

ASX Announcement

SAUNDERS

SAUNDERS REPORTS H1 FY2026 FINANCIAL RESULTS

KEY HIGHLIGHTS

- **H1 FY2026 Revenue** of \$143.6 million, a record half-year result, up 13.7% on the prior corresponding period (H1 FY2025) (PCP)
- **Adjusted EBITDA** of \$0.37 million, in line with recent market guidance
- **Strong Balance Sheet** with cash and cash equivalents of \$26.7 million, up 20.8% on 30 June 2025
- **Contracted Work-In-Hand** valued at \$549.0 million, up 3.8% on 30 June 2025
- **Secured \$155.8 million** in key contracts across all four key markets – Defence & Government, Water, Energy and Resources & Industrials
- **Record Pipeline** of \$4.9 billion, up 22.5% on 30 June 2025
- **Tenders under evaluation** in the short to medium term valued at \$787.8 million
- Seamless integration of Aqua Metro and the securing of two, 10-year Panel Agreements with Sydney Water, which will support **Water sector growth**.

Key Financial Results	H1 FY2026	H1 FY2025
Revenue	\$143.6m	\$126.3m
Adjusted ¹ EBITDA	\$0.37m	\$9.93m
Adjusted ¹ Profit/(Loss) After Tax	(\$2.8m)	\$5.0m
Adjusted ¹ Earnings/(Loss) Per Share	(2.14 cents)	4.27 cents
Interim Dividend	0.00 cents	2.00 cents
Cash	\$26.7m	\$22.1m (30 June 2025)
Pipeline	\$4.9b	\$4.0b (30 June 2025)

1. Adjusted results exclude \$1.3 million acquisition and integration costs associated with the Aqua Metro acquisition.

Wednesday, 25 February 2026: Saunders International Limited (ASX:SND) (“Saunders” or “the Group”) today released its financial results for the half-year ended 31 December 2025 (H1 FY2026).

Managing Director and Chief Executive Officer, Angelo De Angelis said:

“Following our focus in FY2025 on strengthening delivery discipline, operating efficiency and pipeline development, Saunders has entered FY2026 with a clear shift to market-facing delivery structures and tailored customer value propositions. Our delivery model refinements, ECI and strong client relationships continue to position Saunders strongly in high-compliance markets.

In H1 FY2026, the rate of projects going to award has increased, following industry-wide stagnation throughout FY2025 and the first quarter of FY2026. A number of preferred contractor positions have successfully converted into executed contracts, reflecting improving market conditions and the strength of our client relationships across all four key markets.

With the successful integration of Aqua Metro, growing levels of work-in-hand, a record opportunity pipeline and a significant value of tenders under evaluation, the Group is well positioned to capitalise on customer demand and leverage our broadened service offering, particularly in the Water and Defence & Government sectors.”

OPERATIONS AND FINANCIAL RESULTS

H1 FY2026 marked the appointment of Angelo De Angelis as Managing Director and Chief Executive Officer, providing continuity of leadership and a strong focus on improving earnings resilience.

Operating momentum improved during the period compared to the second half of 2025, as previously delayed projects progressed to award and activity levels increased across key markets.

Since the commencement of FY2026, Saunders has secured \$155.8 million in new project awards, with a further \$787.8 million of tenders under evaluation in the short to medium term. These outcomes demonstrate tangible pipeline conversion and improving project award momentum.

Key project awards in the period, include:

- **Defence:** A \$20 million fuel infrastructure project at RAAF Base Learmonth in Western Australia, supporting critical Defence fuel resilience capability (announced 18 December 2025).
- **Water:** A \$10.4 million water storage infrastructure project in South-West Sydney, awarded by Ward Civil to support growing population demand (announced 22 December 2025), along with two 10-year Delivery Contractor Panel agreements with Sydney Water focused on Mechanical and Electrical works.
- **Energy:** A \$16.4 million contract at Ampol’s Lytton Refinery in Brisbane, awarded under a Master Services Agreement for the renewal and refurbishment of existing infrastructure (announced 15 January 2026).
- **Resources & Industrials:** A \$19.8 million contract awarded by PARC Engineering for the delivery of 11 storage tanks in the Northern Territory (announced 17 October 2025).

In FY2026, Saunders integrated Aqua Metro’s safety performance into the Group’s safety tracking and reporting processes. The Group recorded zero Lost Time Injuries (LTIs) for the period and reported a Total Recordable Injury Frequency Rate (TRIFR) of 4.90, reinforcing the ongoing focus on safety improvement and consistent application of standards.

DIVIDEND

In the context of H1 FY2026 results, the Board declared on 25 February 2026 that there will be no interim dividend payable, reflecting a prudent cash management strategy to support projected business growth.

OUTLOOK

As at 31 December 2025, Saunders' Work-In-Hand was \$549.0 million (30 June 2025 \$529.0 million).

The pipeline of opportunities moving into FY2026 has grown significantly. As at 31 December 2025, the Group's total pipeline was \$4.9 billion, up 22.5% from \$4 billion at 30 June 2025.

This growth reflects Saunders' expanded and diversified capabilities and strengthened market position, particularly in the Water sector following the acquisition of Aqua Metro in 2025.

Saunders' ability to self-perform across the project lifecycle and engage early with clients through Early Contractor Involvement (ECI), continues to support sole-sourced opportunities, improved project outcomes and enhanced earnings resilience.

With delivery momentum established in H1 FY2026, Saunders enters the second half of the financial year with a record opportunity pipeline and improving project award velocity. The actions committed to in FY2025 continue to be delivered, with benefits increasingly evident through project awards, pipeline conversion and improved operational stability.

The Group will continue to leverage its multidisciplinary capabilities across its core markets:

- **Defence & Government** – supported by increasing investment in fuel infrastructure resilience and asset sustainment programs. Saunders now holds its largest Defence & Government pipeline to date, with project awards accelerating as previously delayed programs progress through procurement and approval stages.
- **Water** – underpinned by sustained national investment in infrastructure renewal, expansion and water security. The integration of Aqua Metro has increased exposure to annuity-style earnings through multi-year panel and framework agreements, improving earnings resilience.
- **Energy** – driven by ongoing focus on asset resilience, domestic fuel security and energy transition initiatives.
- **Resources & Industrials** – supported by continued demand in the gold sector and record gold prices.

Based on performance to date, the Board confirms that Saunders expects FY2026 performance to be in line with the earnings guidance provided at the Company's Annual General Meeting in November 2025. Full Year FY2026 revenue is forecast to be between \$315 and \$345 million, delivering an adjusted EBITDA margin of between 3.5% to 4.5%. This reflects the improved operational and market conditions we expect in H2 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.

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