

ASX ANNOUNCEMENT

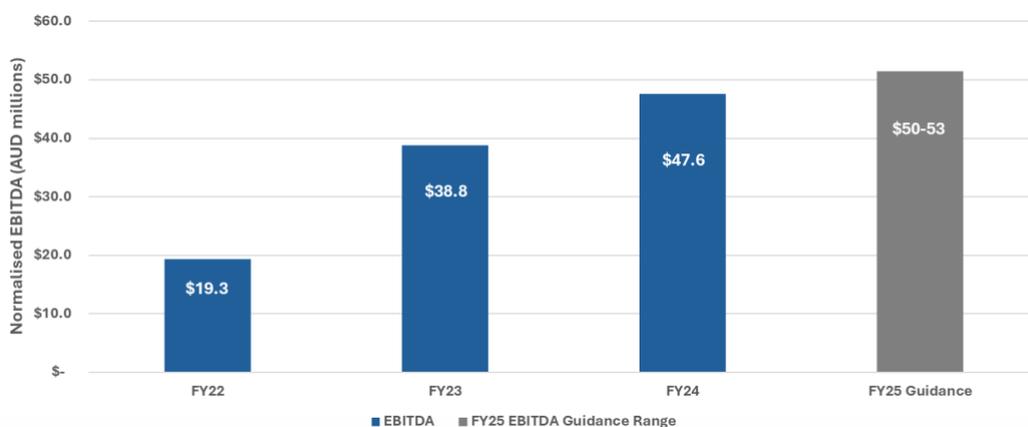
23 May 2025

DURATEC REVISED GUIDANCE FOR FY25 AND BUSINESS UPDATE

- **FY25 Revenue guidance range revised to \$570m to \$585m due to delays in expected project awards and weather disruptions. FY25 EBITDA guidance range adjusted accordingly to \$50m to \$53m, with the upper end of the new range now aligning with the lower end of previous guidance**
- **Importantly, following a slow start to the calendar year due to late unseasonal weather, May and June are showing strong performance and provide confidence into FY26**
- **Duratec expects the delayed projects to be awarded in coming months, supporting positive momentum into 1H FY26**
- **DDR, Energy (including WPF), Building & Facade at record levels of activity**
- **Gross margins are still strong in all sectors despite the Defence and Mining sectors experiencing lower than expected revenues**
- **Strong tender activity continues with tenders at an all-time high level of \$1.7bn**
- **Conference call to be held at 9.00am AWST / 11.00am AEST today. [Click here to register.](#)**

Australian engineering, construction, and remediation contractor Duratec Limited (**Duratec** or the **Company**) (ASX: **DUR**) has revised its guidance for revenue and normalised EBITDA for FY25 reflecting the impact of external factors on project delivery in the second half of the financial year.

Revenue guidance has been revised downward to a range of \$570m - \$585m from \$600m - \$640m. EBITDA guidance has been adjusted to a range of \$50m - \$53m from \$52m to \$56m previously. The guidance is based upon the earnings from year-to-date work delivered plus the Company's forward forecast assumptions of the earnings from current works expected to be delivered by the end of the financial year. In FY24, the Company reported revenue of \$555.8m and EBITDA of \$47.6m.



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Despite strong underlying demand and a robust pipeline, several high-probability projects experienced delays in award, particularly in the Defence and Mining sectors.

Notwithstanding short term headwinds within Defence and Mining, the Company remains confident that these sectors will continue to be dominant drivers of growth. Duratec is still delivering profitability in all sectors, with Energy, Building & Facade, and DDR standing out as exceptional performers, reinforcing Duratec’s strong market position.

After a slow start to the calendar year due to late unseasonal weather, May and June are showing strong performance. However, the timing mismatch between delayed revenue and project ramp-up has impacted the Company’s ability to fully recover within this financial year. Importantly, the order book remains strong, with continued positive momentum in tendering to support the pipeline, and the award of a number of tendered opportunities now expected to occur in the short term. Structural shifts in client procurement processes, particularly in Defence and Energy, are extending decision cycles but also creating opportunities for more strategic, long-term engagements.

PIPELINE OF WORK



1. Figures include 49% share of DDR Australia Pty Ltd and RC Construction WA Pty Ltd's Order Book, Tenders, and Pipeline.
 2. Tenders includes submitted and currently being tendered opportunities.
 3. Pipeline represents tangible opportunities identified in the market by the Duratec group of companies, including Tenders.

Duratec’s order book is currently \$400m (excluding MSA’s / annuity style revenue), with tenders of \$1.7bn and a pipeline, comprising tendered and identified opportunities, of \$4.0bn. Early Contractor Involvement (ECI) projects continue to contribute to Duratec delivering stronger project results.

Duratec Managing Director, Chris Oates, commented:

“While the second half of FY25 has been impacted by external factors that have reduced the growth we anticipated, we remain confident in the resilience of our business model and the strength of our team. Our strategic diversification, particularly in the Energy sector, together with continued success in project awards across most sectors, is expected to support margin resilience and revenue recovery. Our proven strategy and ability to navigate industry challenges while maintaining a strong financial performance, sees us well-positioned to deliver sustainable growth into FY26 and beyond.”

SECTOR UPDATE

Duratec provides the following brief update on its key market sectors:

Defence

- Defence sector delays have significantly impacted the timing of awards, particularly in the Estate Works Program, with several projects being delayed to FY26.
- Despite reduced revenue in 2H FY25, Defence remains a promising sector for FY26 growth, supported by a strong pipeline of priced projects.
- Duratec Ertech Joint Venture (DEJV) ECI Head Contract for the Planning Phase of two critical infrastructure projects at HMAS *Stirling*, Garden Island, are progressing well.
- The ECI Head Contracts remain on track for project construction award in Q2 FY26 with early procurement of some long lead items expected.

Mining & Industrial

- The Mining and Industrial sector revenue is expected to maintain stable performance, with conditions remaining consistent throughout 2H FY25.
- Long-term clients' shift to framework contracting models delayed several key project awards. The pipeline remains accessible, with upside opportunities for more strategic, lower-risk, long-term engagements.
- Duratec's focus on Master Services Agreements (MSAs) and annuity contracts with key strategic clients continues to strengthen the Company's position and its overall capability, as evidenced by the recent award of a 5-year maintenance contract with Newmont.
- The sector outlook remains positive, with anticipated iron ore maintenance work at Rio Tinto, BHP, and FMG, and continued activity in the gold sector due to existing gold mine maintenance and expansion programmes on many gold assets around Australia.

Building & Facade

- The Building & Facade sector is expected to grow across 2H FY25 in comparison to the previous half.
- Further awards in ECI works, including projects in Adelaide and Brisbane, with the latter expected to become a large-scale façade upgrade.
- The sector continues to benefit from repeat business and long-term relationships, with asset owners increasingly opting for ECI-type contracts and leveraging Duratec's in-house design and digitisation capabilities. The outlook for FY26 remains positive.

Energy

- The Energy sector continues to experience significant growth, driven by WPF's ongoing expansion within the industry.
- Active projects with Woodside, Inpex, and Santos are expected to support further growth into FY26.
- Success in harnessing synergies across Duratec and WPF capabilities aligns with geographical expansion strategy.
- Strong client relationships leading to ongoing expansion in the WPF business.

DDR AUSTRALIA

DDR Australia Pty Ltd (DDR) is a joint venture equity accounted investment owned by Duratec (49%) and Hutcheson & Co Holdings Pty Ltd (51%).

- DDR on track for record year of revenue and profitability.
- Tender pipeline is strong bolstered by a diverse portfolio of projects that support strong revenue streams.
- RC Construction imbedded into DDR offering with opportunities presenting in new geographical locations.

CONFERENCE CALL

The Company will host a conference call today, 23 May 2025 at 9.00am AWST / 11.00am AEST with Managing Director and CEO, Chris Oates and Executive Manager - Corporate, Strategy & Investor Relations, Ollie McKeon.

The call can be accessed via registering at the link below:

https://us02web.zoom.us/webinar/register/WN_CqDaX6HQQGeMEbxaklWdw

Authorised for release to ASX by the Board of Duratec Limited.

– ENDS –

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About Duratec Limited

Duratec Limited (ASX: DUR) is a leading Australian contractor providing assessment, protection, remediation, and refurbishment services to a broad range of assets and infrastructure. The Company's multi-disciplined capabilities combine engineering experience with project delivery expertise and use a range of in-house assessment technologies, including 3D capture and modelling technology with predictive analysis tools. Headquartered in Wangara, Western Australia, Duratec has 20 branches around the country in capital cities and regional centres, delivering services across multiple sectors including Defence, Commercial Building & Facade, Infrastructure (Water, Transport & Marine), Mining & Industrial, Power and Energy.

Please visit www.duratec.com.au for further information.

This release contains certain forward-looking statements and forecasts, including in relation to possible or assumed future performance, costs, dividends, rates, prices, revenue, potential growth of Duratec Limited, industry growth or other trend projections. Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of Duratec Limited. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements, depending on a variety of factors.

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