

# FULL YEAR RESULTS 2022

TOGETHER WE DELIVER

23 AUGUST 2022



# YEARS

# 1972-2022

# MONADELPHOUS PROFILE

## 2 OPERATING DIVISIONS



ENGINEERING  
CONSTRUCTION



MAINTENANCE  
& INDUSTRIAL  
SERVICES

## OUR INDUSTRIES



RESOURCES



ENERGY



INFRASTRUCTURE

### 7,541 EMPLOYEES



(TOTAL WORKFORCE 7,977)

### 29 LOCATIONS

IN 6 COUNTRIES



### 50 YEARS

OPERATING SINCE 1972



Employees and total workforce as at 30 June 2022





## THANK YOU FOR YOUR CONTRIBUTION

Although Monadelphous has grown significantly since 1972, our people and our values remain at the heart of how we work. Indeed, of all the accomplishments we have achieved over our 50 year history, the most satisfying achievement is the development of a team of people with a team spirit and unrelenting sense of purpose. This is what has driven our success to date and helped us realise our potential, so thank you to all of our employees, past and present, for playing your part in our proud history.

Rob Velletri  
Managing Director





# 2022 GROUP PERFORMANCE AND HIGHLIGHTS

REVENUE <sup>1</sup>

**\$1.93** BILLION

NET PROFIT AFTER TAX ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

**\$52.2** MILLION

EARNINGS PER SHARE

**54.9** CENTS

FULL YEAR DIVIDEND

**49.0** CENTS

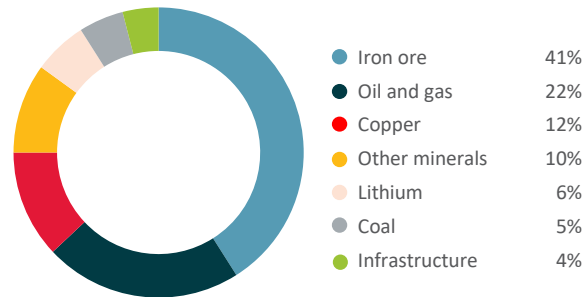
CASH

**\$183.3** MILLION

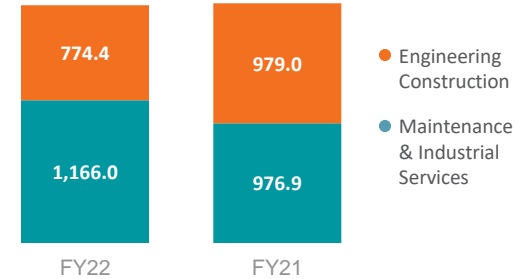
CONTRACTS SECURED

**\$1.45** BILLION

## REVENUE BY END CUSTOMER

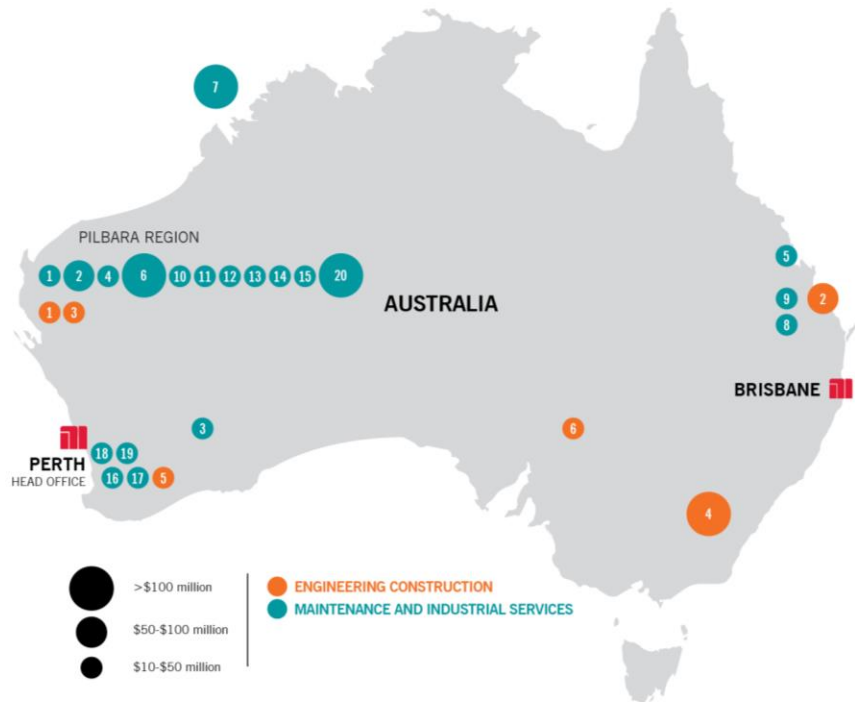


## REVENUE BY DIVISION (\$M)



- Net profit after tax up 11% on pcp
- Record maintenance revenue with strong demand across resources and energy sectors
- Successful completion of major resources projects
- Extraordinarily high level of demand for labour exacerbated by interstate travel restrictions
- Labour costs, productivity and employee retention impacted
- Secured \$1.45 billion of new contracts and contract extensions

# CONTRACTS SECURED – AUSTRALIA



## ENGINEERING CONSTRUCTION

		Market Sector
1	*Fabrication of structural steel for construction project in Ashburton	Iron Ore
2	Origin – Supply of wellsite equipment	Oil and Gas
3	Rio Tinto – Shutdown works at Western Turner Syncline Phase 2 project	Iron Ore
4	Rye Park Renewable Energy – Balance of plant works for Rye Park Wind Farm	Infrastructure
5	*Talisson Lithium – Construction of facilities at Greenbushes mine site	Lithium
6	Tronox – Multidisciplinary construction services at Broken Hill HMC Upgrade Project	Other Minerals

## MAINTENANCE AND INDUSTRIAL SERVICES

		Market Sector
1	BHP – Extension to haul road at Jimblebar mine	Iron Ore
2	BHP – General maintenance services for shutdowns, outages and minor capital works at various Pilbara mine sites	Iron Ore
3	BHP – Mechanical and electrical maintenance, shutdown and project services at nickel operations	Other Minerals
4	BHP – Refurbishment of cells and rotating equipment on Car Dumper 1 at Nelson Point	Iron Ore
5	*BHP Mitsubishi Alliance – Dragline shutdown and maintenance services	Coal
6	*Fortescue Metals Group – Maintenance, repairs, shutdowns and minor projects	Iron Ore
7	Maintenance, turnarounds and modifications at offshore liquefied natural gas facility	Oil and Gas
8	Origin – Turnaround and shutdown support for Australia Pacific LNG operations	Oil and Gas
9	Queensland Alumina Limited – General mechanical maintenance services	Other Minerals
10	Rio Tinto – Construction at Marandoo Dewatering Sump Project	Iron Ore
11	*Rio Tinto – Construction of new conveyor at Tom Price mine	Iron Ore
12	Rio Tinto – Construction of new hawser rail and upgrades to dolphins at Cape Lambert	Iron Ore
13	*Rio Tinto – Upgrades to conveyor facilities at Marandoo mine site	Iron Ore
14	Rio Tinto – Upgrades to gravity take up systems at East Intercourse Island and Cape Lambert	Iron Ore
15	*Roy Hill – Construction of pipeline, access road and transfer pond infrastructure at Roy Hill mine site	Iron Ore
16	South32 – Shutdown and mechanical services at Worsley Alumina Refinery	Other Minerals
17	Synergy – Operation and maintenance of Muja Power Station in Collie	Infrastructure
18	Tronox – Operation and maintenance of cogeneration power station in Kwinana	Infrastructure
19	*Water Corporation – Coating and concrete repairs at various sites and locations in WA	Infrastructure
20	Woodside Energy – Maintenance, shutdown and brownfields project services at onshore and offshore gas production facilities	Oil and Gas



● ENGINEERING CONSTRUCTION  
● MAINTENANCE AND INDUSTRIAL SERVICES

## ENGINEERING CONSTRUCTION

- 1 \*Oyu Tolgoi – Construction of surface infrastructure for Oyu Tolgoi Underground Project

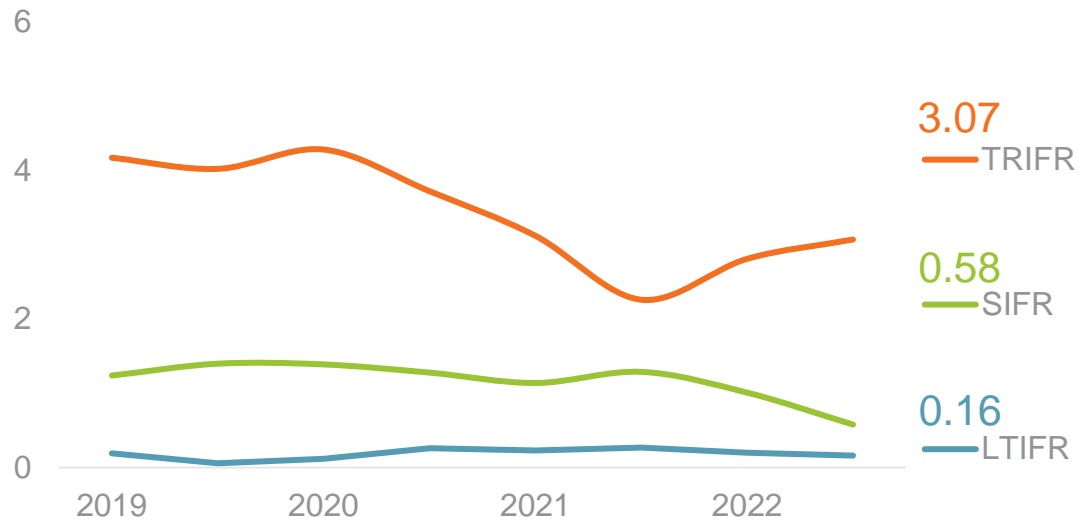
## Market Sector

Copper

## MAINTENANCE AND INDUSTRIAL SERVICES

- 1 Codelco – Construction work associated with new underground section of El Teniente copper mine Copper
- 2 Codelco – Maintenance of heap leaching process and electrowinning copper extraction plant at Radomiro Tomic copper mine Copper
- 3 Codelco – Mine infrastructure maintenance and repairs at Chuquicamata underground copper mine Copper
- 4 Collahuasi Mining Company – Modifications to concentrate distribution system Copper
- 5 Newcrest – Engineering, procurement and construction services for tank refurbishment Other Minerals
- 6 Newcrest – Structural, mechanical, piping and electrical and instrumentation works Other Minerals

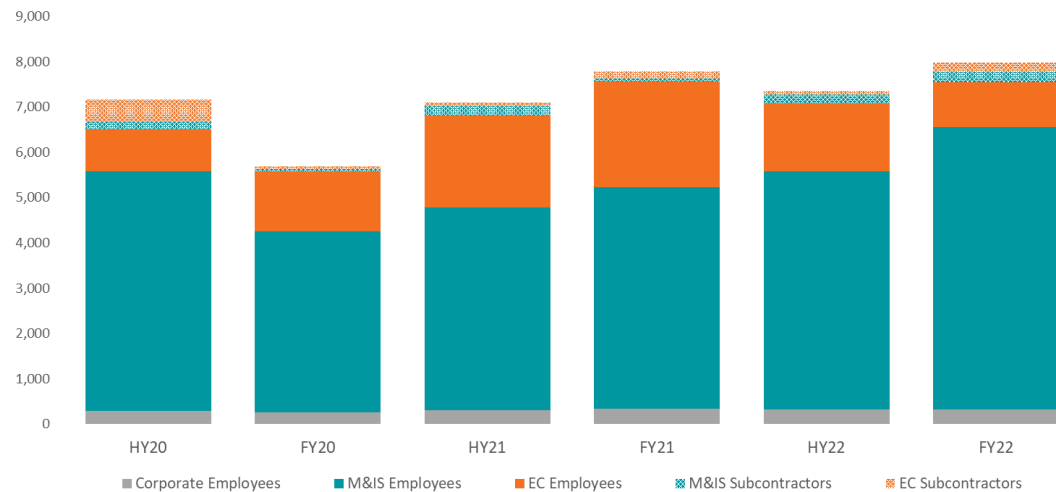
## SAFETY AND WELLBEING



- High levels of operational activity and large number of new employees onboarded impacted performance
- Targeted safety campaigns implemented to address common operational risks
- 55% improvement in serious incident frequency rate
- Sustained focus on identification, elimination and mitigation of fatal risk hazards
- Continued application of Fatal Risk Control Standards
- Recognised for efforts in safety innovation



## PEOPLE



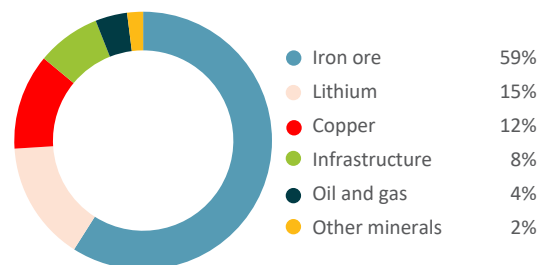
- Extremely competitive labour market predicted to continue
- Strategic focus on people retention, attraction, development and wellbeing
- Substantial program of work to reinforce acceptable workplace behaviours
- Implemented Employee Retention Plan to support key talent retention
- Implemented new talent acquisition and performance management system
- Comprehensive organisational structural review undertaken



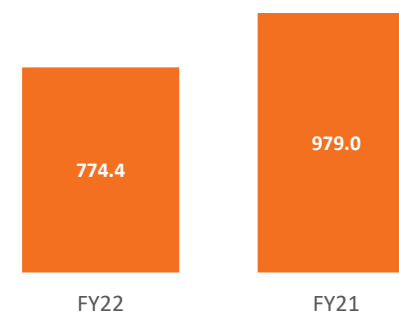
## 2022 DIVISIONAL HIGHLIGHTS

### ENGINEERING CONSTRUCTION

#### REVENUE BY END CUSTOMER



#### REVENUE (\$M)



- Revenue of \$774.4 million<sup>1</sup>
- Revenue declined in H2 following project completions in H1
- Construction activity expected to ramp up through FY23
- Successful completion of major resource construction projects, including BHP's South Flank Project, Rio Tinto's West Angelas Deposits C & D Project and MARBL Lithium Joint Venture's Kemerton lithium hydroxide plant
- Mondium completed work at Rio Tinto's Western Turner Syncline Phase 2 Project
- Successfully delivered major shutdown at BHP's Olympic Dam mine and provided multidisciplinary services at Rio Tinto's Gudai-Darri iron ore project
- Secured approximately \$325 million of new contracts
- Awarded contract for Oyu Tolgoi Underground Project in Mongolia
- Zenviron secured \$250 million contract to deliver Rye Park Wind Farm
- Established Alevro to provide turnkey heavy lift solutions in Australia

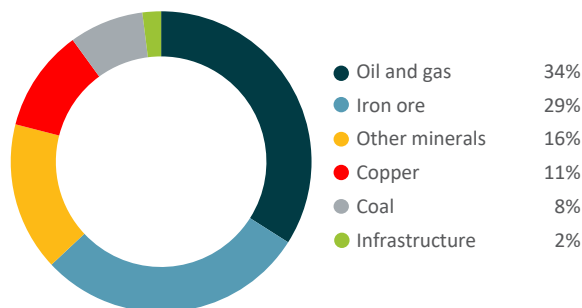
<sup>1</sup> Includes Monadelphous' share of joint venture revenue



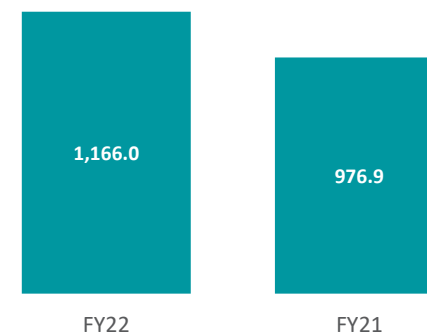
## 2022 DIVISIONAL HIGHLIGHTS

### MAINTENANCE & INDUSTRIAL SERVICES

#### REVENUE BY END CUSTOMER



#### REVENUE (\$M)



- Record revenue of \$1.166 billion, up 19.4%
- Buoyant conditions across most sectors
- Increased activity in oil and gas and Chile and PNG operations
- Secured approximately \$1.13 billion of new contracts and extensions
- Awarded strategically important five-year maintenance and shutdown services contract with FMG
- Expanded facilities in Pilbara region, WA
- Long-term maintenance services contracts extended; major turnarounds completed for oil and gas customers
- Chile-based business, Buildtek, awarded approximately \$80 million in new contracts
- Acquired RTW Steel Fabrication and Construction in south-west WA



## SUSTAINABILITY

### Diversity, Community & Environment

- Launched Stretch Reconciliation Action Plan 2022-2025
- Continued to deliver Indigenous Employment Pathways Program in partnership with Rio Tinto
- Renewed partnership with Polly Farmer Foundation
- Launched second Gender Diversity and Inclusion Plan, reached or exceeded all measurable targets
- Extended partnerships with universities to promote gender diversity and inclusivity within STEM career pathways
- Partnered or participated in over 100 community events and initiatives across 25 locations
- Formalised commitment to net zero emissions by 2050



## FINANCIAL SNAPSHOT

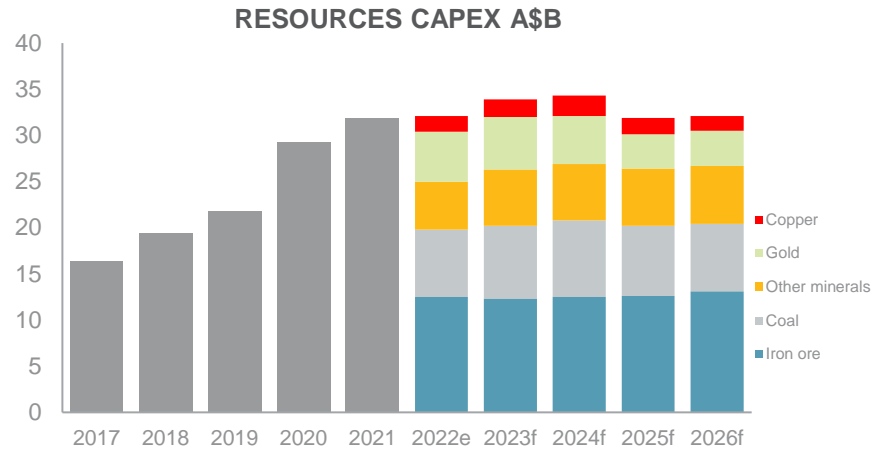
Period ended 30 June		FY22	FY21	CHANGE
Revenue <sup>1</sup>	\$M	1,930.0	1,953.1	(1.2%)
Engineering Construction <sup>1</sup>	\$M	774.4	979.0	(20.9%)
Maintenance & Industrial Services	\$M	1,166.0	976.9	19.4%
<i>Internal Eliminations</i>	\$M	(10.4)	(2.8)	
EBITDA <sup>2</sup>	\$M	111.2	108.7	2.3%
EBITDA margin	%	5.8	5.6	0.2pp
NPAT Attributable to Equity Holders of the Parent	\$M	52.2	47.1	11.0%
EPS	cps	54.9	49.7	10.5%
DPS (fully franked)	cps	49.0	45.0	8.9%
Cash	\$M	183.3	175.7	4.3%

<sup>1</sup> Includes Monadelphous' share of joint venture revenue – refer to reconciliation on slide 19

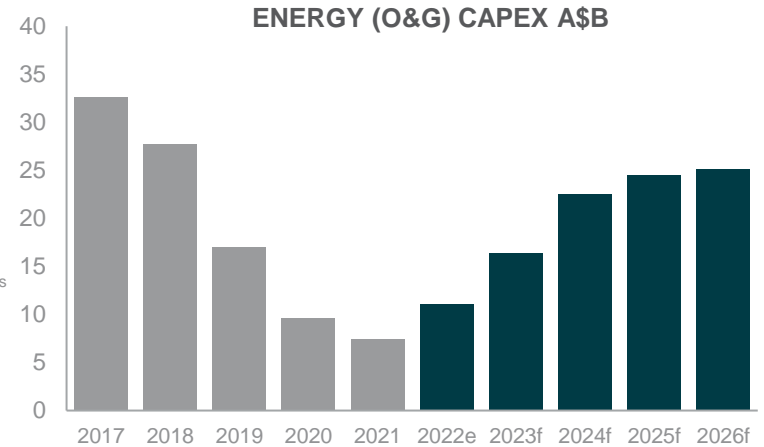
<sup>2</sup> Refer to reconciliation on slide 19



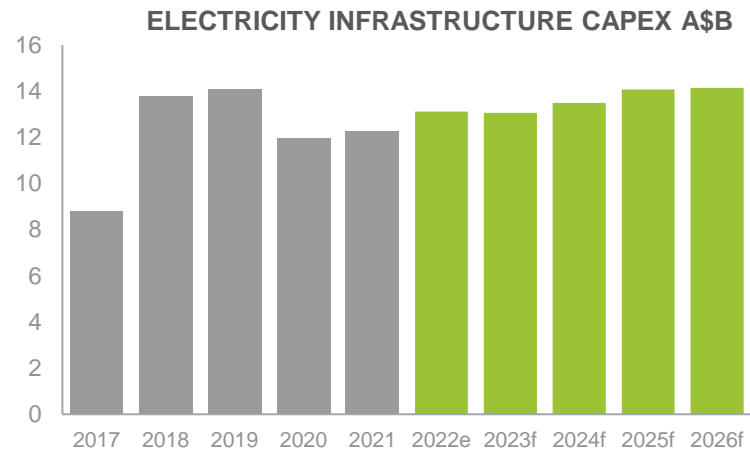
# INDUSTRY OUTLOOK – AUSTRALIA



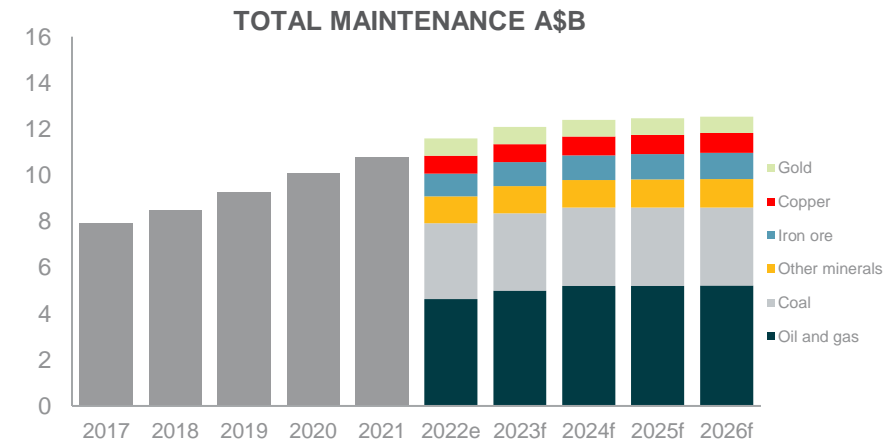
Source: BIS Oxford Economics, ABS (July 2022)



Source: BIS Oxford Economics, ABS (July 2022)



Source: BIS Oxford Economics, ABS (May 2022)



Source: BIS Oxford Economics, ABS (July 2022)

## OUTLOOK

- Significant number of opportunities across resources and energy sectors in Australia and overseas
- Australian iron ore industry to continue to be buoyant
- High level of global demand for battery metals driving significant investment
- Favourable conditions in oil and gas sector with construction opportunities from new LNG projects and strong demand for maintenance services
- Australia's accelerating transition to clean energy providing wind and hydrogen opportunities
- Strong demand for maintenance services across all sectors
- Labour shortage most significant challenge
- With capacity constrained, strategic approach to new work opportunities with focus on earnings quality
- Focus on employee attraction, retention, development and wellbeing
- Strong balance sheet to support acquisition opportunities
- Construction activity expected to ramp up over FY23 and beyond
- FY23 revenue dependent on timing and commencement of awards, likely skewed to second half





## FOR MORE INFORMATION:

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# APPENDICES



## ENGINEERING CONSTRUCTION

### MAJOR PROJECTS 2022

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



## MAINTENANCE & INDUSTRIAL SERVICES

### MAJOR CONTRACTS 2022

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

## NOTES TO FINANCIALS

### Non-IFRS Financial Information

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

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

	FY22 \$M	FY21 \$M
Total revenue from contracts with customers including joint ventures	1,930.0	1,953.1
Share of revenue from joint ventures <sup>1</sup>	(120.6)	(199.4)
<b>Statutory revenue from contracts with customers</b>	<b>1,809.4</b>	<b>1,753.7</b>

### Reconciliation of profit before income tax to EBITDA

Profit before income tax	73.5	70.4
Interest expense on loans and hire purchase finance charges	1.8	1.5
Interest expense on other lease liabilities	1.5	1.6
Interest revenue	(0.7)	(0.4)
Depreciation of owned and hire purchase assets	24.5	23.5
Depreciation of right of use assets	8.6	8.9
Amortisation expense	-	0.5
Share of interest, depreciation, amortisation and tax from joint ventures <sup>2</sup>	2.0	2.7
<b>EBITDA</b>	<b>111.2</b>	<b>108.7</b>

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

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

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