

HALF YEAR RESULTS 2023



TOGETHER WE DELIVER

21 FEBRUARY 2023



IN MEMORY OF
**JOHN
RUBINO**

1945 – 2023



CELEBRATING THE LIFE AND THE LEGEND

Calogero Giovanni (John) Battista Rubino was born in Delia, a small agricultural town in Sicily, Italy, on 26 June 1945.

An only son, with three younger sisters, John made the tough decision to leave his tight-knit family in Italy at the age of 21 in search of adventure, arriving in Australia on 6 September 1966 with two mates and just \$300 in his pocket.



From 1966 to 1970 John worked throughout the country, gaining experience in a range of roles across the structural and civil sectors, from rigging and surveying to project management, and eventually based himself in Western Australia. Here John began building his empire. In partnership with three great friends, John formed Rubino and Company, which later became the successful United Construction Group (today, United Group Limited). So reflective of the way John did business, the United partnership was built on a trusting handshake with no signed agreement between them. All four were equal partners from the outset with John Trettel, Sam Castelli, Charlie Bontempo and John ending up working successfully together for more than 26 years.

In 1987, John and his partners bought into Monadelphous, only to discover the Company was insolvent. He went on to describe this as the ‘best mistake he ever made’. With an initial six-month commitment to stand in as Monadelphous’ Chairman and Managing Director, John ended up leading the Company for more than 30 years.

Under John’s exceptional leadership, Monadelphous’ fortunes turned around. The Company became a place where people were proud to come and work, that suppliers had confidence in, and that customers knew and respected. During John’s time at the helm, Monadelphous was trusted with the construction and maintenance of some of the largest and most complex projects and facilities across Australia, as well as internationally.



This includes projects with BHP, Rio Tinto, Woodside, Chevron, Shell, Origin, INPEX, Newcrest, South32 and Codelco, amongst others. The Company John helped build has grown to employ nearly 7,000 people across its operations in Australia, Chile, China, Mongolia, Papua New Guinea, and the Philippines.

John’s business acumen was breathtaking, and his ability to form long-term trusting and mutually rewarding relationships is the stuff of legend. With his thick Sicilian accent and his cracking sense of humour, John was a born leader, with enormous charisma, and an ability to inspire people like no other. A mentor to many, he was incredibly generous and a winner fair and square. He was the best kind of winner, because when John won, everyone around him won.



It goes without saying though that John’s proudest achievement of all is much closer to home, his family – his beloved wife, three daughters and eight grandchildren.

John’s memory will always be present in our corridors at Monadelphous, and in the stories of our people.

We will continue to do you proud, John.

MONADELPHOUS PROFILE

2 OPERATING DIVISIONS

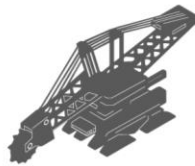


ENGINEERING
CONSTRUCTION



MAINTENANCE
& INDUSTRIAL
SERVICES

OUR INDUSTRIES



RESOURCES



ENERGY



INFRASTRUCTURE

6,905 EMPLOYEES  (TOTAL WORKFORCE 7,253)

29 LOCATIONS

IN 6 COUNTRIES



**OPERATING
SINCE 1972**



Employees and total workforce as at 31 December 2022

H1 2023 GROUP PERFORMANCE AND HIGHLIGHTS

REVENUE ¹
\$953.0 MILLION

EBITDA MARGIN ²
6.1 PER CENT

NET PROFIT AFTER TAX ATTRIBUTABLE TO EQUITY
 HOLDERS OF THE PARENT
\$29.1 MILLION

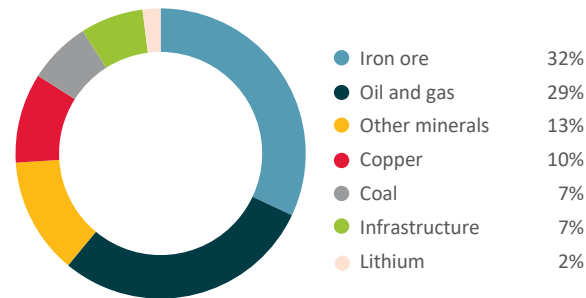
EARNINGS PER SHARE
30.5 CENTS

INTERIM DIVIDEND
24.0 CENTS

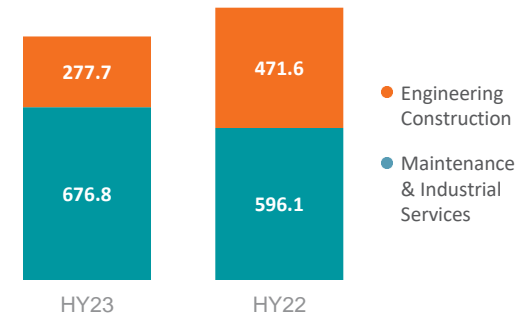
CASH
\$189.9 MILLION

CONTRACTS SECURED ³
\$945 MILLION

REVENUE BY END CUSTOMER



REVENUE BY DIVISION (\$M)



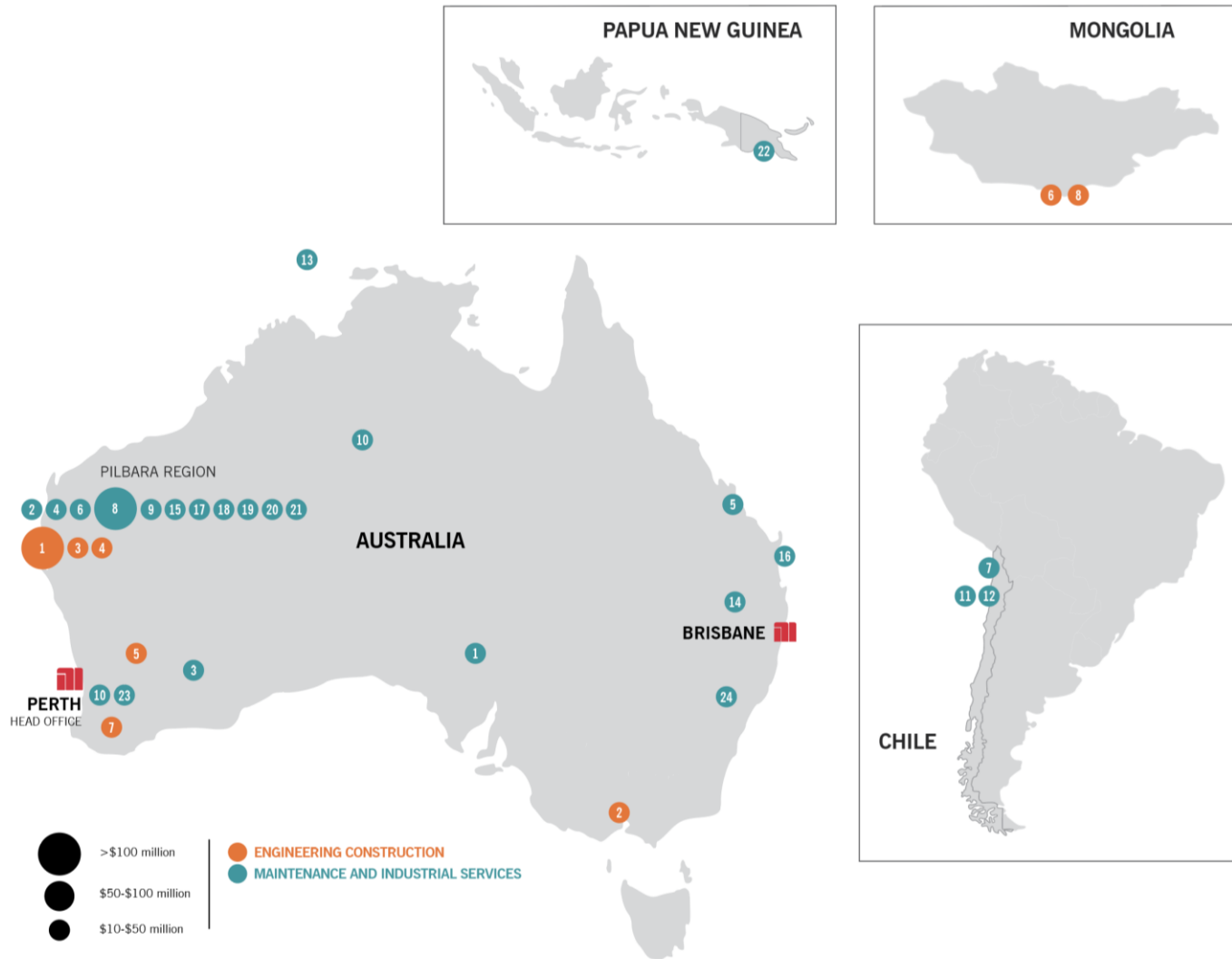
- Record half year maintenance revenue
- High levels of engineering construction tendering activity
- Improved EBITDA margin
- Strong demand for labour continues
- Strategic selection of new work opportunities
- Secured approximately \$945 million³ of new contracts and contract extensions
- Broadened customer base
- Awarded first offshore oil and gas decommissioning contract
- Undertook strategic review of fabrication business
- Expanded heavy lift services and capability

¹ Includes Monadelphous' share of joint venture revenue – refer to slide 19 for reconciliation

² Refer to slide 19 for reconciliation of EBITDA

³ From 1 July 2022 to the date of this report

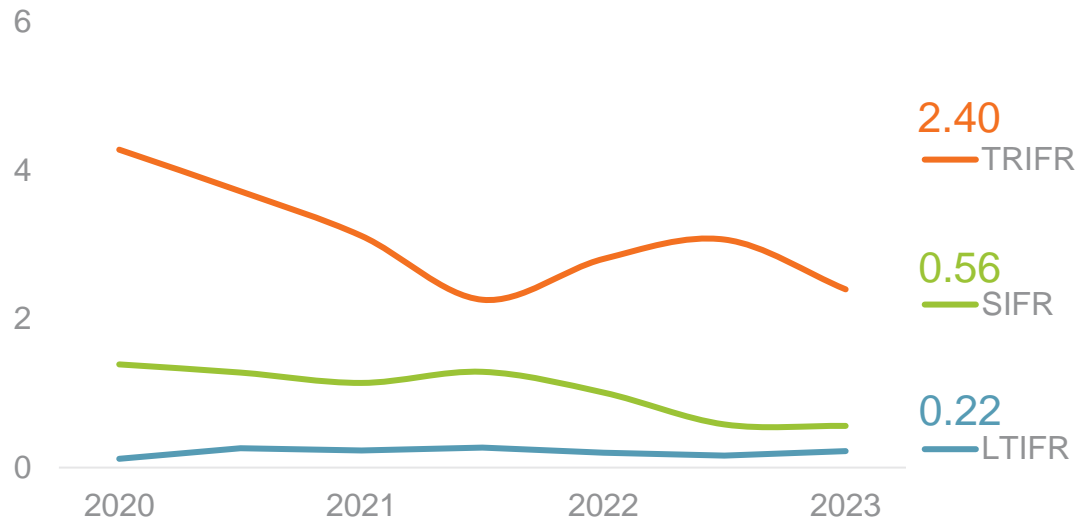
CONTRACTS SECURED



Refer to Appendices for contract details



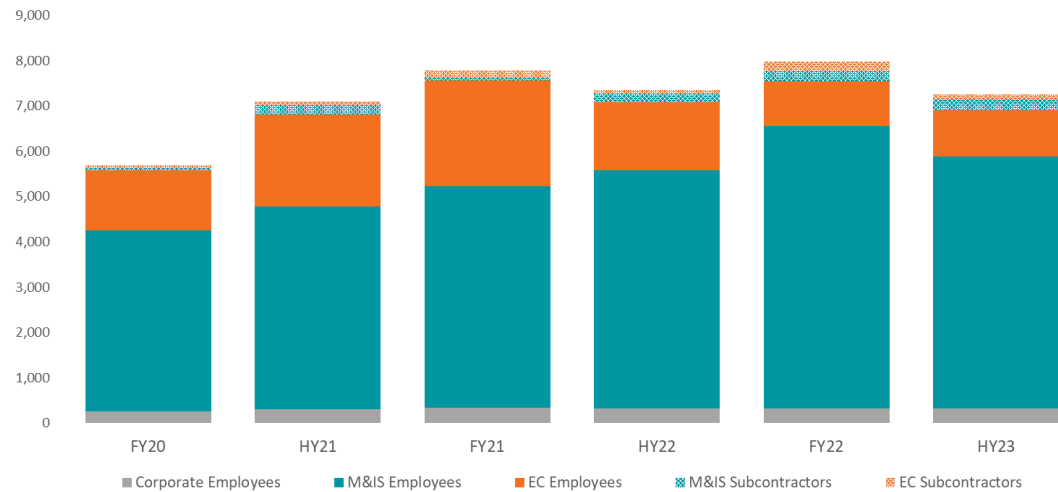
SAFETY AND WELLBEING



- 22% improvement in total recordable injury frequency rate
- 45% improvement in serious incident frequency rate over the last year
- Recognised by industry for safety innovations
- Focused on improving employee physical and mental health



PEOPLE



- Industry labour shortages remain a significant challenge
- Bolstered employee retention and attraction initiatives
- Company-wide employee survey undertaken
- Launched Respect@Monadelphous program
- Ramped up international sourcing strategy
- Comprehensive review of graduate program

SUSTAINABILITY

DIVERSITY, COMMUNITY & ENVIRONMENT

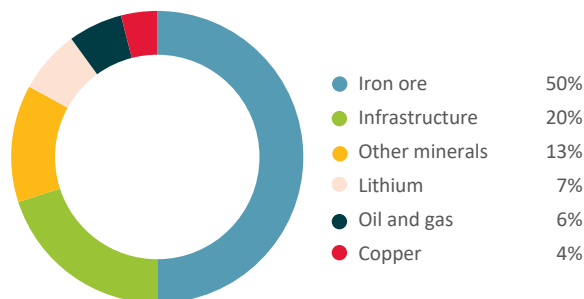
- Launched latest Stretch Reconciliation Action Plan
- Welcomed new cohort to Indigenous Employment Pathways Program
- Continued support of Polly Farmer Foundation
- Launched Nintirri Room at Monadelphous Development Centre
- Progressed actions outlined in Gender Diversity and Inclusion Plan
- Significantly progressed Emissions and Energy Reduction Roadmap



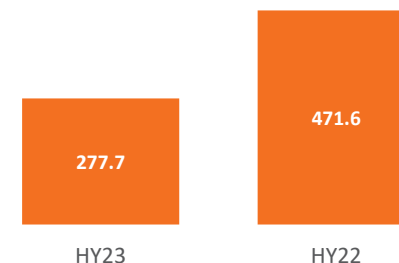
H1 2023 DIVISIONAL HIGHLIGHTS

ENGINEERING CONSTRUCTION

REVENUE BY END CUSTOMER



REVENUE (\$M)



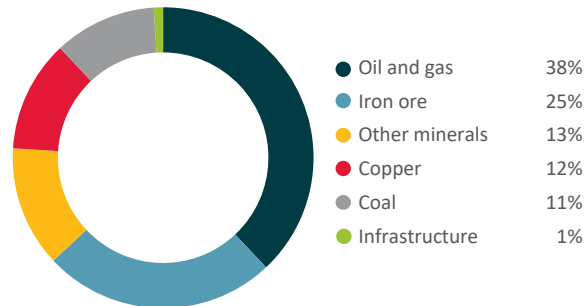
- Revenue of \$277.7 million¹
- Secured approximately \$280 million of new work
- High levels of tendering activity
- Completed packages for Rio Tinto at Gudai-Darri iron ore project and Western Turner Syncline Phase 2 Project
- Awarded key contract for BHP's Car Dumper 3 Replacement Project
- Completed work scopes at MARBL Lithium Joint Venture's Kemerton plant and secured construction contract at Talison Lithium Australia's Greenbushes Mine
- Awarded contract for Oyu Tolgoi Underground Project in Mongolia
- Strong demand for heavy lift services
- SinoStruct rebranded as Inteforge; secured a number of new contracts
- Zenviron made good progress on Rye Park Wind Farm

¹ Includes Monadelphous' share of joint venture revenue

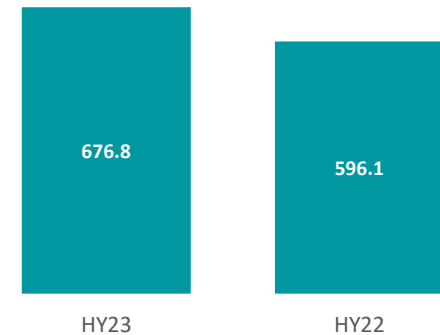
H1 2023 DIVISIONAL HIGHLIGHTS

MAINTENANCE & INDUSTRIAL SERVICES

REVENUE BY END CUSTOMER



REVENUE (\$M)



- Record 6-month revenue of \$676.8 million
- Sustained buoyant conditions across resources and energy sectors
- Secured approximately \$665 million of new contracts and extensions
- Significant volume of maintenance, shutdown and project works performed in iron ore sector for BHP, Rio Tinto and Roy Hill
- Reappointed to BHP's WAIO Site Engineering Panel
- New contracts secured under Rio Tinto Sustaining Capital Projects Panel Agreement
- Awarded strategic long-term contracts with FMG
- Secured first offshore decommissioning contract
- Major turnarounds completed for oil and gas customers
- Buildtek secured a number of new contracts in Chile copper market

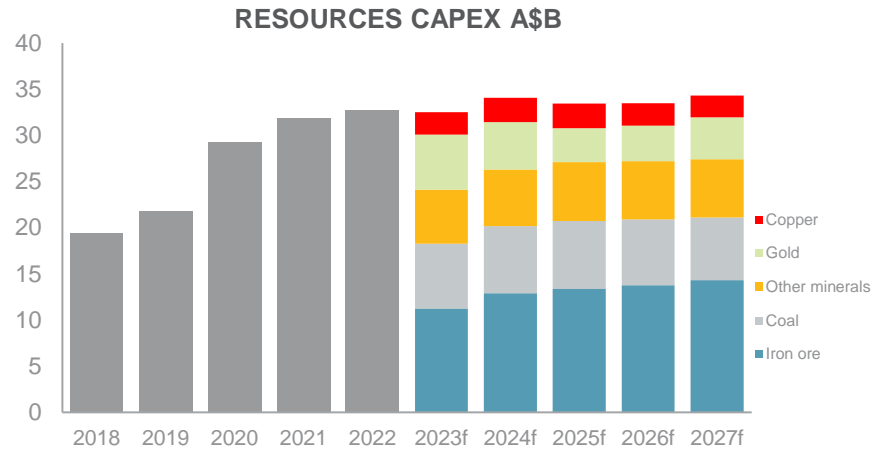
FINANCIAL SNAPSHOT

Period ended 31 December		HY23	HY22	CHANGE
Revenue ¹	\$M	953.0	1,064.6	(10.5%)
Engineering Construction ¹	\$M	277.7	471.6	(42.1%)
Maintenance & Industrial Services	\$M	676.8	596.1	13.5%
<i>Internal Eliminations</i>	\$M	(1.5)	(3.1)	
EBITDA ²	\$M	58.2	60.9	(4.5%)
EBITDA margin	%	6.1	5.7	0.4pp
NPAT Attributable to Equity Holders of the Parent	\$M	29.1	30.1	(3.1%)
EPS	cps	30.5	31.6	(3.6%)
DPS (fully franked)	cps	24.0	24.0	-
Cash	\$M	189.9	175.3	8.4%

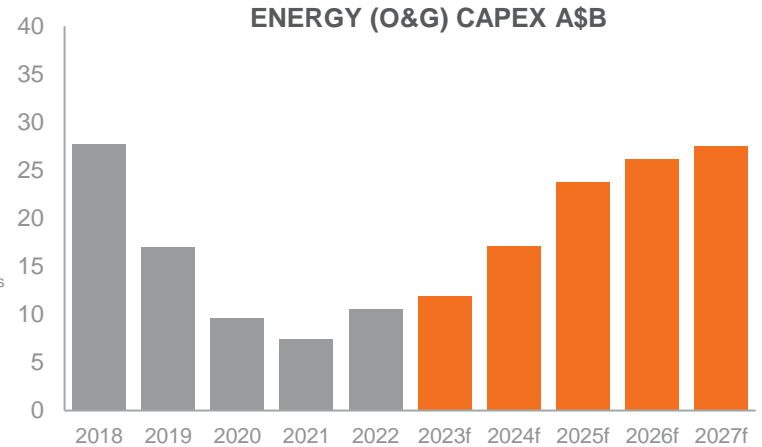
¹ Includes Monadelphous' share of joint venture revenue – refer to reconciliation on slide 19

² Refer to reconciliation on slide 19

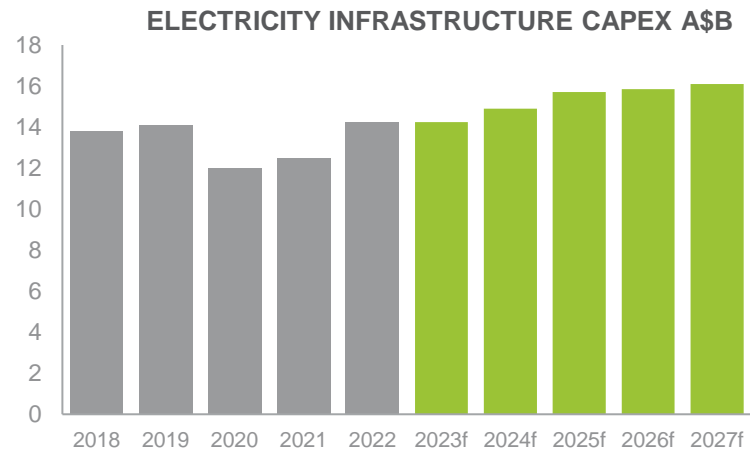
INDUSTRY OUTLOOK – AUSTRALIA



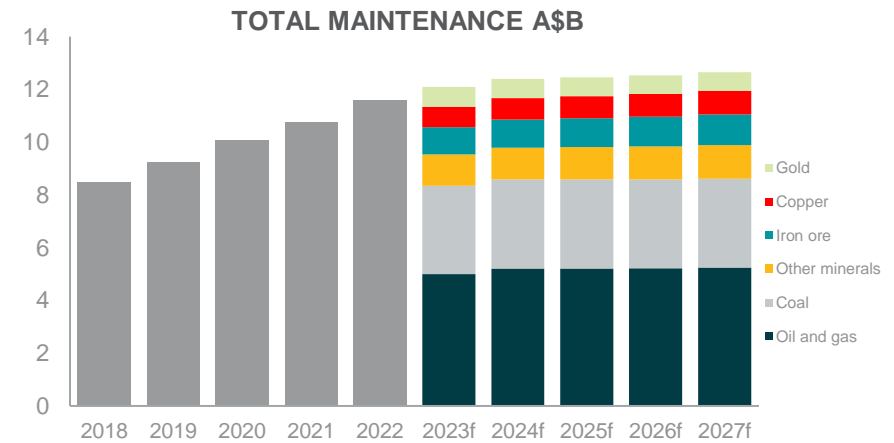
Source: BIS Oxford Economics, ABS (December 2022)



Source: BIS Oxford Economics, ABS (December 2022)



Source: BIS Oxford Economics, ABS (October 2022)



Source: BIS Oxford Economics, ABS (December 2022)

OUTLOOK

- Significant number of prospects across broad range of commodity markets
- Australian iron ore industry expected to remain buoyant
- High global demand for battery metals driving significant investment
- Favourable conditions in oil and gas sector
- Australia's transition to clean energy to provide wind and hydrogen opportunities
- Strong demand for maintenance services across all sectors
- Labour shortage remains most significant challenge
- Strategic approach to new work opportunities
- Focus on employee retention, attraction, training and development
- New wave of major construction projects in the pipeline
- Delays in timing of project awards and commencement
- Anticipating decrease in FY23 engineering construction revenue before ramp up in FY24
- Forecasting 5-10 per cent reduction in Group revenue for FY23
- Strong balance sheet to support service and market diversification

FOR MORE INFORMATION:

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APPENDICES



CONTRACTS SECURED – DETAIL

ENGINEERING CONSTRUCTION

		Market Sector
1	*BHP – Early works and construction for Car Dumper 3 Replacement Project at Nelson Point	Iron Ore
2	CPB Contractors and John Holland JV – Heavy lift services associated with movement of structural steel on West Gate Tunnel Project	Infrastructure
3	Fabrication of structural steel for construction project in Ashburton	Iron Ore
4	Fortescue Metals Group – Construction services at Iron Bridge Magnetite Project	Iron Ore
5	Liontown Resources – Supply and fabrication of structural steel for Kathleen Valley Lithium Project	Lithium
6	Oyu Tolgoi – Construction of surface infrastructure for Oyu Tolgoi Underground Project	Copper
7	Talison Lithium – Construction of facilities at Greenbushes mine site	Lithium
8	*Worley – Fabrication of mechanical platework and piping for Oyu Tolgoi Underground Project	Copper
	*HydrogenPro – Fabrication and assembly of hydrogen gas separator modules	Hydrogen

MAINTENANCE AND INDUSTRIAL SERVICES

		Market Sector
1	BHP – Construction services under Olympic Dam Construction Panel Framework Agreement	Copper
2	BHP – General maintenance and shutdown services at iron ore operations	Iron Ore
3	BHP – Maintenance, shutdown and project services at nickel operations	Other Minerals
4	BHP – Remediation of balance machines at Finucane Island and Nelson Point	Iron Ore
5	BHP Mitsubishi Alliance – Dragline shutdown and maintenance services	Coal
6	BHP – Multidisciplinary services under WAIO Site Engineering Panel at mine site and port operations	Iron Ore

MAINTENANCE AND INDUSTRIAL SERVICES

		Market Sector
7	*Collahuasi Mining Company – Construction of new tank	Copper
8	Fortescue Metals Group – Maintenance, repairs, shutdowns and minor projects	Iron Ore
9	Fortescue Metals Group – Non-process infrastructure services panel across FMG's Pilbara operations	Iron Ore
10	General, electrical and mechanical maintenance and shutdown support at Boddington and Tanami gold mines	Other Minerals
11	Minera Escondida – Improvements to water capture and drainage system and repairs to oxide tank at Escondida copper mine	Copper
12	Minera Escondida – Repairs and improvements to water storage tanks at Puerto Coloso Filter Plant	Copper
13	Petrofac – Operations, maintenance and industrial services to support decommissioning of Northern Endeavour FPSO	Oil and Gas
14	Pipeline maintenance services in Queensland coal seam gas market	Oil and Gas
15	Rio Tinto – Construction of new conveyor at Tom Price mine	Iron Ore
16	*Rio Tinto – Construction services across Queensland aluminium operations	Other Minerals
17	*Rio Tinto – Supply, installation and commissioning of potable water distribution system at Hope Downs 1 mine	Iron Ore
18	Rio Tinto – Upgrade to conveyor facilities at Marandoo mine site	Iron Ore
19	*Rio Tinto – Upgrade to gravity take up systems at Brockman 2 mine	Iron Ore
20	*Rio Tinto – Upgrade to wet plant dilution water system at Nammuldi mine	Iron Ore
21	Roy Hill – Construction of pipeline, access road and transfer pond infrastructure at Roy Hill mine site	Iron Ore
22	Santos – Engineering, procurement and construction services	Oil and Gas
23	Water Corporation – Coating and concrete repairs at various sites and locations in WA	Infrastructure
24	Yancoal – Major overhaul and heavy shutdown services at Mount Thorley Warkworth Mine	Coal

* Announced subsequent to 31 December 2022

ENGINEERING CONSTRUCTION

MAJOR PROJECTS H1 2023

- Fortescue Metals Group subsidiary FMG Iron Bridge and Formosa Steel IB – construction services at Iron Bridge Magnetite Project, Pilbara, WA
- Rio Tinto – SMPE&I works associated with Gudai-Darri Project, Pilbara, WA
- Fortescue Metals Group – Crane services, Pilbara, WA
- Tronox Mining Australia – CSMPE&I works associated with Broken Hill HMC Upgrade Project, Broken Hill, NSW
- BHP – SMPE&I works associated with Inflow infrastructure at South Flank Project, Pilbara, WA
- Talison Lithium – Construction of mine services area facilities, Greenbushes, WA
- MARBL Lithium Joint Venture – SMPE&I works for lithium hydroxide plant, Kemerton, WA
- Australia Pacific LNG – Supply, fabrication and assembly of wellhead separator skids, Chinchilla, QLD
- NMT Logistics – Lifting and haulage services, Pilbara, WA
- Oyu Tolgoi – Construction of surface infrastructure for Oyu Tolgoi Underground Project, South Gobi region, Mongolia
- BHP – WAIO Asset Projects Framework, various SMPE&I integrated packages, Pilbara, WA
- Woodside Energy – Crane services, Karratha, WA
- Rye Park Renewable Energy – Balance of plant civil and electrical works for Rye Park Wind Farm, Yass, NSW
- Rio Tinto – Design and construction of Western Turner Syncline Phase 2 mine, Pilbara, WA

MAINTENANCE & INDUSTRIAL SERVICES

MAJOR CONTRACTS H1 2023

- 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
- BHP Iron Ore – General maintenance, shutdowns and sustaining capital works, Pilbara, WA
- Shell – Provision of services in WA and QLD
- INPEX Operations Australia – Offshore maintenance services, Browse Basin, WA
- BHP – Shutdown maintenance and minor projects, Mt Arthur Coal, Hunter Valley, NSW
- BHP – Maintenance and shutdowns at Olympic Dam, Roxby Downs, SA
- Newcrest Mining – Maintenance and brownfield projects, Lihir Island, PNG
- Santos – Engineering, procurement and construction services at oil and gas production and support facilities, Papua New Guinea
- BHP Mitsubishi Alliance – Maintenance and shutdown works, Bowen Basin, QLD
- South32 – Shutdown and mechanical services, Worsley, WA
- Origin - Turnaround and shutdown services at coal seam gas facilities, QLD
- Roy Hill – Construction of pipeline, access road and transfer pond infrastructure, Pilbara, WA
- BHP Nickel West – Maintenance and shutdowns, Goldfields, WA
- Queensland Alumina Limited – Maintenance and projects, Gladstone, QLD
- Petrofac – Operations, maintenance and industrial services for decommissioning of Northern Endeavour FPSO, Timor Sea, NT
- Rio Tinto – Rail network maintenance, Pilbara, WA
- Rio Tinto – Shutdown services, Gove, NT
- Synergy – Muja Power Station and Collie Power Station operation and maintenance, Collie, WA
- Codelco – Construction of new section of underground mine at El Teniente mine in Rancagua, water infrastructure operations and maintenance at Chuquicamata underground mine in Calama, Chile
- Minera Escondida – Improvements to the water capture & drainage system and repairs associated with the oxide tank at Escondida mine

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

	HY23 \$'000	HY22 \$'000
Total revenue from contracts with customers including joint ventures	952,967	1,064,636
Share of revenue from joint ventures ¹	(58,074)	(69,901)
Statutory revenue from contracts with customers	894,893	994,735

Reconciliation of profit before income tax to EBITDA

Profit before income tax	39,745	44,753
Interest expense on loans and hire purchase finance charges	1,024	734
Interest expense on other lease liabilities	728	772
Interest revenue	(1,643)	(304)
Depreciation of owned and hire purchase assets	12,532	11,087
Depreciation of right of use assets	4,043	4,328
Share of interest, depreciation, amortisation and tax from joint ventures ²	1,797	(421)
EBITDA	58,226	60,949

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

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

DISCLAIMER & IMPORTANT NOTICE

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

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