONTINUED)

8. Non-Executive Director Remuneration (continued)

8.3 Non-Executive Director Statutory Remuneration Disclosures

8.3.1 Remuneration for the year ended 30 June 2025

	Short Term Benefits		
	Salary & Fees $	Superannuation $	Total $
Non- Executive Directors			
S. L. Murphy	143,049	16,451	159,500
D. R. Voss	125,112	14,388	139,500
H. J. Gillies	138,565	15,935	154,500
E. P. Buratto	125,112	14,388	139,500
Total Non-Executive Directors	**531,838**	**61,162**	**593,000**

8.3.2 Remuneration for the year ended 30 June 2024

	Short Term Benefits		
	Salary & Fees $	Superannuation $	Total $
Non- Executive Directors			
S. L. Murphy	138,739	15,261	154,000
D. R. Voss	120,721	13,279	134,000
H. J. Gillies	134,234	14,766	149,000
E. P. Buratto	120,721	13,279	134,000
Total Non-Executive Directors	**514,415**	**56,585**	**571,000**

REMUNERATION REPORT (AUDITED) (CONTINUED)

9. Additional Statutory Disclosures

9.1 Additional disclosures relating to rights, options and shares

9.1.1 Combined Reward Plan Performance Rights holdings of Key Management Personnel

CR Plan Performance Rights held in Monadelphous Group Limited	**Balance at Beginning of Period 1 July 2024**	**Granted as Remuneration [1]**	**Rights Exercised and Lapsed [2]**	**Net Change Other**	**Balance at End of Period 30 June 2025**
Executive Directors					
R. Velletri[3]	19,347	-	(9,673)	-	9,674
Z. Bebic	27,407	28,869	(10,721)	-	45,555
Senior Executives					
P. Trueman	18,434	14,119	(7,458)	-	25,095
A. Cook	9,381	12,261	(3,127)	-	18,515
A. Reid	14,039	15,690	(5,565)	-	24,164
Total	**88,608**	**70,939**	**(36,544)**	**-**	**123,003**

[1] Performance rights under the 2024 CR Plan granted during the year ended 30 June 2025.
[2] Performance rights vested and exercised under the terms of the 2022 and 2023 CR Plans.
[3] Performance rights granted to R. Velletri in his previous role as Managing Director.

9.1.2 Long-Term Senior Leadership Performance Reward Plan Performance Rights holdings of Key Management Personnel

LTPR Plan Performance Rights held in Monadelphous Group Limited	**Balance at Beginning of Period 1 July 2024**	**Granted as Remuneration**	**Rights Exercised and Lapsed**	**Net Change Other**	**Balance at End of Period 30 June 2025**
Executive Directors					
R. Velletri	-	-	-	-	-
Z. Bebic[1]	-	76,156	-	-	76,156
Senior Executives					
P. Trueman	18,043	21,735	-	-	39,778
A. Cook	19,556	23,481	-	-	43,037
A. Reid	19,556	23,481	-	-	43,037
Total	**57,155**	**144,853**	**-**	**-**	**202,008**

[1] Represents 41,716 performance rights under the LTPR for 2024 and 34,440 performance rights under the LTPR for 2023 (the timing of the 2023 offer did not allow for a resolution to be tabled at the 2023 Annual General Meeting) issued following shareholder approval at the Company's 2024 Annual General Meeting.

REMUNERATION REPORT (AUDITED) (CONTINUED)

9. Additional Statutory Disclosures (continued)

9.1.3 Options holdings of Key Management Personnel

Options held in Monadelphous Group Limited	**Balance at Beginning of Period 1 July 2024**	**Granted as Remuneration**	**Options Exercised**	**Options Lapsed**	**Balance at End of Period 30 June 2025**
Executive Directors					
R. Velletri[1]	150,000	-	(150,000)	-	-
Z. Bebic	100,000	-	(100,000)	-	-
Senior Executives					
P. Trueman	80,000	-	(80,000)	-	-
A. Cook	-	-	-	-	-
A. Reid	50,000	-	(50,000)	-	-
Total	**380,000**	**-**	**(380,000)**	**-**	**-**

[1] Options granted to R. Velletri in his previous role as Managing Director.

9.1.4 Retention Rights holdings of Key Management Personnel

Retention Rights held in Monadelphous Group Limited	**Balance at Beginning of Period 1 July 2024**	**Granted as Remuneration**	**Rights Exercised and Lapsed**	**Net Change Other**	**Balance at End of Period 30 June 2025**
Executive Directors					
R. Velletri	14,534	-	(14,534)	-	-
Z. Bebic	10,900	-	(10,900)	-	-
Senior Executives					
P. Trueman	9,068	-	(9,068)	-	-
A. Cook	-	-	-	-	-
A. Reid	5,434	-	(5,434)	-	-
Total	**39,936**	**-**	**(39,936)**	**-**	**-**

[1] Retention rights granted to R. Velletri in his previous role as Managing Director.

REMUNERATION REPORT (AUDITED) (CONTINUED)

9. Additional Statutory Disclosures (continued)

9.1.5 Shareholdings of Key Management Personnel

Shares held in Monadelphous Group Limited	**Balance at Beginning of Period 1 July 2024**	**Granted as Remuneration**	**On Exercise of Performance Rights, Options and Retention Rights**	**Net Change Other**	**Balance at End of Period 30 June 2025**
Non-Executive Directors					
S. L. Murphy	13,473	-	-	664	14,137
D. R. Voss	72,630	-	-	29	72,659
H. J. Gillies	9,984	-	-	492	10,476
E. P. Buratto	4,250	-	-	3,080	7,330
Executive Directors					
R. Velletri	2,225,288	-	67,064	-	2,292,352
Z. Bebic	79,627	-	50,192	10,000	139,819
Senior Executives					
P. Trueman	29,574	-	39,383	(12,557)	56,400
A. Cook	-	-	3,127	152	3,279
A. Reid	25,325	-	25,284	(41,506)	9,103
Total	**2,460,151**	**-**	**185,050**	**(39,646)**	**2,605,555**

9.2 Other Statutory Disclosures

9.2.1 Loans to Key Management Personnel and their related parties

No directors or senior executives, or their related parties, had any loans during the reporting period.

9.2.2 Other transactions and balances with Key Management Personnel and their related parties

There were no other transactions and balances with Key Management Personnel or their related parties.

END OF REMUNERATION REPORT

Signed in accordance with a resolution of the directors.

Robert Velletri
Chair
Perth, 18 August 2025

Ernst & Young
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Auditor's independence declaration to the directors of Monadelphous Group Limited

As lead auditor for the audit of the financial report of Monadelphous Group Limited for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Monadelphous Group Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Pierre Dreyer
Partner
18 August 2025

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Independent auditor's report to the members of Monadelphous Group Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Monadelphous Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial report.

Shape the future with confidence

Recognition of revenues and profits on long-term contracts

Why significant	How our audit addressed the key audit matter
The Group's business involves entering into contractual relationships with customers to provide a range of services. A significant proportion of the Group's revenues and profits are derived from long-term contracts. Revenue recognition involves a significant degree of judgement, with estimates being made to: ▪ Determine the transaction price under the customer contract ▪ Assess the total contract costs ▪ Measure the Group's progress towards the complete satisfaction of the performance obligations under the customer contract ▪ Appropriately provide for onerous contracts. The Group's accounting policies and disclosures for revenue are detailed in the financial report as follows: ▪ *General Information – Key Judgements and Estimates – Revenue* ▪ *Note 1 – Revenue and Other Income*, and ▪ *Note 7 – Contract Assets* Given the significance of revenue and profits from long term contracts to the Group's financial results as well as the high degree of judgement and estimation involved in determining these amounts, we consider this a key audit matter.	We examined a sample of key contracts and held discussions with Group executives to understand the specific terms and risks of those contracts in order to assess the revenue recognition policies adopted by the Group. We assessed the operating effectiveness of controls over revenue recognised in the financial report, including controls relating to: ▪ Contract reviews performed by the Group that included estimating total costs, the stage of completion of contracts and contract profitability, including consideration of historical estimation accuracy ▪ Revenue recording and billing processes ▪ Contract cost recording processes including the purchases, payments and payroll processes. For a sample of contracts in progress at 30 June 2025, we performed the following additional procedures: Understood the performance and status of the contracts through enquiries with the key executives with oversight over the various contract portfolios ▪ Assessed the contract status through the examination of external evidence, such as approved variations and customer correspondence ▪ Analysed the Group's estimates of total contract costs and forecast costs to complete work under the contract ▪ For projects with known disputes, we sighted claim documentation, met with the Group's internal or external General Counsel and reviewed supporting documentation in relation to the status, entitlement, obligations and disclosure of these matters. We assessed the provisions for onerous contracts and whether these appropriately reflected the expected contractual positions. We assessed the Group's accounting policies and the adequacy of its related disclosures in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report other than the financial report and our auditor's report thereon. We obtained the directors' report, chair's report, company performance, governance and risk management and climate disclosures that are to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Shape the future with confidence

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

Shape the future
with confidence

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Monadelphous Group Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Pierre Dreyer
Partner
Perth
18 August 2025

In accordance with a resolution of the Directors of Monadelphous Group Limited, I state that:

1) In the opinion of the directors:

(a) the financial statements, notes and the additional disclosures included in the Directors' Report designated as audited, of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the year ended on that date; and

(ii) complying with Accounting Standards and *Corporations Regulations 2001*;

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(c) the financial statements and notes also comply with International Financial Reporting Standards as disclosed on page 76; and

(d) the consolidated entity disclosure statement required by section 295 (3A) of the Corporations Act is true and correct.

2) This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001* for the year ended 30 June 2025.

3) In the opinion of the directors, as at the date of this declaration, there are reasonable grounds to believe that the members of the closed group identified in note 20 will be able to meet any obligations or liabilities to which they are or may become subject to, by virtue of the Deed of Cross Guarantee.

On behalf of the Board

R. Velletri
Chair
Perth, 18 August 2025

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	**2025 $'000**	2024 $'000
Continuing Operations			
REVENUE	1	**2,162,571**	2,015,915
Cost of services rendered		**(1,999,440)**	(1,872,790)
GROSS PROFIT		**163,131**	143,125
Other income	1	**12,359**	9,923
Business development and tender expenses		**(18,886)**	(18,353)
Occupancy expenses		**(3,555)**	(3,649)
Administrative expenses		**(37,452)**	(37,436)
Finance costs	2	**(3,792)**	(3,786)
Share of profit from joint ventures	11	**7,335**	2,121
PROFIT BEFORE INCOME TAX		**119,140**	91,945
Income tax expense	3	**(35,393)**	(29,720)
PROFIT AFTER INCOME TAX		**83,747**	62,225
ATTRIBUTABLE TO			
EQUITY HOLDERS OF THE PARENT		**83,721**	62,203
NON-CONTROLLING INTERESTS		**26**	22
		83,747	62,225
Basic earnings per share (cents per share)	4	**85.01**	64.08
Diluted earnings per share (cents per share)	4	**84.10**	63.13

MONADELPHOUS GROUP LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	2025 **$'000**	2024 $'000
NET PROFIT FOR THE YEAR	**83,747**	62,225
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation	**(1,017)**	(418)
Items that have been reclassified to profit or loss:		
Foreign currency translation	**34**	-
OTHER COMPREHENSIVE (LOSS) FOR THE YEAR, NET OF TAX	**(983)**	(418)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**82,764**	61,807
ATTRIBUTABLE TO		
EQUITY HOLDERS OF THE PARENT	**82,738**	61,785
NON-CONTROLLING INTERESTS	**26**	22
	82,764	61,807

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Notes	2025 $'000	2024 $'000
ASSETS			
Current assets			
Cash and cash equivalents	5	**205,829**	225,864
Trade and other receivables	6	**481,445**	340,126
Contract assets	7	**8,962**	4,336
Inventories	8	**1,998**	1,930
Total current assets		**698,234**	572,256
Non-current assets			
Contract assets	7	**14,077**	19,491
Property, plant and equipment	9	**215,717**	232,668
Intangible assets and goodwill	10	**17,423**	18,243
Investment in joint ventures	11	**17,311**	12,341
Deferred tax assets	3	**42,468**	32,364
Total non-current assets		**306,996**	315,107
TOTAL ASSETS		**1,005,230**	887,363
LIABILITIES			
Current liabilities			
Trade and other payables	12	**289,262**	210,831
Interest bearing loans and borrowings	13	**4,272**	4,529
Lease liabilities	14	**21,084**	23,018
Income tax payable	3	**23,052**	18,613
Provisions	15	**105,732**	89,888
Total current liabilities		**443,402**	346,879
Non-current liabilities			
Interest bearing loans and borrowings	13	**2,093**	6,366
Lease liabilities	14	**52,849**	60,327
Provisions	15	**9,050**	7,536
Other financial liability		**-**	661
Total non-current liabilities		**63,992**	74,890
TOTAL LIABILITIES		**507,394**	421,769
NET ASSETS		**497,836**	465,594
EQUITY			
Contributed equity	18	**150,120**	145,781
Reserves	19	**67,126**	57,947
Retained earnings	19	**280,590**	261,866
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**497,836**	465,594
Non-controlling interests		**-**	-
TOTAL EQUITY		**497,836**	465,594

	Attributable to equity holders							
	Issued Capital $'000	Share-Based Payment Reserve $'000	Foreign Currency Translation Reserve $'000	Retained Earnings $'000	Non-controlling Interests $'000	Fair value reserve for Financial Assets $'000	Equity Reserve $'000	Total $'000
At 1 July 2024	145,781	64,630	(4,890)	261,866	-	2,856	(4,649)	465,594
Other comprehensive loss	**-**	**-**	**(983)**	**-**	**-**	**-**	**-**	**(983)**
Profit for the period	**-**	**-**	**-**	**83,721**	**26**	**-**	**-**	**83,747**
Total comprehensive income for the period	**-**	**-**	**(983)**	**83,721**	**26**	**-**	**-**	**82,764**
Transactions with owners in their capacity as owners								
Reclassification of non controlling interest to liabilities	**-**	**-**	**-**	**-**	**(26)**	**-**	**26**	**-**
Remeasurement of financial liability	**-**	**-**	**-**	**-**	**-**	**-**	**151**	**151**
Exercise of employee options	**465**	**-**	**-**	**-**	**-**	**-**	**-**	**465**
Share-based payments	**-**	**8,311**	**-**	**-**	**-**	**-**	**-**	**8,311**
Adjustment to deferred tax asset recognised on employee share trust	**-**	**1,674**	**-**	**-**	**-**	**-**	**-**	**1,674**
Dividend reinvestment plan	**3,874**	**-**	**-**	**-**	**-**	**-**	**-**	**3,874**
Dividends paid	**-**	**-**	**-**	**(64,997)**	**-**	**-**	**-**	**(64,997)**
At 30 June 2025	**150,120**	**74,615**	**(5,873)**	**280,590**	**-**	**2,856**	**(4,472)**	**497,836**

MONADELPHOUS GROUP LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Attributable to equity holders							
	Issued Capital $'000	**Share-Based Payment Reserve $'000**	**Foreign Currency Translation Reserve $'000**	**Retained Earnings $'000**	**Non-controlling Interests $'000**	**Fair value reserve for Financial Assets $'000**	**Equity Reserve $'000**	**Total $'000**
At 1 July 2023	141,115	55,011	(4,472)	248,178	-	2,856	(4,710)	437,978
Other comprehensive loss	-	-	(418)	-	-	-	-	(418)
Profit for the period	-	-	-	62,203	22	-	-	62,225
Total comprehensive income for the period	-	-	(418)	62,203	22	-	-	61,807
Transactions with owners in their capacity as owners								
Reclassification of non controlling interest to liabilities	-	-	-	-	(22)	-	22	-
Remeasurement of financial liability	-	-	-	-	-	-	39	39
Exercise of employee options	325	-	-	-	-	-	-	325
Share-based payments	-	7,475	-	-	-	-	-	7,475
Adjustment to deferred tax asset recognised on employee share trust	-	2,144	-	-	-	-	-	2,144
Dividend reinvestment plan	4,341	-	-	-	-	-	-	4,341
Dividends paid	-	-	-	(48,515)	-	-	-	(48,515)
At 30 June 2024	145,781	64,630	(4,890)	261,866	-	2,856	(4,649)	465,594

	Notes	**2025 $'000**	2024 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		**2,226,858**	2,234,881
Payments to suppliers and employees (inclusive of GST)		**(2,124,108)**	(2,030,455)
Interest received		**9,415**	7,353
Finance costs paid		**(3,792)**	(3,786)
Other income		**9,403**	2,271
Income tax paid		**(39,102)**	(27,076)
Dividends received		**2,365**	4,550
NET CASH FLOWS FROM OPERATING ACTIVITIES	5	**81,039**	187,738
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		**3,807**	9,901
Purchase of property, plant and equipment		**(13,879)**	(88,882)
Proceeds from sale of controlled entities		**667**	-
Acquisition of controlled entities, net of cash acquired		**-**	(8,843)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(9,405)**	(87,824)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		**(61,122)**	(44,174)
Proceeds from issue of shares on exercise of options		**465**	325
(Repayment) / Proceeds of borrowings		**(4,530)**	20,096
Payment of principal portion of hire purchase liabilities		**(15,397)**	(16,860)
Payment of principal portion of other lease liabilities		**(9,288)**	(9,369)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(89,872)**	(49,982)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		**(18,238)**	49,932
Net foreign exchange differences		**(1,797)**	(2,391)
Cash and cash equivalents at beginning of year		**225,864**	178,323
CASH AND CASH EQUIVALENTS AT END OF YEAR	5	**205,829**	225,864

GENERAL INFORMATION

The consolidated financial report of Monadelphous Group Limited (the Group) and its subsidiaries for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of directors on 18 August 2025.

Monadelphous Group Limited is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The Group's registered office is 59 Albany Highway, Victoria Park, Western Australia.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

Basis of preparation

The financial report is a general purpose financial report, which:

- has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board as applicable to a for-profit entity.
- has also been prepared on a historical cost basis except for certain financial assets that have been measured at fair value.
- is presented in Australian dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which the legislative instrument applies.
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods beginning on or before 1 July 2024 (refer to note 32).
- does not early adopt any Accounting Standards and Interpretations that have been issued or amended but are not yet effective.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights results in control.

A list of controlled entities (subsidiaries) at year end is contained in note 20. Consolidation of the subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a debit balance.

GENERAL INFORMATION (continued)

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer. Acquisition-related costs are expensed as incurred.

Foreign currency translation

Functional and presentation currency

Each entity in the Group determines its own functional currency. Both the functional and presentation currencies of Monadelphous Group Limited are Australian dollars (A$).

For each entity, the Group determines the functional currency and items included are measured using the functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Translation of Group companies' functional currency to presentation currency

As at the reporting date the assets and liabilities of the foreign operations are translated into the presentation currency of Monadelphous Group Limited at the rate of exchange ruling at the reporting date and the income statements are translated at the weighted average exchange rates for the year. Exchange variations arising from the translation are recognised in the foreign currency translation reserve in equity.

Other accounting policies

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements or at note 32.

GENERAL INFORMATION (continued)

Key judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Management have identified the following critical accounting policies for which significant judgements, estimates and assumptions are made:

Accounting for contracts with customers

The Group accounts for construction contracts in accordance with AASB 15 Revenue from Contracts with Customers.

Accounting for construction contracts involves the continuous use of estimates based on a number of detailed assumptions. Construction contracts can span accounting periods, requiring estimates and assumptions to be updated on a regular basis.

Accounting estimates resulting from judgements in relation to individual projects may be materially different to actual results due to the size, scale and complexity of projects.

Revenue

Where performance obligations are satisfied over time, revenue is recognised in the consolidated income statement by reference to the progress towards complete satisfaction of each performance obligation.

For construction contracts, revenue is recognised using an output method based on work certified to date which the Group believes depicts the transfer of goods and services as it is based on completed work as agreed by our customers.

Fundamental to this calculation is a reliable estimate of the transaction price (total contract revenue). In determining the transaction price, variable consideration including claims and certain contract variations are only included to the extent it is highly probable that a significant reversal in revenue will not occur in the future. Where a variation in scope has been agreed with the customer but the corresponding change in the transaction price has not been agreed the variation is accounted for as variable consideration. The estimate of variable consideration is determined using the expected value approach taking into account the facts and circumstances of each individual contract and the historical experience of the Group and is reassessed throughout the life of the contract.

There are a number of factors considered in assessing variable consideration including status of negotiations with the customer, outcomes of previous negotiations and legal evidence that provides a basis for entitlement.

Forecast Costs

Forecast costs to complete construction contracts are regularly updated and are based on costs expected to be incurred when the related activity is undertaken. Key assumptions regarding costs to complete contracts include estimation of labour costs, technical costs, impact of delays and productivity.

Construction contracts may incur additional costs in excess of original cost estimates. Liability for such costs may rest with the customer if considered to be a change to the original scope of works. Any additional contractual obligations, including liquidated damages, are also assessed to the extent these are due and payable under the contract.

When it is considered probable that total contract costs will exceed total contract revenue, the contract is considered onerous and the present obligation under the contract is recognised immediately as a provision.

GENERAL INFORMATION (continued)

Key judgements and estimates (continued)

Contract claims and disputes

Claims arising out of construction contracts may be made by or against the Group in the ordinary course of business, some of which may involve litigation or arbitration.

Estimates and assumptions regarding the likely outcome of these claims are made and recognised in the carrying value of contract assets and liabilities. In making these estimates and assumptions, legal opinions are obtained as appropriate.

The Directors do not consider the outcome of these claims to have a material adverse effect on the financial position of the Group, however uncertainty remains until the final outcome is determined.

Taxation

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised in the consolidated statement of financial position. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered probable that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised in the statement of financial position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustments, resulting in a corresponding credit or charge to the income statement.

Impairment

Refer to notes 9 and 10 for details.

Workers Compensation

Refer note 15 for details.

Determination of the lease term of contracts with renewal options

Refer to note 14 for details.

	2025 $'000	2024 $'000

1. REVENUE AND OTHER INCOME

	2025 $'000	2024 $'000
Revenue from contracts with customers		
Services revenue	**1,346,402**	1,323,530
Construction revenue	**806,754**	685,032
	2,153,156	2,008,562
Finance revenue	**9,415**	7,353
	2,162,571	2,015,915
Net gains on disposal of property, plant and equipment	**2,956**	7,652
Other income	**9,403**	2,271
	12,359	9,923
Disaggregation of revenue from contracts with customers by end customer industry:		
Iron ore	**577,357**	534,588
Energy transition metals and other minerals	**742,766**	735,452
Energy	**754,026**	637,038
Infrastructure	**191,726**	122,680
	2,265,875	2,029,758
Less share of revenue from joint ventures accounted for using the equity method	**(112,719)**	(21,196)
	2,153,156	2,008,562
The following amounts are included in revenue from contracts with customers:		
Revenue recognised as a contract liability in the prior period	**41,359**	10,494

Unsatisfied Performance Obligations

Transaction price expected to be recognised in future years for unsatisfied performance obligations at 30 June 2025:

	2025 $'000	2024 $'000
Services revenue	**2,085,758**	1,805,228
Construction revenue	**570,947**	374,824
Total	**2,656,705**	2,180,052

In line with the Group's accounting policy described following, the transaction price expected to be recognised in future years excludes variable consideration that is constrained.

The average duration of contracts is given below, however some contracts will vary from these typical lengths. Revenue is typically earned over these varying timeframes.

Services	1 to 5 years
Construction	1 to 2 years

1. REVENUE AND OTHER INCOME (continued)

Recognition and measurement

Revenue from contracts with customers

The Group is in the business of providing construction and maintenance services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods and services before transferring them to the customer.

<u>Construction services</u>

Construction contracts are assessed to identify the performance obligations contained in the contract. The total transaction price is allocated to each individual performance obligation. Typically, the Group's construction contracts contain a single performance obligation.

Work is performed on assets that are controlled by the customer or on assets that have no alternative use to the Group, with the Group having right to payment for performance to date. As performance obligations are satisfied over time, revenue is recognised over time using an output method based on work certified to date.

Customers are typically invoiced on a monthly basis and invoices are paid on normal commercial terms.

<u>Services contracts</u>

Contracts for performance of maintenance activities cover servicing of assets and involve various activities. These activities tend to be substantially the same with the same pattern of consumption by the customer. Where this is the case, which is the majority of the services contracts, these services are taken to be one performance obligation and the total transaction price is allocated to the performance obligation identified.

Performance obligations are fulfilled over time as the Group largely performs maintenance over the assets which the customer controls. Customers are typically invoiced monthly for an amount that is calculated on either a schedule of rates or a cost plus basis. For these contracts, the transaction price is determined as an estimate of this variable consideration.

<u>Variable consideration</u>

If the consideration in the contract includes a variable amount, the Group estimates the amount of the consideration to which it is entitled in exchange for transferring the goods and services to the customer. The Group includes some or all of this variable consideration in the transaction price only to the extent it is highly probable that a significant reversal of the cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Certain contracts are subject to claims which are enforceable under the contract. If the claim does not result in any additional goods or services, the transaction price is updated and the claim accounted for as variable consideration.

<u>Significant financing component</u>

Using the practical expedient in AASB 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

	2025 $'000	2024 $'000
2. EXPENSES		
Finance costs		
Finance charges	**2,570**	2,345
Interest on other lease liabilities	**1,222**	1,441
	3,792	3,786
Depreciation and amortisation		
Depreciation expense of owned property, plant and equipment	**24,048**	18,214
Depreciation expense of right of use hire purchase assets	**10,186**	10,791
Depreciation expense of right of use assets	**8,097**	8,714
Amortisation of intangibles	**820**	747
	43,151	38,466
Employee benefits expense		
Employee benefits expense	**1,115,930**	986,603
Defined contribution superannuation expense	**103,080**	85,144
	1,219,010	1,071,747
Lease payments and other expenses		
Expense relating to short-term leases and low value leases (included in cost of sales)	**3,076**	2,879
Foreign exchange		
Foreign exchange loss	**3,612**	5,340

Recognition and measurement

Finance costs

The Group does not currently hold qualifying assets but, if it did, the borrowing costs directly associated with the qualifying assets would be capitalised. All other finance costs are expensed as incurred.

Depreciation and amortisation

Refer to notes 9 and 10 for details on depreciation and amortisation.

Employee benefits expense

Refer to note 15 for employee benefits expense and note 27 for share-based payments expense.

Contributions to defined contribution superannuation plans are recognised as an expense as they become payable.

Lease payments

Refer to note 14 for details on lease payments.

3. INCOME TAX

The major components of income tax expense are:

	2025 $'000	2024 $'000
Income statement		
Current income tax		
Current income tax charge	**43,331**	35,810
Adjustments in respect of previous years	**250**	519
Deferred income tax		
Temporary differences	**(8,188)**	(6,609)
Income tax expense reported in the income statement	**35,393**	29,720
Amounts credited directly to equity		
Share-based payment	**(1,674)**	(2,144)
Income tax expense reported in equity	**(1,674)**	(2,144)

Tax reconciliation

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:

	2025 $'000	2024 $'000
Accounting profit before income tax	**119,140**	91,945
Income tax rate of 30% (2024: 30%)	**35,742**	27,584
- Withholding tax	**452**	1,092
- Impact of share of profit from joint ventures	**(2,200)**	(636)
- Other	**1,399**	1,680
Aggregate income tax expense	**35,393**	29,720

3. INCOME TAX (continued)

	2025 $'000 Current Income Tax	**2025 $'000 Deferred Income Tax**	2024 $'000 Current Income Tax	2024 $'000 Deferred Income Tax
Recognised deferred tax assets and liabilities				
Opening balance	**(18,613)**	**32,364**	(9,052)	21,659
Charged to income	**(43,581)**	**8,188**	(36,329)	6,609
Charged to equity	**-**	**1,674**	-	2,144
Acquisition / loss of control of subsidiary	**-**	**303**	-	2,184
Other / payments	**39,142**	**(61)**	26,768	(232)
Closing balance	**(23,052)**	**42,468**	(18,613)	32,364
Amounts recognised on the consolidated statement of financial position:				
Deferred tax assets		**42,468**		32,364
		42,468		32,364

	2025 $'000	2024 $'000
Deferred income tax at 30 June relates to the following:		
Deferred tax assets		
Employee provisions	**38,475**	33,789
Provisions for doubtful debts	**1,118**	612
Other provisions	**9,216**	5,724
Lease liabilities	**11,501**	11,907
Tax losses	**519**	470
Other	**34**	131
Gross deferred tax assets	**60,863**	52,633
Set-off of deferred tax liabilities	**(18,395)**	(20,269)
Net deferred tax assets	**42,468**	32,364
Deferred tax liabilities		
Accelerated depreciation	**(9,590)**	(11,054)
Right of use assets	**(8,635)**	(9,215)
Other	**(170)**	-
Gross deferred tax liabilities	**(18,395)**	(20,269)
Set-off against deferred tax assets	**18,395**	20,269
Net deferred tax liabilities	**-**	-

Unrecognised temporary differences

At 30 June 2025, there are no unrecognised temporary differences associated with the Group's investments in subsidiaries (2024: no unrecognised temporary differences).

3. INCOME TAX (continued)

Tax consolidation

Monadelphous Group Limited and its 100% owned Australian resident subsidiaries formed a tax consolidated group with effect from 1 July 2003. Members of the tax consolidated group have entered into a tax funding agreement. The head entity, Monadelphous Group Limited and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the Group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, Monadelphous Group Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

Pillar Two legislation

The Group is within the scope of the OECD Pillar Two model rules, and it applies the AASB 112 Income Taxes exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. The Australian Pillar Two legislation is effective for the Group's financial year beginning 1 July 2024. The Group is satisfied it meets the transitional safe harbour measures in all jurisdictions in which it operates and, on this basis, the Group has not recognised any Pillar Two tax expense for the year ended 30 June 2025.

Recognition and measurement

Current taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred taxes

Deferred income tax is provided for using the full liability balance sheet approach.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists and they relate to the same taxable entity and the same taxation authority.

	2025 $'000	2024 $'000

4. EARNINGS PER SHARE

The following reflects the income and share data used in the calculation of basic and diluted earnings per share:

	2025 $'000	2024 $'000
Net profit attributable to ordinary equity holders of the parent	**83,721**	62,203
Earnings used in calculation of basic and diluted earnings per share	**83,721**	62,203

	Number	Number
Number of shares		
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share	**98,482,956**	97,069,220
Effect of dilutive securities		
Rights and options	**1,064,432**	1,467,256
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	**99,547,388**	98,536,476

Conversions, calls, subscriptions or issues after 30 June 2025:

On 1 July 2025, 444,273 performance rights vested and were exercised.

Calculation of earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit attributable to members of the parent, adjusted for:
- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

	2025 $'000	2024 $'000

5. CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 30 June:

	2025 $'000	2024 $'000
Cash balances comprise:		
Cash at bank	**199,864**	220,903
Short term deposits	**5,965**	4,961
	205,829	225,864

Reconciliation of net profit after tax to the net cash flows from operating activities

	2025 $'000	2024 $'000
Net profit	**83,747**	62,225
Adjustments for		
Depreciation of non-current assets	**42,331**	37,719
Amortisation of intangibles	**820**	747
Net profit on sale of property, plant and equipment	**(2,956)**	(7,652)
Share-based payment expense	**8,311**	7,475
Share of profits from joint ventures	**(7,335)**	(2,121)
Dividends from joint ventures	**2,365**	4,550
Other	**2,190**	3,078
Changes in assets and liabilities		
(Increase)/decrease in receivables	**(141,319)**	8,250
Increase in inventories	**(68)**	(467)
Decrease in contract assets	**789**	5,775
(Increase) in deferred tax assets	**(8,127)**	(6,700)
Increase in payables	**78,431**	40,657
Increase in provisions	**17,464**	24,640
Increase in income tax payable	**4,396**	9,562
Net cash flows from operating activities	**81,039**	187,738

Non-cash financing and investing activities

Hire purchase transactions:
During the year, the consolidated entity acquired right of use plant and equipment assets by means of hire purchase agreements with an aggregate fair market value of $8,483,680 (2024: $12,110,050).

Dividend reinvestment plan
During the year, the participation in the dividend reinvestment plan totalled $3,873,742 (2024: $4,340,847).

5. CASH AND CASH EQUIVALENTS (continued)

Reconciliation of liabilities arising from financing activities

	2024 $'000	**Cash flows** **$'000**	**Non-cash changes new leases/ terminations** **$'000**	**Other** **$'000**	**2025** **$'000**
Hire purchase liabilities	43,499	**(15,397)**	**8,484**	**(1,073)**	**35,513**
Other lease liabilities	39,846	**(9,288)**	**7,872**	**(10)**	**38,420**
Loan	10,895	**(4,530)**	**-**	**-**	**6,365**
	94,240	**(29,215)**	**16,356**	**(1,083)**	**80,298**

	2023 $'000	Cash flows $'000	Non-cash changes new leases/ terminations $'000	Other $'000	2024 $'000
Hire purchase liabilities	37,157	(6,338)	12,110	570	43,499
Other lease liabilities	50,801	(9,369)	(1,473)	(113)	39,846
Loan	770	9,576	527	22	10,895
	88,728	(6,131)	11,164	479	94,240

Recognition and measurement

Cash and cash equivalents in the consolidated statement of financial position comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

6. TRADE AND OTHER RECEIVABLES

	2025 $'000	2024 $'000
CURRENT		
Trade receivables	**319,847**	239,905
Less allowance account for expected credit losses	**(2,539)**	(2,080)
	317,308	237,825
Other debtors	**165,389**	103,066
Less allowance account for expected credit losses	**(1,252)**	(765)
	164,137	102,301
	481,445	340,126

Trade receivables generally have 30 to 60 days terms.

Allowance account for trade receivables impairment losses

	2025 $'000	2024 $'000
Movements in loss allowance based on lifetime ECL:		
Balance at the beginning of the year	2,080	2,884
Increase/(decrease) in loss allowance	**459**	(804)
Balance at the end of the year	**2,539**	2,080

Recognition and measurement

Trade receivables

Refer to accounting policies of financial assets in note 32.

Other debtors

Other debtors include contract assets that are unconditional (refer to note 7). These assets are reclassified to trade receivables when invoiced.

	2025 $'000	2024 $'000

7. CONTRACT ASSETS

	2025 $'000	2024 $'000
CURRENT		
Contract assets	**8,962**	4,336
NON-CURRENT		
Contract assets	**14,077**	19,491

Contract assets are net of expected credit losses of $275,803 (2024: $178,699).

Recognition and measurement

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group transfers goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration. If the Group's right to an amount of consideration is unconditional (other than the passage of time), the contract asset is classified as a receivable.

Refer to accounting policies of revenue from contracts with customers in note 1.

8. INVENTORIES

	2025 $'000	2024 $'000
Raw materials and consumables	**1,998**	1,930

Recognition and measurement

Raw materials and consumables

Raw materials and consumables are stated at the lower of cost and net realisable value.

9. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amounts at the beginning and end of the period

				Right of Use Assets			
	Freehold Land and buildings $'000	Assets under construction $'000	Plant and equipment $'000	Plant and equipment under hire purchase $'000	Land and buildings $'000	Plant and equipment $'000	Total $'000
Year ended 30 June 2025							
Net carrying amount at 1 July 2024	47,670	1,690	98,901	55,321	29,057	29	232,668
Additions	**844**	**1,005**	**12,030**	**8,484**	**7,872**	**-**	**30,235**
Assets transferred	**330**	**(1,690)**	**7,507**	**(6,147)**	**-**	**-**	**-**
Disposals	**-**	**-**	**(856)**	**-**	**-**	**-**	**(856)**
Assets derecognised from loss of control of subsidiary	**-**	**-**	**(648)**	**(3,256)**	**-**	**-**	**(3,904)**
Depreciation charge	**(1,880)**	**-**	**(22,168)**	**(10,186)**	**(8,068)**	**(29)**	**(42,331)**
Other	**-**	**-**	**(452)**	**354**	**3**	**-**	**(95)**
Net carrying amount at 30 June 2025	**46,964**	**1,005**	**94,314**	**44,570**	**28,864**	**-**	**215,717**
At 30 June 2025							
Gross carrying amount – at cost	**61,640**	**1,005**	**249,838**	**72,497**	**70,095**	**1,400**	**456,475**
Accumulated depreciation	**(14,676)**	**-**	**(155,524)**	**(27,927)**	**(41,231)**	**(1,400)**	**(240,758)**
Net carrying amount	**46,964**	**1,005**	**94,314**	**44,570**	**28,864**	**-**	**215,717**

9. PROPERTY, PLANT AND EQUIPMENT (continued)

Reconciliation of carrying amounts at the beginning and end of the period (continued)

					Right of Use Assets		
	Freehold Land and buildings $'000	**Assets under construction $'000**	**Plant and equipment $'000**	**Plant and equipment under hire purchase $'000**	**Land and buildings $'000**	**Plant and equipment $'000**	**Total $'000**
Year ended 30 June 2024							
Net carrying amount at 1 July 2023	30,553	6,809	44,911	50,233	39,598	29	172,133
Additions	3,652	10,554	74,675	12,110	217	-	101,208
Additions from business combination	-	-	2,785	-	341	-	3,126
Assets transferred	14,784	(15,673)	(3,471)	4,360	-	-	-
Disposals	-	-	(2,192)	(10)	(2,240)	-	(4,442)
Depreciation charge	(970)	-	(17,244)	(10,791)	(8,714)	-	(37,719)
Other	(349)	-	(563)	(581)	(145)	-	(1,638)
Net carrying amount at 30 June 2024	47,670	1,690	98,901	55,321	29,057	29	232,668
At 30 June 2024							
Gross carrying amount – at cost	60,429	1,690	237,808	83,281	62,230	1,400	446,838
Accumulated depreciation	(12,759)	-	(138,907)	(27,960)	(33,173)	(1,371)	(214,170)
Net carrying amount	47,670	1,690	98,901	55,321	29,057	29	232,668

Recognition and measurement

Property, plant and equipment

All classes of property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in the income statement as incurred.

Assets under construction is stated at cost, net of accumulated impairment losses, if any.

Depreciation is calculated on a straight line basis on all classes of property, plant and equipment other than freehold land. The estimated useful life of buildings is 40 years; plant and equipment is between 3 and 20 years.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal.

9. PROPERTY, PLANT AND EQUIPMENT (continued)

Recognition and measurement (continued)

Right of use assets

The Group recognises lease assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Lease assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of lease assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Impairment of non-financial assets other than goodwill

We have performed an impairment assessment based on the policy below. No impairment indicators were noted.

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired.

Where an indicator of impairment exists or when annual impairment testing for an asset is required, the Group makes a formal estimate of the recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement.

	Intangible asset with definite useful life $'000	Goodwill $'000	Total $'000
10. INTANGIBLE ASSETS AND GOODWILL			
Year ended 30 June 2025			
At 1 July 2024	3,353	14,890	18,243
Amortisation	**(820)**	**-**	**(820)**
At 30 June 2025	**2,533**	**14,890**	**17,423**
Year ended 30 June 2024			
At 1 July 2023	3,000	13,026	16,026
On business combination	1,100	1,864	2,964
Other	(747)	-	(747)
At 30 June 2024	3,353	14,890	18,243

10. INTANGIBLE ASSETS AND GOODWILL (continued)

Impairment testing of the Group's goodwill

Goodwill acquired through business combinations has been allocated to cash generating units ("CGU") for impairment testing purposes. Carrying amount of goodwill allocated to each CGU:

	2025 $'000	2024 $'000
BMC Group	**8,821**	8,821
Melchor Contracting Pty Ltd	**1,864**	1,864
Monadelphous Electrical & Instrumentation Pty Ltd	**2,268**	2,268
Other	**1,937**	1,937
	14,890	14,890

The recoverable amount of each CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets approved by management covering a five-year period extrapolated using growth rate of 0% to 2.5% (2024: 0% to 2.5%) and applying a pre-tax discount rate to the cash flow projections of 14.7% (2024: 17% to 21%). Key assumptions in the CGUs cash flow projections take into consideration historic performance and forecast macroeconomic conditions. Discount rates used are based on the weighted average cost of capital determined by prevailing market inputs, risk adjusted where necessary. No reasonably possible changes in key assumptions would result in the carrying amount of the individual CGUs exceeding their recoverable amount.

Recognition and measurement

Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the consideration over the fair value of the Group's identifiable assets acquired and liabilities assumed. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. During 2023 the Group acquired BMC Holdings (Vic) Pty Ltd and Melchor Contracting Pty Ltd which resulted in goodwill of $8,821,000 and $1,864,000 respectively. The other remaining goodwill is allocated to multiple CGUs and is not significant.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination, is, from the acquisition date, allocated to each of the Group's CGUs or groups of CGUs that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the CGU (group of CGUs) to which the goodwill relates. If the recoverable amount of the CGU (group of CGUs) is less than the carrying amount, an impairment loss is recognised. Impairment losses recognised for goodwill are not subsequently reversed.

Intangible assets

Intangible assets relate to the fair value of contracts acquired on acquisition of Melchor and BMC. Intangibles assets have been assessed as having a finite life and are amortised using the straight-line method over a period of 5 years. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any impairment losses. Intangible assets are tested for impairment whenever there is an indication that the intangible asset may be impaired.

11. INVESTMENT IN JOINT VENTURES

Mondium Pty Ltd

On 21 October 2016, an Australian joint venture company, Mondium Pty Ltd was formed between Monadelphous and Lycopodium Ltd. The Group has a 60% interest in the joint venture. The principal activity of Mondium is to deliver engineering, procurement and construction services in the minerals processing sector.

The Group considers that it has joint control with its respective joint venture partner over Mondium Pty Ltd as relevant decisions at a Board and Shareholder level require unanimous agreement.

Zenviron Pty Ltd

On 26 July 2016, a joint venture company, Zenviron Pty Ltd was formed between Monadelphous and ZEM Energy Investments Pty Ltd. The Group has a 55% ownership interest in the joint venture and a 50% interest in the voting rights. The principal activity of Zenviron is to deliver multi-disciplinary construction services in the renewable energy market in Australia and New Zealand.

The Group considers that it has joint control with its respective joint venture partner over Zenviron Pty Ltd as relevant decisions at a Board and Shareholder level require unanimous agreement.

The aggregate results, assets and liabilities of Zenviron Pty Ltd and Mondium Pty Ltd are as follows:

	2025 $'000	2024 $'000
Group's share of net assets of joint ventures	**17,311**	12,341
Group's share of profit after tax from continuing operations	**7,335**	2,121
Group's share of profit and total comprehensive income	**7,335**	2,121

Commitments and contingent liabilities relating to Joint Ventures

The Group's share of insurance bond guarantees issued by Joint Ventures at 30 June 2025 was $34,052,981 (2024: $8,919,158).

Joint ventures had no capital commitments at 30 June 2025 (2024: $nil).

Recognition and measurement

A joint venture is a type of arrangement whereby the parties that have joint control of the arrangement have the rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment is initially recognised at cost. The carrying value of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. The income statement reflects the Group's share of the results of the joint venture.

	2025 $'000	2024 $'000
12. TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	**162,533**	91,718
Contract liabilities	**53,201**	55,206
Sundry creditors and accruals	**73,528**	63,907
	289,262	210,831

Recognition and measurement

Trade and other payables

Trade and other payables are carried at amortised cost and are not discounted due to their short-term nature. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, non-interest bearing and are usually paid within 30 to 45 days of recognition.

Sundry creditors and accruals are non-interest bearing and generally have terms of 7 to 30 days.

Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

	2025 $'000	2024 $'000
13. INTEREST BEARING LOANS AND BORROWINGS		
CURRENT		
Loan – secured	**4,272**	4,529
NON-CURRENT		
Loan – secured	**2,093**	6,366

Terms and conditions

Interest bearing loans and borrowings predominantly relates to variable rate property loan with a remaining term of 16 months.

Defaults and breaches

During the current and prior year, there were no defaults and breaches on any of the loans.

13. INTEREST BEARING LOANS AND BORROWINGS (continued)

Recognition and measurement

Interest bearing loans and borrowings

Interest bearing loans and borrowings are initially recognised at fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least twelve months after the reporting date.

Gains or losses are recognised in the income statement when the liabilities are derecognised.

	2025 $'000	2024 $'000
14. LEASE LIABILITIES		
CURRENT		
Hire purchase lease liabilities	**11,969**	14,407
Other lease liabilities	**9,115**	8,611
	21,084	23,018
NON-CURRENT		
Hire purchase lease liabilities	**23,544**	29,092
Other lease liabilities	**29,305**	31,235
	52,849	60,327
Carrying amount at the beginning of the financial year	83,345	87,958
Additions	**16,356**	22,849
Accretion of interest	**3,287**	3,645
Payments	**(27,972)**	(29,874)
Other	**(1,083)**	(1,233)
Carrying amount at the end of the financial year	**73,933**	83,345

Terms and conditions

Hire purchase agreements have an average term of three years. The average discount rate implicit in the hire purchase liability is 5.5% (2024: 4.9%).

Other lease liabilities have an average term of 5.9 years. The average discount rate implicit in the other lease liability is 5.4% (2024: 4.5%).

The Group has total cash outflows for other lease liabilities (including short term leases) during 30 June 2025 of $13,586,000 (2024: $13,689,000). The maturity analysis of lease liabilities is set out in note 23.

14. LEASE LIABILITIES (continued)

Recognition and measurement

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and lease assets representing the right to use the underlying assets.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised lease assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

- Property 1 to 8 years
- Plant and equipment 1 to 5 years

If ownership of lease assets transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption for those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of plant and equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

14. LEASE LIABILITIES (continued)

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms of one to five years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew and considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

	2025 $'000	2024 $'000
15. PROVISIONS		
CURRENT		
Employee benefits	**84,774**	70,401
Workers' compensation	**18,555**	15,109
Other	**2,403**	4,378
	105,732	89,888
NON-CURRENT		
Employee benefits – long service leave	**9,050**	7,536
	9,050	7,536
Movements in provisions		
Workers compensation		
Carrying amount at the beginning of the year	15,109	8,387
Additional provision	**19,062**	19,586
Amounts utilised during the year	**(15,616)**	(12,864)
Carrying amount at the end of the financial year	**18,555**	15,109

Recognition and measurement

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligations.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure to settle the present obligation at the reporting date using a discounted cash flow methodology. The risks specific to the provision are factored into the cash flows and as such a risk-free government bond rate relevant to the expected life of the provision is used as a discount rate. The increase in the provision resulting from the passage of time is recognised as a finance cost.

15. PROVISIONS (continued)

Recognition and measurement (continued)

Employee benefits

Employee benefits includes liabilities for wages and salaries, rostered days off, vesting sick leave, project incentives and project redundancies. It is customary within the engineering and construction industry for incentive payments and redundancies to be paid to employees at the completion of a project. The provision has been created to cover the expected costs associated with these statutory and project employee benefits.

Liabilities for short term benefits expected to be wholly settled within twelve months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liability is settled. Expenses for non-vesting sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

The liability for long term benefits is recognised and measured as the present value of the expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds, which have terms to maturity approximating the estimated future cash outflows.

Workers' compensation

It is customary for all entities within the engineering and construction industry to be covered by workers' compensation insurance. Payments under these policies are calculated differently depending on which state of Australia the entity is operating in. Premiums are generally calculated based on actual wages paid and claims experience. Wages are estimated at the beginning of each reporting period. Final payments are made when each policy is closed out based on the difference between actual wages and the original estimated amount. The amount of each payment varies depending on the number of incidents recorded during each period and the severity thereof. The policies are closed out within a five year period through negotiation with the relevant insurance company. The provision has been created to cover the expected costs associated with closing out each insurance policy and is adjusted accordingly based on the actual payroll incurred and the severity of incidents that have occurred during each period.

16. CAPITAL MANAGEMENT

Capital is managed by the Group's Chief Financial Officer in conjunction with the Group's Finance and Accounting department. Management continually monitor the Group's net cash/debt position and the gearing levels to ensure efficiency and compliance with the Group's banking facility covenants, including the gearing ratio, operating leverage ratio and fixed charge coverage ratio. At 30 June 2025, the Group is in a net cash position of $163,951,000 (2024: $171,470,000) and has a debt to equity ratio of 8.4% (2024: 11.7%) which is within the Group's net cash and debt to equity target levels.

During the year ended 30 June 2025, management paid dividends of $64,997,000 (2024: $48,515,000). The policy is to payout dividends of 80% to 100% of annual net profit after tax, subject to the working capital requirements of the business, potential investment opportunities and business and economic conditions generally.

The capital of the Company is considered to be contributed equity.

	2025 $'000	2024 $'000
17. DIVIDENDS PAID AND PROPOSED		
Declared and paid during the year		
Current year interim		
Interim franked dividend for 2025 (33 cents per share) (2024: 25 cents per share)	**32,586**	24,315
Previous year final		
Final franked dividend for 2024 (33 cents per share) (2023: 25 cents per share)	**32,411**	24,200
Unrecognised amounts		
Current year final		
Final franked dividend for 2025 (39 cents per share) (2024: 33 cents per share)	**38,719**	32,260
Franking credit balance		
Franking credits available for future reporting years at 30% adjusted for franking credits that will arise from the payment of income tax payable as at the end of the financial year	**61,913**	46,600
Impact on the franking account of dividends proposed or declared before the financial report was authorised for issue but not recognised as a distribution to equity holders during the period	**(16,594)**	(13,826)
	45,319	32,774

Tax rates

The tax rate at which paid dividends have been franked is 30% (2024: 30%). Dividends payable will be franked at the rate of 30% (2024: 30%).

Recognition and measurement

A provision for dividends is not recognised as a liability unless the dividends are declared on or before the reporting date.

	2025 **$'000**	2024 $'000
18. CONTRIBUTED EQUITY		
Ordinary shares – Issued and fully paid	**150,120**	145,781

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

	2025		2024	
	Number of Shares	**$'000**	Number of Shares	$'000
Beginning of the financial year	97,463,244	145,781	96,341,720	141,115
Dividend reinvestment plan	**294,064**	**3,874**	315,136	4,341
Exercise of performance rights and retention rights	**619,691**	**-**	510,018	-
Exercise of options	**457,116**	**465**	296,370	325
End of the financial year	**98,834,115**	**150,120**	97,463,244	145,781

Recognition and measurement

Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are recognised directly in equity as a deduction, net of tax, from the proceeds.

	2025 $'000	2024 $'000

19. RESERVES AND RETAINED EARNINGS

	2025 $'000	2024 $'000
Foreign currency translation reserve	**(5,873)**	(4,890)
Share-based payment reserve	**74,615**	64,630
Fair value reserve for financial asset at FVOCI	**2,856**	2,856
Equity reserve	**(4,472)**	(4,649)
	67,126	57,947
Retained earnings	**280,590**	261,866

Nature and purpose of reserves

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from translation of the financial statements of foreign subsidiaries.

Share-based payment reserve

The share-based payment reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration. Refer to note 27 for further details of these plans.

Fair value reserve financial assets

The fair value reserve for financial assets is used to record the movement in fair value of financial assets.

Equity reserve

The equity reserve is used to record the changes in the carrying amount of the financial liability representing the minority put and call option. This option was derecognised in April 2025.

20. SUBSIDIARIES

The consolidated financial statements include the financial statements of Monadelphous Group Limited and subsidiaries:

Name	Country of Incorporation	Percentage Held by Consolidated Entity	
		2025	2024
Parent:			
Monadelphous Group Limited	Australia		
Controlled entities of Monadelphous Group Limited:			
#Monadelphous Engineering Associates Pty Ltd	Australia	**100**	100
#Monadelphous Properties Pty Ltd	Australia	**100**	100
#Monadelphous Engineering Pty Ltd	Australia	**100**	100
#Genco Pty Ltd	Australia	**100**	100
#Monadelphous Workforce Pty Ltd	Australia	**100**	100
#Monadelphous Electrical & Instrumentation Pty Ltd	Australia	**100**	100
#Monadelphous KT Pty Ltd	Australia	**100**	100
#Monadelphous Energy Services Pty Ltd	Australia	**100**	100
#M Workforce Pty Ltd	Australia	**100**	100
#M Maintenance Services Pty Ltd	Australia	**100**	100
M&ISS Pty Ltd	Australia	**100**	100
Inteforge Pty Ltd	Australia	**100**	100
Monadelphous Group Limited Employee Share Trust	Australia	**100**	100
Monadelphous Holdings Pty Ltd	Australia	**100**	100
Monadelphous NPI Pty Ltd (formerly MGJV Pty Ltd)	Australia	**80**	100
Evo Access Pty Ltd	Australia	**100**	100
Monadelphous Investments Pty Ltd	Australia	**100**	100
MWOG Pty Ltd	Australia	**100**	100
MOAG Pty Ltd	Australia	**100**	100
Monadelphous International Holdings Pty Ltd	Australia	**100**	100
Arc West Group Pty Ltd	Australia	**100**	100
R.I.G. Installations (Newcastle) Pty Ltd	Australia	**100**	100
RE&M Services Pty Ltd	Australia	**100**	100
Pilbara Rail Services Pty Ltd	Australia	**100**	100
EC Projects Pty Ltd	Australia	**100**	100
Monadelphous RTW Pty Ltd	Australia	**100**	100
MMW Projects Pty Ltd	Australia	**100**	100
Monadelphous PNG Ltd	Papua New Guinea	**100**	100
Moway International Limited	Hong Kong	**100**	100
Moway AustAsia Steel Structures Trading (Beijing) Company Limited	China	**100**	100
Inteforge Engineering & Fabrication (Tianjin) Co. Ltd	China	**100**	100
Monadelphous Mongolia LLC	Mongolia	**100**	100
Monadelphous Inc.	USA	**-**	100
Monadelphous Engineering NZ Pty Ltd	New Zealand	**-**	100
Monadelphous Chile SpA	Chile	**100**	100
MAQ Rent SpA	Chile	**-**	90
#BMC Holdings (Vic) Pty Ltd	Australia	**100**	100
BMC Welding & Construction Pty Ltd	Australia	**100**	100
BMC HV Electrical & Instrumentation Pty Ltd	Australia	**100**	100
BMC Civil Pty Ltd	Australia	**100**	100
#Melchor Contracting Pty Ltd	Australia	**100**	100

Controlled entities subject to the Class Order (refer to note 31)

Ultimate parent
Monadelphous Group Limited is the ultimate holding company.

Material partly-owned subsidiaries

There were no subsidiaries that have a material non-controlling interest during the year (2024: none).

21. BUSINESS COMBINATION

Information on prior year acquisition – Melchor Contracting Pty Ltd

On 31 October 2023, Monadelphous Group Limited acquired 100% of the share capital of a Perth-based structural concrete and associated works business, Melchor Contracting Pty Ltd. The acquisition accounting was finalised during the period, and there were no changes to the fair values of the identifiable assets and liabilities

22. INTEREST IN JOINT OPERATIONS

Joint operations interests

The Group's interests in joint operations are as follows:

Joint Arrangement	Principal Activity	Principal place of business	Group Interest 2025 %	2024 %
Monadelphous Worley JV PNG	Engineering, Procurement and Construction & Maintenance Support Work in PNG	PNG	**65**	65
Monadelphous Worley JV	Engineering, Procurement and Construction & Maintenance Support Work	Brisbane, QLD	**65**	65

During 2022, Monadelphous established an unincorporated joint venture, Alevro JV, to provide turnkey heavy lift solutions. The Group's interest in the JV is dependent on each party's contribution on a contract by contract basis.

In November 2024, Monadelphous entered into a consortium agreement with Ansaldo Energia S.p.A. The principal place of business of this unincorporated consortium is Brisbane, Queensland. The Group's interest in the consortium is dependent on each party's contribution.

Commitments and contingent liabilities relating to joint operations

There were no capital commitments or contingent liabilities relating to the joint operations at 30 June 2025 (2024: $nil).

Impairment

There were no assets employed in the joint operations during the year ended 30 June 2025 (2024: $nil).

Recognition and measurement

Joint arrangements are arrangements of which two or more parties have joint control. Joint control is the contractual agreed sharing of control of the arrangement which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Joint arrangements are classified as either a joint operation or joint venture, based on the rights and obligations arising from the contractual obligations between the parties to the arrangement.

22. INTEREST IN JOINT OPERATIONS (continued)

Recognition and measurement (continued)

To the extent the joint arrangement provides the Group with rights to the individual assets and obligations arising from the joint arrangement, the arrangement is classified as a joint operation and as such, the Group recognises its:

- Assets, including its share of any assets held jointly;
- Liabilities, including its share of any liabilities incurred jointly;
- Revenue from the sale of its share of the output arising from the joint operation; and
- Expenses, including its share of any expenses incurred jointly.

To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the investment is classified as a joint venture and accounted for using the equity method. Under the equity method, the cost of the investment is adjusted by the post-acquisition changes in the Group's share of the net assets of the venture.

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise receivables, payables, loans, leases and hire purchase contracts, cash and short-term deposits.

The Group is exposed to financial risks which arise directly from its operations. The Group has policies and measures in place to manage financial risks encountered by the business.

Primary responsibility for the identification of financial risks rests with the Board. The Board determines policies for the management of financial risks. It is the responsibility of the Chief Financial Officer and senior management to implement the policies set by the Board and for the constant day to day management of the Group's financial risks. The Board reviews these policies on a regular basis to ensure that they continue to address the risks faced by the Group.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group's policy to minimise risk from fluctuations in interest rates is to utilise fixed interest rates in its loans, leases and hire purchase contracts where appropriate. Cash and short term deposits are exposed to floating interest rate risks. The Group manages its foreign currency risk arising from significant supplier contracts in foreign currencies by holding foreign currency or taking out forward exchange contracts. Analysis is performed on a customer's credit rating prior to signing contracts and analysis is performed regularly of credit exposures and aged debt to manage credit and liquidity risk.

The policies in place for managing the financial risks encountered by the Group are summarised below.

Risk exposures and responses

Interest rate risk

The Group's exposure to variable interest rates is as follows:

	Notes	**2025 $'000**	2024 $'000
Financial assets/liabilities			
Cash and cash equivalents	5	**205,829**	225,864
Loan – secured	13	**(6,365)**	(10,895)
Net exposure		**199,464**	214,969

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk exposures and responses (continued)

Interest rate risk (continued)

The Group utilises a number of financial institutions to obtain the best interest rate possible and to manage its risk. The Group does not enter into interest rate hedges.

At 30 June 2025, reasonably possible movements in variable interest rates, based on a review of historical movements and forward rate curves for forward rates would not have had a material impact on the Group.

Foreign currency risk

As a result of operations in Papua New Guinea, China and Mongolia, the Group's statement of financial position can be affected by movements in the US$/A$, PGK/A$, RMB/A$ and MNT/A$ exchange rates.

The Group also has transactional currency exposures. Such exposure arises from sales or purchases by an operating entity in currencies other than the functional currency. Where possible, Monadelphous does not take on foreign exchange risk. At 30 June 2025, the Group has no foreign exchange forward contracts for future capital commitments (2024: none).

The Group also mitigates its exposure to foreign currency risk by minimising excess foreign currency balances in overseas jurisdictions not required for working capital.

At 30 June 2025, the Group had the following exposure to foreign currency:

	PGK AUD$'000	USD AUD$'000
Year ended 30 June 2025		
Financial assets		
Cash and cash equivalents	**32,233**	**18,499**
Trade and other receivables	**14,642**	**6,934**
Financial liabilities		
Trade and other payables	**(2,379)**	**(5,545)**
Net Exposure	**44,496**	**19,888**
Year ended 30 June 2024		
Financial assets		
Cash and cash equivalents	28,506	4,993
Trade and other receivables	12,915	5,795
Financial liabilities		
Trade and other payables	(1,513)	(634)
Net Exposure	39,908	10,154

At 30 June 2025, reasonably possible movements in USD foreign exchange rates, based on a review of historical movements, would not have had a material impact on the Group (2024: no material impact).

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk exposures and responses (continued)

Foreign currency risk (continued)

At 30 June 2025, if the PGK foreign exchange rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

	Post Tax Profit Higher/(Lower)		**Other Comprehensive Income Higher/(Lower)**	
Judgements of reasonably possible movements relating to financial assets and liabilities denominated in PGK:	**2025 $'000**	2024 $'000	**2025 $'000**	2024 $'000
+10% (2024: +5%)	**(3,115)**	(1,396)	**-**	-
-10% (2024: -5%)	**3,115**	1,396	**-**	-

The reasonably possible movements have been based on review of historical movements.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group's maximum exposure to credit risk is its cash, trade and other receivables and contract assets representing $710,313,000 at 30 June 2025 (2024: $589,817,000).

The Group considers the probability of default upon initial recognition of a financial asset and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period.

Except for trade receivables, contract assets and other short-term receivables (see below), expected credit losses (ECL's) are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. In making this assessment, the Group considers information that is reasonable and supportable, including historical experience and forward-looking information. Forward-looking information considered includes consideration of external sources of economic information. In particular, the Group takes into account the counterparties external credit rating (as far as available), actual or expected significant changes in the operating results of the counterparty and macroeconomic indicators when assessing significant movements in credit risk.

<u>Trade receivables and contract assets</u>

The Group trades with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Publicly available credit information from recognised providers is utilised for this purpose where available.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts has not been significant.

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk exposures and responses (continued)

Credit risk (continued)

Trade receivables and contract assets (continued)

The Group minimises concentrations of credit risk in relation to accounts receivable and contract assets by undertaking transactions with a number of customers within the resources, energy and infrastructure industry sector. There are multiple contracts with our significant customers, across a number of their subsidiaries, divisions within those subsidiaries and locations.

For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Chair, Managing Director or Chief Financial Officer.

Since the Group trades with recognised third parties, there is no requirement for collateral.

The Group applies a simplified approach in calculating ECLs for trade receivables and contract assets. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due ageing for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

A receivable is considered to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows have occurred. Evidence that a receivable is credit-impaired includes observable data about significant financial difficulty of the debtor or a breach of contract, such as a default or past due event.

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets, for which lifetime expected credit losses are recognised, using a provision matrix:

		Trade receivables					
			Days past due				
	Contract assets $'000	**Current $'000**	**<31 days $'000**	**31-60 days $'000**	**61-90 days $'000**	**>91 days $'000**	**Total $'000**
30 June 2025							
Expected credit loss rate	**1.2%**	**0.8%**	**0.8%**	**0.8%**	**0.8%**	**8.07%**	
Total estimated gross carrying amount at default	**23,315**	**263,050**	**43,336**	**10,276**	**1,141**	**2,044**	**319,847**
Expected credit loss	**276**	**1,961**	**326**	**78**	**9**	**165**	**2,539**
30 June 2024							
Expected credit loss rate	0.8%	0.8%	0.8%	0.8%	0.8%	7.5%	
Total estimated gross carrying amount at default	24,005	189,165	37,952	6,502	2,197	4,089	239,905
Expected credit loss	179	1,422	286	49	17	306	2,080

Other balances within trade and other receivables did not contain impaired assets and were not past due. It was expected that these other balances would be received when due.

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk exposures and responses (continued)

Credit risk (continued)

Financial instruments and cash deposits

With respect to credit risk arising from the other financial assets of the Group, which comprises cash and cash equivalents, the Group's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. The Group minimises its exposure to credit risk for cash and cash equivalents, by investing funds with counter parties rated A+ or higher by Standard & Poor's where possible. Term deposits typically have an original maturity of three months or less and other bank deposits are on call.

Write off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Liquidity risk

	2025 $'000	2024 $'000
Financing facilities available		
At balance date the following financing facilities had been negotiated and were available		
Total facilities:		
- Bank guarantee and performance bonds	**390,000**	390,000
- Revolving credit	**118,866**	124,872
	508,866	514,872
Facilities used at balance date:		
- Bank guarantee and performance bonds	**187,694**	216,966
- Revolving credit	**41,879**	54,394
	229,573	271,360
Facilities unused at balance date:		
- Bank guarantee and performance bonds	**202,306**	173,034
- Revolving credit	**76,987**	70,478
	279,293	243,512

Nature of bank guarantees and performance bonds

The contractual term of the bank guarantees and performance bonds match the underlying obligation to which it relates.

Nature of revolving credit

The revolving credit includes hire purchase/leasing facilities. Refer to note 14 for terms and conditions.

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk exposures and responses (continued)

Liquidity risk (continued)

The Group's objective is to manage the liquidity of the business by monitoring project cash flows and through the use of financing facilities. The Group currently has financing facilities in the form of hire purchase liabilities, secured loans and a receivable facility. The liquidity of the group is managed by the Group's Finance and Accounting department.

The table below reflects all contractually fixed pay-offs, repayments and interest resulting from financial liabilities as of 30 June 2025.

Maturity analysis of financial liabilities:

	6 months or less $'000	6 months to 1 year $'000	1 year to 5 years $'000	5 years or more $'000	Total Contractual Cash Flows $'000	Total Carrying Amount $'000
Year ended 30 June 2025						
Financial liabilities						
Trade and other payables	**289,262**	**-**	**-**	**-**	**289,262**	**289,262**
Hire purchase liability	**7,218**	**6,337**	**25,165**	**-**	**38,720**	**35,513**
Other lease liabilities	**5,136**	**5,002**	**29,682**	**1,979**	**41,799**	**38,420**
Bank loans	**2,346**	**2,198**	**2,139**	**-**	**6,683**	**6,365**
Net maturity	**303,962**	**13,537**	**56,986**	**1,979**	**376,464**	**369,560**
Year ended 30 June 2024						
Financial liabilities						
Trade and other payables	210,831	-	-	-	210,831	210,831
Hire purchase liability	8,975	7,371	31,447	-	47,793	43,499
Other lease liabilities	5,154	4,716	28,470	4,847	43,187	39,846
Bank loans	2,557	2,491	6,683	-	11,731	10,895
Other financial liability	-	693	-	-	693	661
Net maturity	227,517	15,271	66,600	4,847	314,235	305,732

Net fair values of financial assets and liabilities

The carrying amounts and estimated fair values of financial assets and financial liabilities at balance date are materially the same.

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk exposures and responses (continued)

Liquidity risk (continued)

Interest bearing liabilities with fixed interest rates: The fair value includes the value of contracted cash flows, discounted at market rates.

Cash and cash equivalent: The carrying amount approximates fair value because of their short-term maturity.

Receivables and payables: The carrying amount approximates fair value due to short term maturity.

Listed equity investments measured at fair value through other comprehensive income. The carrying amount is equal to the fair value calculated using quoted prices in active markets (level 1 – see below).

The Group uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1: The fair value is calculated using quoted prices in active markets.
Level 2: The fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3: The fair value is estimated using inputs for the asset or liability that are not based on observable market data.

There were no material financial assets or liabilities measured at fair value at 30 June 2025 or 30 June 2024.

24. COMMITMENTS AND CONTINGENCIES

Capital commitments

The consolidated group has capital commitments of $6,573,589 at 30 June 2025 (2024: $5,403,363).

	2025	2024
	$'000	$'000
Guarantees		
Guarantees given to various clients for satisfactory contract performance	**187,694**	216,966

Monadelphous Group Limited and all controlled entities marked # in note 20 have entered into a deed of cross guarantee. Refer to note 31 for details.

Contingent liabilities

On 26 July 2023, the Company announced that Northern SEQ Distributor – Retailer Authority, trading as Unitywater (Unitywater), had served a Claim and Statement of Claim in the Supreme Court of Queensland against one of Monadelphous' wholly owned subsidiaries, Monadelphous Engineering Pty Ltd (ME).

On 20 October 2023, Unitywater filed a further amendment to that Statement of Claim in the Supreme Court Registry, amending the value of the claim to approximately $200 million. On 26 June 2025, Unitywater filed a Second Further Amended Statement of Claim in the Supreme Court Registry, joining Acciona Agua Australia Pty Ltd to the proceedings. The claims made by Unitywater relate to a contract entered into by Unitywater and ME in 2016 for the design and construction of an upgrade to the Kawana Sewage Treatment Plant on the Sunshine Coast in Queensland. Monadelphous denies the allegations and claimed losses and will vigorously defend the claims, as well as pursuing available counterclaims.

The Group is subject to various other actual and pending claims arising in the normal course of business. The Group has regular claims reviews to assess the need for accounting recognition or disclosure. The Directors are of the opinion that based on information currently available there is no material exposure to the Group arising from these other actual and pending claims at balance date.

25. SUBSEQUENT EVENTS

Dividends declared

On 18 August 2025, the directors of Monadelphous Group Limited declared a final dividend on ordinary shares in respect of the 2025 financial year. The total amount of the dividend is $38,718,571 which represents a fully franked final dividend of 39 cents per share. This dividend has not been provided for in the 30 June 2025 financial statements. The Monadelphous Group Limited Dividend Reinvestment Plan will apply to the dividend.

Acquisition of High Energy Service Pty Ltd

On 1 July 2025, Monadelphous Group Limited acquired 100% of the share capital of a Perth-based high voltage services business High Energy Service Pty Ltd ('HES'). The acquisition of HES supports Monadelphous' strategic efforts to expand its capabilities and support the development and ongoing maintenance of the essential electricity generation, storage and infrastructure needed for Australia's energy transition.

The provisional fair values of the identifiable assets and liabilities acquired from HES as of date of acquisition were:

	Provisional fair value at acquisition date $'000
Cash	4,887
Trade and other receivables	3,897
Property, plant and equipment and right of use assets	8,823
Other	276
Total assets	17,883
Trade and other payables	1,352
Lease liabilities	823
Provisions	1,068
Total liabilities	3,243
Fair value of identifiable net assets	14,640
Goodwill arising on acquisition	9,000
Purchase consideration	23,640
Acquisition-date fair-value of consideration transferred:	
Amount due to vendors	7,290
Cash paid	16,350
Total consideration	23,640
The cash outflow on acquisition is as follows:	
Net cash acquired with the business	(4,887)
Cash paid and payable	23,640
Net consolidated cash outflow	18,753

The goodwill recognised is primarily attributed to the expected synergies and other benefits from the acquisition. None of the goodwill recognised is expected to be deductible for income tax purposes.

	Notes	**2025 $'000**	2024 $'000

26. PARENT ENTITY INFORMATION

Information relating to Monadelphous Group Limited parent entity

	Notes	2025 $'000	2024 $'000
Current assets		**134,465**	156,883
Total assets		**331,009**	295,660
Current liabilities		**(66,434)**	-
Total liabilities		**(66,871)**	(49,990)
Net assets		**264,138**	245,670
Contributed equity		**150,120**	145,781
Share-based payment reserve		**74,333**	64,203
Fair value reserve for financial asset at FVOCI		**2,856**	2,856
Retained earnings		**36,829**	32,830
Total equity		**264,138**	245,670
Profit after tax		**68,629**	53,376
Total comprehensive income of the parent entity		**68,629**	53,376

Contingent liabilities

	Notes	2025 $'000	2024 $'000
Guarantees	24	**187,694**	216,966

Guarantees entered into by the Group are via the parent entity. Details are contained in note 24.

Capital commitments

The parent entity has capital commitments of $nil at 30 June 2025 (2024: $nil).

27. SHARE BASED PAYMENT EXPENSE

The share-based payment expense for the year ended 30 June 2025 was $8,311,717 (2024: $7,474,601) for the consolidated entity.

Performance Rights

During the year 826,628 performance rights were granted by Monadelphous Group Limited under the Combined Reward Plan ("CR Plan") in respect of the 2024 award and 2023 and 2024 Long-Term Senior Leadership Performance Reward Plan ("LTPR Plan").

The performance rights granted under the CR Plan vest into shares in equal instalments, one, two and three years subsequent to award, subject to the employee remaining in the employ of the Company at those particular dates. Any Performance Rights that do not vest as a result of the vesting condition of continual employment not being satisfied will (unless the Board determined otherwise) lapse.

Performance rights granted under the LTPR Plan will vest three years after grant subject to the financial performance of the Company and continued employment, for the period from grant to vest (measurement period). An EPS growth performance hurdle is used to measure the financial performance of the Company over the measurement period. For 100 per cent of the performance rights to vest, EPS growth of at least 8 per cent per annum (compounded over the measurement period) is required. If EPS growth of 4 per cent per annum (compounded over the measurement period) is achieved, 50 per cent of the performance rights will vest and if EPS growth of between 4 per cent and 8 per cent per annum (compounded over the measurement period) is achieved, a pro-rata number of Performance Rights will vest. No performance rights will vest if an EPS growth rate of less than 4 per cent per annum (compounded) is achieved.

The fair value of each performance right issued during the period was estimated on the date of grant using a discounted cash flow calculation. Specifically, the Monadelphous Group Limited share price has been discounted at the dividend yield in order to account for the dividends that the rights holder forgoes over the life of the rights.

The weighted average fair value of performance rights granted in the period was $11.15.

The following table illustrates the number and weighted average exercise prices of and movements in performance rights granted, exercised and forfeited during the year.

	2025		2024	
	Number of Performance Rights	**Weighted Average Exercise Price $**	Number of Performance Rights	Weighted Average Exercise Price $
Balance at the beginning of the year	926,913	**nil**	489,339	nil
Issued during the year	**826,628**	**nil**	636,904	nil
Exercised during the year	**(295,443)**	**nil**	(163,080)	nil
Forfeited during the year	**(55,505)**	**nil**	(36,250)	nil
Balance at the end of the year	**1,402,593**	**nil**	926,913	nil
Exercisable during the next year	**444,273**	**nil**	295,443	nil

27. SHARE BASED PAYMENT EXPENSE (continued)

Retention Rights

The retention rights were issued in the form of performance rights and vest into shares in equal instalments, one, two and three years subsequent to award, subject to the employee remaining in the employment of the company at those particular dates.

The fair value of each retention right issued was estimated on the date of grant using a discounted cash flow calculation.

The following table illustrates the number and weighted average exercise prices of and movements in retention rights granted, exercised and forfeited during the year.

	2025		2024	
	Number of Retention Rights	**Weighted Average Exercise Price $**	Number of Retention Rights	Weighted Average Exercise Price $
Balance at the beginning of the year	330,050	nil	720,996	nil
Issued during the year	**-**	**nil**	-	nil
Exercised during the year	**(324,248)**	**nil**	(346,938)	nil
Forfeited during the year	**(5,802)**	**nil**	(44,008)	nil
Balance at the end of the year	**-**	**nil**	330,050	nil
Exercisable during the next year	**-**	**nil**	330,050	nil

Options

The exercise price of the options granted under the Employee Option Plan was calculated as the average closing market price of the shares for the five trading days prior to the invitation date to apply for the options of 5 November 2020. The fair value of each option issued during the year was estimated on the date of grant using a Binomial option-pricing model.

The following weighted average assumptions were used for grants during the year:

Dividend yield	5.44%
Volatility	44.0%
Risk-free interest rate	0.21% - 0.95%
Expected life of option	25% - 1 years 25% - 2 years 50% - 3 years

The dividend yield reflects an analysis of past dividends and future dividend expectations. The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which also may not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

27. SHARE BASED PAYMENT EXPENSE (continued)

The following table illustrates the number and weighted average exercise prices of and movements in options granted, exercised and forfeited during the year.

	2025		2024	
	Number of Options	**Weighted Average Exercise Price $**	Number of Options	Weighted Average Exercise Price $
Balance at the beginning of the year	1,525,000	9.30	4,852,500	12.21
Exercised during the year	**(1,475,000)**	**9.30**	(767,500)	9.30
Forfeited during the year	**(50,000)**	**9.30**	(2,560,000)	14.84
Balance at the end of the year	**-**	**-**	1,525,000	9.30
Exercisable during the next year	**-**	**-**	1,525,000	9.30

Recognition and measurement

The Group provides benefits to employees (including Key Management Personnel) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date on which they are granted. The fair value is determined by an external valuer. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Monadelphous Group Limited (market conditions), if applicable. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to market condition is considered to vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

28. AUDITOR'S REMUNERATION

The auditor of Monadelphous Group Limited is Ernst & Young.

	2025 **$**	2024 $
Amounts received or due and receivable by Ernst & Young Australia for:		
• An audit or review of the financial report of the entity and any other entity in the consolidated entity	**385,000**	410,026
• Other services in relation to the entity and any other entity in the consolidated entity		
• tax compliance	**42,125**	20,475
Total fees to Ernst & Young (Australia)	**427,125**	430,501
Amounts received or due and receivable by overseas member firms of Ernst & Young for:		
• An audit or review of the financial report of the entity and any other entity in the consolidated entity	**8,564**	13,138
• Other services in relation to the entity and any other entity in the consolidated entity		
• tax compliance	**27,017**	8,617
• other	**2,033**	-
Total fees to overseas member firms of Ernst & Young	**37,614**	21,755
Total auditor's remuneration	**464,739**	452,256

Ernst & Young has provided an auditor's independence declaration to the Directors of Monadelphous Group Limited confirming that the provision of the other services has not impaired their independence as auditors.

29. RELATED PARTY DISCLOSURES

	2025 **$**	2024 $
Compensation of key management personnel		
Short term benefits	**4,608,665**	4,450,763
Post-employment	**210,822**	193,580
Long term benefits	**(185,122)**	(21,096)
Share-based payments	**1,574,854**	1,341,489
Total compensation	**6,209,219**	5,964,736

Zenviron

The Group had sales to the joint venture during the year totalling $2,308,204 (2024: $2,017,134).

Mondium

The Group had sales to the joint venture during the year totalling $16,841,141 (2024: $554,216).

30. OPERATING SEGMENTS

Revenue is derived by the consolidated entity from the provision of engineering services to the resources, energy and infrastructure industry sector. For the year ended 30 June 2025, the Engineering Construction division contributed revenue of $925.3 million (2024: $712.7 million) and the Maintenance and Industrial Services division contributed revenue of $1,346.4 million (2024: $1,323.5 million). Included in these amounts is $5.8 million (2024: $6.4 million) of inter-entity revenue and $112.7 million (2024: $21.2 million) of revenue of joint ventures, which is eliminated on consolidation. The operating divisions are exposed to similar risks and rewards from operations and are only segmented to facilitate appropriate management structures.

The Executive Management Committee is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

The CODM believe that the aggregation of the operating divisions is appropriate for segment reporting purposes as they:

- have similar economic characteristics in that they have similar gross margins;
- perform similar services for the same industry sector;
- have similar operational business processes;
- provide a diversified range of similar engineering services to a large number of common clients;
- utilise a centralised pool of engineering assets and shared services in their service delivery models, and the services provided to customers allow for the effective migration of employees between divisions; and
- operate predominately in one geographical area, namely Australia.

Accordingly, all services divisions have been aggregated to form one segment.

The Group has a number of customers to which it provides services. The largest customer represented 15% (2024: 11%) of the Group's revenue. One other customer individually contributed 14% (2024: 10%) of the Group's revenue. There are multiple contracts with these customers, across a number of their subsidiaries and divisions within those subsidiaries and locations.

30. OPERATING SEGMENTS (continued)

Geographical Information

	2025 $'000	2024 $'000
Revenue from external customers		
Australia	**2,093,022**	1,915,475
Papua New Guinea	**53,801**	46,646
Mongolia	**4,218**	36,743
Other overseas locations	**2,115**	9,698
	2,153,156	2,008,562
Total non-current assets		
Australia	**303,153**	306,883
Papua New Guinea	**3,583**	2,622
Mongolia	**60**	282
Other overseas locations	**200**	5,320
	306,996	315,107

31. DEED OF CROSS GUARANTEE

Pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785, relief has been granted to these controlled entities of Monadelphous Group Limited from the *Corporations Act 2001* requirements for preparation, audit and publication of accounts.

As a condition of the Class Order, Monadelphous Group Limited and the controlled entities subject to the Class Order, entered into a deed of indemnity on 9 June 2011, 1 June 2012, 9 June 2014, 8 June 2016 and 9 May 2024. The effect of the deed is that Monadelphous Group Limited has guaranteed to pay any deficiency in the event of winding up of these controlled entities. The controlled entities have also given a similar guarantee in the event that Monadelphous Group Limited is wound up.

The consolidated income statement and statement of financial position of the entities that are members of the 'Deed' are as follows:

	2025 $'000	2024 $'000
Consolidated Income Statement and Comprehensive Income		
Profit before income tax	**106,393**	83,518
Income tax expense	**(33,432)**	(24,948)
Net profit after tax for the period	**72,961**	58,570
Reconciliation of Retained Earnings		
Retained earnings at the beginning of the period	205,188	195,133
Dividends paid	**(64,997)**	(48,515)
Net profit after tax for the period	**72,962**	58,570
Retained earnings at the end of the period	**213,153**	205,188

31. DEED OF CROSS GUARANTEE (continued)

	2025 $'000	2024 $'000
Consolidated Statement of Financial Position		
ASSETS		
Current assets		
Cash and cash equivalents	**144,884**	166,882
Trade and other receivables	**452,806**	310,768
Contract assets	**11,098**	5,922
Total current assets	**608,788**	483,572
Non-current assets		
Contract assets	**14,073**	19,491
Investments in subsidiaries	**7,492**	8,848
Property, plant and equipment	**210,523**	222,552
Deferred tax assets	**24,929**	20,296
Intangible assets and goodwill	**17,423**	18,243
Total non-current assets	**274,440**	289,430
TOTAL ASSETS	**883,228**	773,002
LIABILITIES		
Current liabilities		
Trade and other payables	**268,389**	191,347
Interest bearing loans and borrowings	**4,272**	4,529
Lease liabilities	**20,390**	21,439
Income tax payable	**21,955**	18,613
Provisions	**50,109**	47,343
Total current liabilities	**365,115**	283,271
Non-current liabilities		
Interest bearing loans and borrowings	**17,170**	6,366
Lease liabilities	**52,239**	58,466
Provisions	**8,242**	6,871
Total non-current liabilities	**77,651**	71,703
TOTAL LIABILITIES	**442,766**	354,974
NET ASSETS	**440,462**	418,028
EQUITY		
Contributed equity	**150,120**	145,781
Reserves	**77,189**	67,059
Retained earnings	**213,153**	205,188
TOTAL EQUITY	**440,462**	418,028

32. OTHER ACCOUNTING STANDARDS

Other accounting policies

Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, and fair value through profit or loss.

With the exception of trade receivables, that do not have a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under AASB 15.

Financial assets at amortised cost

The Group measures financial assets at amortised cost where the objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables.

Financial assets at fair value

For financial assets at fair value, gains and losses will either be reported in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity instruments at fair value through OCI.

Gains and losses on financial assets designated at fair value through OCI are not recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Impairment of financial assets

The Group recognises an allowance for ECLs for trade receivables, contract assets and other debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contracted cash flows due in accordance with the contract and all the cash flows the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses and recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Definition of default

The Group considers a financial asset to be in default when contractual payments are 90 days past due or when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full.

32. OTHER ACCOUNTING STANDARDS (continued)

Other accounting policies (continued)

Financial assets (continued)

Write off policy

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

New and amended Accounting Standards and Interpretations

Monadelphous Group Limited and its subsidiaries has adopted all new and amended Australian Standards and Interpretations mandatory for reporting periods beginning on or before 1 July 2024.

Revised Standards and Interpretations which apply from 1 July 2024 did not have any material effect on the financial position or performance of the Group.

32. OTHER ACCOUNTING STANDARDS (continued)

New accounting standards and interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective (including those below) have not been adopted by the Group for the annual reporting period ended 30 June 2025. The impact of these standards are still being assessed.

Reference	Summary	Application date of standard	Application date for Group
Amendments to AASB 10 and AASB 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in AASB 3 Business Combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture	1 January 2028	1 July 2028
Amendments to AASB 121 - Lack of Exchangeability	The amendment specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments create a new definition of exchangeable, which explains that a currency is exchangeable into another currency when: - An entity can obtain the other currency within a time frame that allows for a normal administrative delay - Through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations	1 January 2025	1 July 2025
Amendments to Australian Accounting Standards – Annual improvements Volume 11	Amendments to the following standards: • AASB 1 First time Adoption of Australian Accounting Standards • AASB 7 Financial Instruments; Disclosures • AASB 9 Financial Instruments • AASB 10 Consolidated Financial Statements • AASB 107 Statement of Cash Flows The amendments aim to improve clarity and internal consistency.	1 January 2026	1 July 2026
AASB 18 Presentation and Disclosure in Financial Statements	The key presentation and disclosure requirements established by AASB 18 are: • the presentation of newly defined subtotals in the statement of profit or loss; • the disclosure of management-defined performance measures; and • enhanced requirements for grouping information (i.e. aggregation and disaggregation). These new requirements will enable investors and other financial statement users to make more informed decisions, including better allocations of capital, that will contribute to long-term financial stability. AASB 18 will replace AASB 101 Presentation of Financial Statements.	1 January 2027	1 July 2027

International Sustainability Standards

The AASB has published a voluntary AASB S1: General Requirements for Disclosure of Sustainability – related Financial Information (AASB S1) and mandatory AASB S2: Climate Related Disclosures (AASB S2). The Group will be required to comply with requirements of AASB S2 in FY26 and prepare a sustainability report that complies with the new standard. Work continues to be undertaken to prepare for these climate related financial disclosures.

Name of entity	Entity type	Country of Incorporation	Country of tax residence	% of share capital
Monadelphous Group Limited	Body corporate	Australia	Australia	
Controlled entities of Monadelphous Group Limited:				
Monadelphous Engineering Associates Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous Properties Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous Engineering Pty Ltd	Body corporate	Australia	Australia	100
Genco Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous Workforce Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous Electrical & Instrumentation Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous KT Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous Energy Services Pty Ltd	Body corporate	Australia	Australia	100
M Workforce Pty Ltd	Body corporate	Australia	Australia	100
M Maintenance Services Pty Ltd	Body corporate	Australia	Australia	100
M&ISS Pty Ltd	Body corporate	Australia	Australia	100
Inteforge Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous Group Limited Employee Share Trust	Trust	Australia	Australia	100
Monadelphous Holdings Pty Ltd	Body corporate	Australia	Australia	100
Evo Access Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous Investments Pty Ltd	Body corporate	Australia	Australia	100
MWOG Pty Ltd	Body corporate	Australia	Australia	100
MOAG Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous International Holdings Pty Ltd	Body corporate	Australia	Australia	100
Arc West Group Pty Ltd	Body corporate	Australia	Australia	100
R.I.G. Installations (Newcastle) Pty Ltd	Body corporate	Australia	Australia	100
RE&M Services Pty Ltd	Body corporate	Australia	Australia	100
Pilbara Rail Services Pty Ltd	Body corporate	Australia	Australia	100
EC Projects Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous RTW Pty Ltd	Body corporate	Australia	Australia	100
MMW Projects Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous PNG Ltd	Body corporate	Papua New Guinea	Papua New Guinea	100
Moway International Limited	Body corporate	Hong Kong	Australia and Hong Kong(1)	100
Moway AustAsia Steel Structures Trading (Beijing) Company Limited	Body corporate	China	China	100
Inteforge Engineering & Fabrication (Tianjin) Co. Ltd	Body corporate	China	China	100
Monadelphous Mongolia LLC	Body corporate	Mongolia	Mongolia	100
Monadelphous Chile SpA	Body corporate	Chile	Chile	100
BMC Holdings (Vic) Pty Ltd	Body corporate	Australia	Australia	100
BMC Welding & Construction Pty Ltd	Body corporate	Australia	Australia	100
BMC HV Electrical & Instrumentation Pty Ltd	Body corporate	Australia	Australia	100
BMC Civil Pty Ltd	Body corporate	Australia	Australia	100
Melchor Contracting Pty Ltd	Body corporate	Australia	Australia	100
Monadelphous NPI Pty Ltd	Body corporate	Australia	Australia	80

(1) Moway International Limited is a dual tax resident of Australia and Hong Kong.