

ASX Release



1 May 2025

FY25-Q3 BUSINESS UPDATE

DUG Technology Ltd (ASX: DUG) (“DUG” or the “Company”) is pleased to provide this update on activities for the quarter ended 31 March 2025 (FY25-Q3).

HIGHLIGHTS

- **Total revenue in FY25-Q3 was US\$16.5 million**, with Software delivering 23% revenue growth on FY24-Q3.
- **EBITDA for FY25-Q3 was US\$5.3 million**, an increase of 15% on FY24-Q3.
- **Operating cash inflows for FY25-Q3 of US\$3.3 million.**
- **Total cash held at 31 March 2025 was US\$16.3 million**, with net debt (excluding AASB 16 leases) at 31 March 2025 of US\$6.6 million.
- **US\$22.7 million in new Services projects awarded** during FY25-Q3, lifting the Services Order Book at 31 March 2025 to US\$42.7 million, an increase of 30% on 31 December 2024.

OPERATIONAL UPDATE

DUG’s Services pipeline converted strongly in FY25-Q3, with US\$22.7 million in new Services projects awarded. This resulted in a Services Order Book of US\$42.7 million at 31 March 2025, a 30% increase on 31 December 2024. This included DUG’s first Elastic Multi-Parameter Full Waveform Inversion (MP-FWI) awards, a major milestone after the products August 2024 release. Significant progress has also been made on the eight elastic MP-FWI pilot projects, with the results being produced exceeding all expectations.

In early April 2025, DUG finalised the creation of its Brazilian joint venture. This entity provides a business development presence in one of the most active regions in the world. The partnership with an experienced Brazilian Oil & Gas executive has quickened time to market, with multiple tenders already submitted to major independent and national oil companies in the region.

The Software business delivered strong revenue growth of 23% in FY25-Q3. This is particularly significant as the growth has been delivered during DUG’s largest software revenue quarter for the year. Growth was driven primarily by increased sales of the DUG Insight processing and imaging modules. These best-in-class tools, used extensively in-house for our own Services business, continue to gain traction across the market.

Software sales momentum was particularly strong among independent oil and gas companies, as well as processing, imaging, and engineering firms. This reflects growing recognition of the technical superiority and reliability of DUG Insight, which is fast becoming the preferred solution for geophysicists seeking high-performance, professional-grade software.

Performance of the HPC business unit continues to not meet management expectations. Costs have been stripped out of the business to ensure it’s still profitable, even at lower revenue levels. Several new on demand clients have been signed through the period, with the software revenue generated from them setting a strong baseline for total spend.



DUG Nomad momentum continues, with multiple opportunities progressing through the sales cycle. In addition to direct sales opportunities the team continues to pursue new channel partners within key industry segments. Baltimore Aircoil Company (BAC) took a major step during the quarter, announcing COBALT , their brand name and vision for DUG Cool, the immersion cooling¹ patent licenced to them by DUG.

Managing Director Dr Matthew Lamont said: “These are very exciting times for DUG. We believe elastic MP-FWI imaging is the future of the seismic processing and imaging industry. The results that we have been producing with this technology are exceeding our already high internal expectations. Elastic momentum is building with our first production projects now awarded. The software team also continues to produce results, 23% growth in our biggest software period is an outstanding result and only the beginning of what we can achieve in this business.”

FINANCIAL UPDATE

Revenue and EBITDA

Total revenue was US\$16.5 million for FY25-Q3. The table below summarises the break-down of revenue across the Company’s three product lines:

Product Line	FY25-Q3 (US\$ million)	FY24-Q3 (US\$ million)	Variance
Services	13.2	14.5	(9%)
Software	2.8	2.3	23%
HPC	0.5	0.8	(32%)
Total	16.5	17.6	(6%)

EBITDA of US\$5.3 million was up 15% on FY24-Q3. The EBITDA margin of 32% for the quarter reflects growth in revenue with a stable cost base and no usage of third-party compute. The Company has further ability to grow revenue within its existing cost base.

Cash Flow

Operating cash inflows were US\$3.3 million in FY25-Q3. Investing cash outflows of US\$1.1 million representing investments in data centre infrastructure during the period. Financing cash outflows of US\$3.2 million represents the net repayments of existing asset financing balances.

All financials are unaudited.

This ASX Announcement has been approved for release by the Board of DUG Technology Ltd.

Ends

¹ [Announcement video](#) explaining the immersion cooling technology.



For more information:

DUG Technology Ltd

T. +61 8 9287 4100

DUG Investor Email: investor@dug.com

DUG Investor Centre: www.dug.com/investor-centre

About DUG

DUG Technology represents the convergence of scientific excellence and sustainable computing innovation. The company's journey from applied physics specialists to global technology leaders has been marked by continuous breakthroughs in geoscientific computing, including its revolutionary elastic multi-parameter FWI imaging solution. DUG enables organisations worldwide to tackle their most complex data challenges through its reliable cloud-based network of high performance computing facilities, proprietary software solutions, energy-efficient immersion cooling systems and tailored geoscience services.

Delivering a comprehensive geoscience offering backed by over two decades of experience, bespoke support, and a focus on R&D, DUG maximises the value of seismic data enabling clients to minimise risk and make more-informed decisions.

The company's novel immersion cooling technology is sold globally as part of an exclusive licence agreement and is the cornerstone of DUG's mobile, edge-computing solution.

Headquartered in Australia, with offices in Perth, London, Houston, Kuala Lumpur and Abu Dhabi, DUG continues to expand its impact across six continents and diverse industries, remaining committed to delivering sophisticated innovations that drive scientific progress, environmental sustainability and commercial success for its customers.

To learn more, please visit www.dug.com.