

MONADELPHOUS GROUP LIMITED

ABN 28 008 988 547

CONDENSED CONSOLIDATED FINANCIAL REPORT

HALF-YEAR ENDED 31 DECEMBER 2024

MONADELPHOUS GROUP LIMITED
ABN 28 008 988 547
CORPORATE DIRECTORY

Directors

Robert Velletri
Chair

Zoran Bebic
Managing Director

Susan Lee Murphy AO
Lead Independent Non-Executive Director

Dietmar Robert Voss
Independent Non-Executive Director

Helen Jane Gillies
Independent Non-Executive Director

Enrico Buratto
Independent Non-Executive Director

Company Secretaries

Philip Trueman
Kristy Glasgow

Principal Registered Office in Australia

59 Albany Highway
Victoria Park
Western Australia 6100
Telephone: +61 8 9316 1255
Facsimile: +61 8 9316 1950
Website: www.monadelphous.com.au

Postal Address

PO Box 600
Victoria Park
Western Australia 6979

Share Registry

Computershare Investor Services Pty Ltd

Level 17, 221 St George's Terrace
Perth
Western Australia 6000
Telephone: 1300 364 961
Facsimile: +61 8 9473 2500

ASX Code

MND – Fully Paid Ordinary Shares

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 Group Limited Employee Share Trust
Monadelphous KT Pty Ltd
Monadelphous Energy Services Pty Ltd
Monadelphous Mongolia LLC
M Workforce Pty Ltd
M&ISS Pty Ltd
Monadelphous Engineering NZ Pty Ltd
M Maintenance Services Pty Ltd
Monadelphous NPI Pty Ltd (formerly MGJV Pty Ltd)
Monadelphous Inc.
Monadelphous Investments Pty Ltd
MWOG Pty Ltd
Arc West Group Pty Ltd
MOAG Pty Ltd
Monadelphous International Holdings Pty Ltd
Evo Access Pty Ltd
MMW Projects Pty Ltd
RIG Installations (Newcastle) Pty Ltd
R E & M Services Pty Ltd
Pilbara Rail Services Pty Ltd
EC Projects Pty Ltd
Monadelphous Chile SpA
MAQ Rent SpA
Inteforge Engineering & Fabrication (Tianjin) Co. Ltd
Monadelphous RTW 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

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DIRECTORS' REPORT

Your Directors submit their report for the half-year ended 31 December 2024.

DIRECTORS

The names and details of the directors of the Company in office during the half-year and until the date of this report are:

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 the Institution of Engineers Australia
45 years 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
31 years 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 the Institution of Engineers Australia
45 years 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

50 years 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

28 years 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 the Institution of Engineers Australia

49 years experience in the construction and engineering services industry

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DIRECTORS' REPORT

COMPANY SECRETARIES

Philip Trueman

Company Secretary and Chief Financial Officer

Appointed 21 December 2007

Chartered Accountant, Member of Chartered Accountants Australia and New Zealand

24 years 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

19 years experience in the construction and engineering services industry

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 and Morwell.

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 period.

MONADELPHOUS GROUP LIMITED**ABN 28 008 988 547****DIRECTORS' REPORT****OPERATING RESULTS**

The consolidated entity's profit attributable to equity holders of the parent after providing for income tax for the half-year was \$42.513 million (2023: \$30.080 million).

DIVIDENDS PAID OR PROPOSED

A 33 cent fully franked interim dividend has been approved by the directors, payable on 28 March 2025 (2024: 25 cent interim dividend). A final fully franked dividend of \$32,411,215 was paid during the period in respect of the financial year ended 30 June 2024.

REVIEW OF OPERATIONS

	Half-year ended 31 December 2024 \$'000	Half-year ended 31 December 2023 \$'000
Revenue from contracts with customers	1,018,835	1,000,228
Profit after income tax attributable to equity holders of the parent	42,513	30,080

MONADELPHOUS GROUP LIMITED
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DIRECTORS' REPORT

The Directors of Monadelphous Group Limited are pleased to report the Company's financial results for the half-year ended 31 December 2024.

FINANCIAL RESULTS

Revenue

Monadelphous recorded revenue of \$1.051 billion¹ for the half year, which is in line with the guidance provided to the market. The result represents a 4.2 per cent increase on the prior corresponding period.

The Maintenance and Industrial Services division continued to experience strong overall demand for maintenance services and sustaining capital works, delivering revenue for the six months of \$645.1 million. The result is about 9 per cent down on the prior corresponding period, with energy sector turnaround activity returning to more normal levels after the heightened activity experienced in the first half of last year.

The Engineering Construction division reported revenue of \$405.4 million¹ for the half year, a 33.7 per cent increase on the prior corresponding period.

Statutory revenue from contracts with customers for the six months, which excludes Monadelphous' share of revenue from joint ventures, was \$1,018.8 million.

Earnings

Net profit after tax (NPAT) was \$42.5 million, up 41.3 per cent on the prior corresponding period, delivering earnings per share of 43.3 cents. NPAT was favourably impacted by an approximately \$7 million variance (after-tax) in non-operating items compared to the prior corresponding period, with operating margins also improving.

Earnings before interest, tax, depreciation and amortisation (EBITDA) was \$79.8 million², an increase of 30.2 per cent on the prior corresponding period. The Company's EBITDA margin increased from 6.08 per cent in the prior corresponding period to 7.59 per cent for the six months ended 31 December 2024. Approximately half of the variance is attributable to a small number of material non-operating items, including proceeds from insurance and favourable foreign exchange movements, with the balance of the increase relating to an improvement in the operating EBITDA margin.

Dividend

Monadelphous' Board of Directors declared an interim dividend of 33 cents per share fully franked. The Monadelphous Group Limited Dividend Reinvestment Plan will apply to the interim dividend.

Balance sheet

The Company ended the half year with a cash balance of \$272.5 million, bolstered by a number of advances received from customers on construction contracts.

Cash flow from operations was \$93.1 million, delivering a very strong cash flow conversion rate of 145 per cent.

Monadelphous' balance sheet will enable the Company to take advantage of appropriate strategic investment opportunities that support long-term sustainable growth and the creation of value for shareholders.

¹ Includes Monadelphous' share of joint venture revenue – refer to page 12 for reconciliation.

² Refer to page 12 for reconciliation of EBITDA

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STRATEGIC PROGRESS

Monadelphous has secured approximately \$1.7 billion of new contracts and extensions since the beginning of the 2025 financial year. Major contracts and extensions were awarded across a range of industry sectors, including energy, iron ore, other minerals and renewable energy.

In the energy sector, Monadelphous secured major construction and maintenance contracts with blue chip customers Woodside and Shell, valued at approximately \$800 million in aggregate.

The Company secured a significant multidisciplinary construction contract with Woodside for modifications required to the Pluto Liquefied Natural Gas Train 1 facility and associated infrastructure. The works will enable the processing of gas from the Scarborough Energy Project at the Pluto facility.

The Company was also awarded a seven-year contract to continue providing maintenance and minor construction services associated with Shell Australia's Prelude Floating Liquefied Natural Gas (FLNG) facility, located off the north-west coast of Western Australia (WA). Monadelphous has provided services to Shell on the Prelude FLNG facility for the past nine years.

In iron ore, Monadelphous secured several construction, maintenance and minor project contracts across Rio Tinto's operations in the Pilbara, WA.

Awards included two one-year contract extensions for fixed plant maintenance services and sustaining capital projects, as well as a fabrication, supply, installation and commissioning contract at Rio Tinto's Tom Price mine.

Subsequent to the reporting period, the Company was awarded a multidisciplinary construction contract at the Brockman 4 mine, as well as a three-year panel contract to provide water management works across Rio Tinto's mine operations in the Pilbara.

Mondium, Monadelphous' engineering, procurement and construction joint venture with Lycopodium, was awarded a major design and construct contract, also by Rio Tinto, for a new sampling facility at Cape Lambert in the Pilbara region of WA.

The Company also secured a multidisciplinary construction contract with BHP in the iron ore sector associated with the dewatering of surplus water from Orebody 32 in Newman, WA.

In addition, BHP awarded Monadelphous a multidisciplinary construction contract at the Prominent Hill Expansion Project, an underground mining operation and copper processing facility located approximately 650 kilometres north-west of Adelaide, South Australia (SA).

Melchor, Monadelphous' civil business, was awarded a structural concrete construction contract by the Saipem Clough Joint Venture at Project Ceres, Perdaman Industries' urea plant located near Dampier, WA. Alevro, Monadelphous' heavy lift services joint venture with Fagioli, also secured a contract to provide heavy haulage services at the project.

Zenviron, the Company's renewable energy joint venture, continued to strengthen its market position with the award of a contract for the delivery of CS Energy's Lotus Creek Wind Farm, located in Central Queensland.

SUSTAINABILITY

Monadelphous continues to strive for long-term sustainable growth, building on its reputation as a great company to work for, work with and invest in. The Company is focused on the safety and wellbeing of its people, delivering for its customers and shareholders, and making a positive contribution to the communities in which it operates.

The Company's Sustainability Framework guides its approach in the key areas of people, safety and wellbeing, diversity and inclusion, community and environment.

People

Monadelphous' success and long-term sustainability is founded in its highly talented workforce. The Company is committed to retaining, attracting and developing people who are highly competent, live the Monadelphous values and actively contribute to the success of the business.

The Company's workforce at 31 December 2024 (including subcontractors) totalled 7,289. Overall employee retention rates continued to improve during the period, with staff turnover declining. Key talent retention remained at approximately 95 per cent.

The Company focused on improving its early careers and talent development pathways, introducing a Winter Internship Program to complement its existing Summer Vacation Program, and expanding the ongoing development, mentoring and upskilling journey of the Company's future business leaders.

Monadelphous launched its refreshed onboarding and welcome hub, improving the new employee experience for both new starters and managers, and delivered important collaboration and development opportunities for operational leaders through its annual divisional leadership conferences.

Around 240 people participated in Monadelphous' graduate, undergraduate, apprenticeship and traineeship programs, and the Company supported the development of more than 100 employees through its suite of in-house leadership programs.

Monadelphous continued to embed the Respect@Monadelphous behavioural framework as a part of the Company's commitment to ensuring a safe, respectful and inclusive workplace, as well as launching the Respect in Every Step program. The Company's psychosocial risk management response is part of its mentally healthy workplace strategy, aligned to AREEA's Resources and Energy Industry Workforce Mental Health framework.

An employee engagement campaign was also rolled out promoting behavioural expectations as well as increasing awareness of the Company's reporting protocols.

Safety and Wellbeing

The Company remained focused on ensuring "The Safe Way is the Only Way", with the 12-month Total Recordable Injury Frequency Rate remaining relatively stable at 31 December 2024 at 3.34 incidents per million hours worked.

Monadelphous achieved broad industry recognition during the period for its commitment to safety and innovation, with Melchor receiving awards at the Mates in Construction WA Awards, and Alevro collecting awards from the Crane Industry Council of Australia. Monadelphous was also named as a finalist for a range of safety and innovation accolades awarded by the Department of Energy, Mines, Industry Regulation and Safety (DMIRS), the NSCA Foundation National Safety Awards of Excellence, and the Workplace Health and Safety (WHS) Foundation Awards of Excellence.

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During the six months, Monadelphous continued its Fatal Risk Controls campaign which focused on further improving the identification, reduction and elimination of fatal risks.

Monadelphous continued to focus on employee health and wellbeing, offering complimentary skin checks, heart health checks and online information sessions on a range of relevant topics including mental health and women's health. The Company also launched another program within the Resilience Project titled "Authentic Connections", with leaders within the business sharing personal experiences focused on the topics of vulnerability, perfectionism and passion.

Diversity and Inclusion, Community and Environment

Monadelphous continued to focus its efforts on enriching the communities in which it operates, increasing diversity and inclusion across its workforce, and progressing its roadmap to Net Zero by 2050.

The Company continued to progress its Stretch Reconciliation Action Plan (RAP) commitments, focusing on long-term employment opportunities, training and development programs for First Nations people and supporting First Nations businesses.

Monadelphous exceeded its RAP targets for First Nations workforce participation, reaching 3.7 per cent, and for First Nations business spend, surpassing more than \$9 million and onboarding seven new First Nations business partners during the six-month period.

The Company provided career opportunity pathways for current and future First Nations employees through traineeships, apprenticeships and the Indigenous Pathways Program, in partnership with Rio Tinto, and extended its partnership with the Polly Farmer Foundation for a further two years.

Supporting its ongoing commitment to positively contribute to the regions in which it operates, the Company delivered its Karratha Community Grants Program for the second year running and launched similar programs in Darwin and Bunbury. Across Australia and internationally, Monadelphous supported over 70 community initiatives, contributing more than \$150,000 in funding, as well as over 150 volunteering hours to charities, local groups and grassroots organisations.

Monadelphous progressed a range of initiatives to support its goal of Net Zero by 2050, including trialling fully electric utility vehicle options. Progressing sustainability goals through innovative solutions also remained a focus, with site-based product trials of electric-battery solutions to reduce diesel usage, and electric forklifts to reduce LPG emissions.

The transition to renewable power continued with the installation of a 40-kilowatt solar system at its workshop facility in Mackay, Queensland, in line with the Company's interim target of switching to 100 per cent renewable power alternatives by 2030 for its facilities in Australia.

Work continued in preparation for the incoming Australian climate reporting with a review of the final sustainability standards released during the period and the identification of process improvements required to effectively address future disclosure requirements.

PRODUCTIVITY AND INNOVATION

Monadelphous monitors emerging trends, industry advancements and proven technologies, and seeks to identify and implement innovative solutions that drive improved safety outcomes, increase productivity and support the delivery of value for customers.

The Company continues to support employees in actively identifying opportunities to improve and innovate, especially those with safety, efficiency and productivity benefits. Monadelphous' ongoing

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emphasis on digital literacy skills has led to a significant take up of digital solutions across the business, with new and innovative ways to apply and scale solutions being implemented, both maximising value and driving efficiencies.

Alevro received awards from The Crane Industry Council of Australia for the synchronous jacking system used at the Pluto 2 project. The innovation allowed for greater control and precision in placing modules and significantly reduced on-site installation time.

The exploration of Artificial Intelligence case studies for intelligent searching, predictive insights and enhanced workflows was progressed. Monadelphous also collaborated with The University of Western Australia on an exploratory development project to improve pipe welding using robotics, potentially enabling faster welding with safer results.

OPERATIONAL ACTIVITY

Engineering Construction

Monadelphous' Engineering Construction division reported revenue of \$405.4 million¹ for the six months, and was awarded approximately \$740 million of new construction contracts during the period. The Company successfully completed construction of the wet plant at Liontown Resources' Kathleen Valley Project, a spodumene lithium and tantalum mining and processing operation located 680 kilometres northeast of Perth in WA.

Monadelphous also progressed construction of the Chemical Grade Plant 3 (CGP3) at Talison Lithium's Greenbushes site in the southwest of WA, including structural, mechanical, piping, electrical, and instrumentation for a new crushing and screening facility and lithium concentrate processing plant. Melchor completed civil and concrete works at the CGP3 Project, delivering detailed earthworks, formwork, reinforcement and concrete placement, along with the installation of primary crusher drainage and a fine ore stockpile tunnel.

Work advanced at BHP's Car Dumper 3 Renewal Project at Nelson Point in Port Hedland. The Company also commenced work on a multidisciplinary construction contract for BHP associated with the dewatering of surplus water from Orebody 32 in Newman, WA, as well as at BHP's Prominent Hill Expansion Project, a copper, silver and gold mine in Mount Eba, SA.

Monadelphous delivered key shutdown and miscellaneous works at Rio Tinto's Western Range Project in Paraburdoo and continued to provide crane and heavy lift services at Fortescue's mine sites in the Pilbara region of WA.

In the energy sector, Monadelphous progressed construction at Chevron Australia's Jansz-Lo Compression Project in WA, including the installation and modification of electrical power and control facilities, with Alevro delivering specialist haulage and lifting services to Bechtel at Woodside's Pluto Train 2 project in Karratha, WA.

Inteforge, Monadelphous' fabrication business, secured contracts for the supply and fabrication of structural steelwork and pipe racks for Iluka's Eneabba Rare Earths Refinery Project in WA.

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 progressed works at Tilt Renewables' Latrobe Valley BESS (Battery Energy Storage System) Project, located south of Morwell in Victoria.

¹ Includes Monadelphous' share of joint venture revenue

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Maintenance and Industrial Services

Monadelphous' Maintenance and Industrial Services division recorded revenue for the period of \$645.1 million. High demand for maintenance services across all sectors continued, with the division having secured approximately \$950 million in new contracts and contract extensions since 1 July 2024.

In the energy sector, Monadelphous continued to deliver a significant volume of maintenance and minor construction services associated with Shell's Prelude FLNG facility, as well as for Woodside's onshore and offshore gas production facilities in WA's north-west region.

Activity was high at the INPEX-operated Ichthys LNG onshore processing facilities in Darwin, Northern Territory (NT), with turnarounds completed for Trains 1 and 2. The Company continued to deliver maintenance services for the Ichthys Explorer central processing facility (CPF) and the Ichthys Venturer floating production storage and offloading facility (FPSO), located in the Browse Basin, WA.

WA's iron ore sector continued to drive significant levels of activity, 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 also delivered maintenance services across BHP operations at the Olympic Dam mine site in South Australia and Mt Arthur Coal in the Hunter Valley, New South Wales (NSW).

The Company continued to provide decommissioning services to Petrofac on the Northern Endeavour floating production, storage and offtake facility, further building out its capability and positioning Monadelphous for future decommissioning activity expected within Australia's North-West Shelf and Bass Strait regions.

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

The Company secured a three-year contract, with two one-year extension options, for shutdown and maintenance services at South32's Worsley Alumina operations in the south-west of WA, where Monadelphous has been providing services for 20 years. In addition, Monadelphous was awarded a new three-year contract for the provision of minor project works at Worsley Alumina.

Other significant contract activity undertaken during the period included:

- mechanical maintenance services at Queensland Alumina Limited's operations located 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 in Mackay, Queensland;
- operation and maintenance of the coal handling facility at the Muja Power Station for Synergy in Collie, WA; and
- mechanical, electrical and access maintenance services for fixed plant shutdowns at Rio Tinto's Gove operations, NT.

MARKETS AND OUTLOOK

Resources and energy demand is expected to remain strong over the long-term, underpinned by sustained economic growth and increasing investment in decarbonisation activities. Despite some global uncertainty, worldwide economic forecasts expect growth to remain resilient with the resources and energy sectors expected to provide a significant pipeline of prospects across a broad range of commodities.

Demand for sustaining capital works and maintenance services continues to be driven by ongoing high levels of production across most commodities. In Australia's iron ore sector, investment is projected to continue to sustain current production levels, with a focus on operational discipline and efficiency to maintain a position of global competitiveness.

After a period of significant price volatility within the energy transition metals sector, there has been a slow and modest recovery in commodity prices over the past year. Long-term fundamental indicators remain robust and mining and mineral processing development in the energy transition metals sector is projected to increase over the long-term. This extends to copper and critical minerals, which will require significant capital investment to meet forecast demand.

The energy sector continues to provide opportunities, including several gas construction projects and ongoing strong demand for maintenance services. Monadelphous is well positioned to support the decommissioning activities expected over the coming decade for oil and gas assets.

Additional opportunities are arising from customers' decarbonisation investments, which includes electrification of operations and energy storage.

Australia's Net-Zero Emissions objective is driving a pipeline of renewable energy prospects within the coming years, as high investment activity is forecast across generation, storage and transmission. Zenviron remains well positioned to capitalise on the growth projected within the wind farm and battery energy storage sectors.

Significant long-term investment is also forecast for the essential electricity transmission infrastructure needed to support energy transition and grid stability. The power sector is addressing challenges such as network constraints, supply chain pressures and delays in planning approvals, which will further expand these opportunities.

While labour demand has moderated and general labour availability has improved slightly, the challenge of a skilled labour shortage remains within Australia's resources and energy sectors. Monadelphous continues to address this by enhancing the capability and capacity of its workforce through focused employee attraction, retention and development initiatives.

Monadelphous will continue to focus on sustainable growth and quality of earnings through a selective approach to new work, collaborative customer engagement, high standards of delivery, and the appropriate allocation of risk.

With construction activity levels increasing and the strong flow of new work in FY25 to date, the Company is anticipating to see high single digit revenue¹ growth together with improved operating margins for the full financial year.

A strong balance sheet enables the Company to continue to assess strategic acquisition opportunities which support an expansion of services and capabilities, and market diversification, driving long-term sustainable growth.

In conclusion, I would like to take this opportunity to thank the talented team at Monadelphous, whose loyalty and dedication supports our continued growth. I also extend my appreciation to our shareholders, customers and our many other stakeholders for their ongoing support.

¹ Includes Monadelphous' share of joint venture revenue

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DIRECTORS' REPORT

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Dividends Declared

On 17 February 2025, Monadelphous Group Limited declared an interim dividend on ordinary shares in respect of the 2025 financial year. The total amount of the dividend is \$32,584,774 which represents a fully franked interim dividend of 33 cents per share. This dividend has not been provided for in the 31 December 2024 Financial Statements. The Monadelphous Group Limited Dividend Reinvestment plan will apply to the dividend.

Other than the item noted above, there are no matters or circumstances that have arisen since the end of the half-year ended 31 December 2024 which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial years.

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The auditor's independence declaration is set out on page 13 and forms part of the Directors' Report for the half-year ended 31 December 2024.

ROUNDING

The amounts contained in this report and the half-year financial report have been rounded to the nearest \$1,000 (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.

Signed in accordance with a resolution of the directors.



R. Velletri
Chair

Perth, 17 February 2025

MONADELPHOUS GROUP LIMITED

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)

	31 December 2024 \$'000	31 December 2023 \$'000
Total revenue from contracts with customers including joint ventures	1,050,532	1,007,871
Share of revenue from joint ventures ¹	(31,697)	(7,643)
Statutory revenue from contracts with customers	<u>1,018,835</u>	<u>1,000,228</u>

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

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)

	31 December 2024 \$'000	31 December 2023 \$'000
Profit before income tax	61,732	44,775
Interest expense on loans and hire purchase finance charges	1,360	1,175
Interest expense on other lease liabilities	606	765
Interest revenue	(4,992)	(2,984)
Depreciation of owned and hire purchase assets	16,329	13,122
Depreciation of right of use assets	4,068	4,367
Amortisation of intangibles	410	300
Share of interest, depreciation, amortisation and tax of joint ventures ²	263	(229)
EBITDA	<u>79,776</u>	<u>61,291</u>

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



**Shape the future
with confidence**

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

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

As lead auditor for the review of the half-year financial report of Monadelphous Group Limited for the half-year ended 31 December 2024, 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 review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

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

A stylized, handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink, appearing to be 'P. Dreyer'.

Pierre Dreyer
Partner
17 February 2025



**Shape the future
with confidence**

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

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

Conclusion

We have reviewed the accompanying condensed consolidated half-year financial report of Monadelphous Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



**Shape the future
with confidence**

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A stylized, handwritten signature of 'Ernst & Young' in black ink.

Ernst & Young

A stylized, handwritten signature of 'Pierre Dreyer' in black ink.

Pierre Dreyer
Partner
Perth
17 February 2025

MONADELPHOUS GROUP LIMITED

DIRECTORS' DECLARATION

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

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2024 and the performance for the half-year ended on that date of the consolidated entity; and
 - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*; and
- (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.

On behalf of the Board



R. Velletri
Chair
Perth, 17 February 2025

MONADELPHOUS GROUP LIMITED
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Notes	Half-year ended 31 December 2024 \$'000	Half-year ended 31 December 2023 \$'000
CONTINUING OPERATIONS			
REVENUE	3	1,023,827	1,003,212
Cost of services rendered		<u>(934,206)</u>	<u>(928,745)</u>
GROSS PROFIT		89,621	74,467
Other income	3	5,750	3,071
Business development and tender costs		(9,585)	(9,191)
Occupancy costs		(1,788)	(1,825)
Administrative costs		(22,234)	(19,788)
Finance costs	3	(1,966)	(1,940)
Profit /(loss) from joint ventures		<u>1,934</u>	<u>(19)</u>
PROFIT FOR THE PERIOD BEFORE TAX		61,732	44,775
Income tax expense		<u>(19,201)</u>	<u>(14,683)</u>
PROFIT FOR THE PERIOD AFTER TAX		<u>42,531</u>	<u>30,092</u>
ATTRIBUTABLE TO			
EQUITY HOLDERS OF THE PARENT		42,513	30,080
NON-CONTROLLING INTERESTS		<u>18</u>	<u>12</u>
		<u>42,531</u>	<u>30,092</u>
Earnings per share:			
• Basic, profit for the period attributable to ordinary equity holders of the parent (cents per share)		43.30	31.15
• Diluted, profit for the period attributable to ordinary equity holders of the parent (cents per share)		42.93	30.67

MONADELPHOUS GROUP LIMITED
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Half-year ended 31 December 2024 \$'000	Half-year ended 31 December 2023 \$'000
NET PROFIT FOR THE PERIOD	42,531	30,092
OTHER COMPREHENSIVE INCOME Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation	2,623	(1,268)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	2,623	(1,268)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	45,154	28,824
ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	45,136	28,812
NON-CONTROLLING INTERESTS	18	12
	45,154	28,824

MONADELPHOUS GROUP LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	31 December 2024 \$'000	30 June 2024 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		272,489	225,864
Trade and other receivables		290,613	340,126
Contract assets		8,294	4,336
Inventories		1,598	1,930
Total current assets		572,994	572,256
Non-current assets			
Contract assets		14,073	19,491
Property, plant and equipment	5, 3(b)	222,686	232,668
Deferred tax assets		36,312	32,364
Intangible assets and goodwill	14	17,833	18,243
Investment in joint ventures		12,900	12,341
Total non-current assets		303,804	315,107
TOTAL ASSETS		876,798	887,363
LIABILITIES			
Current liabilities			
Trade and other payables		185,310	210,831
Interest bearing loans and borrowings		4,444	4,529
Lease liabilities	6	22,449	23,018
Income tax payable		18,643	18,613
Provisions		93,065	89,888
Total current liabilities		323,911	346,879
Non-current liabilities			
Interest bearing loans and borrowings		4,187	6,366
Lease liabilities	6	53,386	60,327
Provisions		8,295	7,536
Other financial liability		535	661
Total non-current liabilities		66,403	74,890
TOTAL LIABILITIES		390,314	421,769
NET ASSETS		486,484	465,594
EQUITY			
Issued capital	7	148,721	145,781
Reserves		65,795	57,947
Retained earnings		271,968	261,866
TOTAL EQUITY		486,484	465,594

MONADELPHOUS GROUP LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

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
Profit for the period	-	-	-	42,513	18	-	-	42,531
Other comprehensive income	-	-	2,623	-	-	-	-	2,623
Total comprehensive income for the period	-	-	2,623	42,513	18	-	-	45,154
Transactions with owners in their capacity as owners								
Reclassification of non-controlling interest to liabilities	-	-	-	-	(18)	-	18	-
Remeasurement of financial liability	-	-	-	-	-	-	140	140
Exercise of employee options	465	-	-	-	-	-	-	465
Share-based payments	-	4,582	-	-	-	-	-	4,582
Adjustment to deferred tax asset recognised on employee share trust	-	485	-	-	-	-	-	485
Dividend reinvestment plan	2,475	-	-	-	-	-	-	2,475
Dividends paid	-	-	-	(32,411)	-	-	-	(32,411)
At 31 December 2024	148,721	69,697	(2,267)	271,968	-	2,856	(4,491)	486,484

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
Profit for the period	-	-	-	30,080	12	-	-	30,092
Other comprehensive loss	-	-	(1,268)	-	-	-	-	(1,268)
Total comprehensive income/(loss) for the period	-	-	(1,268)	30,080	12	-	-	28,824
Transactions with owners in their capacity as owners								
Reclassification of non-controlling interest to liabilities	-	-	-	-	(12)	-	12	-
Remeasurement of financial liability	-	-	-	-	-	-	36	36
Exercise of employee options	326	-	-	-	-	-	-	326
Share-based payments	-	4,182	-	-	-	-	-	4,182
Adjustment to deferred tax asset recognised on employee share trust	-	3,028	-	-	-	-	-	3,028
Dividend reinvestment plan	1,608	-	-	-	-	-	-	1,608
Dividends paid	-	-	-	(24,200)	-	-	-	(24,200)
At 31 December 2023	143,049	62,221	(5,740)	254,058	-	2,856	(4,662)	451,782

MONADELPHOUS GROUP LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Notes	Half-year ended 31 December 2024 \$'000	Half-year ended 31 December 2023 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,181,184	1,178,904
Payments to suppliers and employees		(1,073,908)	(1,022,317)
Income tax paid		(22,528)	(13,985)
Other income		3,903	936
Interest received		4,992	2,984
Dividends received		1,375	2,750
Finance costs		(1,966)	(1,940)
		<hr/>	<hr/>
NET CASH FLOWS FROM OPERATING ACTIVITIES		93,052	147,332
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		2,415	3,920
Purchase of property, plant and equipment		(5,708)	(41,086)
Acquisition of controlled entities	14	-	(8,843)
		<hr/>	<hr/>
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(3,293)	(46,009)
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(29,936)	(22,592)
Proceeds from issue of shares on exercise of options		465	326
(Repayment)/Proceeds of borrowings		(2,350)	22,493
Repayment of hire purchase leases		(8,304)	(8,226)
Repayment of other lease liabilities		(4,688)	(4,761)
		<hr/>	<hr/>
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(44,813)	(12,760)
		<hr/>	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Opening cash and cash equivalents brought forward		225,864	178,323
Net foreign exchange difference		1,679	(3,591)
		<hr/>	<hr/>
CLOSING CASH AND CASH EQUIVALENTS CARRIED FORWARD		272,489	263,295
		<hr/> <hr/>	<hr/> <hr/>

MONADELPHOUS GROUP LIMITED
NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS
31 DECEMBER 2024

1. CORPORATE INFORMATION

The half-year condensed consolidated financial report of Monadelphous Group Limited for the six months ended 31 December 2024 was authorised for issue in accordance with a resolution of directors on 17 February 2025.

Monadelphous Group Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

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

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

(a) Basis of Preparation

The half-year financial report is a general-purpose condensed financial report which has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year condensed consolidated financial report does not include all information and disclosures required in the annual financial report and should be read in conjunction with the annual financial report of Monadelphous Group Limited as at 30 June 2024 together with any public announcements made during the half year.

(b) New and amended Accounting Standards and Interpretations

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2024, except for the adoption of new standards effective as of 1 July 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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

MONADELPHOUS GROUP LIMITED
NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS
31 DECEMBER 2024

	31 December 2024 \$'000	31 December 2023 \$'000
3. REVENUE AND EXPENSES		
(a) Specific Items		
Profit before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the financial performance of the entity:		
(i) Revenue		
Revenue from contracts with customers		
Services revenue	645,155	707,978
Construction revenue	373,680	292,250
	<u>1,018,835</u>	<u>1,000,228</u>
Other revenue		
Interest	4,992	2,984
	<u>1,023,827</u>	<u>1,003,212</u>
Disaggregation of revenue from contracts with customers by end customer industry:		
Energy	347,084	342,348
Energy transition metals and other minerals	368,437	342,128
Iron ore	269,356	278,406
Infrastructure	65,655	44,989
	<u>1,050,532</u>	<u>1,007,871</u>
Less share of revenue from joint ventures accounted for using the equity method	(31,697)	(7,643)
	<u>1,018,835</u>	<u>1,000,228</u>
(ii) Other income		
Gain on disposal of property, plant and equipment	1,847	2,135
Other income	3,903	936
	<u>5,750</u>	<u>3,071</u>
(b) Expenses		
Depreciation of owned property, plant and equipment	11,717	8,315
Depreciation of hire purchase assets	4,612	4,807
Depreciation of other lease assets	4,068	4,367
	<u>20,397</u>	<u>17,489</u>
(c) Finance costs		
Loans and finance charges payable	1,360	1,175
Interest on other lease liabilities	606	765
	<u>1,966</u>	<u>1,940</u>

MONADELPHOUS GROUP LIMITED
NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS
31 DECEMBER 2024

	31 December 2024 \$'000	31 December 2023 \$'000
4. DIVIDENDS PAID AND PROPOSED		
(a) Fully franked dividends declared and paid during the half-year	32,411	24,200
(b) Dividends proposed and not yet recognised as a liability	32,585	24,315

5. PROPERTY, PLANT AND EQUIPMENT

During the half-year the consolidated entity acquired assets with a cost of \$9,565,122 (2023: \$47,656,634), including assets purchased by means of hire purchase contracts of \$3,856,675 (2023: \$6,570,347). Assets with a written down value of \$567,725 (2023: \$1,783,889) were disposed of during the period.

6. LEASE LIABILITIES

	31 December 2024 \$'000	30 June 2024 \$'000
CURRENT		
Hire purchase lease liabilities	12,996	14,407
Other lease liabilities	9,453	8,611
	<u>22,449</u>	<u>23,018</u>
NON-CURRENT		
Hire purchase lease liabilities	26,098	29,092
Other lease liabilities	27,288	31,235
	<u>53,386</u>	<u>60,327</u>

7. ISSUED CAPITAL

	Notes	31 December 2024 \$'000	30 June 2024 \$'000
Ordinary shares – Issued and fully paid	7(a)	<u>148,721</u>	145,781

(a) Movement in ordinary shares

	31 December 2024		31 December 2023	
	Number of Shares	\$'000	Number of Shares	\$'000
Beginning of the period	97,463,244	145,781	96,341,720	141,115
Exercise of employee options	457,116	465	296,370	326
Dividend reinvestment plan	201,689	2,475	112,711	1,608
Conversion of performance rights and retention rights	619,691	-	510,018	-
End of the period	<u>98,741,740</u>	<u>148,721</u>	<u>97,260,819</u>	<u>143,049</u>

MONADELPHOUS GROUP LIMITED
NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS
31 DECEMBER 2024

8. 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 half-year ended 31 December 2024 the Engineering Construction division contributed revenue of \$405.4 million (2023: \$303.1 million) and the Maintenance and Industrial Services division contributed revenue of \$645.1 million (2023: \$708.0 million). Included in the Engineering Construction division revenue is \$31.7 million (2023: \$10.8 million) of inter-entity revenue and 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 directors believe that the aggregation of the operating divisions is appropriate for segment reporting purposes as they:

- have similar economic characteristics;
- 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 service divisions have been aggregated to form one reporting segment.

9. CONTINGENT ASSETS AND LIABILITIES

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 an amendment to that Statement of Claim in the Supreme Court Registry, amending the value of the claim to approximately \$200 million. 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 Sewerage 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.

There have been no other changes in contingent liabilities or contingent assets since the date of the last annual report.

Guarantees

	31 December 2024	30 June 2024
	\$’000	\$’000
Guarantees given to various clients for satisfactory contract performance	205,407	216,966

MONADELPHOUS GROUP LIMITED
NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS
31 DECEMBER 2024

10. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value hierarchy

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

- 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.

For financial instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The carrying amount and estimated fair values of financial assets and financial liabilities at the balance date are materially the same. There were no material financial assets or liabilities measured at fair value at 31 December 2024 or 30 June 2024.

11. CAPITAL COMMITMENTS

The Group has capital commitments related to the acquisition of plant and equipment of \$13,191,210 at 31 December 2024 (2023: \$41,198,517).

12. SIGNIFICANT EVENTS AFTER BALANCE DATE

Dividends declared

On 17 February 2025, Monadelphous Group Limited declared an interim dividend on ordinary shares in respect of the 2025 financial year. The total amount of the dividend is \$32,584,774 which represents a fully franked interim dividend of 33 cents per share. This dividend has not been provided for in the 31 December 2024 Financial Statements. The Monadelphous Group Limited Dividend Reinvestment plan will apply to the dividend.

Other than the item noted above, there are no matters or circumstances that have arisen since the end of the half-year ended 31 December 2024 which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial years.

MONADELPHOUS GROUP LIMITED
NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS
31 DECEMBER 2024

13. SHARE BASED PAYMENT

Performance and Retention Rights

During the period, 499,825 performance rights were granted by Monadelphous Group Limited under the Company's Combined Reward Plan. These performance rights 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. The fair value of each performance right issued during the period was estimated on the date of grant using a discounted cash flow calculation. The weighted average fair value of performance rights granted in the period was \$11.82.

A further 326,803 performance rights were issued under the Company's Long-Term Senior Leadership Performance Reward Plan ('LTPR Plan'). This includes 34,440 performance rights offered to the Company's Managing Director in December 2023 that were approved by shareholders at the Company's 2024 Annual General Meeting. The fair value of each performance right issued during the period was estimated on the date of grant using a discounted cash flow calculation. The weighted average fair value of performance rights granted in the period was \$10.71.

For the half-year ended 31 December 2024, the Group has recognised \$4,552,110 of share-based payment expense in the Condensed Consolidated Income Statement (2023: \$3,649,923) relating to performance rights under the Combined Reward and LTPR Plans and retention rights issued under the Employee Retention Plan.

Options

For the half-year ended 31 December 2024, the Group has recognised \$29,750 of share-based payment expense in the Condensed Consolidated Income Statement (2023: \$531,758) relating to options issued under the Employee Option Plan.

14. 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.