

21 November 2022

Company Announcements
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000
AUSTRALIA

Dear Sir / Madam

RE: ISSUE OF PERFORMANCE RIGHTS

Engineering company Monadelphous Group Limited (ASX: MND) (“the Company”) has issued 472,275 Performance Rights under the Company’s Combined Reward Plan and subject to the Monadelphous Group Limited Performance Rights Plan Rules.

A summary of the key terms of the Performance Rights is attached.

The Performance Rights are being issued under the Company’s ASX listing rule 7.1 capacity and shareholder approval is not being sought (although the Company may seek ratification of the issue in the future).

An Appendix 3G will be released to the ASX following this announcement.

Authorised by



Philip Trueman
Company Secretary

MONADELPHOUS GROUP LIMITED COMBINED REWARD PLAN

Terms of Performance Rights

Set out below is a summary of the key terms of the Performance Rights issued under the Combined Reward Plan and subject to the Monadelphous Group Limited Performance Rights Plan Rules (“Rules”).

Eligible Participant and Invitations	<p>The Board may from time to time determine that an Eligible Participant may participate in the Combined Reward Plan.</p> <p>Eligible Participants essentially comprise employees and contractors of the Company or an associated entity of the Company, providing those persons fit within the categories of persons prescribed by the definition of “eligible participant” under ASIC Class Order 14/1000.</p> <p>Following determination that an Eligible Participant may participate in the Combined Reward Plan, the Board may make an invitation to the Eligible Participant on any number of occasions.</p>
Nomination Right	<p>The Eligible Participant may renounce an offer of Performance Rights in favour of one of the following persons:</p> <ul style="list-style-type: none"> (a) a company whose members comprise no persons other than the Eligible Participant or immediate family members of the Eligible Participant (being the Eligible Participant’s spouse or dependant); or (b) a corporate trustee of a self-managed superannuation fund (within the meaning of the Superannuation Industry (Supervision) Act 1993 (Cth)) where the Eligible Participant is a director of the trustee. <p>The Company may refuse an election to renounce an offer to a nominated person at its sole and absolute discretion.</p>
Nature of Performance Rights	<p>Each Performance Right represents a right to receive one ordinary share in the Company, subject to the terms and conditions of the Combined Reward Plan and the Rules.</p> <p>Prior to a Performance Right vesting, a participant is not entitled to:</p> <ul style="list-style-type: none"> (a) notice of, or to vote at or attend, a meeting of the shareholders of the Company; (b) receive any dividends declared by the Company; (c) receive a return of capital from the Company, whether in a winding up, upon a reduction of capital or otherwise; or (d) participate in the surplus profits or assets of the Company upon a winding up of the Company, <p>by virtue of holding a Performance Right.</p>
No Fee	<p>No fee is payable upon the grant of Performance Rights.</p>
Exercise Price	<p>No exercise price is payable upon the exercise of Performance Rights.</p>

Vesting Condition	<p>Performance Rights will be subject to a vesting condition of the Eligible Participant being continuously employed or holding office continually by or with one or more members of the Group during the period from the grant date to the relevant vest date.</p> <p>One third of the Performance Rights will vest (in equal instalments, subject to rounding) on 1 July 2023, 1 July 2024 and 1 July 2025, subject to the vesting condition being met in each case.</p> <p>If the vesting condition relevant to a Performance Right is not satisfied, that Performance Right will lapse.</p>
Exercise of Vested Performance Rights	<p>A Performance Right may not be exercised unless and until that Performance Right has vested, or such earlier date as determined in accordance with the Rules.</p> <p>Upon vesting, each Performance Right will be automatically exercised and will result in the issue (or transfer) of one share.</p>
Forfeiture of your Performance Rights	<p>If a participant becomes a “Good Leaver”, the Board will allow the participant to retain unvested Performance Rights only to the extent determined by the Board in its absolute discretion. All other unvested Performance Rights will be forfeited.</p> <p>If a participant becomes a “Bad Leaver”, all Performance Rights will be forfeited, subject to any alternative determination by the Board in its absolute discretion.</p> <p>Unless otherwise determined by the Board, Performance Rights will be forfeited if:</p> <ul style="list-style-type: none"> (a) the vesting condition relevant to those Performance Rights is not satisfied by the relevant time; (b) the Board determines (acting reasonably and in good faith) that any applicable vesting condition relevant to those Performance Rights has not been met or cannot be met by the relevant date; (c) the participant acts fraudulently or dishonestly; or (d) the participant becomes insolvent.
Disposal Restrictions	<p>Any shares acquired on exercise of Performance Rights will be restricted from disposal until the earlier of:</p> <ul style="list-style-type: none"> (a) the opening of the share trading window following the release of the 30 June 2025 financial results (in or around August 2025); and (b) the date on which the participant ceases to be employed or engaged (as applicable) by the relevant member of the Group; <p>or as otherwise determined by the Board.</p> <p>The Company’s Share Trading Policy (BMS-POL-026) and applicable laws may also impact when resulting shares may be disposed of.</p>

<p>Employee Share Trust</p>	<p>Any resulting shares issued and/or transferred to the participant as a result of the vesting and automatic exercise of Performance Rights may be required to be held via the Monadelphous Group Limited Employee Share Trust (“Trust”) under the terms of the Monadelphous Group Limited Employee Share Trust Deed for the purposes of ensuring compliance with disposal restrictions.</p> <p>The trustee of the Trust is a third party provider of trustee services, CPU Share Plans Pty Limited.</p> <p>Once Performance Rights have vested, the trustee will pass on dividends received to the underlying shareholder and the underlying shareholder can direct the trustee how to vote those shares.</p>
<p>Change of Control Event</p>	<p>Notwithstanding any other provisions of the Rules, if a Change of Control Event occurs, or the Board determines that such an event is likely to occur, the Board may determine the manner in which Performance Rights will be dealt with, including, without limitation, in a manner that allows the participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.</p> <p>A Change of Control Event means:</p> <ul style="list-style-type: none"> (a) a change in Control of the Company; (b) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its Associates) owning more than fifty per cent (50%) of the issued capital of the Company; (c) where a person becomes the legal or the beneficial owner of, or has a relevant interest in, more than fifty per cent (50%) of the issued capital of the Company; (d) where a person becomes entitled to acquire, hold or has an equitable interest in more than fifty per cent (50%) of the issued capital of the Company; (e) where a Takeover Bid is made to acquire more than fifty per cent (50%) of the issued capital (or such lesser number of shares that when combined with the shares that the bidder (together with its Associates) already owns will amount to more than 50% of the issued capital of the Company) and the takeover bid becomes unconditional and the bidder (together with its Associates) has a Relevant Interest in more than 50% of the issued capital of the Company; (f) a resolution is passed for the voluntary winding-up of the Company; (g) an order is made for the compulsory winding up of the Company; or (h) any other event determined by the Board in good faith to constitute a “Change of Control Event” for the purposes of these Rules, <p>but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of the Group.</p>

Adjustment of Performance Rights	<p><i>Reorganisation</i> If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital), the rights of a holder of Performance Rights (including the number of Performance Rights to which each participant is entitled or the exercise price (if any)), will be adjusted in the manner specified by the ASX Listing Rules to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.</p> <p><i>Bonus Issue</i> If shares are issued by the Company pro rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Performance Rights is entitled, upon exercise of the Performance Rights, to receive, in addition to the shares in respect of which the Performance Rights are exercised and without the payment of any further consideration, an issue of as many additional shares as would have been issued to a shareholder who, on the date for determining entitlements under the bonus issue, held shares equal in number to the shares in respect of which the Performance Rights are exercised.</p> <p><i>Rights Issue</i> A holder of Performance Rights does not (in respect of their Performance Rights) have the right to participate in a pro rata issue of shares made by the Company or to receive or sell renounceable rights.</p> <p><i>No other participation</i> Subject to the above, during the currency of any Performance Rights and prior to their exercise, the holders of Performance Rights are not entitled to participate in any new issue of securities of the Company as a result of their holding of Performance Rights.</p>
Clawback	<p>The Board will have the discretion to clawback (i.e. cause to be forfeited) unvested Performance Rights if the Board deems it inappropriate for the Performance Rights to vest including where:</p> <ul style="list-style-type: none"> (a) the participant acts fraudulently or dishonestly; (b) the participant otherwise acts in a manner that causes damage to the Company's reputation; (c) the Board becomes aware of a material misstatement or omission in the financial statements of the Group or any member of the Group; (d) the Company suffers significant financial underperformance; or (e) there is negligence, lack of compliance or significant personal underperformance on the participant's part.
Board Discretion and Administration	<p>The Board is responsible for administering the Combined Reward Plan and may amend any provisions of the Rules, including the terms and conditions upon which any Performance Rights have been granted and determine that any amendments to the Rules be given retrospective, immediate or future effect.</p>
Duration	<p>The Combined Reward Plan continues in operation until the Board determines otherwise.</p> <p>The Board may from time to time suspend the operation of the Combined Reward Plan at its discretion.</p>

Further Information

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About Monadelphous

With 50 years' experience, Monadelphous Group Limited (ASX: MND) is a leading Australian engineering group providing construction, maintenance and industrial services to the resources, energy and infrastructure sectors. The Company has two operating divisions – Engineering Construction, providing large-scale multidisciplinary project management and construction services, and Maintenance and Industrial Services, specialising in the planning, management and execution of mechanical and electrical maintenance services, shutdowns, fixed plant maintenance services and sustaining capital works.

Monadelphous is headquartered in Perth, Western Australia, with a major office in Brisbane, Queensland, and offices, projects, facilities and workshops across Australia and in China, Mongolia, Papua New Guinea, Chile and the Philippines. Please visit www.monadelphous.com.au for further information.