



ASX: SND

H1 FY25

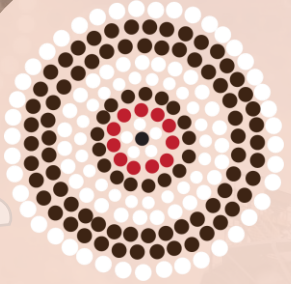
INVESTOR PRESENTATION

For the half year period ended 31 December 2024

27 February 2025

SAUNDERS
INTERNATIONAL

An Australian multidisciplinary
company providing
Engineering, Construction
and Industrial Asset Services



Acknowledgement of Country

We acknowledge the Traditional Owners and Custodians of Country throughout Australia. We pay our respects to all First Nations peoples and acknowledge Elders past and present.

As a business that works across many locations, we recognise and support their continuing connection to lands, waters, cultures, languages, and traditions.



Introductions

Mark Benson
Managing Director &
Chief Executive Officer

Angelo De Angelis
Chief Operating Officer

Alex Dunne
Chief Financial Officer



Saunders is a multidisciplinary Engineering, Construction and Industrial Asset Services company.

Proudly Australian-owned and operated since 1951.

Our portfolio blends traditional construction contracts with annuity-style earnings.

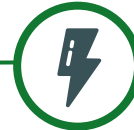
About Us

KEY MARKETS

DEFENCE & GOVERNMENT



ENERGY



WATER



RESOURCES & INDUSTRIALS



CORE CAPABILITIES

01 Bulk Fluid Storage

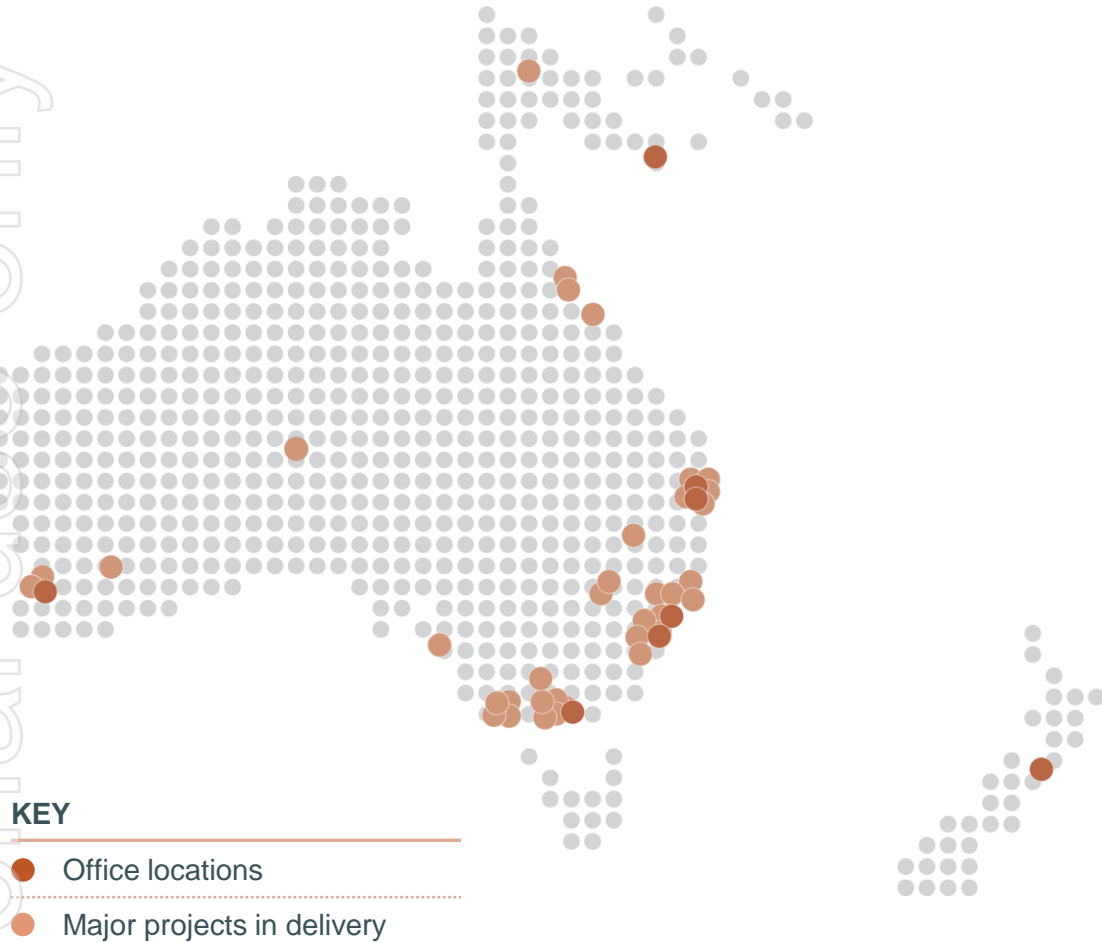
02 Structural, Mechanical and Piping

03 Industrial Automation and Electrical

04 Civil Infrastructure

05 Industrial Asset Services

Corporate Snapshot



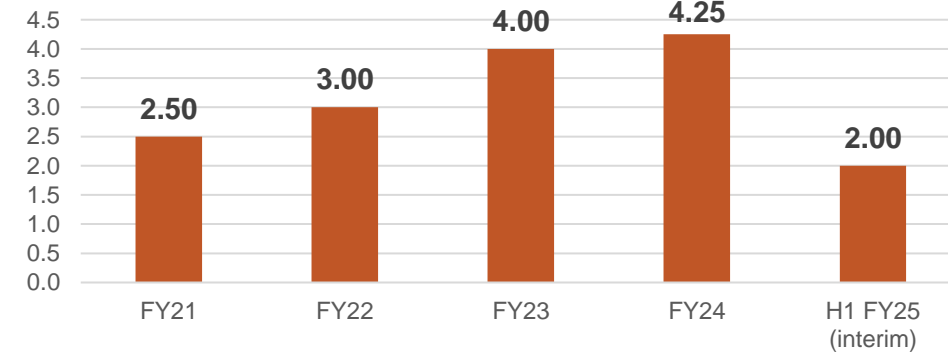
CAPITAL STRUCTURE

ASX Code	SND
Ordinary shares on issue 9 January 2025*	121,776,105
Share price as of 21 February 2025	\$1.055
Market capitalisation 10 February 2025	\$128.0m

SUBSTANTIAL SHAREHOLDERS (Last disclosed by substantial shareholders)

Mr. Desmond Bryant	19.70%
NAOS Asset Management	18.56%
Anacacia Pty Ltd	10.62%
Mr. Timothy Burnett	7.66%
Ahrens Group Pty Ltd	5.34%

SND ANNUAL DIVIDEND HISTORY (cents per share)



We have a record result for H1 FY2025. We also maintained a strong orderbook and pipeline.

Saunders has matured and positioned itself into a multidisciplined offering, as set out in our strategy.

The recent acquisitions have integrated well from an operational, systems and cultural perspective, enabling us to provide clients a complete end-to-end service.

References to 'half year', 'Financial Half Year', 'H1 FY25' or 'H1 FY24' all refer to the Periods ended 31 December. All dollar figures are expressed in Australian dollars. Comparisons are to the same corresponding period in the H1 FY24 Financial Half Year, unless otherwise stated.

*Excludes the terminated bp Kwinana contract

Performance Highlights – H1 FY25

Revenue

\$126.3m

↗ 21.0% (H1 FY24 \$104.4m)

EBITDA

\$9.9m

↗ 1.2% (H1 FY24 \$9.8m)

EBITDA Margin

7.9%

↘ -1.5% (H1 FY24 9.4%)

NPAT

\$5.0m

↗ 2.2% (H1 FY24 \$4.9m)

Earnings per share (basic)

4.27 cents

↘ -4.9% (H1 FY24 4.49 cents)

Dividend distribution

2.00 cents (interim)

46.84% payout (H1 FY24 2.0 cents)
Fully Franked

Pipeline

\$2.3B at 31 Dec 2024

↗ 15.0% (\$2.0B at 31 July 2024)

Corporate Highlights

PIPING SOLUTIONS INTEGRATION UPDATE

The integration of Piping Solutions is complete, enhancing Saunders' multi-disciplinary capabilities and strengthening its Defence expansion.

This expertise is driving new market opportunities and reinforcing our ability to deliver complex projects, including the Boyne River gas pipeline mid-2024.

Announced
8 November 2023.

RECONCILIATION ACTION PLAN (RAP)

Saunders finalised its first Reflect Reconciliation Action Plan in July 2024, reinforcing its ESG commitment.

The company released a new Modern Slavery Statement and will advance reconciliation efforts in 2025.

DRIVING GROWTH IN WESTERN AUSTRALIA

Saunders' expansion into Perth is delivering results, with its WA growth strategy gaining momentum.

Since opening in 2024, the office has secured a \$31.5m contract and strengthened its pipeline across Resources & Industrials, Defence & Government, reinforcing its position in the region.

NEW CHIEF FINANCIAL OFFICER

Alex Dunne was appointed CFO and Co-Company Secretary effective 26 August 2024, bringing extensive financial leadership experience across ASX 50, private equity, and infrastructure sectors.

Announced
15 August 2024.

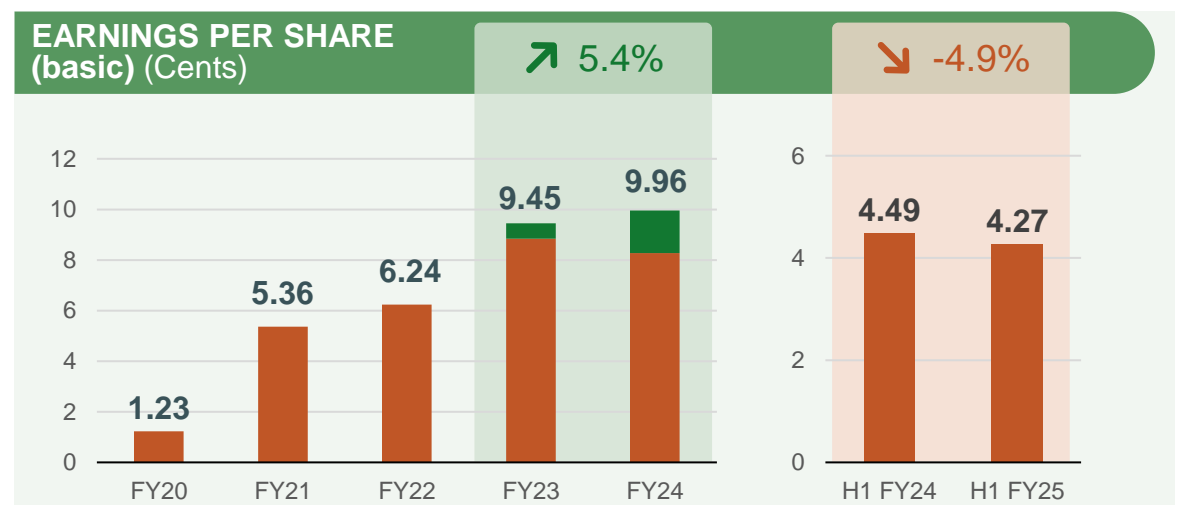
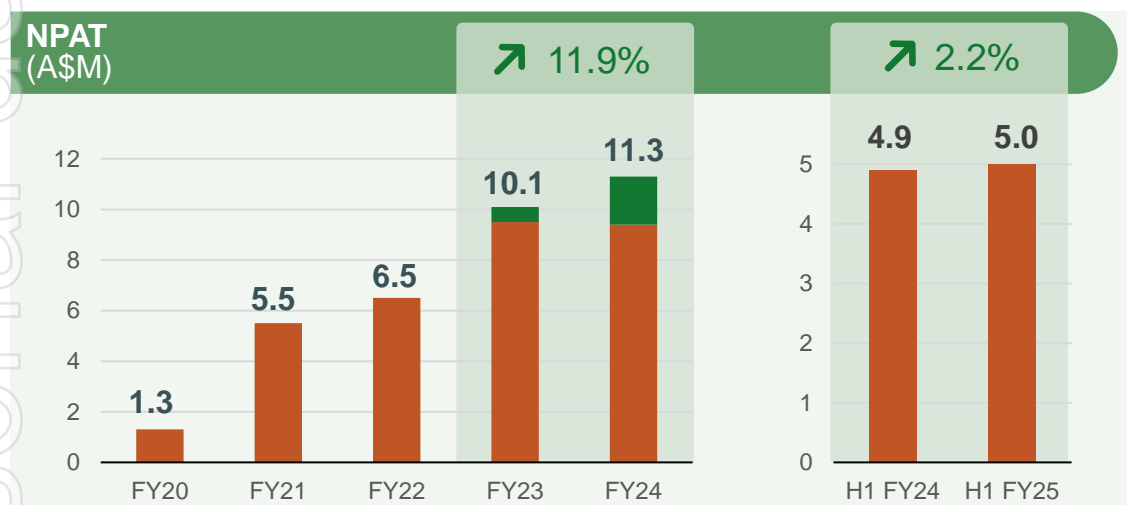
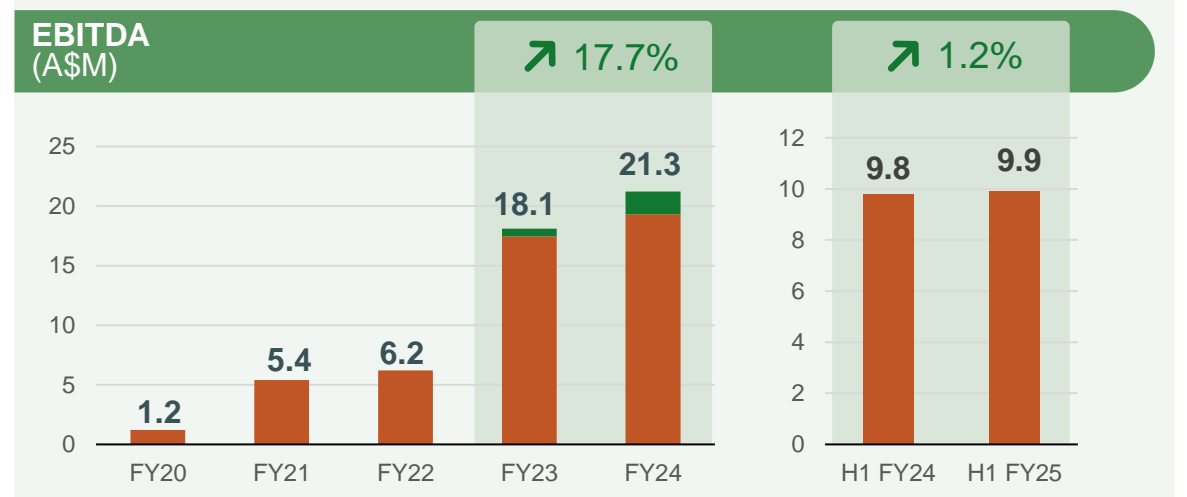
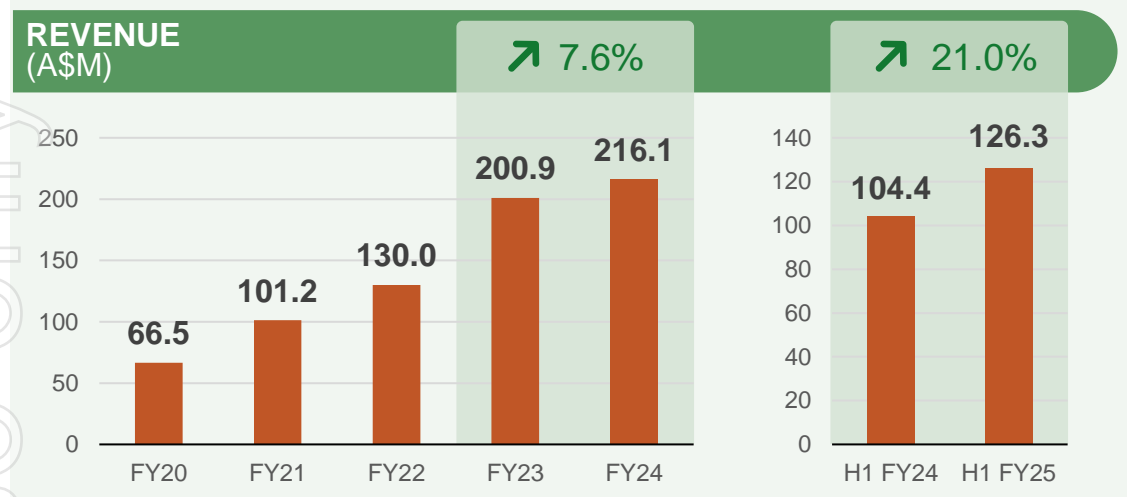
INVESTING IN SAFETY CULTURE

Saunders continues to strengthen its safety culture through 'Together for Safety' training and the new 'Permission to Pause' campaign, empowering teams to prioritise safety and wellbeing, and take action to ensure safe, high-quality outcomes.

Financial Highlights

KEY

- Statutory financial results
- Statutory financial results adjusted for the impact of business acquisition-related expenses



Statutory Income Statement

A\$000	H1 FY25	H1 FY24	%
Revenue	126,310	104,427	21.0%
Other Income	508	192	164.6%
Materials & third-party costs charged to projects	(77,148)	(59,472)	29.7%
Employee benefits expense	(34,428)	(25,724)	33.8%
Motor vehicle expense	(227)	(244)	-7.0%
Occupancy and operating lease expense	(398)	(375)	6.1%
Other expenses	(4,692)	(8,995)	-47.8%
EBITDA	9,925	9,809	1.2%
Depreciation expense	(2,341)	(1,787)	31.0%
EBIT	7,584	8,022	-5.5%
Interest Income	55	86	-36.0%
Finance Costs	(369)	(193)	91.2%
Profit before income tax	7,270	7,915	-8.1%
Income tax (expense)	(2,234)	(2,987)	-25.2%
Profit after income tax	5,036	4,928	2.2%
Basic (cents per share)	4.27	4.49	(4.9%)
Diluted (cents per share)	4.22	4.43	(4.7%)

KEY INSIGHTS

Revenue growth of 21.0% driven from the continuation of the core business and a strong contribution from a first full year of contributions from strategic acquisitions in 2023.

H1 FY25 **effective tax rates** of 30.7% have improved on H1 FY24 effective tax rates of 37.7% due to non-deductable business acquisition related expenses in H1 FY24.

EPS for the period was 4.27 cents marginally lower than H1 FY24 of 4.49 cents due to an increase in the ordinary shares on issue as a result of the consideration paid for the acquisitions in FY2024.

Balance Sheet

A\$000	H1 FY25	FY24
Current assets		
Cash and cash equivalents	19,327	19,807
Trade and other receivables	22,206	25,623
Contract assets	22,019	20,566
Other current assets	2,655	897
Total current assets	66,207	66,893
Non-current assets		
Property, plant & equipment	14,814	14,809
Right-of-use assets	11,274	12,434
Intangible assets	17,392	17,392
Deferred tax assets	1,663	1,671
Total non-current assets	45,143	46,306
Total assets	111,350	113,199

KEY INSIGHTS

Cash balance decreased by \$0.5m due to increases in working capital as a result of increased business revenue.

Decrease in **other financial liabilities** due to contingent consideration for Automation IT (\$1.1m) paid during the period. Remaining balance of contingent consideration for Piping Solutions (\$7m) paid in the subsequent period.

Increase in **contract assets**, a 7.1% increase or \$1.5m, due to increased business revenue, 21.0%. This has been more than offset by the decrease in trade and other receivables, down 13.3% or \$3.4m on FY24.

Decrease in **right-of-use assets** due to run down of current leases with no significant new leases in the period.

A\$000	H1 FY25	FY24
Current liabilities		
Trade and other payables	26,026	28,194
Contract liabilities	4,355	5,600
Current provisions	5,428	5,231
Other financial liabilities	7,000	8,100
Current tax liability	1,112	1,478
Lease liabilities	2,268	2,251
Other Current Liabilities	1,124	-
Total current liabilities	47,313	50,854
Non-current Liabilities		
Provisions	1,286	1,358
Lease liabilities	8,801	9,692
Total non-current liabilities	10,087	11,050
Total liabilities	57,400	61,904
Net assets	53,950	51,295

Cash flow

A\$'000	H1 FY25	H1 FY24
Cash flows from Operating activities	3,961	25,418
Cash flows from Investing activities	(2,022)	(5,760)
Cash flows from Financing activities	(2,419)	(2,235)
Net Increase in cash and cash equivalents	(480)	17,423
Opening cash on hand	19,807	12,833
Effects of exchange rate fluctuations on cash held	-	30
Closing cash on hand	19,327	30,256

KEY INSIGHTS

Operating Cash Outflows represent a combination of impacts including timing of cash in/outflows (including H1 FY24), debtors receipts and acquisition payments.

Net Investing Cash Outflows represent final cash consideration for acquisition of Automation IT (\$0.8m) with maximum earn-out being achieved, and payments for capital expenditure (\$1.2m).

Net Financing Cash Outflows relate to dividends paid and net repayment of lease liabilities and insurance premium funding.

Projects Secured

Major (Announced)

Kalgoorlie Consolidated
Gold Mines (KCGM), WA

\$31.5 million

Client: Northern Star Resources
ASX Announced: 5 August 2024

Civil infrastructure contracts
(four bridges), NSW

\$20.59 million

Client: Local councils,
NSW Government,
Federal Government
ASX Announced: 7 August 2024

Other selected projects (secured in the period)

July 2024

- Ampol Lytton T2095 Pipe Installation
- ProKoppers Mayfield T172
- Ampol Kurnell T409 T&I
- Senex offsite pipeline spooling fabrication

August 2024

- Viva Gore Bay T6033 Refurbishment Works
- AGL Bayswater Unit 2 turn-around support
- Ampol fire water piping

September 2024

- Arts Queensland Switchboard Replacement
- SJOG Subiaco Hospital EMS
- Kenwick Rail EMS

October 2024

- Hilltops Council Burrangong Creek Bridge

November 2024

- Ampol Lytton Lubes Tank Refurbishment
- Viva API2000 Tank Venting assessment
- Visy Natural Gas & Oxygen pipeline

December 2024

- Toowoomba Regional Council Automation Change Management system implementation

Projects – Major Ongoing

Western Sydney International Airport
Fuel Farm & Hydrant Line, NSW

\$70.0 million

Client: Multiplex & Duratec
Announced: 17 October 2022

Water sector contracts

\$17.7 million

- Bald Hill Tanks, Sunbury, VIC (Aqua Metro)
- Marsfield Reservoir New Build, Marsfield, NSW (Confluence Water)

Announced: 30 May 2024

Lytton Refinery Future Fuels
Desulphurisation project, QLD

\$9.3 million

Client: Ampol
Announced: 6 July 2023

Kalgoorlie Consolidated
Gold Mines (KCGM), WA

\$31.5 million

Client: Northern Star Resources
Announced: 5 August 2024

Pelican Point Terminal diesel
storage expansion, SA

\$44.2 million

Client: Quantem
Announced: 31 July 2023

Four new civil infrastructure
projects (bridges), NSW

\$20.59 million

Client: Local councils, NSW
Government, Federal Government
Announced: 7 August 2024

Key project development

bp Kwinana Renewable Fuels, Perth, WA
\$42.0 million

Client: bp
Announced: 5 June 2023

In June 2023, Saunders secured a contract at bp's Kwinana energy hub for a renewable fuels project.

- The project involved refurbishing and modifying 25 tanks for feedstock or biofuels storage.
- Despite the project being in delivery, in February 2025, bp shelved the project and issued termination notices to all contracted groups on this project including Saunders.
- The project contributed \$9m to Saunders' half-year revenue through December 2024.
- The project had recognised circa \$18m in revenue since inception (to the end of January 2025).

Projects Completed

Selected projects completed in the period

Boyne River Gas Pipeline

Client: APA

Market: Resources & Industrials

Location: Queensland

Redbank Reservoir

Client: Western Region Delivery Team

Market: Water

Location: New South Wales

Soldiers Beach Access Replacement Program, NSW Central Coast

Client: Central Coast Council

Market: Defence & Government

Location: New South Wales

Bayswater Power Station Shutdown

Client: AGL

Market: Energy

Location: New South Wales

Shoalwater Bay Training Area Electrical Upgrade, Queensland

Client: GAP Industries

Market: Defence & Government

Location: Queensland

Blending Area Firewater System Replacement

Client: Mobil

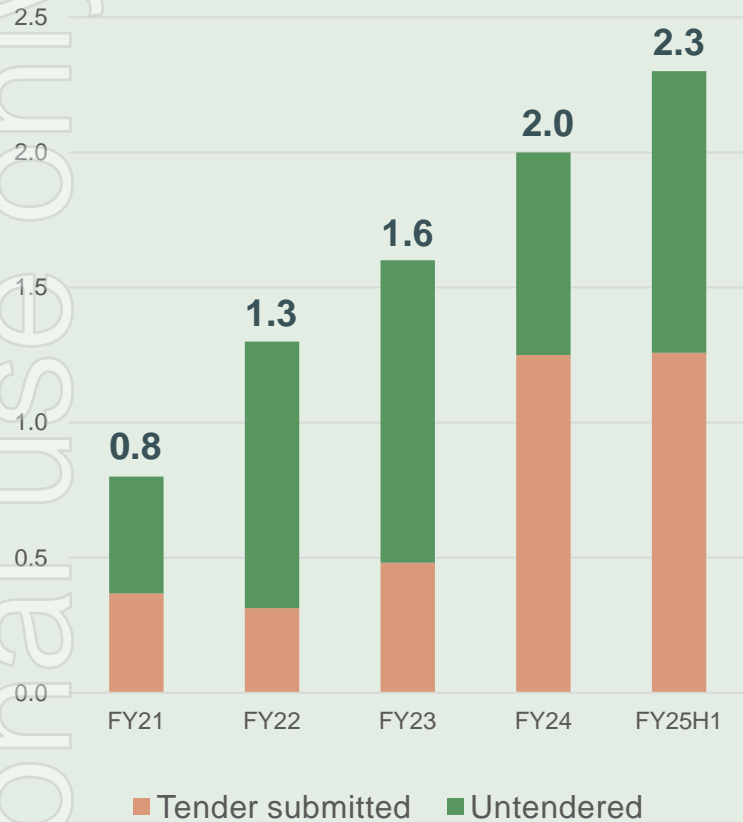
Market: Energy

Location: Victoria



Pipeline Analysis

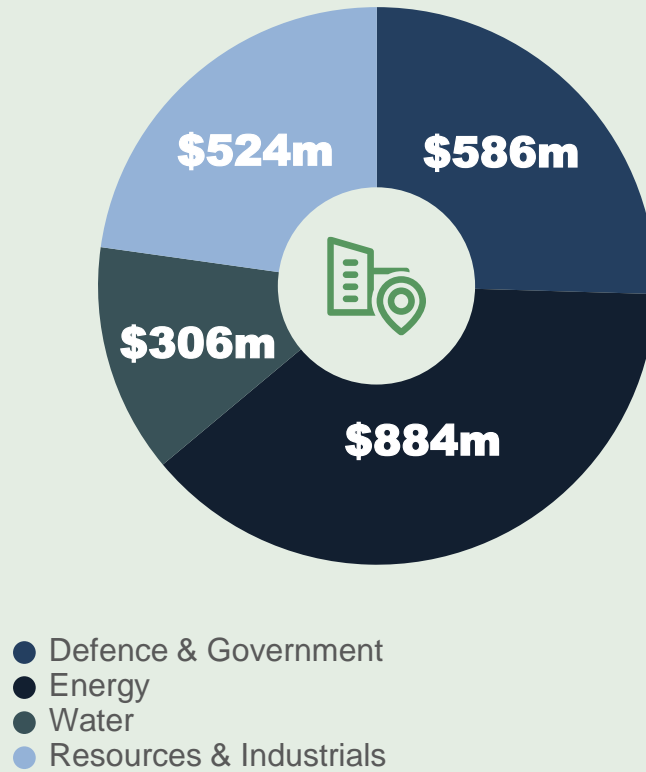
PIPELINE BY STATUS (\$ billion)



Order book \$170m at 31 Dec 2024

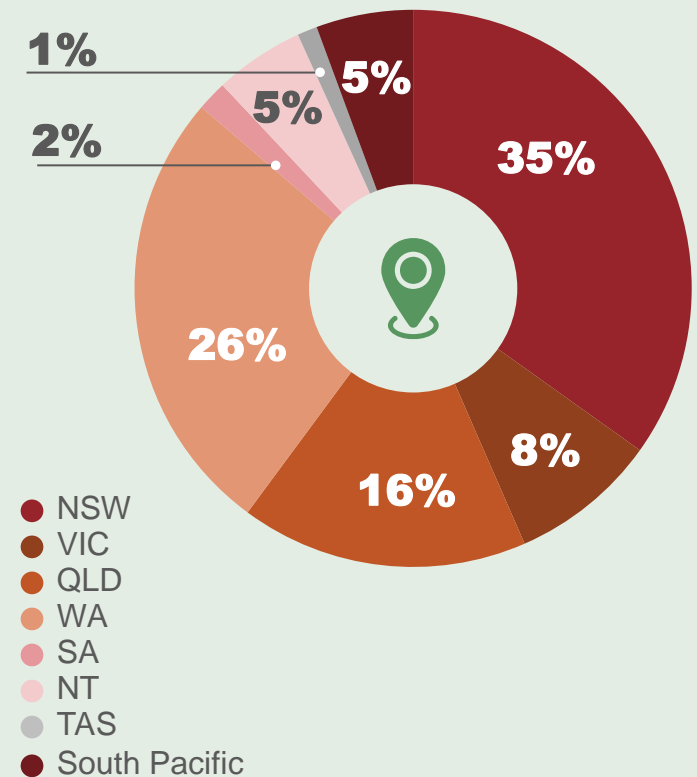
PIPELINE BY MARKET

Balanced market focus delivering diversified risk, with consistent income over time



PIPELINE BY REGION

National footprint making Saunders the local partner across Australia



Market Outlook

OUTLOOK

DEFENCE & GOVERNMENT



- Movement in the Defence Fuel Resilience Program (DFRP) after the fuel network contract transition, conclusion of Strategic Review and the release of the Integrated Investment Plan
- Increasing Defence budget fuel capability demand from rising geopolitical tensions.

WATER



- Growing emphasis on water security, as climate change stresses water systems, is driving investment in desalination, pipeline and reservoir projects
- Urban population growth and asset renewals continue to drive investment in water infrastructure.

ENERGY



- Continued focus on national fuel security, including increased storage and asset resilience
- Increasing uncertainty of commitment towards funding alternative fuels projects
- Government infrastructure investment is declining overall but shifting priority to energy infrastructure.

RESOURCES & INDUSTRIALS



- Dynamic market rewarding agility of mid-tiers
- Declining demand from traditional exports like iron ore is partially offset by growth opportunities in critical minerals
- The Future Made in Australia policy will help drive domestic demand and stabilise the industrials sector.

KEY CLIENTS & PROJECTS

- RAAF Base Tindal, RAAF Base Darwin*, Larrakeyah Defence Precinct (Australian Dept. of Defence*, Tier 1 contractors to Defence)
- Bridge constructions (Local Government Authorities, Transport for NSW).

- Water Corporation - Process Control Technologies Panel
- Greater Western Water Bald Hill Tanks (Aqua Metro)
- Sydney Water Marsfield Reservoir New Build (Confluence Water).

- Pelican Point Terminal Expansion (Quantem)
- Lytton Refinery Tank Turnarounds (Ampol)
- Altona Terminal Conversion (Mobil).

- KCGM CIL3 Replacement Works (Northern Star Resources)
- Yatala Natural Gas Pipeline Fabrication and Install (Visy).

PIPELINE (Total \$2.3B)

• \$586m (up 20%)**

• \$306m (up 14%)**

• \$884m (up 7%)**

• \$524m (up 25%)**

* Key client completed project

** Compared to 31 July 2024

Outlook

To date we have seen some projects being delayed across H1 FY25 as we remain dependent on our clients' timing for project awards.

Tendering activity remains high and we are seeing encouraging signs of continued growth in our pipeline.

Due to short term delays, along with the termination of the bp contract we expect FY25 revenue to be in the range of \$210m to \$225m and EBITDA to be within the range of \$14m to \$16m.

We expect FY26 to return to growth, reflective of our increasing project size, addressable market and increased pipeline of opportunities.



Investment Highlights

Strong track record of delivering profitable growth across the top line, EBITDA and NPAT; consistent dividend paying

Portfolio blends traditional construction contracts with annuity-style earnings

Strategically well-positioned with customers across Australia as a leading multidisciplinary Engineering, Construction and Industrial Asset Services company, following recent acquisitions successfully completed in 23/24

Proven ability to win and deliver sector-recognised key projects

Strong project pipeline spread across key markets, exhibiting strong structural growth profiles: **Energy, Defence & Government, Water, Resources & Industrials**

Maturing into our multidisciplinary offering and recent acquisition integration complete and well received by the industry



About Saunders International Limited

Saunders International Limited (ASX: SND) is a multidisciplinary Australian company that provides engineering, construction and industrial asset services across the complete asset lifecycle. Established in 1951 and listed on the Australian Securities Exchange since 2007, Saunders specialises in bulk liquid storage and transfer, structural, mechanical and piping (SMP), industrial automation and electrical, civil infrastructure and industrial asset services.

Serving clients in Defence & Government, Energy, Water, Resources and Industrials sectors, Saunders partners with some of the world's largest energy companies, leading contractors and all levels of government. The company operates as 'One Team' with its clients, focusing on delivering tailored solutions in a fast-evolving environment through collaborative efforts.

With a team of over 500 employees and eight offices across Australia, and operations in Papua New Guinea and New Zealand, Saunders is well-positioned to meet diverse client needs while upholding high standards of quality and safety.

Additional information can be found at www.saundersint.com

Mark Benson

Managing Director & Chief Executive Officer

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