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ASX ANNOUNCEMENT

17 February 2026

Macmahon delivers strong first half result

Key Highlights

- Delivered first half results with strong revenue and earnings growth:
  - Revenue $1.3bn, up 11% (1H25: $1.2bn)
  - Underlying EBITDA[1] $200.1m, up 10% (1H25: $181.3m)
  - Underlying EBIT(A)[2] $91.0m, up 17% (1H25: $78.1m)
  - Underlying NPAT(A)[3] $54.9m, up 17% (1H25: $47.1m)
  - Reported NPAT $48.2m, up 61% (1H25: $30.0m)
- Free cash generation and strengthened financial position:
  - Underlying Operating Cash Flow[4] increased to $190.5m (1H25: $163.4m)
  - Free Cash Flow[5] $39.3m (1H25: $49.0m)
  - Net Debt lowered to $144.1m down 11%, Gearing[6] down to 16.8% and Net Debt/EBITDA reduced to 0.36x
  - ROACE[8] at 21.2%, up 3% (FY25: 20.5%)
- Order Book $5.1 billion[7] (FY25: $5.4bn) with $2.5bn secured[7] for FY26
- Interim Dividend increased 73% to 0.95cps fully franked (1H25: 0.55cps fully franked)
- FY26 Guidance[9] reaffirmed:
  - Revenue of $2.6bn to $2.8bn
  - Underlying EBIT(A)[2] $180m to $195m

Macmahon Holdings Limited (ASX: MAH) (‘**Macmahon’** or ‘the **Company’**) is pleased to deliver another strong half year result for the six-month period ending 31 December 2025 (‘**1H26**’).

Macmahon’s Managing Director and Chief Executive Officer, Michael Finnegan, said:

“I am very pleased to report solid increases across key financial performance metrics, most notably strong growth in revenue, earnings and return on average capital employed.

These results validate our strategy to diversify the Macmahon Group by growing our underground and civil infrastructure businesses, both of which have made material contributions to this strong first-half performance.

Consistent with our strategy, we are focussed on further diversifying our business through organic means and accretive acquisitions that enable us to expand our service offering across the resources sector. Looking forward, our order book remains well supported by a balanced pipeline, with half of the $25.6 billion pipeline expected to be awarded within the next 12 months.

Capital discipline in our mining business and the growing contribution from the civil business, underpinned by strong cash generation, is expected to further reduce debt ratios and keep us on track to achieve our Group ROACE target of 25% or above. I am very proud of how our *team in Australia, Indonesia and Malaysia have implemented our Operating Company operating model. This enables us to set the Company up for continued strong growth in the coming years."*

Financial Performance

Revenue for 1H26 increased by 11% to $1.3bn (1H25: $1.2bn) driven by an increased contribution from the civil infrastructure business and continued growth in underground mining, including Indonesia.

Underlying EBITDA[1] was up 10% to $200.1m (1H25: $181.3m) and Underlying EBIT(A)[2] increased by 17% to $91.0m (1H25: $78.1m) at a margin of 7.0% (1H25: 6.6%).

Macmahon reported an increased Net Profit After Tax (NPAT) of $48.2m (1H25: $30.0m) with Underlying NPAT(A)[3] up 17% to $54.9m (1H25: $47.1m).

At a segment level, our mining business generated approximately $1bn in revenue and underlying EBIT(A) of $75m at a margin of 7.5% for 1H26. During 1H26, we finalised a three-year extension at Byerwen commencing in December 2025. In underground, approximately $200m of new contract awards in Australia and Indonesia continued positive momentum in that business, which resulted in a 22% uplift in revenue for 1H26 over the prior corresponding period.

The civil infrastructure business continued to expand, performing in line with expectations, contributing an uplift in revenue to over $300m, with an underlying EBIT(A)[2] of $19m and increased underlying EBIT(A)[2] margin of 6.2%. New work of $350m across a mix of resources, renewables and infrastructure projects was awarded during 1H26, in addition $150m of new work was awarded in January 2026.

Cash Flow and Balance Sheet

Macmahon increased underlying operating cash flow[4] (excluding interest, tax and various adjusting items) by 17% to $190.5m (1H25: $163.4m), representing a higher overall cash conversion rate from underlying EBITDA[1] of 95.2% (1H25: 90.1%).

Capital expenditure for 1H26 was in line with expectations at $97.0m (1H25: $102.8m), principally comprising sustaining capital expenditure. Free cash flow[5] after all capital expenditure, financing costs, taxation expenses and other investing activities was $39.3m (1H25: $49.0m). Free cash flow was impacted in 1H26 by a $20m tax payment which reflects the Group's status as a taxpayer for the first time.

The business delivered a higher underlying ROACE[8] of 21.2**%** (FY25: 20.5%), exceeding our previous 20**%** target and continuing to track toward our increased 25% target. This improvement reflects strong growth in our underground and civil businesses, supported by a focused and disciplined approach to capital management.

The strong balance sheet supports the increased size of the business with cash and unutilised bank facilities increasing to $538.8m (including cash on hand of $282.1m), providing the business with headroom for growth opportunities. Gearing[6] reduced to 16.8%, while net debt/ EBITDA was 0.36x, well within targets.

Dividends

The Board has declared a fully franked interim dividend of 0.95 cents per share for 1H26 (1H25: 0.55 cents per share), up 73%. This represents a 37.1% dividend payout ratio which is in line with Macmahon's increased dividend payout range of 30% - 45% of underlying earnings per share. The interim dividend has a record date of 20 March 2026 and will be paid on 10 April 2026.

FY26 Guidance and Outlook

Macmahon reaffirms guidance[9] for FY26 revenue of $2.6bn to $2.8bn (including $2.5bn already secured[7]) and underlying EBIT(A)[2] of $180m to $195m.

Targeted FY26 capital expenditure remains unchanged at approximately $245m.

Macmahon expects second half performance to be stronger than 1H26 with the current order book[7] of $5.1bn and a robust and qualified tender pipeline of $25.6bn. This underpins Macmahon's confidence in maintaining growth in line with guidance and market expectations.

***** ENDS *****

This announcement was authorised for release by the Macmahon Board of Directors.

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About Macmahon

Macmahon is an ASX listed company offering the complete package of mining and civil infrastructure services throughout Australia and Southeast Asia.

Macmahon's extensive experience in surface mining, underground mining and civil infrastructure has established the Company as the contractor of choice for resources, non-resources, public infrastructure and renewables projects across a range of locations and sectors.

Macmahon is focused on developing strong respectful relationships with its clients whereby both parties work in an open, flexible and transparent way to ensure mutually beneficial outcomes whilst also minimising risks for both parties.

Visit www.macmahon.com.au for more information.

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Notes

1. *Underlying EBITDA is earnings before interest, tax, depreciation, and amortisation from continuing operations and excludes various adjusting items. A reconciliation of Non-IFRS financial information is contained on slide 24 of the Company's 1H26 Results Presentation*
2. *Underlying EBIT(A) is earnings before interest and tax from continuing operations and excludes various adjusting items. A reconciliation of Non-IFRS financial information is contained on slide 24 of the Company's 1H26 Results Presentation*
3. *Underlying NPAT(A) is earnings after interest and tax from continuing operations and excludes various adjusting items. A reconciliation of Non-IFRS financial information is contained on slide 24 of the Company's 1H26 Results Presentation*
4. *Underlying Operating Cash Flow excluding interest, tax, acquisition and corporate development costs and SaaS implementation and development costs. This information is contained on slide 24 of the Company's 1H26 Results Presentation*
5. *Free Cash Flow = Underlying operating cash flow less capital expenditure plus proceeds from PPE disposal less Interest and Tax paid/(received)*
6. *Gearing = Net Debt / (Net Debt + Equity)*
7. *As at 31 December 2025 and does not include $150m awarded by Rio Tinto in January 2026; excludes short term civil and underground churn work and does not take into account future contract cost escalation recoveries*
8. *Return on Average Capital Employed = Rolling 12 months Underlying EBIT(A) / Average ((Total Assets excluding Cash) – (Current Liabilities excluding Debt))*
9. *Revenue guidance does not take into account future contract cost escalation recoveries*