

1H FY26 Financial Report

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Corporate Directory

Registered Office & Principal Place of Business

108 Motivation Drive, Wangara
Western Australia 6065

Contact Details

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E-mail: info@duratec.com.au
Internet: www.duratec.com.au

Directors

Martin Brydon	Non-Executive Director, Chair
Chris Oates	Executive Director, Managing Director
Robert (Phil) Harcourt	Non-Executive Director
Gavin Miller	Non-Executive Director
Emma Scotney	Non-Executive Director

Company Secretary

Dennis Wilkins

Share Registry

Computershare Investor Services Pty Limited
Level 17, 221 St Georges Terrace, Perth
Western Australia 6000

Share Trading Facilities

The Company's ordinary shares are listed on the Australian Securities Exchange (Code: DUR)
The Home exchange is Perth.

Auditor

RSM Australia Partners
Level 32, Exchange Tower, 2 The Esplanade, Perth
Western Australia 6000

Directors' Report

The Directors of Duratec Limited present their report, together with the consolidated financial statements of Duratec Limited ABN 94 141 614 075 ("the Company" or "Duratec") and the entities it controlled (together referred to as "the Group" or the "consolidated entity") at the end of, or during, the half-year ended 31 December 2025.

Directors and Company Secretary

Name / Position	Period of Directorship
Martin Brydon Non-Executive Chair	Appointed 1 September 2020
Christopher Oates Executive Director, Managing Director	Appointed 26 August 2010
Robert (Phil) Harcourt Non-Executive Director	Appointed 26 August 2010
Gavin Miller Non-Executive Director	Appointed 14 April 2010
Emma Scotney Non-Executive Director	Appointed 1 September 2025
Dennis Wilkins Company Secretary	Appointed 1 September 2020

Principal Activities

The principal activities of the consolidated entity during the period were the provision of assessment, protection, remediation and refurbishment services to a broad range of assets, in particular steel and concrete infrastructure. No significant change in the nature of these activities occurred during the period.

Review of operations

For the six months ended 31 December 2025, the consolidated entity generated revenues of \$273.3m, a decrease of 4.9% on the previous corresponding period. Profit after income tax for the six-month period was \$13.4m, an increase of 3.5% on the previous corresponding period.

	Dec-25	Dec-24
	\$'000	\$'000
Revenue from contracts with customers	273,304	287,256
Profit after income tax	13,428	12,971

Significant changes in state of affairs

There were no significant changes in the consolidated entity's state of affairs during the financial half-year other than that referred to in the financial statements of notes thereto.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors,



Chris Oates

Managing Director

24 February 2026

RSM Australia Partners

Level 32 Exchange Tower, 2 The Esplanade Perth WA 6000
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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Duratec Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA



TUTU PHONG
Partner

Perth, WA
Dated: 24 February 2026

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2025

	Note	Consolidated Entity	
		Dec-25	Dec-24
		\$'000	\$'000
Continuing Operations			
Revenue from contracts with customers	3	273,304	287,256
Contracting cost of sales	4	(217,898)	(233,971)
		55,406	53,285
Other income	3	1,830	2,212
Employee benefits expense	4	(27,516)	(25,310)
Administration expense		(4,209)	(4,968)
Occupancy expense		(1,948)	(1,730)
Depreciation and amortisation expense		(8,458)	(7,884)
Finance costs	4	(2,066)	(1,260)
Equity accounted investment results	5	1,500	1,648
Profit before income tax expense		14,539	15,993
Income tax expense		(1,111)	(3,022)
Profit after income tax for the half-year		13,428	12,971
Total comprehensive income for the half-year		13,428	12,971
Profit for the half-year is attributable to:			
Owners of Duratec Limited		13,428	12,971
Profit for the half-year		13,428	12,971
Total comprehensive income for the half-year, net of tax		13,428	12,971
Earnings per share attributable to the owners of Duratec Limited:		cents	cents
Basic earnings per share (cents)	19	5.25	5.19
Diluted earnings per share (cents)	19	5.10	5.03

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Consolidated Statement of Financial Position

As at 31 December 2025

	Note	Consolidated Entity	
		Dec-25	Jun-25
		\$'000	\$'000
ASSETS			
Current Assets			
Cash and cash equivalents	7	76,012	84,026
Trade and other receivables		42,227	61,077
Contract assets		31,382	24,819
Inventories		1,804	1,639
Current tax receivable		1,202	-
Other current assets		3,986	2,297
Total Current Assets		156,613	173,858
Non-Current Assets			
Trade and other receivables		592	335
Property, plant and equipment	8	35,291	37,199
Right-of-use assets	9	14,715	13,424
Intangible assets	10	19,135	13,093
Investments accounted for using the equity method		9,675	7,878
Other non-current assets		396	374
Deferred tax assets		7,186	5,213
Total Non-Current Assets		86,990	77,516
Total Assets		243,603	251,374
LIABILITIES			
Current Liabilities			
Trade and other payables		67,323	80,905
Borrowings	11	20,869	21,916
Property lease liabilities	12	3,020	2,531
Contract liabilities		20,528	24,645
Current tax liability		-	1,091
Provisions		12,369	12,366
Total Current Liabilities		124,109	143,454
Non-Current Liabilities			
Trade and other payables		2,243	3,827
Borrowings	11	11,980	13,472
Contingent consideration payable		3,429	-
Property lease liabilities	12	12,567	11,472
Deferred tax liabilities		1,663	2,325
Provisions		2,859	2,499
Total Non-Current Liabilities		34,741	33,595
Total Liabilities		158,850	177,049
Net Assets		84,753	74,325
EQUITY			
Issued capital	13	34,779	31,726
Reserves	14	3,504	3,122
Retained earnings		46,470	39,477
Total Equity		84,753	74,325

The above statement of financial position should be read in conjunction with the accompanying notes 6

Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2025

Consolidated Entity		Issued Capital	Retained Earnings	Reserves	Total Equity
		\$'000	\$'000	\$'000	\$'000
	Note				
Balance at 1 July 2024		29,858	27,270	1,993	59,121
Profit after income tax expense for the half-year		-	12,971	-	12,971
Other comprehensive income for the half-year, net of tax		-	-	-	-
Total comprehensive income for the half-year		-	12,971	-	12,971
Transactions With Owners					
Share-based payments		-	-	886	886
Issue of ordinary shares		649	-	(649)	-
Dividend Reinvestment Plan		665	-	-	665
Dividends paid	15	-	(6,208)	-	(6,208)
Balance at 31 December 2024		31,172	34,033	2,230	67,435
Balance at 1 July 2025		31,726	39,477	3,122	74,325
Profit after income tax expense for the half-year		-	13,428	-	13,428
Total comprehensive income for the half-year		-	13,428	-	13,428
Transactions With Owners					
Share-based payments		-	-	1,142	1,142
Issue of ordinary shares		659	-	-	659
Transfer from share-based payments reserve		1,601	-	(1,601)	-
Dividend Reinvestment Plan		793	-	-	793
Dividends paid	15	-	(6,435)	-	(6,435)
Deferred tax on share-based payments expense		-	-	841	841
Balance at 31 December 2025		34,779	46,470	3,504	84,753

The above statement of changes in equity should be read in conjunction with the accompanying notes

Consolidated Statement of Cash Flows

For the half-year ended 31 December 2025

	Note	Consolidated Entity	
		Dec-25	Dec-24
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers		316,077	336,814
Payments to suppliers and employees		(300,212)	(315,705)
Income tax paid		(5,352)	(5,394)
Interest and finance costs paid		(1,983)	(1,260)
Interest received		845	933
Other income received		-	741
Net cashflows from operating activities	18	9,375	16,129
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		951	155
Purchase of property, plant and equipment		(3,638)	(8,638)
Payments for investment in joint venture		(319)	-
Payment for business combination, net of cash acquired		(4,564)	(2,200)
Net cashflows used in investing activities		(7,570)	(10,683)
Cash flows from financing activities			
Dividend paid	15	(5,644)	(5,544)
Proceeds from borrowings		16,468	9,808
Repayment of borrowings		(19,113)	(12,258)
Repayment lease liabilities		(1,530)	(1,878)
Net cashflows used in financing activities		(9,819)	(9,872)
Net decrease in cash and cash equivalents		(8,014)	(4,426)
Cash and cash equivalents at beginning of period		84,026	65,218
Cash and cash equivalents at the end of the financial half-year	7	76,012	60,792

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

(a) Basis of preparation

Duratec Limited is a for-profit company limited by shares, incorporated and domiciled in Australia. The Company's registered address is 108 Motivation Drive, Wangara, WA 6065. The consolidated financial statements of the Company as at and for the financial half-year ended 31 December 2025 comprises the Company and its subsidiaries (together referred to as the "Group" or the "consolidated entity"). The Group provides assessment, protection, remediation and refurbishment services to a broad range of assets, in particular steel and concrete infrastructure.

The consolidated financial report is presented in Australian dollars, which is Duratec Limited's functional and presentation currency. All values are rounded to the nearest thousand, except when otherwise indicated, under the option available to the Company under ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191. The Company is an entity to which this legislative instrument applies.

These general purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Company during the interim reporting period in accordance with continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and interpretations adopted by the Group

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint arrangements

A joint arrangement (that is either classified as a joint operation or a joint venture, depending on the rights and obligations of the jointly controlling parties to the arrangement) is one in which the Group is party to an arrangement of which two or more parties have control. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Duratec Limited is party to a joint operation.

Joint operations

Duratec Limited recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

(iv) Equity accounting method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Note 2. Segment reporting

The Group is organised into four operating segments based on difference in services provided Defence, Mining & Industrial, Buildings & Façades and Energy. Other segments relate to Ports, Transport, Marine and Water. These operating segments are based on the internal reports that are reviewed and used by the Managing Director (who is identified as the Chief Operating Decision Maker, 'CODM') in assessing performance and in determining the allocation of resources.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements. Balance sheet data is not currently tracked or provided to the CODM at operating segment level therefore the breakdown is not disclosed.

The principal services of each of the operating segments are as follows:

Defence - dedicated to the delivery of capital facilities, infrastructure and estate works program projects

Mining & Industrial - provision of tailored preventative maintenance programmes

Buildings & Façades - completion of façade condition assessments and façade restorations

Energy - non-defence capital facilities, remediation and refurbishment of critical assets

Consolidated - December 2025	Defence	Mining & Industrial	Buildings & Façades	Energy	Other Segments	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sales to external customers	82,235	57,716	64,325	28,275	40,753	273,304
Total revenue	82,235	57,716	64,325	28,275	40,753	273,304
Gross profit for reportable segments	13,411	11,799	13,025	8,285	8,886	55,406
Unallocated amounts (including corporate overheads)						(30,343)
EBITDA						25,063
Depreciation and amortisation						(8,458)
Finance costs						(2,066)
Profit before income tax expense						14,539
Income tax expense						(1,111)
Profit after income tax expense						13,428

Consolidated - December 2024	Defence	Mining & Industrial	Buildings & Façades	Energy	Other Segments	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sales to external customers	97,476	72,455	55,180	39,153	22,992	287,256
Total revenue	97,476	72,455	55,180	39,153	22,992	287,256
Gross profit for reportable segments	11,836	16,400	9,940	10,728	4,381	53,285
Unallocated amounts (including corporate overheads)						(28,148)
EBITDA						25,137
Depreciation and amortisation						(7,884)
Finance costs						(1,260)
Profit before income tax expense						15,993
Income tax expense						(3,022)
Profit after income tax expense						12,971

Note 3. Revenue

The Group derives revenue from the transfer of good and services over time in the following major geographical regions.

	Dec-25	Dec-24
	\$'000	\$'000
Revenues from contracts with customers	273,304	287,256
Disaggregation of revenue from contracts with customers by location		
Western Australia	101,395	117,884
New South Wales	55,789	39,824
Victoria	27,771	12,668
Northern Territory	29,109	60,228
South Australia	9,558	17,098
Queensland	21,171	16,973
Tasmania	1,080	4,588
Australian Capital Territory	27,431	17,993
	273,304	287,256

	Dec-25	Dec-24
	\$'000	\$'000
Other income		
Rental income	190	173
Interest received	845	933
Insurance recoveries	-	741
Sundry income	447	592
Foreign exchange loss	(2)	(19)
Gain/(loss) on disposal of plant and equipment	350	(208)
	1,830	2,212

Note 4. Expenses

Profit before income tax from continuing operations includes the following specific expenses:

	Dec-25	Dec-24
	\$'000	\$'000
Expenses		
Cost of sales	217,898	233,971
Interest expense for financial liabilities not at fair value through profit or loss		
External - Interest on loans and borrowings	1,337	929
Interest on lease liabilities	729	331
Total finance costs	2,066	1,260
Employee Expenses		
Salaries & wages	25,962	23,850
Share based payments	1,037	814
Other	517	646
	27,516	25,310

The above Cost of sales and Employee expenses include superannuation contribution expenses of \$8,813,000 (2024: \$7,499,000.)

Note 5. Equity accounted investment results

	Dec-25	Dec-24
	\$'000	\$'000
Equity accounted investment results - associate - DDR Australia Pty Ltd	1,478	1,648
Equity accounted investment results - joint venture - DXP Energy Solutions Pty Ltd ¹	22	-
	1,500	1,648

¹DXP Energy Solutions Pty Ltd was set up in October 2025 as a joint venture between Duratec Limited and Proxima Energy Pty Ltd.

Note 6. Business combination

On 31 July 2025, Duratec entered an agreement to acquire 100% AMD Electrical Pty Ltd, trading as EIG Australia, an Australian electrical infrastructure provider, specialising in fuels and fluid transfer services. The purchase price comprised initial consideration of \$5.2m and the maximum earn out of \$3.8m which is subject to EBITDA hurdles being met over the 24 months period to 30 June 2027. The Company also paid an additional amount in relation to working capital in line with the Share Purchase Agreement. The working capital amount was finalised in December 2025.

The acquired business contributed revenues of \$7,479,000 and profit after tax of \$1,029,000 to the consolidated entity for the period from 1 August 2025 to 31 December 2025. If the acquisition occurred on 1 July 2025, the half-year contributions would have been revenues of \$9,556,000 and profit after tax of \$1,644,000.

The values identified in relation to this acquisition are provisional as at 31 December 2025.

Details of the purchase consideration are as follows:

	31 Jul 2025
	\$'000
Initial consideration - cash	4,550
Initial consideration - shares	659
Working capital adjustment	1,462
Contingent consideration (discounted to present value)	3,346
	10,017

The following summarises the recognised fair value amounts of assets acquired and liabilities assumed as at 31 July 2025

	31 Jul 2025
	\$'000
Cash	1,695
Trade and other receivables	4,139
Other current assets	182
Property, plant and equipment	879
Right-of-use assets	236
Customer relationships	2,247
Deferred tax balances (net)	628
Work in progress	(1,613)
Trade and other payables	(1,487)
Loans and borrowings	(106)
Property lease liabilities	(257)
Current tax liability	(766)
Provisions	(387)
Net assets acquired	5,390

Goodwill arising from the acquisition has been recognised as follows:

	31 Jul 2025
	\$'000
Total consideration transferred	10,017
Fair value of identifiable assets	(5,390)
Goodwill	4,627

The following table summarises the cash flows in relation to the acquisition at 31 Dec 2025

	31 Jul 2025
	\$'000
Initial consideration	4,550
Working capital (based on initial estimate) ¹	1,709
Cash acquired as part of acquisition	(1,695)
Acquisition of subsidiary, net of cash acquired	4,564

¹ Final working capital adjustment was agreed as \$247,000 due to Duratec Limited. This amount is included in Trade and other receivables at 31 December 2025.

Note 7. Cash and cash equivalents

	Dec-25	Jun-25
	\$'000	\$'000
Cash at bank and on hand	69,011	77,526
Short-term deposits	7,001	6,500
Total cash and cash equivalents	76,012	84,026

Note 8. Plant and equipment

	Dec-25	Jun-25
	\$'000	\$'000
Land and buildings		
At cost	2,914	2,914
Accumulated depreciation	(98)	(84)
	2,816	2,830
Plant and machinery		
At cost	33,873	33,910
Accumulated depreciation	(16,884)	(15,354)
	16,989	18,556
Motor vehicles		
At cost	23,298	23,255
Accumulated depreciation	(13,454)	(12,724)
	9,844	10,531
Office and computer equipment		
At cost	8,553	8,069
Accumulated depreciation	(5,870)	(5,174)
	2,683	2,895
Leasehold improvements		
At cost	4,333	4,523
Accumulated depreciation	(2,597)	(2,515)
	1,736	2,008
Capital work in progress		
At cost	1,223	379
Total plant and equipment	35,291	37,199

Reconciliation of written down values at the beginning and end of the current financial period are set out below:

	Land and Buildings	Plant and Machinery	Motor Vehicles	Office and IT Equipment	Leasehold Improvements	Capital WIP	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated							
At 30 June 2025							
At cost	2,914	33,910	23,255	8,069	4,523	379	73,050
Accumulated depreciation	(84)	(15,354)	(12,724)	(5,174)	(2,515)	-	(35,851)
	2,830	18,556	10,531	2,895	2,008	379	37,199
Balance at 1 July 2025	2,830	18,556	10,531	2,895	2,008	379	37,199
Additions	-	710	1,567	498	22	844	3,641
Acquired through business combinations (note 6)	-	523	272	29	55	-	879
Disposals	-	(249)	(351)	-	-	-	(600)
Depreciation	(14)	(2,551)	(2,175)	(739)	(349)	-	(5,828)
Balance at 31 December 2025	2,816	16,989	9,844	2,683	1,736	1,223	35,291
At 31 December 2025							
At cost	2,914	33,873	23,298	8,553	4,333	1,223	74,194
Accumulated depreciation	(98)	(16,884)	(13,454)	(5,870)	(2,597)	-	(38,903)
	2,816	16,989	9,844	2,683	1,736	1,223	35,291

Note 9. Right-of-use assets

	Dec-25	Jun-25
	\$'000	\$'000
Land and buildings		
Right-of-use	19,255	16,865
Accumulated depreciation	(4,540)	(3,441)
	14,715	13,424

Reconciliation of written down values at the beginning and end of the current financial period are set out below:

	Cost	Accumulated Depreciation	Carrying Value
Balance at 1 July 2025	16,865	(3,441)	13,424
Additions during the half-year	2,907	-	2,907
Additions through business combination	478	(242)	236
Leases expired during the half-year	(995)	945	(50)
Depreciation expense	-	(1,802)	(1,802)
Balance at 31 December 2025	19,255	(4,540)	14,715

Note 10. Intangible assets

	Dec-25	Jun-25
	\$'000	\$'000
Goodwill	9,291	4,664
	9,291	4,664
Customer relationships	13,718	11,471
Less: Accumulated amortisation	(3,874)	(3,042)
	9,844	8,429
Total intangibles	19,135	13,093

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

	Goodwill	Customer Relationships	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2025	4,664	8,429	13,093
Additions through business combinations (note 6)	4,627	2,247	6,874
Amortisation expense	-	(832)	(832)
Balance at 31 December 2025	9,291	9,844	19,135

Note 11. Borrowings

	Dec-25	Jun-25
	\$'000	\$'000
Equipment finance	6,161	6,680
Cash advance	10,000	15,000
Insurance premium funding	4,708	236
Total current borrowings	20,869	21,916
Non-current		
Equipment finance	11,980	13,472
Total non-current borrowings	11,980	13,472
Total borrowings	32,849	35,388

Assets pledged as security

The equipment finance borrowings are secured by first mortgages over the Group's items of plant and equipment to which they relate.

Note 12. Property lease liabilities

	Dec-25	Jun-25
	\$'000	\$'000
Current		
Lease liabilities - Property	3,020	2,531
Total current property lease liabilities	3,020	2,531
Non-current		
Lease liabilities - Property	12,567	11,472
Total non-current property lease liabilities	12,567	11,472
Total property lease liabilities	15,587	14,003

Note 13. Issued capital

	Dec-25	Jun-25	Dec-25	Jun-25
	Shares	Shares	\$'000	\$'000
Ordinary shares - fully paid	257,849,735	252,390,429	34,779	31,726

Movement in ordinary share capital:

Details	Date	Shares	Cumulative Shares	Issue price (\$)	\$'000
Balance	1 Jul 2025	252,390,429	252,390,429	-	31,726
Issue of shares	31 Jul 2025	451,703	252,842,132	1.46	659
Conversion of Performance Rights	1 Sep 2025	4,600,000	257,442,132	0.35	1,601
Dividend Reinvestment Plan	15 Oct 2025	407,603	257,849,735	1.94	793
Balance	31 Dec 2025	257,849,735	257,849,735		34,779

Note 14. Reserves

	Dec-25	Jun-25
	\$'000	\$'000
Acquisition Reserve		
Balance at the beginning of the financial period	(231)	(231)
Balance at end of the financial period	(231)	(231)
Share-Based Payment Reserve		
Balance at the beginning of the financial period	3,353	2,224
Share-based payments	1,142	1,779
Transfer from share-based payments reserve	(1,601)	(650)
Deferred tax on share-based payments expense	841	-
Balance at end of the financial period	3,735	3,353
Total Reserves	3,504	3,122

Note 15. Dividends

Dividends paid during the financial half-year were as follows:

	Dec-25	Dec-24
	\$'000	\$'000
Other dividends (cash)	5,642	5,543
Dividend Reinvestment Plan	793	665
Declared fully franked ordinary dividends franked at 30% (2024: 30%)	6,435	6,208

Note 16. Contingent liabilities

The Company uses both Bank Guarantee and Insurance Bond facilities to guarantee contract completion obligations and maintain period liabilities in respect of contracts undertaken. These guarantees and insurance bonds can be activated only in the event of a failure by the Company to meet its obligations under the contract.

	Dec-25	Jun-25
	\$'000	\$'000
Bonds & Guarantees on issue	60,937	65,893

Note 17. Events after the reporting period

Acquisition of RGK Resources Pty Ltd

On 30 January 2026, the Group (via MEnD Consulting Pty Ltd), completed the acquisition of 100% of the issued shares in RGK Resources Pty Ltd. The consideration comprises an initial completion amount of \$1,414,864 paid on completion and deferred consideration of up to \$2,250,000, payable over 2 years, contingent on EBITDA outcomes specified in the Share Purchase Agreement.

Completion occurred after the reporting period and before the financial statements were authorised for issue, as such, this is disclosed as a non-adjusting subsequent event. At the date of authorisation, the initial accounting for the business combination under AASB 3 is incomplete; consequently it is impracticable to provide the disclosures required by AASB 3.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the result of those operations, or the Group's state of affairs in future financial years.

Note 18. Reconciliation of profit after income tax to net cash from operating activities

	Dec-25	Dec-24
	\$'000	\$'000
Profit after income tax expense for the half-year	13,428	12,971
Adjustments for:		
Depreciation, amortisation	8,458	7,884
Share of profits of associates and joint ventures	(1,500)	(1,648)
(Gain)/ loss on sale of fixed assets	(350)	644
Share-based payment expense	1,037	814
Other non-cash expenses	105	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	22,979	26,619
(Increase)/decrease in contract assets	(6,428)	3,221
Increase in inventories	(115)	(113)
Increase in other assets	(1,579)	(1,365)
Decrease in trade and other payables	(16,545)	(17,960)
Decrease in contract liabilities	(5,866)	(12,924)
(Decrease)/Increase in provisions	(24)	358
Decrease in tax balances	(4,225)	(2,372)
Net cash from operating activities	9,375	16,129

Note 19. Earnings per share

	Dec-25	Dec-24
	\$'000	\$'000
Earnings used to calculate basic EPS (\$'000)	13,428	12,971
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS (number of shares)	255,981,117	249,803,741
Basic earnings per share (cents per share)	5.25	5.19
Earnings used to calculate diluted EPS (\$'000)	13,428	12,971
Weighted average number of ordinary shares outstanding during the period used in calculating diluted EPS (number of shares)	263,358,489	257,638,741
Diluted earnings per share (cents per share)	5.10	5.03

Note 20. Share-based payments

As at 31 December 2025, the Company had the following share-based payment arrangements:

Hurdled Performance Rights

On the dates noted below offers of rights were made to senior executives and key managers, as determined by the Board of Directors:

- 1 December 2023, an offer of 3,310,000 Rights
- 17 May 2024, an offer of 25,000 Rights
- 24 March 2025, an offer of 3,982,551 Rights
- 7 April 2025, an offer of 850,000 Rights

Number of Rights granted	Vesting Date	Lapsed	Vested	Balance	Vesting Hurdles	
2,455,000	5 Sep 2025	450,000	2,005,000	-	¹ Continued employment to vesting date & meeting an earnings per share (EPS) target	
170,000	31 Aug 2025	20,000	150,000	-		
145,000	31 Aug 2025	-	145,000	-		
1,655,000	31 Aug 2026	242,500	-	1,412,500		
12,500	31 Aug 2026	-	-	12,500		
1,991,277	30 Jun 2027	197,590	-	1,793,687		
425,000	30 Jun 2027	-	-	425,000		
2,455,000	5 Sep 2025	450,000	2,005,000	-		² Continued employment to vesting date & meeting a total shareholder return (TSR) target
170,000	31 Aug 2025	20,000	150,000	-		
145,000	31 Aug 2025	-	145,000	-		
1,655,000	31 Aug 2026	182,500	-	1,472,500		
12,500	31 Aug 2026	-	-	12,500		
1,991,274	30 Jun 2027	197,589	-	1,793,685		
425,000	30 Jun 2027	-	-	425,000		
13,707,551		1,760,179	4,600,000	7,347,372		

The cost of equity-settled transactions is measured at fair value on their respective grant dates. Where market vesting conditions apply, fair value has been determined using a Monte Carlo simulation model. The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to the profit or loss is calculated based on the grant date fair value, the best estimate of the number of awards that are likely to vest and any expired portion of the vesting period. The amount recognised in the profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Directors' Declaration

For the half-year ended 31 December 2025

In the Directors' opinion:

- a. the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- b. the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- c. there are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to Section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read "Chris Oates".

Chris Oates

Director

Perth

24 February 2026

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF DURATEC LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Duratec Limited (the Company) and its subsidiaries (the consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements comprising material accounting policy information and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Duratec Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Duratec Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibility for the Half-Year Financial Report

The directors of Duratec Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

RSM
RSM AUSTRALIA

A handwritten signature in black ink, appearing to read 'Tutu Phong'.

TUTU PHONG
Partner

Perth, WA
Dated: 24 February 2026

