Duratec Limited

1H FY26 Results Presentation

Wednesday, 25 February 2026

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Speakers

Meet our executives

Chris Oates
Managing Director

Ashley Muirhead
Chief Financial Officer

1H FY26 Highlights

Business History

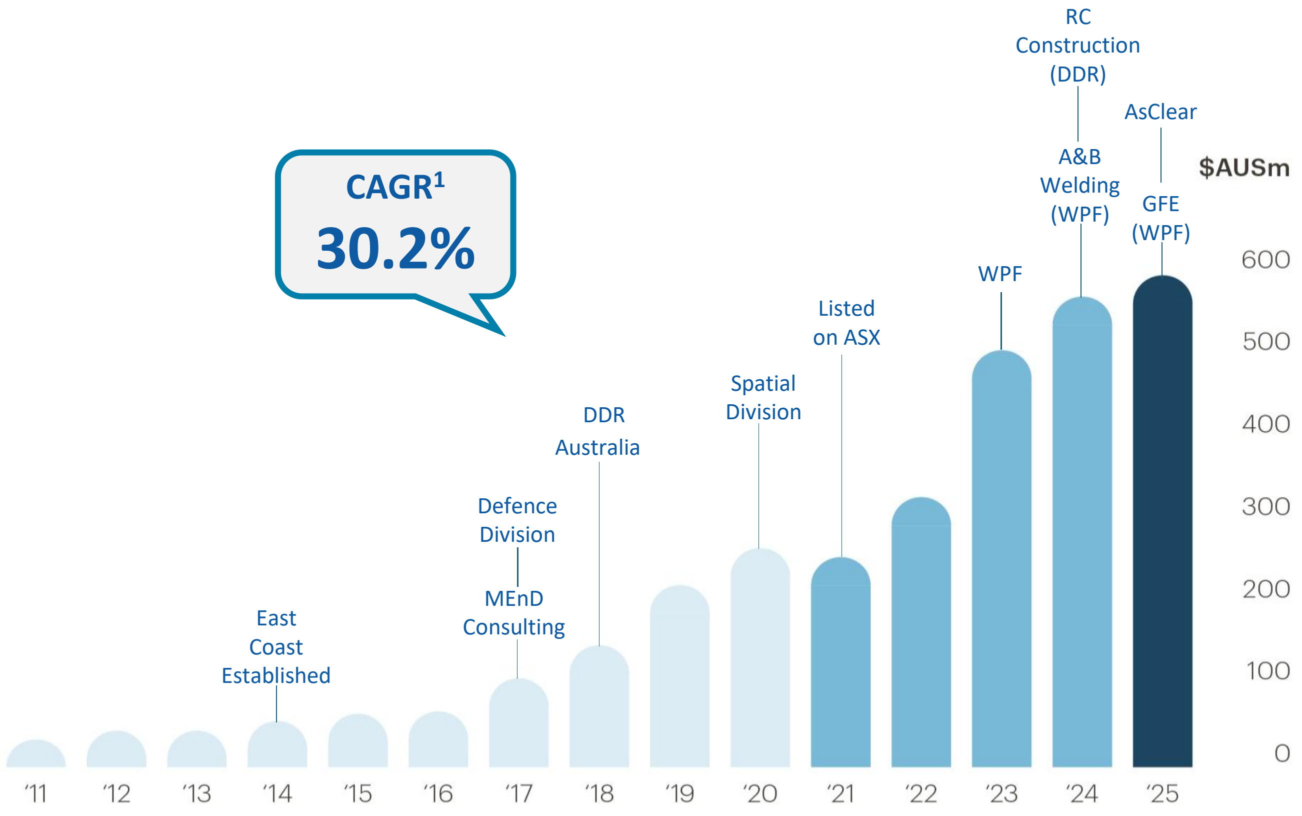
Growth over 15 years

KEY BUSINESS DRIVERS

- Aged infrastructure
- Asset capacity expansion
- Growing asset markets

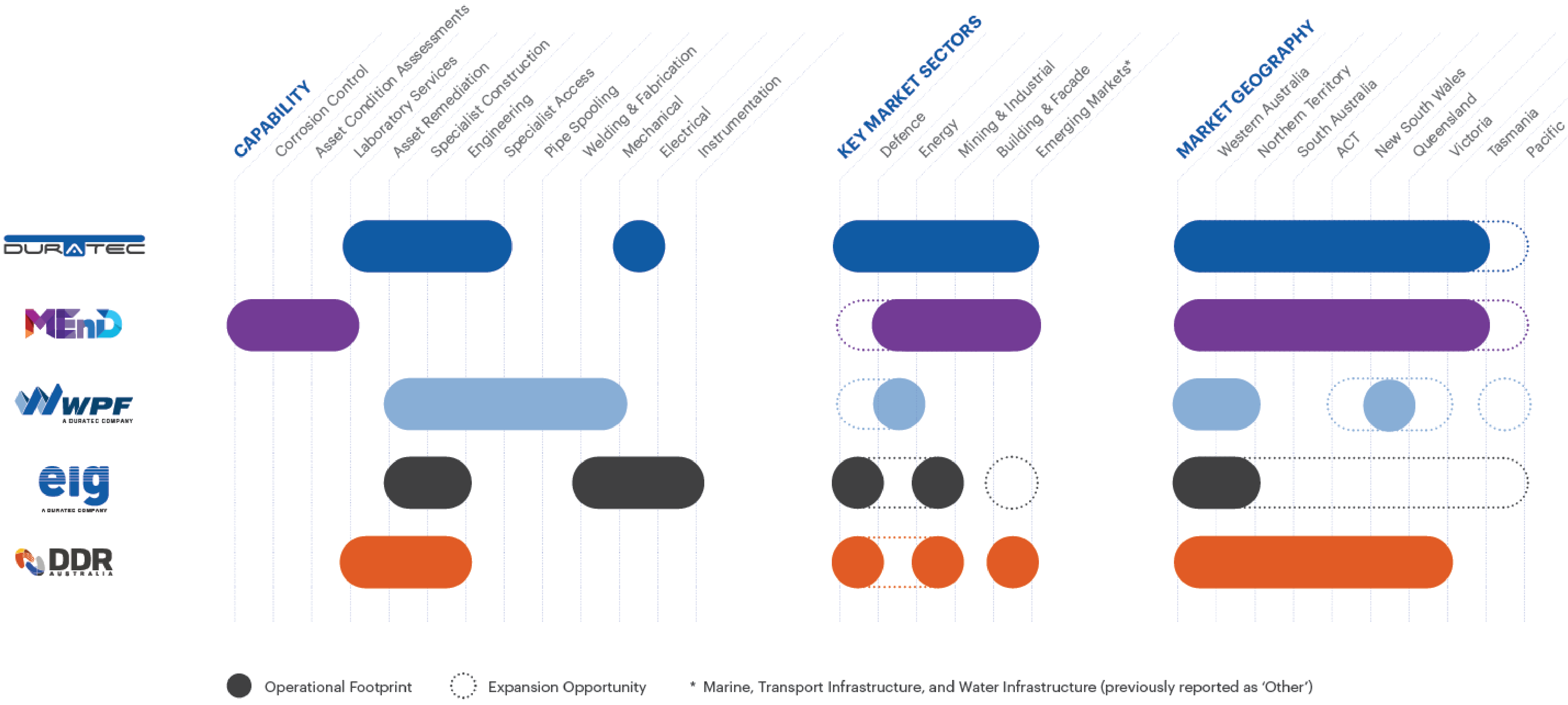
KEY MARKET SECTORS

- Defence
- Mining & Industrial
- Building & Facade
- Energy
- Emerging Sectors – Marine, Transport Infrastructure, and Water Infrastructure



Note 1: Compound Annual Growth Rate over 15 Years

Our Portfolio



* Marine, Transport Infrastructure, and Water Infrastructure (previously reported as 'Other')

1H FY26 Financial Highlights

$273.3m
Revenue[1]
↓4.9% on 1H FY25 $287.3m

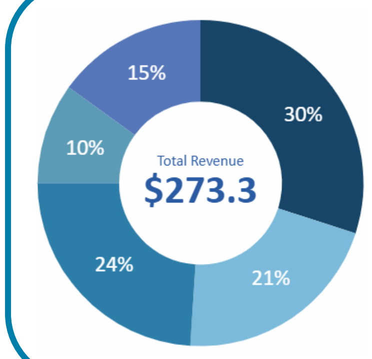
$27.5m
EBITDA[2]
↑2.0% on 1H FY25 $26.9m

$13.4m
NPAT
↑3.5% on 1H FY25 $13.0m

5.25c
Earnings Per Share[3]
↑1.2% on 1H FY25 5.19c

1.75c
Dividend[4]
Per share, fully franked

$76.0m
Cash
↓9.5% from $84.0m on 30 Jun 2025



Note 1: Revenue excludes DDR Australia Pty Ltd and RC Constructions WA Pty Ltd (49% share) and DXP Energy Solutions Pty Ltd (70% share)
Note 2: Normalisation of EBITDA accounts for tax effect from Duratec Limited's equity accounted investments in DDR Australia Pty Ltd and DXP Energy Solutions Pty Ltd and one-off costs
Note 3: Basic earnings per share (cents)
Note 4: Interim dividend of 1.75 cents per share, fully franked
Note 5: Emerging Sectors relate to Marine, Transport Infrastructure, and Water Infrastructure, which is disclosed as "Other segments" in Note 2 of the Financial Statements

DURATEC

Financial Results

1H FY26 Financial Results

- Revenue was slightly lower versus PCP primarily due to project timing and delivery phasing in Defence, Mining & Industrial and Energy sectors, whilst record revenue was achieved in Building & Facade and in Emerging sectors in the period.
- Gross profit achieved was highest to date for the period, with strong gross profit margins across all sectors, reflecting the benefits of self perform and Early Contractor Involvement works.
- Overheads increased due to strategic investments in acquisitions, enhancements to business systems and initiatives to support future growth.
- Normalised EBITDA improved by 2%, driven by the underlying project profitability and solid contributions from equity-accounted investment, DDR Australia Group, partly offset by higher overheads associated with the strategic investment initiatives.
- NPAT increased by 3.5% versus PCP, reflecting period profits and a lower effective tax rate driven by employee share trust deductions and equity accounted profits from DDR Australia Group that have already been taxed.
- EPS increased to 5.25 cents, with the interim dividend maintained at 1.75 cents, reflecting a balanced approach to shareholder returns and growth investment.

	Consolidated Entity		
FY26 H1 FINANCIAL RESULTS	**FY26 H1 $'000**	**FY25 H1 $'000**	**PCP Movement**
Revenue	273,304	287,256	-4.9%
Gross Profit	55,406	53,285	4.0%
Reported EBITDA	25,063	25,137	-0.3%
Normalised EBITDA	27,466	26,936	2.0%
NPAT	13,428	12,971	3.5%
KEY OPERATING METRICS			
Gross Margin %	20.3%	18.5%	9.4%
Normalised EBITDA %	10.0%	9.4%	6.6%
NPAT%	4.9%	4.5%	8.5%
Earnings per Share (basic) - cents	5.25	5.19	1.2%
Interim Dividend (per share fully franked) - cents	1.75	1.75	0.0%

Cash Flow

Cash Conversion

67%

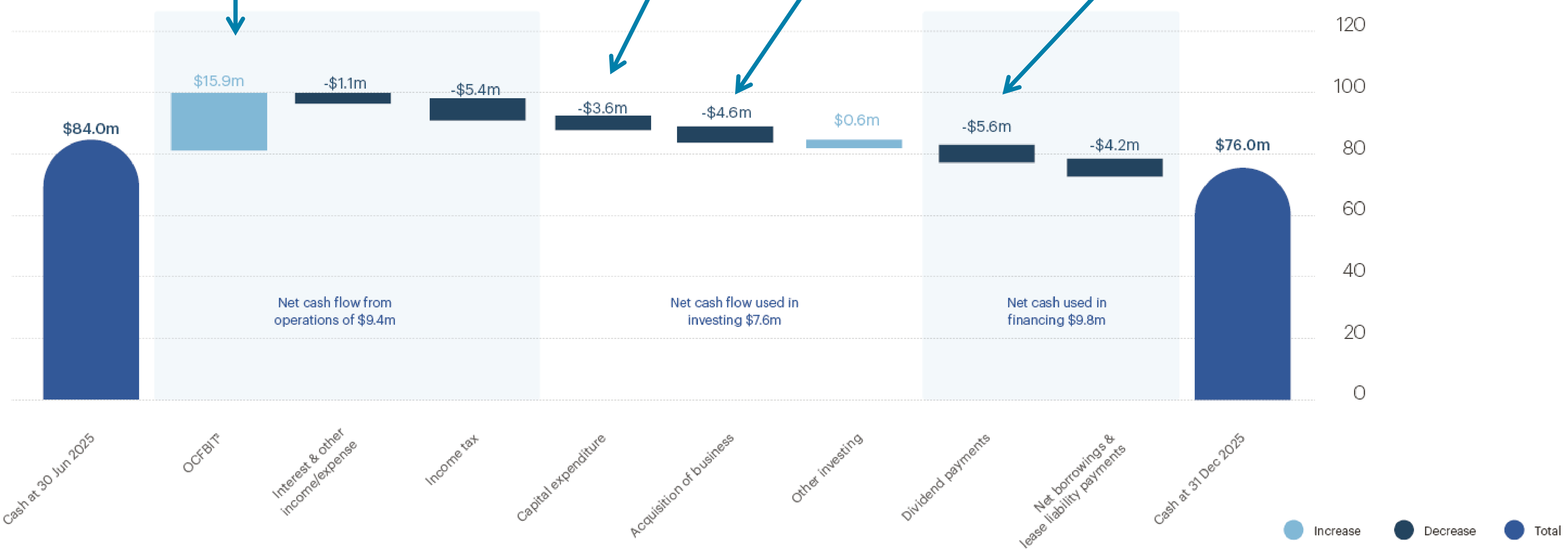
- Lower than PCP due to the timing of upfront procurement
- Calculated as OCFBIT[2] to Adjusted EBITDA[1]

Investment in Growth

- $3.6m in Plant & Equipment
- $4.6m in Business Acquisitions

Solid Return to Shareholders

$5.6m of cash dividends paid during 1H FY26



Note 1: Adjusted EBITDA accounts for the tax effect from Duratec Limited's equity accounted investments in DDR Australia Pty Ltd and DXP Energy Solutions Pty Ltd and other one-off costs
Note 2: Operating Cash Flow Before Interest and Tax (OCFBIT)

Balance Sheet Summary

- Balance sheet continued to strengthen during 1H FY26 with Net Assets increasing by 14% to $84.8m.
- Trade debtors reduced during the period, reflecting continued focus on credit discipline and collections.
- Contract assets increased, reflecting the timing of project invoicing milestones.
- Intangible assets and contingent consideration payable increased following the acquisition of EIG during the period.
- Borrowings reduced during the period, reflecting repayments against asset financing and short-term cash advance facilities.
- Trade and other payables decreased during the period, primarily reflecting the timing of supplier payments and settlement of project related obligations.
- The Group continues to be well supported by its debt providers, with sufficient available headroom to support strategic growth initiatives and working capital requirements.

	Consolidated Entity	
FINANCIAL POSITION AS AT 31 DECEMBER 2025	**Dec-25 $'000**	**Jun-25 $'000**
ASSETS		
Cash and cash equivalents	76,012	84,026
Trade and other receivables	42,819	61,412
Contract assets	31,382	24,819
Property, plant and equipment	35,291	37,199
Intangible assets	19,135	13,093
Investments accounted for using the equity method	9,675	7,878
Deferred tax assets	7,186	5,213
Current income tax receivable	1,202	-
Other assets	20,901	17,734
Total Assets	**243,603**	**251,374**
LIABILITIES		
Trade and other payables	69,566	84,732
Borrowings	32,849	35,388
Contract liabilities	20,528	24,645
Provisions	15,228	14,865
Contingent consideration payable	3,429	-
Other liabilities	17,250	17,419
Total Liabilities	**158,850**	**177,049**
Net Assets	**84,753**	**74,325**

Operational Highlights

Safety & Sustainability

Our People

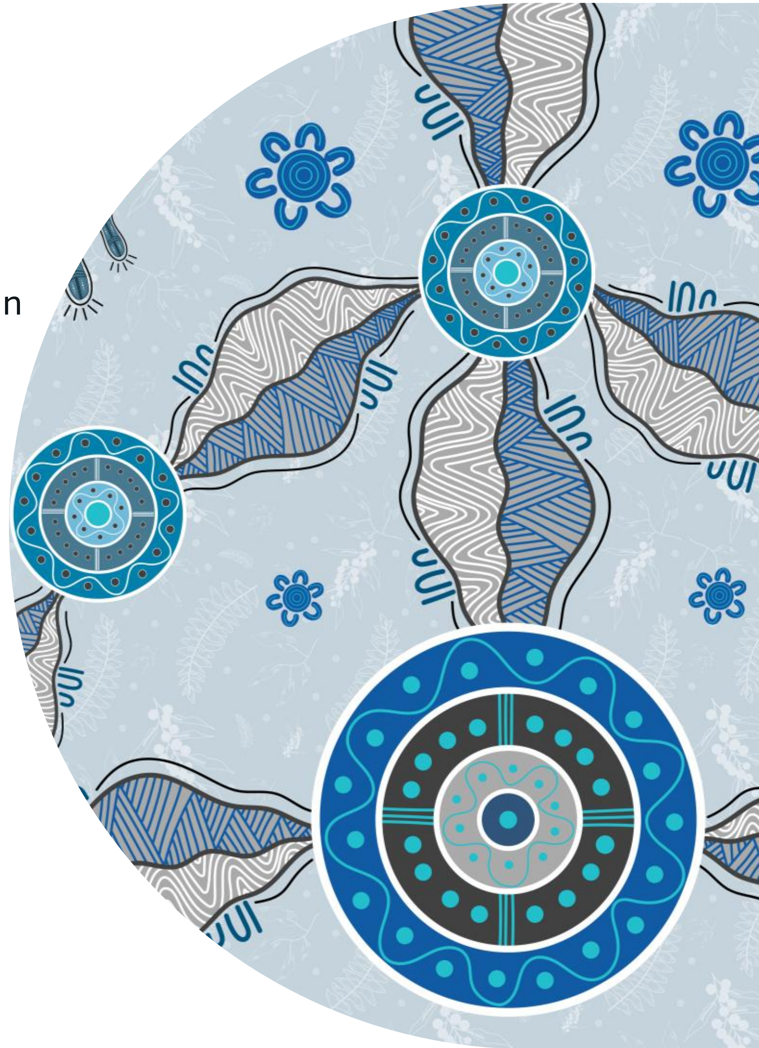
- Workforce increased to 1,342
- Technological advancement through new HRIS project
- Redeveloped Leadership Fundamentals Program
- Refresh of Vision, Mission, and Values underway
- Comprehensive compliance review of P&C documentation and induction

Safety & Wellbeing

- TRIFR[1] decreased to 5.02 and LTIFR[2] increased to 0.33
- Implementation of HammerTech platform
- Development of the Critical Risk Management Framework
- Commenced implementation of the Psychosocial Safety Framework

Responsible Business Delivery

- Reflect Reconciliation Action Plan endorsed, implementation underway
- Mandatory climate-reporting readiness (AASB S2) progressed
- Emissions measurement strengthened
- Climate Risk assessment methodology updated
- Continued community focused engagements and sponsorships



Note 1: Total Recordable Injury Frequency Rate: 12-month rolling total/figure (Jan-Dec 2025 - hours worked 2,985,843)
Note 2: Lost Time Injury Frequency Rate

Defence

Performance

$82.2m
Revenue

$13.4m
Gross Profit

16.3%
Gross Margin

- Early procurement commenced for DEJV works at HMAS *Stirling* ($5m, announced 8 January), recent order for a further $9m of early on-site works to ensure programme targets are met
- First construction company in Australia to achieve ISO19443 accreditation for the provision of services to the nuclear sector
- Final completion and formal handover of Tindal project, submission of Learmonth tender
- Successful delivery of high-security projects on Defence assets has led to contracts with other Federal Government agencies like CSIRO and Airservices
- Expanded into sustainment of military operational assets in NSW and NT, similar to Duratec's service offering across the Mining and Industrial sectors

Outlook

- DEJV has started marine work at HMAS *Stirling*, with landside work to commence in late Q3 or early Q4. This will see a significant increase in Defence sector contributions to business performance
- Solid pipeline of Defence and Aviation Fuel Storage projects, combined with current and new capabilities, will support continued sector growth

Mining & Industrial

Performance

$57.7m Revenue | **$11.8m** Gross Profit | **20.4%** Gross Margin

- Revenue impacted by delays in major project awards
- BHP portfolio further diversified with Port Maintenance revenue stream now active
- Mining services offering enhanced with new in-house mechanical and access capabilities
- Newmont services ramping up as additional capabilities come online
- Tom Price works continue with going opportunities with Rio Tinto
- Northern Territory ramp-up with Rio/Gove with further prospects in sustainment, make safe, and decommissioning.

Outlook

- Expansion of collaborations with major miners in North West and broader service offerings enabling larger MSA opportunities
- Strategic expansion into NSW Mining sector, targeting opportunities in the Hunter Valley
- Investment in Queensland's Mining sector anticipated to drive growth in hardrock mining alongside works with industrial assets in Gladstone

Building & Facade

Performance

$64.3m Revenue

$13.0m Gross Profit

20.2% Gross Margin

- Record revenue achieved, representing strongest half-year performance to date
- Conversion of Brisbane and Perth ECI's into main works projects
- Curtin University project has commenced onsite with procurement finalised
- Strategic focus on broadening service offerings, leveraging expertise in both remediation and new construction projects
- Façade remediation at Sydney's iconic 'Paddy's Markets' Haymarket is nearing completion
- Heritage projects continue as a focus for clients, our expert delivery of façade remediation is driving this trend

Outlook

- Sector activity increasing with recent successful awards and solid pipeline of projects
- A national presence and integrated delivery ensure consistent quality
- Ongoing growth driven by digital engineering in-house technical expertise and early design engagement

Energy

Performance

$27.3m
Revenue

$8.3m
Gross Profit

29.3%
Gross Margin

- Softer revenue in first half due to project timing of awards and conclusion of WSA contract
- Acquisition of EIG (AMD Electrical) bringing electrical and fuel systems expertise in-house
- Expanded WPF into Queensland, leveraging group geographic coverage and synergies
- Santos Varanus Island B Tank Refurbishment Project Award
- Offshore services coverage through Santos, Vermillion Energy and Woodside assets
- Established DXP Energy Solutions, enhancing ability to deliver end-to-end lifecycle service within the Energy Sector

Outlook

- Stronger second half growth anticipated due to recent project awards and pipeline
- Pursue long term maintenance service agreement opportunities at a National Level
- Strategic geographical expansion, aligned with the specialist skillset of WPF
- Continue to leverage synergies across Duratec, WPF, and EIG capabilities

Emerging Sectors

Performance

$40.8m	$8.9m	21.8%
Revenue	Gross Profit	Gross Margin

- Record performance across this sector
- Ongoing sector growth driven by investment in successful diversification strategies
- Multiple Marine contract wins in Victoria, Tasmania and Queensland cementing Duratec as a leading National Marine Contractor
- Water infrastructure expansion in NSW and Victoria supported by increased government investment in essential services which is anticipated to continue
- Diversification into high-security Federal and State clients contributed to awards with CSIRO and Airservices

Outlook

- Ongoing larger scale Marine opportunities coming online as East Coast capability matures
- Increasing Water and Wastewater opportunities in NSW and Victoria
- Strong pipeline of high-security projects with a growing client base
- Further opportunities to diversify client and sector-base by leveraging new subsidiaries

Entity Update

WPF A DURATEC COMPANY

HIGHLIGHTS

- 1H FY26 Revenue of $22.1m[1], gross profit of $6.1m, gross margin 27.8%
- Award of Santos Varanus Island B Tank Modifications
- Continuation of Santos Decommissioning programme
- Inpex CPF Skid Manufacture packages completed
- Geographical expansion with the establishment of the Queensland Division and pipeline repair works

OUTLOOK

- Waitsia Stage 2B Piping & Structural Fabrication
- Woodside Goodwyn Platform – Davit Boat & Structural Repair
- Woodside SCA FPU Hookup Project
- Inpex ILNG – AGI Repairs & Hot-Tap Works

DXP Energy Solutions

HIGHLIGHTS

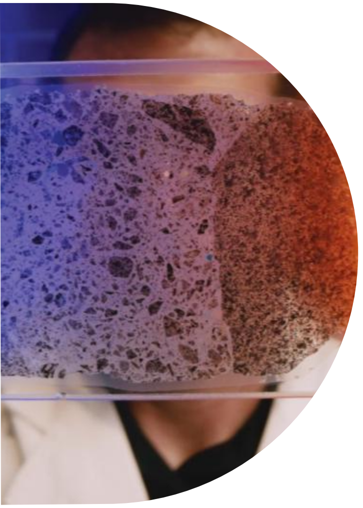
- Strategic platform expanding Duratec into high-margin O&M, well services and DECOM
- Early traction through contract awards, Condor partnership and Surat Basin FEED & Detailed Engineering wins
- Capital-light, personnel-led delivery model with strong profit margins
- Access to Tier 1 operators and repeat program visibility
- Immediate earnings accretion with minimal fixed overhead

OUTLOOK

- Multi-phase program management with expansion upside for well abandonments in PNG
- Conversion pathway from FEED & Detailed Engineering into construction and fabrication delivery
- Active pursuit of offshore WA DECOM contract, expanding into high-value offshore energy markets
- DXP[2] is positioned to deliver meaningful EBITDA contribution and strategic value uplift to Duratec

Note 1: Majority of the Revenue is accounted for in the Energy sector
Note 2: Equity accounted investment jointly owned by Duratec (70%) and Proxima (30%)

Entity Update



HIGHLIGHTS

- Completed acquisition of RGK Resources, a NATA accredited specialist NDT company servicing Energy sector clients
- Increased MEnD's direct involvement with early-stage Defence feasibility and design projects
- Delivered significant ECI project for key mining and resources client identifying over $30m worth of project works
- Established initial laboratory services on Eastern Seaboard

OUTLOOK

- Expansion of NDT services through Duratec's and WPF's existing relationships in the Energy sector
- Increase Cathodic Protection service offerings to key Energy, Water, and Defence sector clients nationally
- New master services agreement set up with national Defence Project Delivery Services provider to increase early opportunity identification

A DURATEC COMPANY

HIGHLIGHTS

- 1H FY26 Revenue of $7.4m, gross profit of $2.4m
- Completed acquisition and integration of AMD Electrical (EIG) July 2026
- Kimberly Marine Support Base (KMSB) Fuel and Electrical & communication installation
- Onslow Marine Support Base (OMSB) Fuel Tank Fabrication
- Solar Control Panel Supply works
- Rio Tinto Nammuldi Reel Installation

OUTLOOK

- Anticipate continued growth, leveraging combined Duratec-EIG capability and service offering
- Warehouse Development Commercial Electrical Works
- OMSB Fuel and electrical installation
- HMAS *Stirling* Moresby Small Boat Harbour
- Learmonth Hydrant Line installation works for Department of Defence
- Rio Tinto Bulk Lube Facility project

Entity Update

DDR AUSTRALIA

HIGHLIGHTS

- FY26 Half Year Revenue[1] of $56.6m
- Gross profit of $10.8m, achieving 16.5% increase from same period in FY25
- Record $95m of work in hand
- Quoted works >$200m across Defence, Renewables and Infrastructure sectors
- Successful regional expansion of RC Construction to SA and the NT, delivering great results for the DDR group

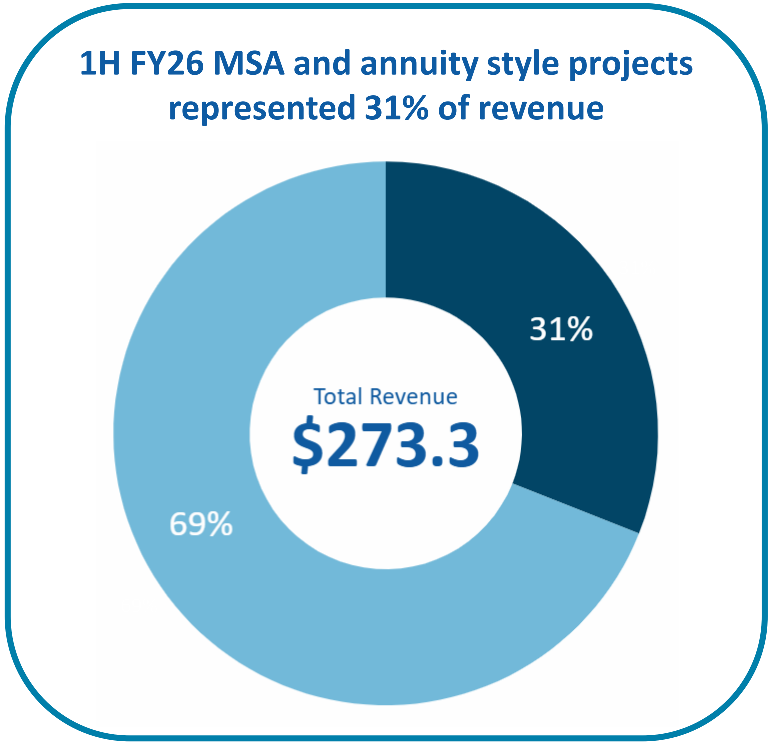
OUTLOOK

- Increase in self-perform civil and concrete works, increasing Aboriginal engagement and head contract performance
- Revenue diversity to be achieved with high probability pursuits in the renewables and State Government sectors

Note 1: Equity accounted investment owned by Duratec (49%) and Hutcheson & Co Holdings Pty Ltd (51%)

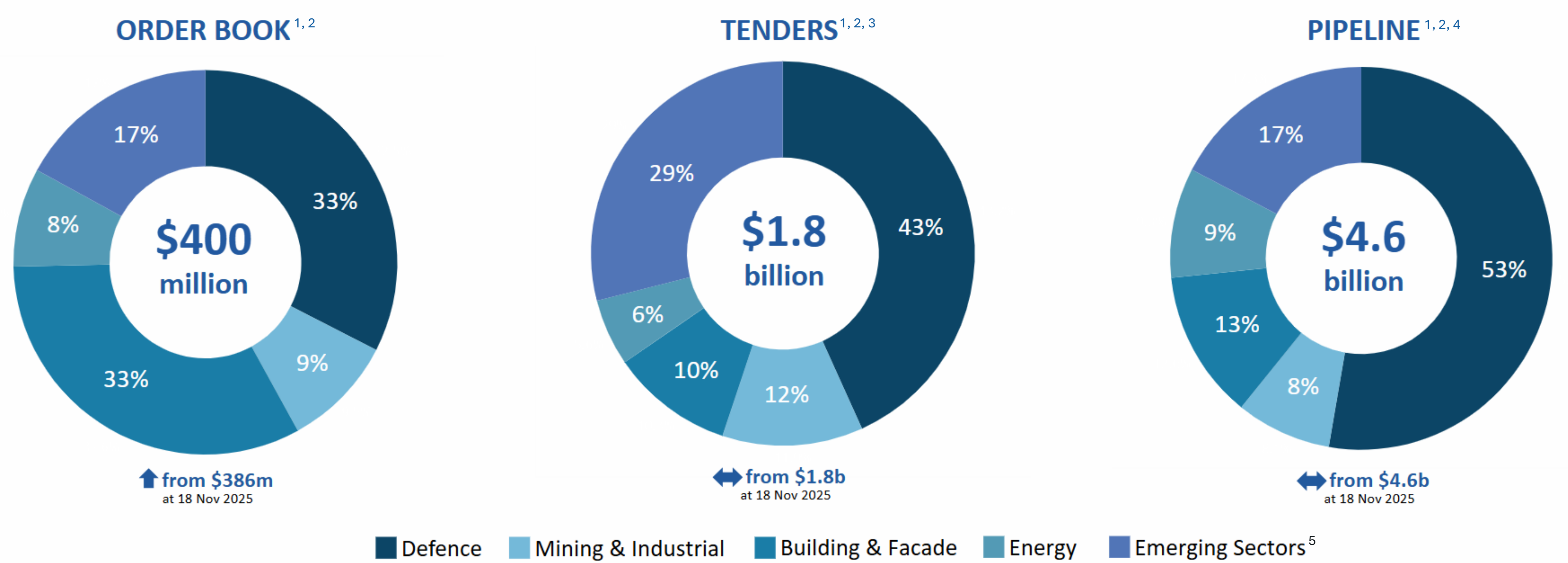
Master Services Agreements

- MSA and annuity style projects represented approximately 31% of revenue for 1H FY26 compared to 26% of the 1H FY26 revenue.
- Annuity style contracts are more profitable than Duratec's average gross profit percentage
- Continued focus on growing MSA work with existing clients through diversification of services and sector targeting
- MSA revenue sits outside of the Order Book.



Pipeline & Outlook

Order Book, Tenders and Pipeline



Note 1: As of 23 February 2026
Note 2: Figures include 49% share of DDR Australia Pty Ltd and RC Construction WA Pty Ltd and 70% share of DXP Energy Solutions Pty Ltd, Order Book, Tenders, and Pipeline
Note 3: Tenders includes submitted and currently being tendered opportunities
Note 4: Pipeline represents tangible opportunities identified in the market by the Duratec group of companies, including Tenders
Note 5: Emerging Sectors relate to Marine, Transport Infrastructure, and Water Infrastructure, which is disclosed as "Other segments" in Note 2 of the Financial Statements

Outlook

Short term Outlook

- Recent increase in order book and potential imminent wins
- MSA annuity expected grow in line with total revenue growth
- Strong contribution from WPF's Varanus Island B Tank Modification project expected
- Ramp up of work at HMAS *Stirling* Garden Island expected in 2H26
- Building and Façade's projects continue to run strongly through 2H26 and beyond
- Further expected growth through all subsidiary companies

Medium to Long-term Outlook

- ECI contracting model take up still strong across many sectors
- $8b spend planned for infrastructure upgrades at HMAS *Stirling* Garden Island WA as well as a planned $20b spend at Henderson
- Strong focus on Oil and Gas decommissioning (DXP, MEnD and WPF)
- Strong tailwinds in Mining, Energy and Building Maintenance
- Expansion into the Pacific region with existing clients
- Well funded for future growth
- Further strategic acquisitions anticipated

Questions
& Answers

Wednesday, 25 February 2026

Questions & Answers

Chris Oates
Managing Director

Ashley Muirhead
Chief Financial Officer

Wednesday, 25 February 2026

Appendix

Corporate Snapshot

Share Price and Volume – 02/06/25 to 20/02/26

Capital Structure

ASX code	DUR
Shares on issue	257.8m
Share price as at 20 February 2026	$2.33
Market capitalisation as at 20 February 2026	$600.78m
Cash as at 31 December 2025	$76.0m

Duratec Limited Board

Martin Brydon	Non-Executive Chairman
Chris Oates	Managing Director
Phil Harcourt	Non-Executive Director
Gavin Miller	Non-Executive Director
Emma Scotney	Non-Executive Director
Dennis Wilkins	Company Secretary

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