

20 February 2024

MONADELPHOUS REPORTS 2024 HALF YEAR RESULTS

Revenue \$1.008 billion¹, up 5.8 % on pcp
Secured over \$1.8 billion of new contracts and extensions
Record half year Maintenance and Industrial Services revenue (\$708 million)
Record cash balance (\$263.3 million) at 31 December 2023
Net profit after tax \$30.1 million; EPS 31.2c; interim dividend of 25cps
Broadened civil capability with acquisition of Melchor Contracting
Zenviron awarded first EPC contract in energy storage market
Significant pipeline of prospects in resources and energy sectors

Engineering company Monadelphous Group Ltd (ASX: MND) (“the Company”) today announced sales revenue of \$1.008 billion¹ for the six months ended 31 December 2023, a 5.8 per cent increase on the prior corresponding period. The Company also secured over \$1.8 billion of new contracts and extensions in energy, iron ore and lithium.

The Maintenance and Industrial Services division delivered another record half year revenue result of \$708 million, up 4.6 per cent from this time last year. A number of significant onshore and offshore turnarounds were undertaken in the energy market, with high levels of demand experienced for services and sustaining capital works across all sectors.

The Engineering Construction division successfully secured a number of significant new construction contracts valued at approximately \$750 million in total, following high levels of construction tendering activity over recent periods. The division reported revenue of \$303 million¹ for the six months, up 9.2 per cent on the prior corresponding period, with several recently awarded projects commencing site activities.

Net profit after tax was \$30.1 million, up 3.2 per cent on the prior corresponding period, delivering earnings per share of 31.2 cents. The Board of Directors declared an interim dividend of 25 cents per share fully franked.

Monadelphous ended the period with a record cash balance of \$263.3 million, materially boosted by significant advances received during the period associated with recently awarded construction contracts. Cash flow from operations for the six months was \$147.3 million, delivering an outstanding cashflow conversion rate of 260 per cent.

During the period, Monadelphous acquired Perth-based structural concrete business, Melchor Contracting. The strategic acquisition further broadens the Company’s multidisciplinary construction offering to now include civil capability.

Zenviron, the Company’s renewable energy joint venture, entered the energy storage market with the award of its first EPC battery storage project at Tilt Renewable’s Latrobe Valley BESS (Battery Energy Storage System) Project in Victoria, and is well placed to capitalise on the significant growth expected in the renewable energy sector over coming years.

Monadelphous Managing Director, Zoran Bebic, said the resources and energy sectors continue to provide a significant pipeline of prospects, with production across most commodities forecast to remain around current high levels, supporting continued sustaining capital and maintenance spend.

“Investment to sustain iron ore production levels will continue over coming years, several new gas construction projects are currently in development and significant growth is expected in the renewable energy sector. Some price volatility in specific commodities may lead to further decreases or deferral of capital investments, however, levels of mining and mineral processing development in the energy transition metals sector are forecast to remain high over the longer term.”

¹ Revenue from contracts with customers including Monadelphous’ share of joint venture revenue – refer to page 9 for reconciliation

² Refer to page 9 for reconciliation of EBITDA

2024 HALF YEAR RESULTS

Revenue

Monadelphous recorded revenue from contracts with customers for the six months of \$1,007.9 million¹ in line with the guidance provided to the market, representing a 5.8 per cent increase on the prior corresponding period. The Company experienced record levels of maintenance services activity during the period, and secured over \$1.8 billion of new contracts and contract extensions.

The Maintenance and Industrial Services division achieved revenue for the six months of \$708.0 million, up 4.6 per cent on the prior corresponding period, having undertaken a number of significant onshore and offshore turnarounds in the energy sector during the period. The division continues to experience high levels of demand for services and sustaining capital works, assisting customers to maintain assets and supporting high levels of production.

The Engineering Construction division has experienced high levels of construction tendering activity over recent periods. Pleasingly, Monadelphous has been successfully awarded a material number of significant new construction contracts valued at approximately \$750 million since the start of the current financial year. The division reported revenue of \$303.1 million¹ for the six months, up 9.2 per cent on the prior corresponding period, with several recently awarded projects commencing site activities.

Statutory revenue, which excludes Monadelphous' share of revenue from joint ventures, was \$1,003.2 million, up 11.9 per cent on the prior corresponding period.

Earnings

Earnings before interest, tax, depreciation and amortisation (EBITDA) for the period was \$61.3 million², an increase of 5.3 per cent on the prior corresponding six months. The result delivered an EBITDA margin of 6.08 per cent, similar to the prior corresponding period, and up from 5.96 per cent for the financial year ended 30 June 2023.

Net profit after tax was \$30.1 million, up 3.2 per cent on the prior corresponding period, delivering earnings per share of 31.2 cents.

Dividend

Monadelphous' Board of Directors declared an interim dividend of 25 cents per share fully franked. The Monadelphous Group Limited Dividend Reinvestment Plan will apply to the interim dividend.

Balance sheet

Monadelphous ended the period with a record cash balance of \$263.3 million. The Company's cash at bank at 31 December 2023 was materially boosted by significant advances received during the period associated with recently awarded construction contracts.

Cash flow from operations for the six months was \$147.3 million, delivering an outstanding cashflow conversion rate of 260 per cent.

Monadelphous' strong balance sheet is a key enabler of operational performance and supports the Company's markets and growth strategy. During the period, the Company invested in its heavy lift crane fleet to support recently awarded construction contracts, expanding the capacity and capability of the fleet and undertaking major maintenance activities to extend the useful life of existing assets.

Statement of Claim

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.

¹ Includes Monadelphous' share of joint venture revenue – refer to page 9 for reconciliation

² Refer to page 9 for reconciliation of EBITDA

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. The Company has informed its insurers of the claims.

STRATEGIC PROGRESS

Monadelphous has secured over \$1.8 billion in new contracts and contract extensions since 1 July 2023, with major contracts secured in the energy, lithium and iron ore sectors. The Company has continued to focus on strategically targeting new work opportunities with an appropriate risk allocation.

In the energy sector, Monadelphous secured a significant variation to its existing offshore maintenance services contract with INPEX Operations Australia. The variation adds the provision of operational campaign and shutdown services at the INPEX-operated Ichthys LNG onshore processing facilities in Darwin, Northern Territory, to existing contracted works, and is valued at approximately \$75 million per annum. The existing contract was extended for a further four years earlier in 2023.

The Company was also awarded an extension to its long-term maintenance, shutdown and brownfields project services agreement at Woodside's onshore and offshore gas production facilities in the north-west of Western Australia (WA). The extension is for a three-year period, with an option for a further two years, and is valued at approximately \$180 million per annum.

During the period, the Company also secured more than \$530 million of new construction work in the lithium sector, including major contracts with Albemarle on the Kemerton Expansion Project, at Talison Lithium's Greenbushes site and Liontown Resources' Kathleen Valley Lithium Project, all in WA.

Monadelphous further cemented its presence in the Western Australian iron ore sector, delivering a significant volume of work, as well as securing new contracts and extensions, with long-term customers BHP, Rio Tinto and Fortescue. Awards included a multidisciplinary contract with Fortescue at the Christmas Creek mine site in the Pilbara region of WA, as well as a contract to undertake a series of upgrades at Fortescue's Anderson Point iron ore stockyard in Port Hedland.

The Company continued construction of a new major workshop and office facility in Karratha in the Pilbara region of WA. The facility, which is due for completion in mid-2024, includes designated fabrication, fleet maintenance, and equipment storage and materials handling areas. This significant investment will provide a modern and functional facility to support the delivery of services to customers and will further promote the Monadelphous brand in this key operating location. The facility will be a central hub for operations in the north-west region of WA, demonstrating the Company's strong commitment to the region and building on more than 30 years presence in the community.

Monadelphous' renewable energy joint venture, Zenviron, continued to build on its strong reputation for the delivery of balance-of-plant work for wind farms, successfully completing work at the Rye Park Wind Farm in New South Wales. Zenviron also entered the energy storage market during the period, being awarded its first EPC battery storage contract for balance-of-plant works at Tilt Renewables' Latrobe Valley BESS (Battery Energy Storage System) Project located south of Morwell, Victoria. The award comes off the back of Zenviron's early contractor involvement on the Project, with early works also completed on several wind farm projects which remain subject to final approvals and investment decisions.

The Company successfully integrated BMC, its Victorian-based specialist electrical and maintenance services business, following the acquisition of the business in June 2023. BMC strategically positions Monadelphous in the east coast energy generation, transmission and storage market, as well as the growing offshore oil and gas decommissioning sector.

In October 2023, Monadelphous also acquired Melchor Contracting (Melchor), a Perth-based structural concrete business, broadening Monadelphous' multidisciplinary construction offering to include civil capability. Melchor, which employs around 300 people and generates revenue of approximately \$100 million per annum, offers full structural concrete package capability, including detailed earthworks, formwork, reinforcement fixing and concrete placement in the resources, energy and infrastructure sectors.

SUSTAINABILITY

Monadelphous is committed to the achievement of long-term sustainable growth in a responsible manner, delivering value for customers, and maintaining its reputation as a great company to work for, work with and invest in.

This commitment is underpinned by the key pillars of sustainability outlined in the Company's Sustainability Framework, including people, safety and wellbeing, diversity, communities and environment.

People

Monadelphous ended the period with a total workforce, including subcontractors, of just over 7,400 people. Employee numbers increased by around 20 per cent compared to 30 June 2023, with the increase in construction activity, as well as the acquisition of Melchor. The Company's steadfast commitment to the continued engagement of its valued employee base supported improved retention rates during the period, which is particularly pleasing in a period where industry-wide skilled labour shortages remain a challenge.

To further alleviate the effects of the labour shortage, the Company established a centralised sourcing team to more efficiently and effectively source, select and mobilise the right people at the right time.

The Company undertook a review of the effectiveness and design of its long-term leadership reward programs during the period. The aim of the review was to ensure the programs continue to support the retention of the Company's key leaders in a manner aligned to the creation of long-term shareholder wealth.

The review resulted in the implementation of the Long-Term Performance Reward Plan (LTPR Plan), which replaces the Employee Option Plan as the primary long-term employee equity vehicle. Awards under the plan are in the form of performance rights that vest three years after grant, subject to the successful achievement of an Earnings Per Share growth performance hurdle and the recipient's continued employment.

Monadelphous continued to focus on fostering a culture of strong leadership and providing development opportunities for its people, strengthening connections with current and emerging leaders through networking events and in-house leadership development programs. Operational leadership forums were held across the business, bringing together key people to network and improve leadership skills.

Early career development at Monadelphous remained a priority with more than 200 people participating in the Company's Graduate, Vacation, Apprenticeship and Traineeship programs during the six months. These programs are focused on providing learning and development opportunities around a range of relevant career pathways for diverse skillsets. The Company's 2023 Graduate Development Forum brought together graduates from across the country to challenge mindsets, refine technical skills and connect with leaders.

The Company's Registered Training Organisation delivered more than 700 training courses to over 2,600 trades people throughout the period, including high-risk work license training accreditation and verification of competency.

Safety and Wellbeing

Monadelphous is committed to the principle of zero harm with an unwavering focus on the delivery of improved health and safety outcomes, reinforced by its safety message "The Safe Way is the Only Way".

The Company's Serious Incident Frequency Rate remained near historically low levels and the 12-month Total Recordable Injury Frequency Rate at 31 December 2023 was 3.82 incidents per million hours worked.

During the period, the Company undertook a Fatal Risk Control campaign aimed at continuing to identify, reduce and eliminate fatal risks.

The Company earned industry recognition for its commitment to innovation and safety performance, being awarded a Queensland Work Well Award for 'Best demonstrated healthy and safe work design' and the 2023 Queensland and Northern Territory Welding Excellence Awards: Health and Safety in Welding Award. In addition, Melchor was recognised as a finalist for a Mentally Healthy Workplace Award in the WA Mental Health Awards.

The Monadelphous Managing Director's Safety Innovation Award was presented in August to its Gladstone Workshop team for developing a safer method to remove and refurbish heat exchangers. This innovative safety solution significantly reduced the inherent risks in the refurbishment of heater cassettes, minimising exposure to hazardous tasks, eliminating the requirement for confined space work, and delivering a substantial improvement in productivity.

As part of its ongoing commitment to employee health and wellbeing, the Company offered its people general health checks, skin checks and a series of face-to-face and online information sessions. Monadelphous also partnered with the Resilience Project to offer a resilience and wellbeing program for employees and family members and participated in RU OK Day focusing on mental health risk mitigation. The Company also commenced an independent review of psycho-social risk management systems to identify opportunities for continuous improvement in supporting the wellbeing of its people.

Diversity, Community and Environment

Making positive and sustainable contributions to the communities in which Monadelphous operates remains a key priority, with the Company continuing its efforts in the important focus areas of diversity, community and environment.

Monadelphous celebrates and acknowledges the Traditional Owners of the lands where its people live and work through a range of learning and engagement initiatives. The Company's Stretch Reconciliation Action Plan (RAP) facilitates the identification and creation of opportunities for First Nations peoples and businesses, while fostering an internal culture of understanding and respect. The Company continues to exceed its RAP targets for Indigenous workforce participation.

The Company also continued its ongoing partnership with the Polly Farmer Foundation which supports Aboriginal and Torres Strait Islander students to pursue education pathways and engage in local communities. As a key founder of the Polly Farmer – Follow the Dream program, Monadelphous hosted school visits at the Perth office and Bibra Lake Employee Development Centre during the period, supporting Foundation alumni to pursue trades-related career pathways with pro-bono training through the Company's Registered Training Organisation.

Monadelphous also released its reinvigorated Cultural Learning Strategy, a key RAP initiative, incorporating new cultural awareness and cultural safety activities. The Company delivered in-person and online learning opportunities from the Acknowledge This! program to support its employees to learn about delivering a meaningful and genuine Acknowledgement of Country. Additionally, in alignment with the 2023 NAIDOC theme, 'For Our Elders', cultural immersion sessions were held during NAIDOC Week.

The Company continued to progress its Gender Diversity and Inclusion commitments through its partnership with National Association for Women in Operations (NAWO) and the development of a Buddy Program for new female employees. Aligned to its commitment to encouraging girls and young women to select STEM subjects, employee representatives presented at AREEA's Bright Futures STEM program in Perth and Brisbane, and the Company participated at the Chamber of Minerals and Energy Western Australia Inspiring Girls Forum.

Monadelphous was also named a finalist in the CME Women in Resources Awards in recognition of its Crane Operations Pathway Traineeship Program, a three-year program designed to prepare female and Indigenous trainees to qualify as crane operators.

Monadelphous continued its commitment to giving back to the communities where its people live and work, supporting approximately 70 community initiatives by contributing more than \$170,000 in funds and nearly 400 hours of voluntary work to local groups. This included support of the Company's charity partner, Starick, supporting women and children escaping family and domestic violence in WA. The Company also launched its new Karratha Community Grants Program, providing financial support to grassroots community organisations.

The Company continued to progress its Emissions and Energy Reduction Roadmap during the period, advancing emission reduction trials, completing the installation of solar panels at the Gap Ridge facility, and implementing emissions data capture processes ahead of base year reporting.

In line with Monadelphous' commitment to Net Zero, a hybrid power solution proposal was developed to reduce diesel emissions in operational compounds, supplementing its hybrid and electric vehicle fleet.

The Company also reviewed the Australian Government's proposed new climate-related financial disclosure exposure draft standards and has commenced a gap analysis to identify process improvements required to effectively address future climate reporting requirements.

PRODUCTIVITY AND INNOVATION

Monadelphous actively seeks to drive continuous improvement through innovative work practices and technology solutions, with a focus on increased productivity, the creation of sustainable efficiencies, maximising the value delivered to customers and supporting the Company's focus on safety.

During the period, Monadelphous progressed its innovative and repeatable 'plug and play' site facility solution, whereby prefabricated storage containers are transformed into standardised and interchangeable offices, crib and training rooms, significantly reducing the time, cost and effort required in the establishment of site facilities.

Further innovations included the application of 3D printing for the manufacture of unique supply components, alleviating supply chain delays, delivering direct savings to customers and enabling more productive execution of work tasks.

The Company continued to progress its digital transformation journey, commencing the rollout of new project management applications which maximise data-backed decision-making, and the ongoing digitalisation and automation of in-field processes.

In line with the Company's unwavering focus on safety and the management of fatal risks, in-field trials of Pedestrian Detection and Driver Fatigue and Distraction technology were undertaken during the period. The technology leverages computer vision and artificial intelligence (AI) to support ongoing safety improvement. Following trials of Driver Fatigue and Distraction technology, approximately 100 systems were installed across Monadelphous' vehicle fleet, with a further rollout planned for 2024.

OPERATIONAL ACTIVITY

Engineering Construction

Monadelphous' Engineering Construction division, which provides large-scale, multidisciplinary project management and construction services, reported revenue of \$303.1 million¹ for the half year, 9.2 per cent up on the previous corresponding period. The division was awarded a number of significant new construction contracts during the period valued at approximately \$750 million.

In the lithium sector, Monadelphous secured a major construction contract with Albemarle at the Kemerton Expansion Project in the south-west region of WA. The contract, which is valued at approximately \$200 million, includes the front-end pyromet structural, mechanical, piping, electrical and instrumentation works associated with two new lithium processing trains. The Company also secured an additional package of work for the utilities and reagents scope on the project. These awards follow the earlier successful construction of two processing trains by Monadelphous at the project, and the award of long-term maintenance and sustaining capital projects contracts for Albemarle's Kemerton operations in the previous financial year.

Following a successful period of early contractor involvement, the Company secured a \$160 million contract for the construction of the Chemical Grade Plant 3 at Talison Lithium's Greenbushes site in the south-west of WA. The multidisciplinary contract to install a new crushing and screening facility and lithium concentrate processing plant includes tank and piping fabrication works and electrical supply.

Also in the lithium sector, Monadelphous commenced construction of the wet plant at Liontown Resources' Kathleen Valley Lithium Project located in the Northern Goldfields region of WA. The contract, valued at approximately \$100 million follows the award of a contract to supply and fabricate approximately 3,300 tonnes of steelwork, conveyors, mechanical steel, platework and tanks for the project which was awarded to Inteforge in the prior year.

In the iron ore sector, Monadelphous continued to progress work on the structural, mechanical and piping package for BHP's Car Dumper 3 Renewal Project at Nelson Point in Port Hedland, and was also awarded the electrical and instrumentation scope for the Project during the period.

¹ Includes Monadelphous' share of joint venture revenue

Monadelphous was awarded a contract in the rare earths sector with Lynas Rare Earths for stage 1 of the Mt Weld Expansion Project, located near Laverton in the Goldfields region. The scope of work, which includes structural, mechanical and piping works associated with the new concentrate processing facility, has commenced and is expected to be completed in the first half of calendar 2024.

The Company also secured a multidisciplinary construction contract with Chevron Australia to support the installation and modification of electrical power and control facilities associated with the Jansz-Io Compression Project in WA.

Inteforge completed the fabrication of hydrogen gas separator modules for HydrogenPro and provided fabrication services for the Oyu Tolgoi Underground Project in Mongolia, as well as for several of the Company's construction contracts. Monadelphous also continued the construction of the surface infrastructure at the Oyu Tolgoi Underground Project, making good progress during the period.

Monadelphous continued to provide heavy lift services and associated engineering support at a number of project sites across the industry, including to CPB Contractors and John Holland Joint Venture on the West Gate Tunnel Project in Melbourne, Victoria, as well as to Fortescue at the Solomon and Eliwana mine sites in WA. Monadelphous' heavy lifting services joint venture, Alevro, delivered specialist haulage and lifting services to Bechtel at Woodside's Pluto Train 2 project in Karratha, WA.

Maintenance and Industrial Services

The Company's Maintenance and Industrial Services division, which specialises in the planning, management and execution of multidisciplinary maintenance services and sustaining capital works, delivered another record half year revenue result of \$708.0 million, up 4.6 per cent on the prior corresponding period. Pleasingly, the division has been awarded approximately \$1.08 billion in new contracts and contract extensions since the beginning of the 2024 financial year, including a number of significant long-term contract extensions and variations with energy customers.

Monadelphous experienced high levels of demand for maintenance services across all sectors. Activity levels were particularly high in the energy sector, with the Company completing a significant turnaround at the Shell Prelude FLNG facility during the period, as well as several onshore and offshore shutdowns for Woodside at the Goodwyn and North Rankin facilities, Karratha Gas Plant and Pluto LNG facilities. The Company also continued decommissioning work with Petrofac on the Northern Endeavour floating production, storage and offtake facility.

The Company secured a three-year services contract, with three one-year extension options, to continue providing sustaining capital projects and maintenance support at Santos' production and support facilities in the Southern Highlands region of Papua New Guinea.

High levels of activity continued in the Western Australian iron ore sector, with Monadelphous delivering a large volume of work under its long-term maintenance and non-process infrastructure panel agreements with Fortescue. The Company also secured a one-year extension to its sustaining capital works agreement providing multidisciplinary services across Rio Tinto's Pilbara iron ore operations, as well as an extension for the provision of general maintenance services to BHP's iron ore operations through to 30 June 2025.

Monadelphous was also awarded a number of additional maintenance services contract extensions by BHP during the period, including across the Nickel West operations in WA, at the Mt Arthur Coal operations in the Hunter Valley, New South Wales, and at the Olympic Dam mine site in South Australia.

Rio Tinto awarded Monadelphous a two-year extension to its existing contract for the provision of mechanical, electrical and access maintenance services for fixed plant shutdowns at Gove, Northern Territory. Additionally, BMC secured an outage contract at the Loy Yang B power station, based in Traralgon, Victoria.

Other significant contract activity undertaken during the period included:

- provision of services for Shell in Queensland;
- shutdown maintenance work for Origin's gas processing facilities in Queensland;
- minor capital project services at Newcrest Mining Limited's Lihir Gold Mine in Papua New Guinea;
- major shutdown, mechanical services and minor capital works at South32's Worsley Alumina operations in WA, including supporting the completion of the conversion of the first of its coal-fired boilers to natural gas;

- operation and maintenance of the coal handling facility at the Muja Power Station for Synergy in Collie, WA;
- general, electrical and mechanical maintenance, shutdown support and tank refurbishment services at Boddington Gold Mine in WA and Tanami Gold Mine in the Northern Territory;
- maintenance, shutdown and sustaining capital works for Albemarle's lithium hydroxide plant in Kemerton, WA; and
- completion and commissioning of the AGL fly ash pipeline project, connected to Bayswater Power Station in New South Wales.

MARKETS AND OUTLOOK

Longer-term demand forecasts remain strong across most commodity markets, with global economic uncertainty moderating more recently.

The resources and energy sectors are providing a significant pipeline of prospects across a broad range of commodities, with expenditure related to decarbonisation representing an increasingly larger proportion of investment activity. Production across most commodities is forecast to remain around the current high levels, supporting continued sustaining capital and maintenance spend. Some price volatility in specific commodities may lead to a decrease in production or deferral of capital investments, as clients focus on reducing costs. Notwithstanding this, levels of mining and mineral processing development in the energy transition metals sector are forecast to remain high over the longer-term, and investment to sustain iron ore production levels will continue over coming years.

In the energy sector, there are several new gas construction projects currently in the development pipeline and demand remains strong for maintenance services, with decommissioning prospects expected to grow over coming years. The hydrogen market continues to evolve and is expected to provide more significant opportunities through the second half of this decade.

Sustained levels of maintenance activity in the resources sector are forecast as production remains high and recent mining developments and expansions move into the operating phase.

Accelerating decarbonisation efforts in Australia's power sector are driving an expanding pipeline of renewable energy opportunities, including a large number of new wind farms and battery energy storage projects. Planning approvals and network constraints have impacted investment decisions over the past year. However, Zenviron remains well placed to capitalise on the significant growth expected in this sector over coming years.

As the shortage of skilled labour in Australia remains a challenge, Monadelphous continues to focus on employee attraction, training, and development initiatives to support retention.

Following a solid first half and the momentum generated by construction awards in the period, full year revenue for FY24 is expected to see an increase of around 10 per cent on the previous year.

With labour and supply chain capacity constrained, the Company will continue to leverage its strong position and take a strategic and targeted approach to new work, engaging and collaborating early with its customers, focusing on earnings quality and maintaining an appropriate approach to the allocation of risk.

Supported by a strong balance sheet, Monadelphous will continue to assess potential acquisition opportunities to facilitate service expansion, market diversification and long-term sustainable growth.

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

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 2023	31 December 2022
	\$'000	\$'000
Total revenue from contracts with customers including joint ventures	1,007,871	952,967
Share of revenue from joint ventures ¹	(7,643)	(58,074)
Statutory revenue from contracts with customers	1,000,228	894,893

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 2023	31 December 2022
	\$'000	\$'000
Profit before income tax	44,775	39,745
Interest expense on loans and hire purchase finance charges	1,175	1,024
Interest expense on other lease liabilities	765	728
Interest revenue	(2,984)	(1,643)
Depreciation of owned and hire purchase assets	13,122	12,532
Depreciation of right of use assets	4,367	4,043
Amortisation	300	-
Share of interest, depreciation, amortisation and tax of joint ventures ²	(229)	1,797
EBITDA	61,291	58,226

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

DIVIDEND ENTITLEMENTS

The fully franked interim dividend of 25 cents per share will be paid to shareholders on 28 March 2024 with the record date for entitlements being 7 March 2024.

Updating Direct Credit Details

Monadelphous strongly encourages all shareholders in Australia and New Zealand to update their Australian or New Zealand banking details online through Computershare's Investor Centre website at www.computershare.com.au/easyupdate/MND. Alternatively, you may contact Computershare on 1300 364 961 (within Australia) or + 61 3 9946 4415 (outside Australia). Payments will be made in the currency of the bank account which is recorded on the register as at 7 March 2024.

Further Information

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About Monadelphous

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

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