



ASX: SND

# H1 FY25

INVESTOR PRESENTATION

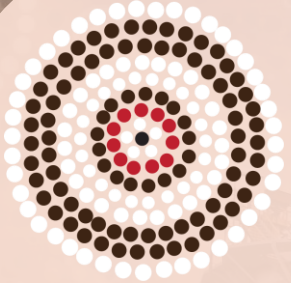
For the half year period ended 31 December 2024

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.

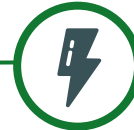
# About Us

## KEY MARKETS

DEFENCE & GOVERNMENT



ENERGY



WATER



RESOURCES & INDUSTRIALS



## CORE CAPABILITIES

01 Bulk Fluid Storage

02 Structural, Mechanical and Piping

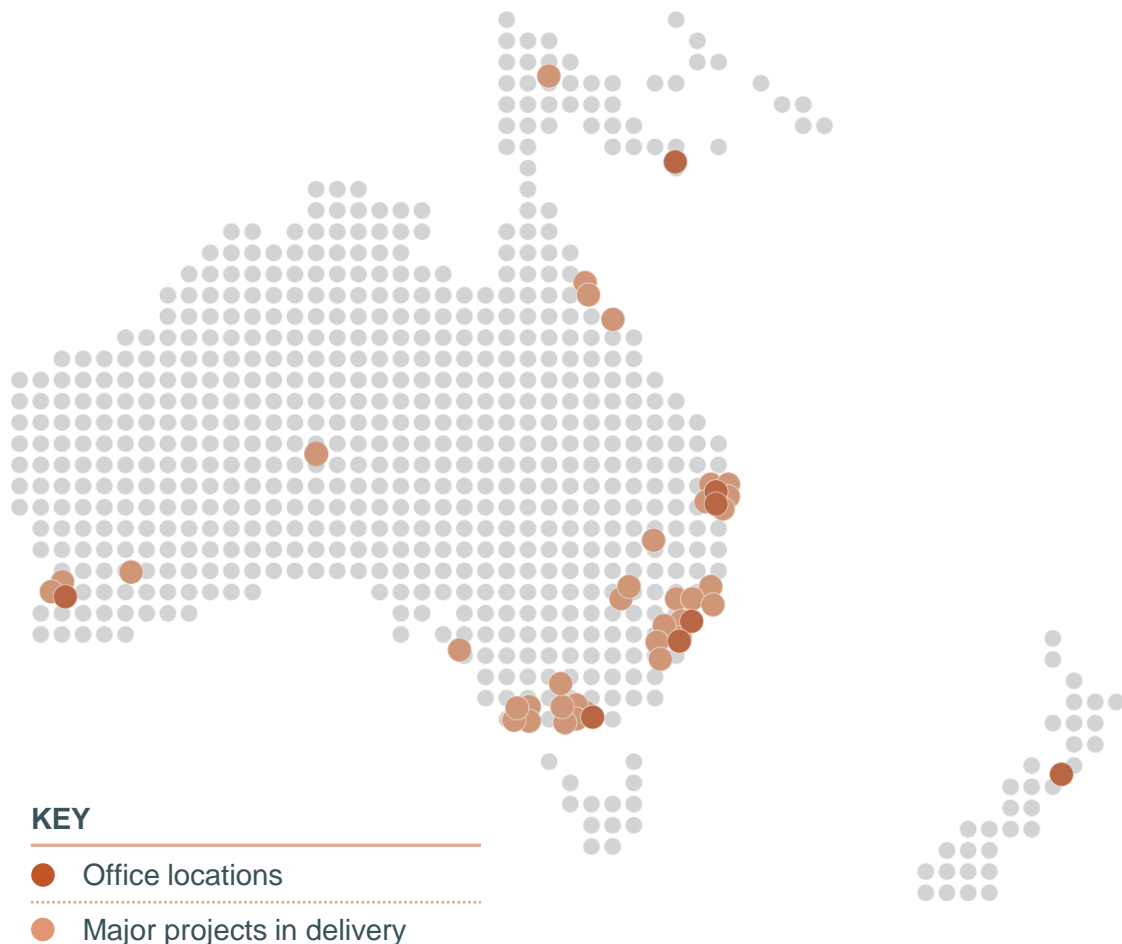
03 Industrial Automation and Electrical

04 Civil Infrastructure

05 Industrial Asset Services



# Corporate Snapshot



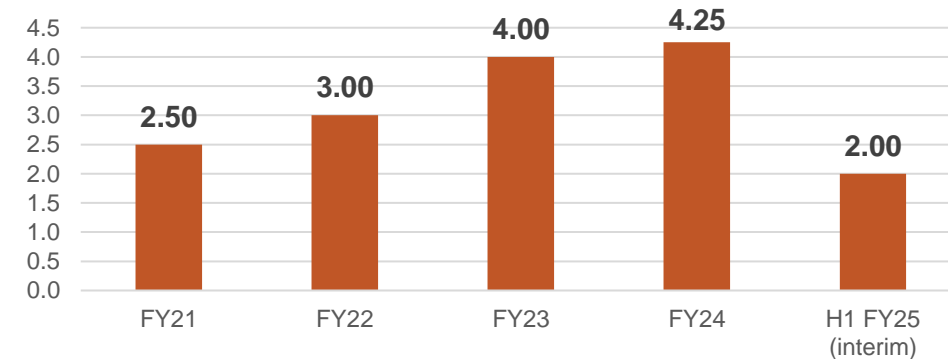
## CAPITAL STRUCTURE

|  |             |
|--|-------------|
| 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 multidisciplinary 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.

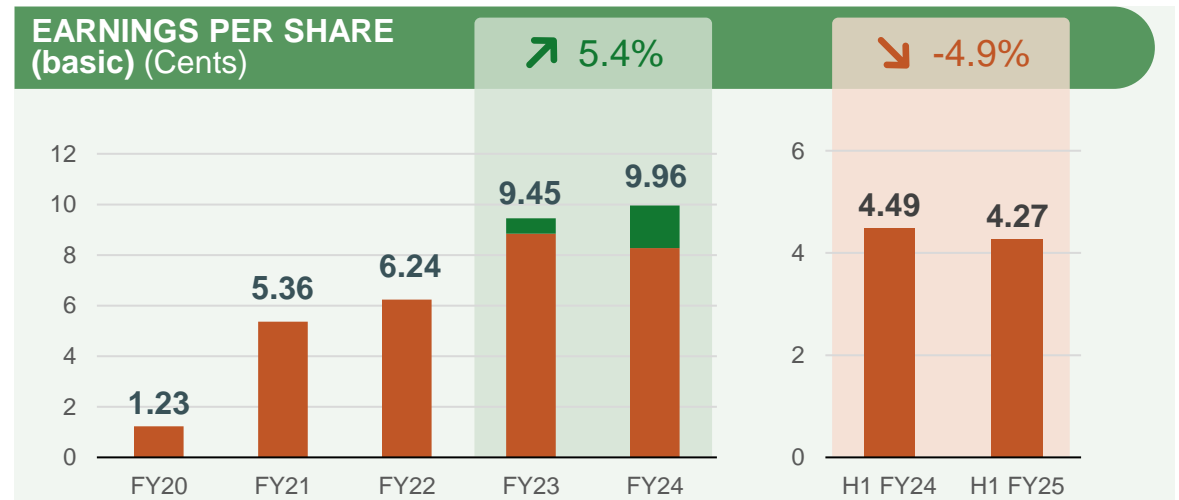
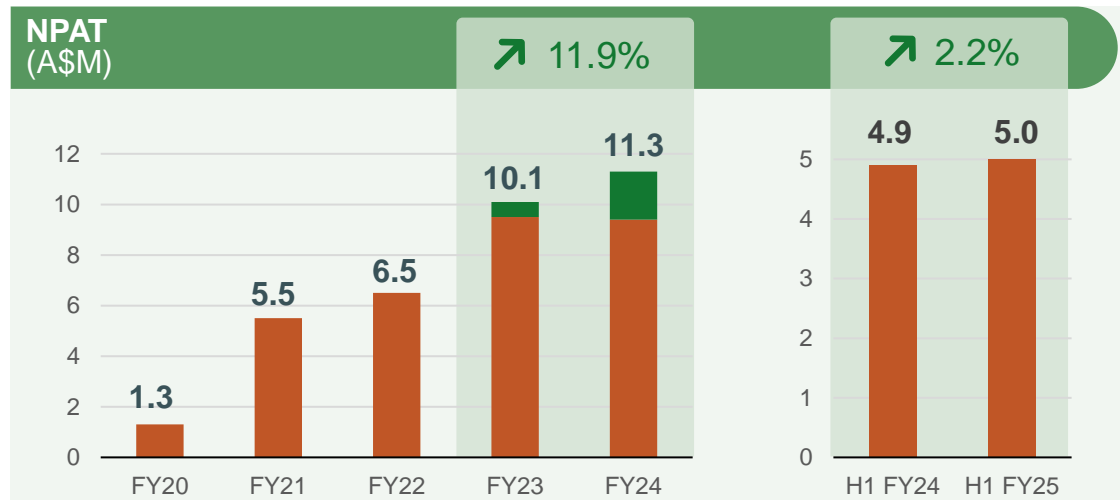
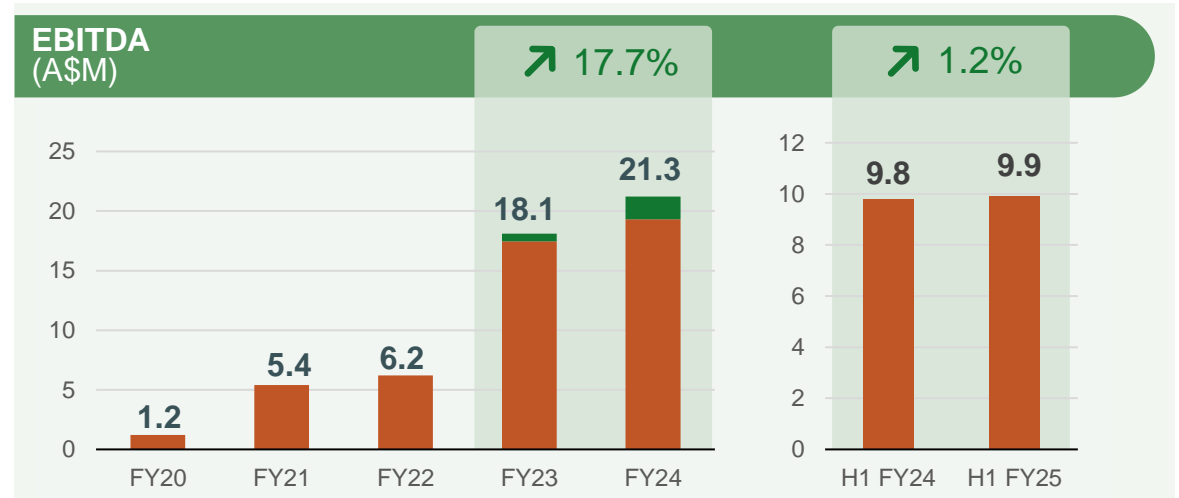
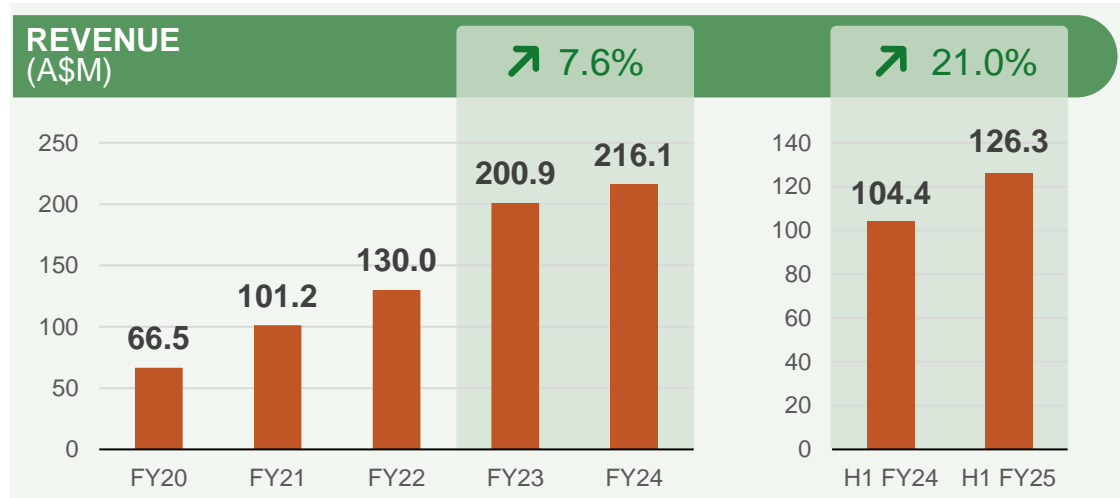
## INVESTING IN SAFETY CULTURE

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%        |
| <b>EBITDA</b>                                     | <b>9,925</b>   | <b>9,809</b>   | <b>1.2%</b>   |
| Depreciation expense                              | (2,341)        | (1,787)        | 31.0%         |
| <b>EBIT</b>                                       | <b>7,584</b>   | <b>8,022</b>   | <b>-5.5%</b>  |
| Interest Income                                   | 55             | 86             | -36.0%        |
| Finance Costs                                     | (369)          | (193)          | 91.2%         |
| <b>Profit before income tax</b>                   | <b>7,270</b>   | <b>7,915</b>   | <b>-8.1%</b>  |
| <b>Income tax (expense)</b>                       | <b>(2,234)</b> | <b>(2,987)</b> | <b>-25.2%</b> |
| <b>Profit after income tax</b>                    | <b>5,036</b>   | <b>4,928</b>   | <b>2.2%</b>   |
| <b>Basic (cents per share)</b>                    | <b>4.27</b>    | <b>4.49</b>    | <b>(4.9%)</b> |
| <b>Diluted (cents per share)</b>                  | <b>4.22</b>    | <b>4.43</b>    | <b>(4.7%)</b> |

## 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           |
|---------------------------------|----------------|----------------|
| <b>Current assets</b>           |                |                |
| 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            |
| <b>Total current assets</b>     | <b>66,207</b>  | <b>66,893</b>  |
| <b>Non-current assets</b>       |                |                |
| 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          |
| <b>Total non-current assets</b> | <b>45,143</b>  | <b>46,306</b>  |
| <b>Total assets</b>             | <b>111,350</b> | <b>113,199</b> |

## 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          |
|--------------------------------------|---------------|---------------|
| <b>Current liabilities</b>           |               |               |
| 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         | -             |
| <b>Total current liabilities</b>     | <b>47,313</b> | <b>50,854</b> |
| <b>Non-current Liabilities</b>       |               |               |
| Provisions                           | 1,286         | 1,358         |
| Lease liabilities                    | 8,801         | 9,692         |
| <b>Total non-current liabilities</b> | <b>10,087</b> | <b>11,050</b> |
| <b>Total liabilities</b>             | <b>57,400</b> | <b>61,904</b> |
| <b>Net assets</b>                    | <b>53,950</b> | <b>51,295</b> |

# 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)       |
| <b>Net Increase in cash and cash equivalents</b>   | <b>(480)</b>  | <b>17,423</b> |
| <b>Opening cash on hand</b>                        | <b>19,807</b> | <b>12,833</b> |
| Effects of exchange rate fluctuations on cash held | -             | 30            |
| <b>Closing cash on hand</b>                        | <b>19,327</b> | <b>30,256</b> |

## 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

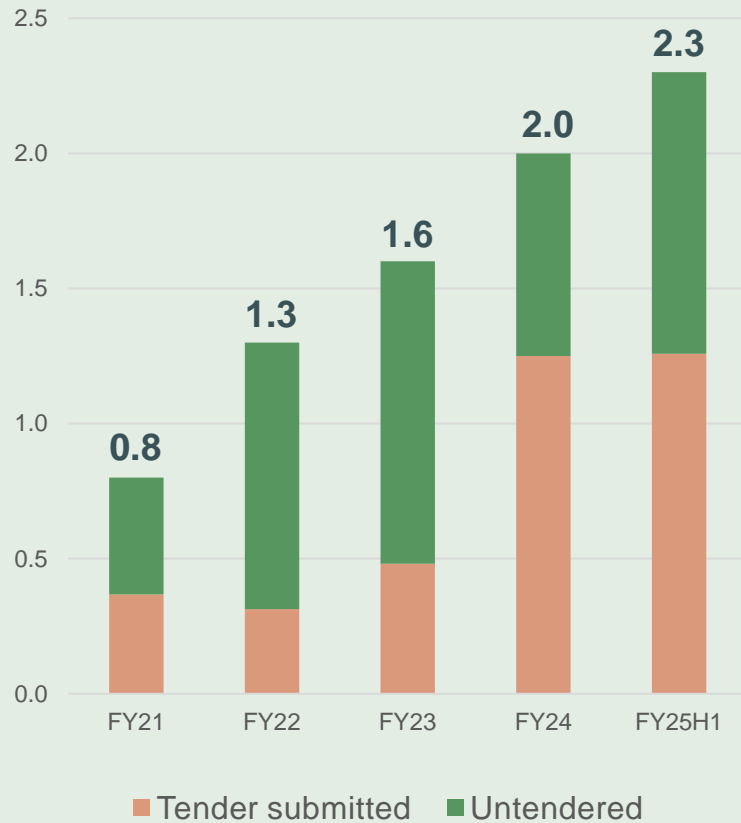
Market: Energy

Location: Victoria



# Pipeline Analysis

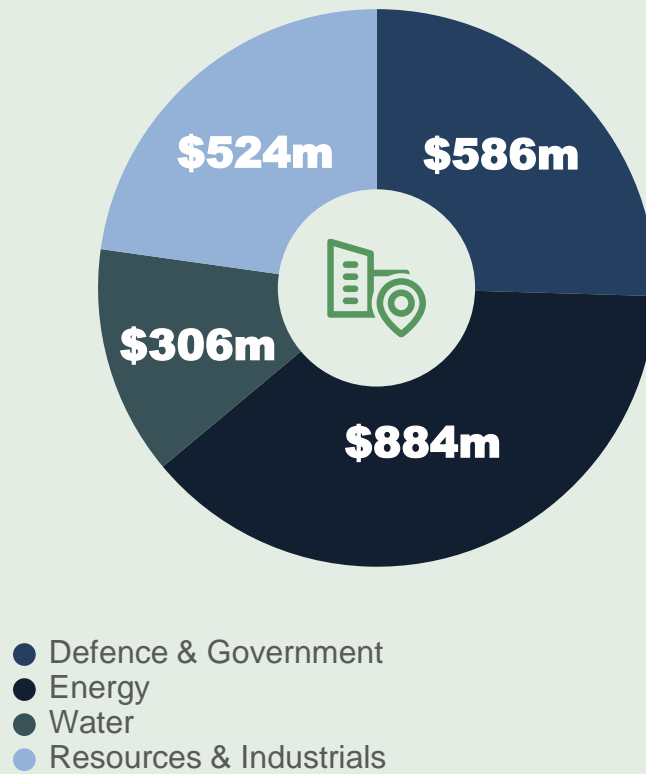
## PIPELINE BY STATUS (\$ billion)



Order book \$170m at 31 Dec 2024

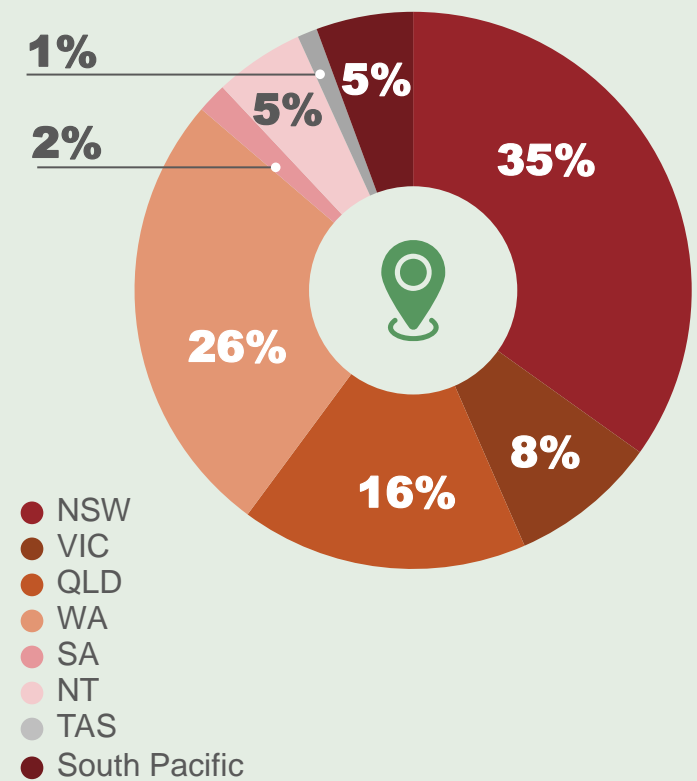
## PIPELINE BY MARKET

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

## DEFENCE & GOVERNMENT



## WATER



## ENERGY



## RESOURCES & INDUSTRIALS



### OUTLOOK

- 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.
- 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.
- 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.
- 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](http://www.saundersint.com)

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### Mark Benson

Managing Director & Chief Executive Officer

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