

ASX Announcement

SAUNDERS

SAUNDERS REPORTS FY2025 FINANCIAL RESULTS

KEY HIGHLIGHTS

- **Revenue** of \$214.5 million, down 0.7% on record prior year
- **Adjusted EBITDA** of \$9.3 million, down 56.3% on record prior year
- **Strong Balance Sheet** with cash and cash equivalents of \$22.1 million, up 11.5% on prior year
- **Record Order book** of \$529.0 million, up 179.5% on prior year (includes Aqua Metro order book)
- **Record Pipeline** of \$4.0 billion, up 100.0% on prior year (includes Aqua Metro pipeline)
- **Strategic Acquisition** of Aqua Metro – a water infrastructure specialist – bringing \$135m of revenue and \$1.4b of pipeline to the Saunders Group in FY2026.

Financial Results	FY2025	FY2024
Revenue	\$214.5m	\$216.1m
Adjusted EBITDA	\$9.3m	\$21.3m
Adjusted Profit After Tax	\$3.2m	\$11.3m
Adjusted Basic Earnings Per Share	2.68 cents	9.96 cents
FY2025 Dividend	2.25 cents	4.25 cents
Order book*	529.0m	189.3m
Pipeline**	4.0b	2.0b

* FY2025 order book as at 30 June 2025 and FY2024 order book as at 31 July 2024. FY2025 includes Aqua Metro secured projects and anticipated work under existing framework agreements (FY2026–FY2031), based on historical weighted win rates less intercompany scope.

** FY2025 pipeline as at 30 June 2025 and FY2024 pipeline as at 31 July 2024. FY2025 includes Aqua Metro standalone project opportunities and potential framework agreement extensions (FY2026–FY2031), based on historical weighted win rates.

The FY2025 and FY2024 Statutory EBITDA, EBITDA Margin, NPAT and Earnings Per Share have been adjusted to add back the impact of one-off acquisition and integration costs incurred by Saunders for Aqua Metro and Piping Solutions which are considered non-recurring. FY2025 adjustment was \$1.2 million and FY2024 was \$1.9 million.

Wednesday, 20 August 2025: Saunders International Limited (ASX:SND) (“Saunders” or “the Group”) today released its financial results for the financial year ending 30 June 2025.

Managing Director and Chief Executive Officer Mark Benson said:

“While unforeseen project delays and weather impacts have led to our FY2025 results falling short of achieving a sixth consecutive year of record growth, we remain confident in the company’s future. Margin erosion during the period reflected challenges in complex project delivery, with cost pressures, scheduling impacts and a cost base set for higher revenue.”

“In response to the FY2025 market environment, we have taken decisive steps to enhance operational efficiency and reduce costs. Additionally, the acquisition of Aqua Metro will further diversify our revenue base and enables the business to continue to scale without a material increase in overheads.

“We are moving into FY2026 with record levels of work-in-hand and pipeline. The recent acquisition of Aqua Metro represents a significant strategic milestone, enhancing our capabilities and accelerating our growth in the Water sector.”

OPERATIONS AND FINANCIAL RESULTS

The second half of FY2025 presented a challenging operating environment. Extreme weather events, bp’s decision to cancel the Kwinana clean fuels project, cost pressures during complex project delivery and a cost base set for higher revenue all combined to erode margin in H2 FY2025.

The integration of Saunders Piping Solutions is now complete, including the associated earn-out. Integration planning is underway for Saunders Aqua Metro, with a focus on maintaining business continuity while also realising the acquisitions’ strategic benefits.

In FY2025, we achieved another Lost Time Injury free year. We established a new Total Recordable Injury Frequency Rate (TRIFR) baseline post integration of Piping Solutions, and this year have been able to reduce the combined TRIFR¹² by 34% to 4.91.

The FY2025 Statutory EBITDA of \$8.1 million includes business acquisition and integration-related costs, which impacted the Group’s financial results. After excluding these one-off impacts, the underlying performance of Saunders shows an adjusted EBITDA of \$9.3 million.

Tendering activity remains robust, particularly in the Defence and Resources sectors, reflecting our strong market positioning. While we anticipate that current external market challenges, particularly in Defence, will persist into FY2026, there are encouraging signs of clients progressing toward investment commitments.

DIVIDEND

The Board declared on 20 August 2025 that there will be a final dividend payable of 0.25 cents per share fully franked, resulting in total dividends for the financial year of 2.25 cents per share (FY2024: 4.25 cents). The timetable for the FY2025 final dividend is as follows:

Activity	Date
Ex-dividend date	Monday, 15 September 2025
Record date	Tuesday, 16 September 2025 at 5:00pm (AEST)
Payment and mailing date	Tuesday, 14 October 2025

DIVIDEND REINVESTMENT PLAN

The Board has resolved that the Dividend Reinvestment Plan (DRP) will remain deactivated for the 2025 final dividend.

OUTLOOK

The Board is progressing the appointment of a new Managing Director following Mark Benson’s decision to step down at the end of the calendar year. This process is well advanced and we expect to make an announcement in due course.

As at 30 June 2025, Saunders’ standalone order book was approximately \$169.0 million (31 July 2024: \$189.3 million). Including the recent acquisition of Aqua Metro, the Group’s combined order book is approximately \$529 million.

The pipeline of opportunities moving into FY2026 has grown significantly. As at 30 June 2025, the total pipeline, including Aqua Metro, was approximately \$4.0 billion, up from \$2.0 billion at 31 July 2024.

This growth reflects the Group's expanded and diversified capabilities and strengthened market position, particularly in the Water sector following the Aqua Metro acquisition.

The Group will continue to leverage its multidisciplinary capabilities across key growth sectors:

- **Defence & Government** – driven by anticipated acceleration in fuel infrastructure resilience investment
- **Water** – underpinned by ongoing national investment in asset renewal and expansion programs
- **Energy** – supported by continued focus on domestic fuel security and energy transition
- **Resources and Industrials** – strengthened by the demand in the gold sector

With a strong customer base and a materially expanded pipeline, strengthened by the acquisition of Aqua Metro, Saunders is well-positioned to capitalise on these opportunities. Tender activity remains high, although we anticipate that the current external market challenges, particularly in Defence, will persist into FY2026.

About Saunders International Limited

Saunders International Limited (ASX: SND) is a multidisciplinary Australian company providing engineering, construction and industrial asset services across the complete asset lifecycle. Saunders specialises in fluid storage and transfer infrastructure, structural, mechanical and piping (SMP), industrial automation and electrical, civil and water infrastructure and industrial asset and maintenance services. We serve clients across the Defence & Government, Water, Energy and Resources and Industrials sectors. For more information, visit www.saundersint.com.

For further information, please contact:

Mark Benson, Managing Director & Chief Executive Officer
(02) 9792 2444

This announcement was authorised for release by the Board of Saunders International Limited.