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ANNUAL REPORT

2025

MACMAHON

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This Annual Report is a summary of Macmahon's operations and financial results for the financial year ended 30 June 2025.

In this Report, all references to 'Macmahon', 'the Company', 'the Group', 'we', 'us' and 'our' refer to Macmahon Holdings Limited (ACN 007 634 406) and its controlled entities unless stated otherwise.

The information in this Annual Report covers all offices, sites and facilities wholly owned and operated by Macmahon, including the operational footprint that covers Macmahon Holdings Limited and its controlled entities.

References in this Report to a 'year' are to the financial year ended 30 June 2025 unless stated otherwise. All currency amounts are in Australian dollars unless stated otherwise.



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Year at a Glance

FINANCIAL YEAR 2025 HIGHLIGHTS

FINANCIALS

Revenue ▲

$2.4b

FY24: $2.0b

FY23: $1.9b

Underlying EBITDA ▲

$387.4m

FY24: $351.7 million
FY23: $308.7 million

Underlying EBIT(A) ▲

$171.4m

FY24: $140.3 million
FY23: $116.6 million

Underlying Operating Cash Flow* ▲

$407.4m

*Before interest and tax

FY24: $301.0 million
FY23: $306.0 million

Order Book ▲

$5.4b

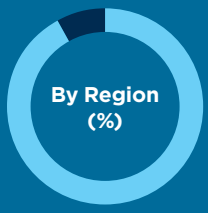
FY24: $4.6 billion
FY23: $5.1 billion

ROACE ▲

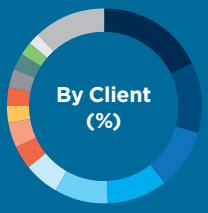
20.5%

FY24: 17.2%
FY23: 14.5%

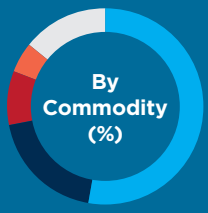
REVENUE DIVERSIFICATION



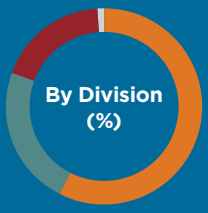
Australia	92
Southeast Asia	8



AngloGold	18
Vault	12
Newmont/Greatland	10
Q Coal	10
Talison Lithium	9
Genesis	6
Anglo American	4
QMetco	4
Perdaman Industries	3
PT Agincourt Resources	3
Covalent Lithium	3
PT AMNT	3
Queensland Hydro	2
BHP	2
Other	11



Gold	53
Coal	19
Lithium	9
Copper/Gold	5
Other	14



Surface	58
Underground	23
Civil Infrastructure	18
Other	1

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PEOPLE

Group workforce

10,220

TRIFR

2.99

Total people in training programs

699

Active Graduates and Interns

29

Completed Graduates and Interns

3

Active Apprentices and Trainees

294

Completed Apprentices and Trainees

130

Completed leadership training

243



“We invest in building strong teams and seek individuals who want to make a significant contribution to our business.”



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Our Business

Macmahon is a diversified contractor with leading capabilities in surface and underground mining, and civil construction and infrastructure.

As an ASX-listed company, we provide services to many of the largest resources projects in Australia and Southeast Asia.

Founded in 1963, Macmahon services major resource companies across various commodity sectors. Our end-to-end mining services encompass mine development and materials delivery through to engineering, civil construction, on-site mining services, rehabilitation, site remediation, training and equipment maintenance, refurbishment services.



Map of Operations

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Australia

WESTERN AUSTRALIA

- Perth (Head Office)
- Perth
- Greenbushes
- KCGM
- King of the Hills
- Telfer
- Tropicana
- Boston Shaker
- Daisy Milano
- Deflector
- Granny Smith
- Gwalia
- King of the Hills
- Ulysses
- McPhee Creek
- Perdaman CERES
- Telfer
- Warradarge Wind Farm

QUEENSLAND

- Brisbane
- Byerwen
- Dawson South
- Foxleigh
- Borumba Dam
- Eva Copper Camp
- Girrahween Logistics Hub
- Peak Downs
- Lycullin Workshop
- Homeground Gladstone



NEW SOUTH WALES

- Sydney
- Sunraysia

VICTORIA

- Melbourne
- Campbellfield
- Fosterville
- Gippsland Line
- Ison Road

SOUTH AUSTRALIA

- Adelaide
- Olympic Dam



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Southeast Asia



INDONESIA

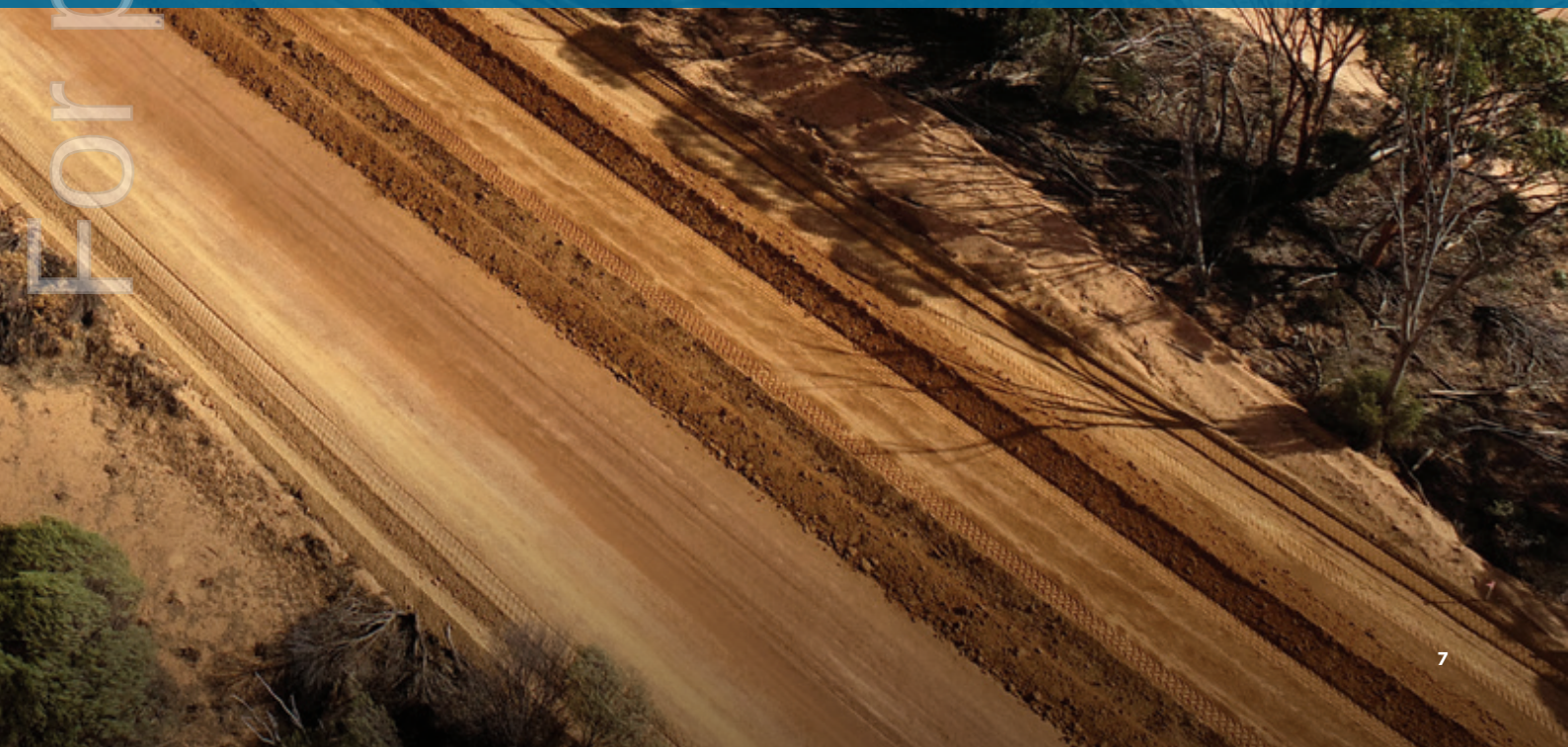
- Jakarta
- Awak Mas
- Batu Hijau
- Martabe
- Poboya
- Toka Tindung
- Poboya
- Tujuh Bukit

MALAYSIA

- Kuala Lumpur
- Langkawi

Legend

Surface	Underground	Civil Infrastructure
Offices	Workshops	Accommodation Village



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Our Capabilities

Macmahon has extensive capabilities across the mining and construction sectors, supported by over 60 years of industry experience. In addition to our core mining services, we offer advisory and operational improvement solutions aimed at optimising performance for mine owners. This includes coaching and skills development, cultural change programs, and a dedicated mental health program.





SURFACE MINING

Macmahon's Surface Mining division delivers tailored services backed by extensive operational expertise. We partner with clients to deliver mine planning and analysis through to full-scale operations. Our services include:

- Mine planning and analysis
- Bulk and selective mining
- Drill and blast
- Load and haul
- Crushing and screening
- Fixed plant maintenance
- Water management
- Equipment supply
- Equipment maintenance, refurbishment and support services
- Integrated safety solutions
- Technology solutions partnering
- Engineering design and fabrication
- Extensive trade apprenticeship program
- Graduate engineering program

UNDERGROUND MINING

Macmahon's Underground division continues to grow, underpinned by extensive expertise and a strong track record in complex underground projects. Our capabilities span the full project lifecycle and include:

- Mine development
- Mine production
- Raise drilling
- Cablebolting
- Shotcreting
- Paste fill
- Shaft sinking

We also provide specialist engineering design and fabrications services, including:

- Shaft lining and maintenance
- Remote shaft lining
- Shaft fit out
- Ore pass liners
- Winder refurbishment
- Conveying, crushing, materials handling
- Emergency egress systems
- Pump stations and rising mains
- Site workshops and infrastructure

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CIVIL INFRASTRUCTURE

Macmahon delivers integrated construction and engineering services to the resources, infrastructure and renewable energy sectors. We support clients across the full project lifecycle – from feasibility and design through to construction, commissioning and closure.

Our capabilities include:

- Mine infrastructure and services
- Road design, construction and maintenance
- Bulk earthworks
- Water infrastructure – dams, creek diversions, flood levies, and drainage structures
- Topsoil and overburden stripping
- Revegetation and rehabilitation
- Non-process infrastructure
- Tailings storage facilities (TSFs)
- Train loading facilities
- Camps and remote village accommodation
- Bridgeworks
- Rail and airport infrastructure
- Site infrastructure including workshops, buildings and site facilities
- Balance of plant works for renewable energy projects, including solar, wind, and battery installations

Vision, Values and Strategy

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VALUES

To be the preferred contracting and services company

for **employees** to work for

for **customers** to use

for **shareholders** to invest in

VISION

In everything we do, we think and behave according to our values.

UNITED
Be Inclusive
Work Together
Support Each Other

COURAGE
Be Brave
Speak Up
Challenge Yourself

INTEGRITY
Be Honest
Respect People
Be Accountable

PRIDE
Be Humble
Work Hard
Celebrate Wins

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STRATEGY

Macmahon is focused on expanding and improving its end-to-end mining service capabilities to achieve sustainable growth and optimise financial returns. Our people are focused on improving efficiencies, investing in future relevance and diversifying and expanding our service offering.

IMPROVE

Improve margins and execution

Consistently deliver our target margins by improving how we operate, how we manage contracts, and how we use systems.

INVEST

Invest in our competitive advantage and future relevance

Reinforce our positioning through investment in our people, our operating technology and our sustainability propositions.

EXPAND

Focused expansion in current markets

Expand our presence in core markets through focused, selective work winning.

DIVERSIFY

Position for the next wave of growth

Diversify our business to improve returns; enable growth through operating model evolution.

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Letter from the Chair

Dear Shareholders,

I am pleased to report that Macmahon has delivered a strong annual performance in FY25, driven by the successful execution of our strategy and our dedicated team.

The Company again delivered on market guidance, marking the ninth consecutive year guidance has been achieved or exceeded. This is an excellent track record across a range of market conditions and challenges, and demonstrates resilience, disciplined execution, and stability across our business.

One of the key highlights of the year was the successful integration of Decmil, which we acquired in August 2024. The acquisition has added significant scale and capabilities to our civil infrastructure business and should also help balance the cyclicality of the mining sector. Macmahon's expansion into civil infrastructure and underground are also key drivers of our strategic objective to reduce the capital intensity of our business and drive strong free cash generation.

Mining production activity in our key markets in Australia and Indonesia remained resilient, particularly in the gold sector where we have significant presence. Macmahon successfully navigated current market conditions to deliver another strong performance through our diversified and capital-light business model, which includes surface mining, underground mining, and an expanded civil infrastructure presence.

In addition to our operational performance, we have also made significant progress in our safety and people initiatives. You may be familiar with our key initiatives where we have dedicated increased focus, including our Strong Minds, Strong Mines program, our Respect@Macmahon program, and the Macmahon Winning Way, which promote mental health, a culture of respect and inclusivity in the workplace, and the development of our current and future leaders.

The 2025 financial year marked a strategic reset for our sustainability function, driven by the acquisition of Decmil and the subsequent Company restructure, and also the introduction of the Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures, which take effect from FY26. To support this transition, Macmahon commissioned an external third-party review to assess our readiness for sustainability reporting, which provided independent assessment on the robustness of our current systems and identified key areas to support future compliance and assurance readiness. This is outlined in more detail in our stand-alone Sustainability Report for FY25, which I encourage you to read.

Macmahon is committed to paying a sustainable dividend in line with the Company's demonstrated disciplined approach to capital management and the Board's capital allocation strategy. The Board declared a final dividend of 0.95 cents per share, bringing the total dividend for FY25 to 1.50 cents per share, an increase of 43% on FY24. The FY25 dividend is consistent with the Company's target payout ratio of 20% to 35% of underlying earnings per share.

The Board welcomed two new Directors during the year. Mr Greg Evans and Ms Maree Arnason both joined the Board as Independent Non-Executive Directors effective 1 November 2024. This followed the retirement from the Board of Ms Denise McComish following the 2024 Annual General Meeting. The appointments help ensure the Company maintains a complementary mix of skills, experience and diversity as we continue to execute our strategy.

Looking ahead to FY26 and beyond, we are confident that Macmahon remains well-positioned for further growth. We have a strong order book with $5.4 billion of work secured, including $2.1 billion secured for completion in FY26. We also continue to see forecast growth across the market segments we operate in and have a robust tender pipeline of $24.2 billion in opportunities across surface, underground and civil infrastructure. We will also continue to drive growth and diversification in our business with a focus on building a strong and sustainable company that will prosper for many years to come.

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In conclusion, I would like to thank our employees, clients, and shareholders for their support during the year. We are proud of our achievements and are confident that we can continue to deliver value to our stakeholders in the future. I would also like to acknowledge the significant contribution of our Managing Director and CEO, Michael Finnegan, who has led the Company with vision and dedication. His leadership has been instrumental in driving our growth and success, and we are grateful for his commitment to Macmahon.

I would like to extend my thanks to our Board of Directors for their guidance and support during the year. We are excited about the future and are confident that Macmahon is well-positioned for long-term success. We look forward to continuing to deliver value to our stakeholders.



HAMISH TYRWHITT

Chairman
Macmahon Holdings Limited



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MD and CEO Report

HIGHLIGHTS

Revenue
Up 19.5% on FY24 ▲
$2.4b

Order book secured
$5.4b

Workforce Growth
10,220
+5.6%

KEY ACHIEVEMENTS

Macmahon has delivered another year of strong performance with growth in revenue, earnings and dividend returns to shareholders. The record revenue and underlying earnings marked the ninth consecutive year the Company has delivered on market guidance, an achievement that reflects the successful execution of our diversification strategy, and one that we are proud of.

This was also achieved in an operating environment characterised by increased uncertainty and commodity price volatility from trade tensions in the global economy. Continuing disciplined cost and capital management, and improved diversification in the business, were key drivers of performance in this challenging environment. Decmil was successfully integrated during the year following its acquisition in August 2024, and we expect the business to be a significant contributor to growth and reduced capital intensity going forward.

The Group reported revenue of $2.4 billion up 19.5% on FY24, underlying EBITDA of $387.4 million up 10.2%, and underlying EBIT(A) of $171.4 million up 22.2%. This was a record result for the Company and delivered on our FY25 guidance range of revenue between $2.4 billion and $2.5 billion and underlying EBIT(A) between $160 million and $175 million.

Important focus areas for the year were restructuring our Civil business with the integration of Decmil and continuing to drive operational efficiencies across Macmahon's expanded business. This approach delivered an uplift in margins across the year with underlying EBITDA and EBIT(A) margins of 16.0% and 7.1% respectively. The improvement in margins marks a resumption of progress towards our long-term EBIT(A) target of 8%. Drivers of this will be higher margins in international revenue, growing to comprise 15% to 20%, and targeted growth in both Civil Infrastructure and Underground mining of around 50% in the next two to three years, which will also drive increased free cash flow.

Statutory net profit after tax (NPAT) of $73.9 million was up from the $53.2 million we reported in the prior year which was impacted by the impairment of the Company's exposure to Calidus Resources. On an underlying basis, NPAT was up 11.4% from $91.9 million in the prior year to $102.4 million in FY25.

Cash flow generation was strong reflecting the positive earnings performance for the year. Underlying operating cash flow was $407.4 million with free cash flow generation of $140.7 million after capital expenditure of $221.2 million. Of this, $185.9 million related to sustaining capex and $35.3 million to growth capex. The overall conversion rate from underlying EBITDA was a solid 105.2%. Free cash flow was primarily applied to debt reduction, with net debt decreasing to $162.5 million and gearing to 19.0% from H1 FY25, in line with our stated plans to reduce debt back to FY24 levels post the Decmil acquisition. Unutilised bank facilities totalled $274.5 million and cash of $263.9 million at year end, and Macmahon is very well positioned to meet future growth needs.

OPERATIONAL HIGHLIGHTS

Following the acquisition of Decmil and the increased scale of Macmahon's civil business, segment reporting will comprise Mining (Surface and Underground) and Civil Infrastructure. This will provide greater transparency and clarity on the Company's financial performance and strategic objectives. A new corporate operating model to support the new structure has been implemented to enhance divisional ownership and accountability.

SURFACE

The Surface mining business continued to perform well, with a number of significant contract extensions and new wins during the year. These included securing over $500 million of new work in Indonesia, including the $80 million Poboya Gold Project and the $463 million Awak Mas Gold Project.

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HIGHLIGHTS

Surface Mining

New work
$500m

Contract extension Byerwen
$900m

Signed **Alliance Life of Mine Mining Services Agreement** with Cyprium Metals

Underground Mining

New work (including extensions)
$579m

Extensions and new work
(Daisy Milano, Deflector, Gwalia, Ulysses, Olympic Dam, Fosterville and Poboya)

Civil infrastructure

New work
$400m

Acquisition and integration of **Decmil**

A $900 million contract extension at Byerwen was also awarded, and the business signed an Alliance Life of Mine Mining Services Agreement with Cyprium Metals to accelerate the redevelopment of the Nifty Copper Complex in May 2025.

UNDERGROUND

Our Underground mining business maintained its positive growth, also securing a number of new contracts. These included the award of an interim contract at the Poboya Gold Project estimated at around $317 million, a two-year extension at Daisy Milano for around $90 million, a two-year extension at Deflector for around $105 million, a $67 million contract with Genesis at Gwalia and Ulysses and strategically aligned extensions at Olympic Dam and Fosterville. The business is well positioned for continued growth over the next two years, which we are targeting to exceed 50%.

CIVIL INFRASTRUCTURE

Our expanded Civil Infrastructure business performed very well, contributing substantial growth to the Group. The acquisition of Decmil was completed in August 2024 and successfully integrated during the year. The acquisition added over $400 million of new civil work to Macmahon's order book during the year with a number of new contract wins.

New contracts included the $70 million Eva Copper Mine Accommodation Village, the $10 million Girrahween Satellite Warehouse and Operations Facility, the $64 million balance of the $123 million Mount Holland Road Upgrade Project, the $61 million Marble Bar Road Upgrade Project, the $111 million Borumba Dam Project, the $47 million Warradarge Wind Farm Project, and the $50 million Ison Road Extension.

CORPORATE

The Homeground asset is a 1,392-bed fully serviced accommodation village in Gladstone, Queensland, acquired through the acquisition of Decmil. Macmahon considers this a non-core asset and is focused on its monetisation. Significant project activity in the Gladstone region supports increased demand for large-scale worker accommodation, which is a positive driver for both rental income and monetisation opportunities.

HEALTH AND SAFETY

The safety and wellbeing of our people is Macmahon's highest priority. We remain committed to ongoing improvement in safety and mental health across the business. Macmahon's Total Recordable Injury Frequency Rate (TRIFR) for FY25 was 2.99, and the Lost Time Injury Frequency Rate (LTIFR) was 0.43.

Our Strong Minds, Strong Mines program remains an integral part of our wellbeing strategy. Designed to reduce stigma and provide meaningful resources for employees and their families, the program has seen strong growth in engagement, and we remain committed to its ongoing delivery and improvement.

Our *Respect@Macmahon* program also continues to make a positive impact across the business. Focused on building a culture of respect and inclusivity, it provides training, tools and a clear framework to help prevent bullying, harassment, and discrimination.

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PEOPLE

Macmahon's workforce has grown to 10,220 employees as we welcomed Decmil to the Group. This marks a significant milestone in the Company's history, with Macmahon a major employer across Australia and Indonesia. Macmahon's positioning as a stable and reliable employer is essential to attracting and retaining the high-calibre talent that we depend on to deliver our existing and future work.

As the business continues to grow beyond 10,000 people, the continued development of our leaders and a positive culture is of increasing importance. We will continue to drive this with the *Winning at Macmahon* program to enhance effective leadership. During FY25, we embarked on a journey to evolve our employee value proposition. We've held focus groups at 15 sites across Australia and Indonesia to ensure that our people can have input on this important project.

We also continue to invest in the development of our people. Our *Grow Our Own* program delivered 19 graduates, 150 apprentices, 274 trainees and 243 leaders through structured leadership training.

CAPITAL MANAGEMENT AND DIVIDEND

At Macmahon, we are committed to maintaining a disciplined approach to capital allocation, which enables us to invest in growth opportunities while maintaining a resilient balance sheet. Our capital management strategy is focused on achieving a balance between investing in the business, managing our debt, and returning value to our shareholders through stable dividends.

In FY25, we continued to execute on all three areas of focus. We invested $221 million in capital expenditure to drive organic growth, as well as investing $105.9 million to acquire Decmil. The business delivered strong revenue and earnings growth, and the disciplined execution of the order book generated $140.7 million in free cash flow, allowing for the reduction of debt and the payment of increased dividends to shareholders.

Net Debt/EBITDA was 0.42x and gearing was 19.0% at 30 June 2025. These were within our internal guiderails of 1.0x and 30% respectively, in line with our expectations at the half-year result in February. Total dividends for FY25 increased to 1.50 cents per share, fully franked, and were in line with our payout ratio of 20% to 35% of underlying earnings per share. For FY26 we will be increasing our payout ratio to 30% - 45% of underlying earnings per share.

The return on average capital employed (ROACE) increased to 20.5%, driven by the acquisition of Decmil, which further reduced Macmahon's overall capital intensity, in addition to continued capital reduction initiatives in Surface and Underground. Sustained improvement in ROACE will remain a long-term strategic priority and we will now lift our target to 25% having exceeded our 20% target in FY25.

STRATEGY

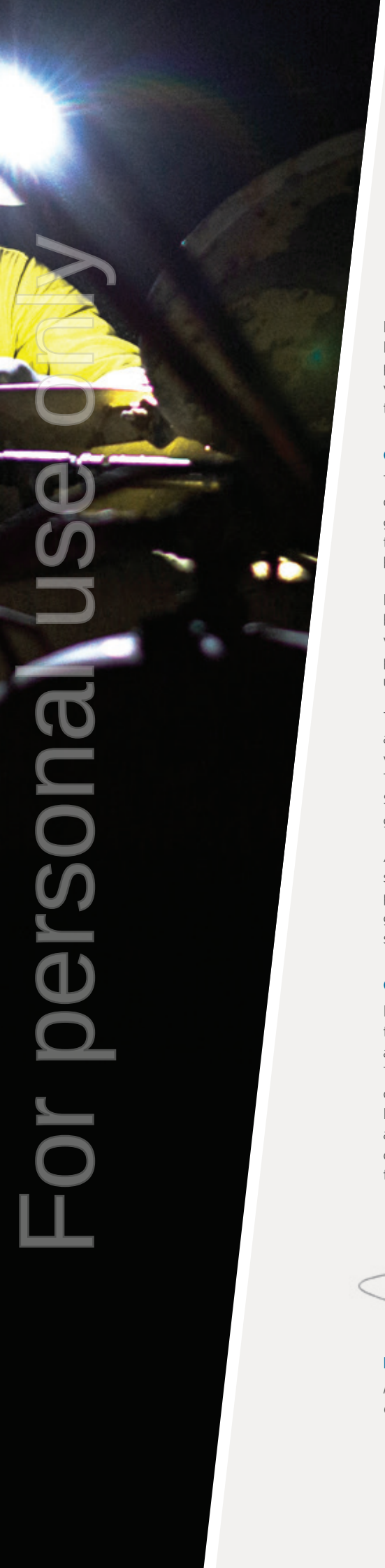
Disciplined execution of a consistent strategy has been critical to Macmahon's demonstrated track record of revenue and earnings growth delivery across changing market conditions. Macmahon's growth strategy maintains focus on strong underlying margins, cash flow generation and ROACE through diversifying the earnings mix and reducing the capital intensity of the business.

The target revenue mix to achieve this remains unchanged, with equal distribution across Surface, Underground, and Civil Infrastructure. Our challenge is to continue executing this plan, which will involve Underground and Civil Infrastructure, targeting 50% growth in the next two to three years, and Indonesia achieving 15% to 20% of total Group revenue.

Pleasingly, Decmil has had an incredibly successful start toward this growth goal, as evidenced by the significant new work won and a high level of secured work for FY26. Our focus will shift towards winning larger projects, typically exceeding $100 million in size, given that the business has the people, systems, and processes to do so within the Macmahon Group. Potential partnerships with large international tier-one players in the civil sector may offer additional opportunities to secure larger projects.

Our objectives for the Surface mining business focus on retaining its existing revenue base, extending existing projects where we can leverage our established position to drive efficiency for our business and clients, and winning targeted new work. A big focus will be continuing to optimise margins, cost and capital efficiency across both Surface and Underground.

The Nifty project with Cyprium Metals is an exciting opportunity to provide a new whole-of-mine service offering. The contract provides a collaborative framework focused on shared goals, equitable risk sharing and flexibility to optimise mine operations.



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Macmahon is collaborating with Cyprium in the development of a Bankable Feasibility Study to provide an optimal operational pathway for progressively bringing the Nifty Complex back into full mine production, with an expected 20-year mine life. Macmahon will manage all aspects of the mine, including startup work.

OUTLOOK

The macroeconomic environment is expected to remain uncertain, with the development of trade policies likely to continue impacting global economic growth and contributing to commodity price volatility. Notwithstanding this, we remain confident about a positive outlook for Macmahon's business in the 2026 financial year.

Macmahon has significant exposure to gold and copper, which are benefiting from positive investor sentiment and commodity prices, as well as bulk materials including lithium and coal, with robust ongoing production profiles. Furthermore, levels of mining activity in the underground and civil infrastructure sectors remain strong.

The Company enters the 2026 financial year with a healthy balance sheet and positive earnings momentum underpinned by a robust order book with $5.4 billion of work in hand, including $2.1 billion secured for FY26. The tender pipeline of identified, qualified opportunities is now valued at $24.2 billion providing a clear, longer-term pathway to deliver continued growth in earnings and cash flow.

As always, we will remain focused on delivering value to our clients and shareholders, while also prioritising the safety and wellbeing of our people and the environment. The Company is well-positioned for future growth and success, with a strong focus on executing and delivering its strategic objectives.

CONCLUSION

I would like to conclude by thanking the entire Macmahon team for their hard work and dedication in delivering another excellent performance in the 2025 financial year. This includes our new Decmil colleagues, who have made outstanding contributions in their first year with the Macmahon Group. I would also like to thank our clients and shareholders for their ongoing support. We are confident about the future and look forward to continuing to deliver value and growth in the years to come.



MICHAEL FINNEGAN

Managing Director and Chief Executive Officer





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Operational and Financial Review

Macmahon provides mining, civil infrastructure and support services to miners throughout Australia and internationally.

Headquartered in Perth, Western Australia, the Group generates revenue from surface and underground mining, as well as mining support and civil infrastructure activities. These activities include civil design and construction (primarily on mine sites), equipment refurbishment and maintenance, training, the design and fabrication of mining infrastructure, mine site maintenance and rehabilitation services.

A breakdown of our revenue by activity, country, client and commodity is shown in the charts on page 2.

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Surface Mining

Macmahon's surface mining division offers the full suite of services, including bulk and selective mining, mine planning, drill and blast, crushing and screening, water management, and equipment operation and maintenance.

Macmahon's surface mining fleet currently includes a broad range of excavators, dump trucks, front-end loaders, dozers, and drill rigs. Macmahon's fleet is sourced from various providers, including Caterpillar, Hitachi, Liebherr and Epiroc.

KEY PROJECT ACTIVITY

During the year, Macmahon provided services to the following projects:

King of the Hills Gold Mine
Macmahon is fulfilling a five-year contract with Vault Minerals to provide surface mining services at the King of the Hills project near Laverton in Western Australia.

Greenbushes Lithium Mine
Macmahon is fulfilling a seven-year contract with Talison Lithium to provide open-cut mining services, including load and haul and crusher feed, at the Greenbushes project in Western Australia.

Telfer Gold Mine
Macmahon is fulfilling a life-of-mine contract at the Telfer project in Western Australia for Greatland Gold.

Tropicana Gold Mine
Macmahon is fulfilling a life-of-mine contract at the Tropicana project in Western Australia for AngloGold Ashanti and joint venture partner, Regis Resources.

Kalgoorlie Consolidated Gold Mine (KCGM)
Macmahon provides labour hire and equipment hire services to KCGM in Western Australia.

Byerwen Coking Coal Mine
Macmahon has been providing open-cut mining services at the Byerwen Coking Coal Mine in Queensland's Bowen Basin for QCoal since the mine's establishment in November 2017. In April 2025, Macmahon received a Notice of Award for a three-year extension.

Dawson South Metallurgical Coal Mine
Macmahon provided surface mining services for Anglo American's Dawson South operations, an open-cut metallurgical coal mine located in the Bowen Basin, Queensland.

Foxleigh Project
Macmahon has been fulfilling a contract to supply equipment hire and maintenance services for the Foxleigh Coal Mine in the Bowen Basin in Queensland.

Batu Hijau Copper/Gold Mine
Macmahon is performing its life-of-mine contract to provide all mining services at the Batu Hijau Mine in Indonesia for PT Amman Mineral Nusa Tenggara. Batu Hijau is a well-established, world-class copper and gold deposit. The contract is currently on Phase 8, which includes extending in-pit mining to approximately June 2028.

Langkawi Quarry
Macmahon is engaged by YTL Cement Bhd to deliver quarrying services at the Langkawi Limestone Quarry, located on Langkawi Island, Kedah, Malaysia. Under the contract, Macmahon provides comprehensive quarrying operations, including drilling, blasting, excavation, and haulage of limestone to support clinker and cement production, safety, and environmental compliance.

Martabe Gold Mine
Macmahon is contracted by PT Agincourt Resources to provide mining services at the Martabe Gold Mine in North Sumatra Province, Indonesia. Macmahon delivers the full scope of mining and bulk earthworks-related services, including drilling, mining of waste materials, equipment hire, and subcontractor management across three operating areas.

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Additionally, the contract requires the placement and compaction of material on the tailings storage facility embankments and pioneering works associated with access to new open-pit mining areas.

Poboya Gold Mine

In September 2023, Macmahon was contracted by PT Citra Palu Minerals at the Poboya Gold Mine in the Central Sulawesi province of Indonesia. The contract includes load and haul and mining services. Under the contract, Macmahon Indonesia provides the full scope of mining and bulk earthworks-related services, including drilling, mining of waste materials, equipment hire, and subcontractor management. Operations are expected to complete in June 2026.

Awak Mas Gold Mine

PT Masmindo Dwi Area awarded Macmahon a seven-year contract for mining services at the Awak Mas Gold Mine in the South Sulawesi province of Indonesia, in January 2025. The initial award followed a competitive tendering process involving several mining contractors in Indonesia. The new contract is the result of a strong and mutually beneficial client relationship and successful contract delivery. Under the contract, Macmahon provides the full scope of mining and bulk earthworks-related services, including drilling, mining of waste materials and equipment hire. Additionally, the contract requires pioneering works associated with access to new open pit mining areas.



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Underground Mining

Macmahon's underground mining division offers underground development and production services, a broad range of ground support services, as well as services to facilitate ventilation and access to underground mines, including shaft sinking, raise drilling and shaft lining.

Macmahon's underground mining fleet comprises trucks, loaders, jumbo drills, long-hole production drills, and raise drills. This equipment is predominantly sourced from Sandvik, Epiroc and Caterpillar.

KEY PROJECT ACTIVITY

During the year, Macmahon provided services to the following projects:

Gwalia Gold Mine
Macmahon is fulfilling an underground mining services contract with Genesis Minerals at its Gwalia Gold Mine in Western Australia. The scope of work includes mine development, ground support, production, trucking, shotcreting and paste filling.

Ulysses Gold Mine
Macmahon is fulfilling an underground mining services contract as a variation to the Gwalia deed with Genesis Minerals at its Ulysses Gold Mine in Western Australia. The scope of work includes mine development, ground support, production, trucking, and raise drilling services.

Boston Shaker Gold Mine
Macmahon provides all production and development mining services at the Boston Shaker underground mine at the Tropicana site in Western Australia, a joint venture between AngloGold Ashanti and Regis Resources. The scope includes the development, ground support, production and trucking.

King of The Hills Gold Mine
Macmahon is currently executing a five-year contract with Vault Minerals to provide surface and underground services at the King of the Hills project, located near Laverton in Western Australia. The underground scope of works includes all development and production activities.

Deflector Gold Mine
Macmahon has recently been awarded a two-year extension in FY25 to continue providing underground mining services to Vault Minerals at the Deflector Gold project in Western Australia. The underground scope of works includes all development and production activities.

Daisy Milano Gold Mine
Macmahon has received a 2-year extension in FY25 to continue providing mining services, including development, ground support, production blasting, and loading to Vault Minerals at the Daisy Milano underground mine near Kalgoorlie in Western Australia.

Tujuh Bukit Gold/Copper Mine
Macmahon continues to provide underground mining services and support, including fixed plant maintenance and road maintenance for the exploration decline, as well as underground drilling services in East Java, Indonesia.

Poboya Gold Mine
Macmahon was awarded an interim underground mining services contract with PT Citra Palu Minerals at The Poboya Gold Mine, Palu, Central Sulawesi, Indonesia in March 2025 to provide the full scope of underground mining services, including supply, installation and maintenance of all underground services, excavation of both levels, decline and incline underground development and ground support.

Granny Smith Gold Mine
Macmahon is currently providing cablebolting services after successfully completing the development rehabilitation services to Goldfields near Laverton in Western Australia.

Fosterville Gold Mine
Macmahon provides cablebolting and shaft sinking at Agnico Eagle Mines' Fosterville Gold Mine in Victoria.

Olympic Dam Copper and Uranium Mine
Macmahon provides raise drilling services, ore bin replacement, and shaft rehabilitation to Olympic Dam in South Australia for BHP, where Macmahon has been operating for over 30 years.



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Civil Infrastructure

Macmahon provides consulting, design, procurement, fabrication, construction, equipment sales and hire, equipment refurbishment, maintenance, training services and site rehabilitation services to the resources sector. Macmahon is focussed on building its civil infrastructure and construction business in Australia and Southeast Asia as part of its ongoing strategy to diversify its business.

On 15 August 2024, Macmahon completed its acquisition of Decmil Group Limited. Decmil was established in 1978 and provides design, engineering, construction and maintenance services to the infrastructure, resources, and renewables sectors across Australia.

KEY PROJECT ACTIVITY

During the period, Macmahon provided civil infrastructure services to the following projects:

RESOURCES

Fimiston Gold Mine
Macmahon completed the construction of Tailings Storage Facility (TSF) 2 for Northern Star Resources in Western Australia.

Telfer Gold Mine - Civil
Macmahon commenced civil construction of the TSF 7 and 8 at the Telfer project in Western Australia and expects to complete these works in FY26.

Peak Downs and Saraji Mines
Macmahon provides multiple mining services and rehabilitation projects in Queensland, including approximately 56 hectares of rehabilitation at the Peak Downs and Saraji Mines in Queensland.

Hu'u Copper/Gold Mine
Macmahon completed a consultant FEL2B Study for Vale Canada Limited and PT Sumbawa Timur Mining. The study encompassed a comprehensive review and budget estimation for surface and tunnel development mining, exploration decline, non-process infrastructure, port facilities, capital expenditure, and the overall project management strategy.

Martabe Gold Mine
Macmahon is continuing the construction of the Alternative Tailings Facility at the Martabe Gold Mine in North Sumatra, Indonesia.

Perdaman Bulk Earthworks
Decmil provides bulk earthworks, including drilling and blasting, construction of a causeway, the supply and installation of culverts, establishment of construction and potable water lines, and general site clearing activities to Saipem Clough Joint Venture at the Perdaman Industries' Ceres Urea Plant Project in the Pilbara region of Western Australia.

Covalent Logistics Road
Decmil achieved practical completion on a 113 km logistics road for Covalent Lithium, supporting their operations at the Mount Holland Lithium Project. The project involved constructing a logistics road to provide a fully functional and continuous bituminous road surface between the Great Eastern Highway (GEH) and the Mount Holland Lithium Project mine site in Western Australia.

Marble Bar Road Upgrade
Decmil was awarded a contract to upgrade 23 km of Marble Bar Road in Western Australia to support new mine development operations for Hanroy Iron Ore Projects Pty Ltd.

Eva Copper Mine Accommodation Village
Decmil was awarded a contract by Eva Copper Mine Pty Ltd to deliver its new Operations Permanent Village at the Eva Copper Mine in Queensland. The project involves the design and construction of a 454-person accommodation village.

Girrahween Satellite Warehouse and Operations Facility
Decmil was awarded a contract by Arrow Energy Pty Ltd for the design and construction of the Girrahween Satellite Warehouse and Operations Facility. The scope of works involves the design, supply, and construction of all building and storage facilities, as well as a maintenance workshop, car park, and access roads.



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RENEWABLES

Warradarge Wind Farm

Decmil was awarded the Civil Balance of Plant contract for Stage 2 of the Warradarge Wind Farm in Western Australia by Vestas Australia Wind Technology Pty Ltd.

Borumba Camps

Decmil was awarded a contract by Queensland Hydro for the design and construction of two separate Frontier Camps, each with 84 beds, and two Temporary Workers Accommodation Camps, each with 336 beds, for the Borumba Pumped Hydro Energy Storage (PHES) Project in Queensland.

INFRASTRUCTURE

Ison Road Extension

Decmil was awarded a contract to connect to the Ison Road Rail Overpass (constructed by Decmil) to form the new freeway link between Melbourne and Geelong in Victoria. The link will include a 1.3 km four-lane road and cycling paths along the overpass and the extension.

Ison Road Rail Overpass

Decmil achieved practical completion on the Ison Road Overpass project in Werribee, west of Melbourne, Victoria. The project constructed a new road overpass for the Melbourne-Geelong rail line, connecting Ison Road in the north with the Ison Road extension to the south at Browns Road.

Albany Ring Road

Decmil achieved practical completion of the design and construct contract for Stage 2 of the Albany Ring Road project, on behalf of the Western Australian Government. Stage 2 of the contract included the design and construction of the remaining section of the Highway to Princess Royal Drive.

Florin Parkside Apartments

Decmil achieved practical completion on the contract to design and construct the Florin Parkside apartments project for Stirling Capital, located in Perth.

Gippsland Line Upgrade

Decmil, as part of the VicConnect Alliance, an alliance between Rail Projects Victoria, UGL and Arup, continued progress on the Gippsland Line Upgrade as part of the Regional Rail Revival program.

HOMEGROUND GLADSTONE - ACCOMMODATION VILLAGE

As part of the Decmil acquisition, Macmahon acquired the Homeground accommodation village located near Gladstone in Queensland, Australia. The village has a 1,392-bed capacity and is used to provide accommodation for workers in the Gladstone area, including Curtis Island. Management is focused on monetising this non-core Homeground asset.

EQUIPMENT REFURBISHMENT, MAINTENANCE AND SUPPORT SERVICES

Macmahon owns and operates world-class, purpose-built equipment maintenance facilities, enabling it to support frontline contracting services with a full suite of equipment refurbishment, maintenance, and skilled labour services.

Macmahon's primary workshop, located in Perth, Western Australia, is a key operational asset with the ability to rebuild equipment and components. This facility enables Macmahon to provide specialised workshop equipment services to both internal and external clients, and to rapidly and efficiently deploy maintenance supplies to client locations, as well as conduct essential in-field or on-site maintenance work.

TRAINING SERVICES

Macmahon is committed to continuous training and development of our people, providing workers with the necessary skills and knowledge to maximise their potential. Underpinning this is our registered training organisation (RTO), with two training hubs located at our facilities in Coppabella, Queensland, and Perth Airport, Western Australia.

Programs offered facilitate face-to-face training and assessment services that involve mining simulated technologies for a range of new-to-industry and experienced industry workers. Our training services include national traineeship programs, apprenticeships, high-risk work licenses, leadership development and equipment operator training. We also have an ex-Defence program to support veterans who are new to the industry, utilise their transferable skills, and complete targeted fast-track trade upgrades.



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Financial Review

FROM OPERATIONS BEFORE SIGNIFICANT ITEMS

	1H25 $m	2H25 $m	FY25 $m	FY24 $m
Revenue				
Australia	1,084.8	1,140.9	**2,225.7**	1,885.5
Indonesia	92.3	105.8	**198.1**	142.6
Other International	1.5	2.1	**3.6**	3.2
Group Revenue	1,178.6	1,248.8	**2,427.4**	2,031.3
EBITDA (underlying)	181.3	206.1	**387.4**	351.7
EBIT(A) (underlying)	78.1	93.3	**171.4**	140.3
NPAT (underlying)	47.1	55.3	**102.4**	91.9
EBITDA (reported)	166.5	198.4	**364.9**	313.4
EBIT (reported)	61.0	82.0	**143.0**	101.7
NPAT (reported)	30.0	43.9	**73.9**	53.2

Note: With the exception of revenue and NPAT (reported), the other measures above are not defined by IFRS and are unaudited. Refer to the Summary of Consolidated Reports section for reconciliation of underlying results.

PROFIT AND LOSS

Macmahon delivered revenue and underlying earnings growth in line with its publicly stated guidance. Revenue for the Group increased by 19.5% to $2.4 billion (30 June 2024: $2.0 billion), mainly attributed to the acquisition of Decmil Group from August 2024, commencement of Ulysses, Poboya and Awak Mas as well as organic growth across the Group.

Underlying earnings (before interest, tax, customer contracts amortisation and other adjusting items (EBIT(A)) for FY25 increased by 22.2% to $171.4 million (30 June 2024: $140.3 million). Similarly, underlying earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 10.2% to 387.4 million (30 June 2024: $351.7 million).

Depreciation (excluding amortisation on customer contracts) and Net Finance Costs

Depreciation (excluding customer contract amortisation) and net finance costs for the year increased from $211.4 million and $26.8 million, respectively, to $216.0 million and $33.7 million. The increase in depreciation is attributed to growth in property, plant and equipment for new projects as well as the acquisition of Decmil. The increase in net finance costs relate primarily to an increase in borrowings.

Tax

The Group reported a tax expense of $35.3 million and an effective tax rate of 32.3%. The prior year's effective tax rate was 28.9%.

BALANCE SHEET

Net assets increased from $633.5 million to $692.3 million at 30 June 2025. Total assets and total liabilities increased by $309.3 million and $250.5 million, respectively, mostly due to the acquisition of Decmil.

The Group's net tangible assets (NTA) increased by 1.2% to $630.7 million at 30 June 2025 (30 June 2024: $623.1 million). As a result, NTA per share increased from 28.9 cents per share to 29.3 cents per share.

Working Capital

Investment in net working capital decreased by 43.6% to $93.3 million during the period, primarily due to an increase in trade and other payables as a result of increased operations within the Group. The corresponding increase in trade and other receivables was lower due to stringent trade receivable collections, while Inventory remained stable.

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Current trade and other receivables increased from $382.8 million to $455.4 million. Current trade and other payables also increased from $322.7 million to $466.3 million. Inventory decreased slightly from $105.4 million to $104.2 million.

Net Debt

Net debt at 30 June 2025, increased from $146.6 million to $162.5 million, representing a gearing of 19.0%. This comprised cash on hand at 30 June 2025, of $263.9 million (30 June 2024: $194.6 million), offset by borrowings of $426.3 million (30 June 2024: $341.2 million). Net debt to EBITDA for 30 June 2025, was 0.42 times.

The increase in net debt to $162.5 million was primarily due to an increase in borrowings to support the growth of the Group's operations.

As at 30 June 2025, cash and unutilised capital facilities totalled $538.4 million (30 June 2024: $280.2 million).

CASH FLOW

Underlying operating cash flow (excluding interest, tax, acquisition and SaaS customisation costs) for the year ended 30 June 2025 was $407.4 million (30 June 2024: $301.0 million), representing a conversion rate from underlying EBITDA of 105.2%. Cash conversion was increased due to increased cash generation from operations and the improved receivables collection.

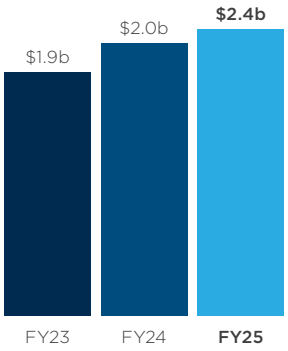
Capital Expenditure

Capital expenditure for property, plant and equipment for the year totalled $221.2 million (2024: $207.1 million), comprising $42.7 million (2024: $57.1 million) acquired through finance leases and $178.5 million funded in cash (2024: $150.0 million). Excluding tyres of $36.0 million (2024: $33.5 million), the capital expenditure for property, plant and equipment was $142.5 million (2024: $173.57 million).

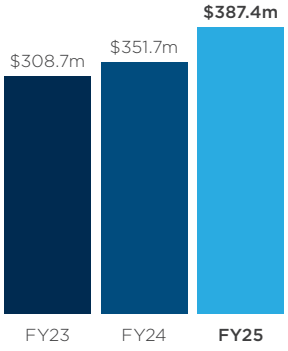
DIVIDEND

The Board has approved the payment of a fully franked final dividend of 0.95 cents per share for FY25. This equates to a total dividend declared for FY25 of 1.50 cents per share.

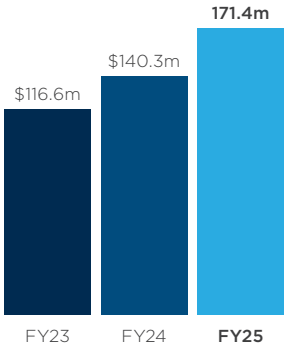
REVENUE



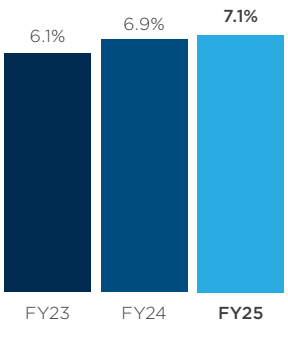
UNDERLYING EBITDA



UNDERLYING EBIT(A)



UNDERLYING EBIT(A) MARGIN



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Risk Management

Macmahon defines risk management as the identification, assessment and management of risks that have the potential to materially impact on its operations, people, reputation, and financial results.

Given the breadth of operations, geographies, and markets in which Macmahon operates, a wide range of risk factors has the potential to impact Macmahon. While Macmahon endeavours to mitigate and manage risks where it is efficient and practicable to do so, there is no guarantee these efforts will succeed.

Macmahon has developed a Risk Management Policy and supporting standards to articulate general principles and provide a framework for integrating risk management into day-to-day decision-making, allowing Macmahon to make informed and appropriate decisions on commercial, sustainability, and business risks to achieve its strategic objectives.

Risks are assessed based on their likelihood of occurrence and the potential impact they may have, both inherently (before controls) and residually (after controls).

Summarised below are the material business risks that may affect the achievement of Macmahon's strategic goals, operational performance and prospects.

PEOPLE AND CULTURE

Given the continued shortage of skilled labour and surge in demand for contract mining services in Australia, Macmahon could face difficulties in securing specialised, skilled employees aligned with Macmahon's values and objectives. This could result in significant operational delays and inefficiencies, reducing productivity and increasing operational costs. It can also elevate safety risks, as inexperienced workers may be more likely to be involved in workplace accidents.

To mitigate this risk, Macmahon has made culture a key focus of the business by championing our values and pursuing a strategy of creating a rewarding and supportive workplace. The development and implementation of initiatives such as the Respect@Macmahon Roadmap and the Diversity, Equity, and Inclusion Roadmap have further embedded our values throughout the business. Additionally, Macmahon has continued its apprenticeship intake and training programs, and conducts ongoing employee engagement surveys to continually assess and improve our workplace culture. These efforts not only reinforce our commitment to our values but also ensure a thriving, inclusive, and motivated workforce.

INDUSTRIAL RELATIONS AND UNION CHANGES

Macmahon aims to maintain strong relationships with our workforce to ensure a safe and productive working environment. Disruptions to Macmahon's operations and work environment could occur due to increased union activism, shifts in the political landscape, or alterations in industrial relations legislation, which could potentially impact our ability to provide continuity of supply and/or work environment. Macmahon has Enterprise Agreements to cover most of the wages workforce for existing projects.

PSYCHOSOCIAL HARM RISK

Psychosocial harm refers to incidents that may cause harm to the mental health of our workforce. Failure to adequately implement workplace policies or enforcement to prevent harassment or bullying, effectively report or provide support systems for affected employees, and provide adequate training to prevent such incidents could compromise employee wellbeing. The deteriorating mental health of employees could lead to increased absenteeism or turnover, difficulty in attracting and retaining talent due to negative workplace culture, potential legal implications, operational disruptions due to workforce instability, and potential reputational damage impacting the Company's ability to retain clients and impacting operational and financial performance. To mitigate this risk, Macmahon is committed to ensuring the safety and wellbeing of our people, communities, and environment around us. The Respect@ Macmahon Roadmap is continually expanding and drives ongoing improvements in this area. We implement policies and standards, including the Code of Conduct, Diversity and Inclusion Policy, Sexual Harassment Policy, Whistleblower Policy, and the Equal Employment Opportunity Complaint and Resolution Procedure, designed to protect our workforce.

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These principles form the foundation of our strategy in addressing psychosocial harm, offering explicit guidance on the standards we expect all our operations to meet.

FATALITY/SIGNIFICANT EVENT RISK

As a mining services company, our operations can be disrupted by pandemics, natural disasters, extreme weather events and major process or infrastructure failures. Macmahon could be exposed to multiple fatalities or be unable to respond effectively to significant events, such as natural disasters, due to non-compliance with post-incident response procedures and a lack of attention to occupational health, safety, and environmental (HSE) practices. Failure to adhere to established safety protocols or a general lack of emphasis on occupational HSE practices could result in loss of life or injury to employees, significant damage to infrastructure, damage to the Company's reputation, and increased regulatory scrutiny.

To mitigate this, Macmahon has implemented internal controls including: HSEQ and HR policies including critical control standards, an integrated safety health management system (SHMS), pre-employment medical screening, healthy lifestyle programs, drug and alcohol checks, an employee assistance program, critical risk management program, fatigue management, adequate workplace rest facilities and camp facilities, mental health programs, internal and external auditing of the SHMS and testing of response plans (Crisis and Emergency Management Plan, Emergency Preparedness and Response Procedure, and Project Emergency Response Plans).

LOGISTICS AND SUPPLY CHAIN RISK

Macmahon partners with various suppliers and joint venturers. Global supply chains remain fragile due to macroeconomic uncertainty, which has the potential to significantly impact our business operations. In the era of globalised commerce, logistical and supply chain risks remain high due to geopolitical issues, supplier disruptions, and broader macroeconomic trends. Given the dependence on international suppliers and partners, these risks are particularly relevant for Macmahon. Macmahon is exposed to global macroeconomic issues and/or unethical practices of suppliers and joint venture partners, such as engagement in modern slavery, which could disrupt Macmahon's supply chain.

This could lead to potential disruptions to operations due to supply chain or logistical issues, resulting in delays, increased costs, damage to Macmahon's reputation, and potential legal issues associated with entities engaging in modern slavery. It could also result in loss of trust among stakeholders and possible sanctions or penalties from regulatory bodies.

To manage this risk, Macmahon regularly reviews procurement policies and procedures, monitors inventory holdings, and maintains regular contact with key suppliers to optimise critical inventory needed to meet operational requirements. Commercial teams also work closely with clients to ensure that cost increases are passed on optimally.

EXECUTION OF STRATEGIC CONTRACTS

The proper execution of strategic contracts is vital for business continuity and growth. In the complex environment in which the Group operates, challenges such as project delays, cost overruns, and early contract terminations can severely impact the Company's financial health and reputation. If underperformance in project delivery, inefficient contract management, and premature contract termination were to occur, Macmahon could be exposed to delays, cost overruns, potential legal and regulatory issues arising from non-compliance with contract terms, damage to its reputation, and possible loss of future business opportunities.

To mitigate this risk, Macmahon continues to improve its contract management capabilities, emphasising robust planning, performance tracking, and effective communication with all involved parties.

BREACH OF CLIMATE REGULATIONS

As the global focus on climate change continues to intensify, non-physical climate regulation risks, including policy changes, regulatory reforms, and shifting investor expectations, have emerged as significant considerations for companies. For Macmahon, failure to align with these changing expectations could result in reputational damage, legal penalties and reduced investment. As a result, potential regulatory penalties and reputational damage (leading to shareholder divestment) could occur.

To mitigate this risk, Macmahon has established processes to align with AASB S2 Climate-related Disclosures requirements regarding climate-related reporting.

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LEGAL/REGULATORY NON-COMPLIANCE WITHIN ALL JURISDICTIONS IN WHICH MACMAHON OPERATE

In addition to Australia, Macmahon operates in international markets, including Indonesia and Malaysia, which may have higher sovereign risk ratings than Australia. This exposes Macmahon to additional adverse economic conditions, civil unrest, conflicts, terrorism, security breaches, bribery and corrupt practices. If Macmahon does not adequately monitor compliance with key legal or regulatory requirements in the jurisdictions it operates, then there is a risk of potential fines or legal proceedings, loss of social license to operate, impacting business continuity and growth, damage to reputation, and loss of trust among stakeholders, including clients and investors.

To mitigate this risk, Macmahon:

- Monitors political activity, policy, legislative and regulatory changes in the jurisdictions it operates.
- Engages with relevant authorities and agencies in those jurisdictions.
- Maintains robust ongoing monitoring of changes in laws and regulations by HR, safety and legal teams.

CYBER SECURITY, IT SERVICES AND IT INFRASTRUCTURES

Cyber security risk has become and remains a significant concern as the industry increasingly adopts digitisation and automation, becoming more vulnerable to cyber threats and attacks. The potential for cyber attacks, data misuse and the release of sensitive information poses an ongoing risk to the business.

To mitigate this risk, Macmahon has implemented a Cyber Resilience Strategy and a Cyber Security Management Framework in response to our security maturity assessment, which continues to evolve in accordance with industry changes.

INNOVATION RISK

Adopting new technologies to achieve operational efficiency and cost-effectiveness is needed to remain competitive in the market. Macmahon positions itself as an early adopter of new technologies. Macmahon innovates through the optimisation of business and operational structures and processes. There is a risk that unmatched technological improvements by competitors could leave Macmahon at a competitive disadvantage and unable to compete. There is also a risk that Macmahon may not keep pace with the changes in the current business environment, making the Company less attractive to clients. To mitigate this risk, Macmahon has a technology roadmap in surface and underground operations to enhance safe and efficient productivity.

MACROECONOMIC AND CHANGES IN POLITICAL LANDSCAPE RISK

Macroeconomic and political landscape risks remain increasingly relevant as global markets continue to intertwine. For Macmahon, fluctuations in foreign currency exchange (FX) rates, commodity prices, and changing political and regulatory environments in the jurisdictions where Macmahon operates can significantly affect the bottom line. Macmahon is exposed to macroeconomic events or geopolitical tensions changes such as unstable foreign currency fluctuations, political conflicts, industry and commodity price volatility, or price inflation may have a negative impact on the business.

This is due to economic instability or downturns in the markets Macmahon operates in, political instability leading to policy changes, unpredictable fluctuations in foreign currency rates, volatile commodity prices, or high inflation rates. As a result, potential financial losses may occur due to unfavourable economic conditions, challenges in meeting changing legal or regulatory requirements, operational disruptions resulting from political conflicts, decreased profitability resulting from currency or commodity price fluctuations, and potential reputational damage if unable to maintain compliance with evolving legal frameworks. To manage this risk, developing a flexible business strategy that includes diversification of markets and products will further aid in minimising the FX impact/exposure to intercompany debt and other foreign currency transactions. Macmahon closely monitors FX exposure and implements natural hedging across its international operations as required.

CONTINGENT LIABILITIES

Macmahon is exposed to several contingent liabilities, including those described in the notes to the Annual Report. The conversion of Macmahon's contingent liabilities into actual liabilities could result in a negative impact on Macmahon's

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financial position and financial guidance due to unexpected financial burdens. To mitigate this, Macmahon has ongoing monitoring of contingent liabilities, changes to legislation and potential legal precedents.

CAPITAL STRATEGY AND STRUCTURE

Macmahon aims to manage uncertainty related to changing macroeconomic conditions. We do the same when it comes to the volatility in commodity, currency and capital markets, given the impact they can have on our earnings, balance sheet and ability to pursue our strategy.

If Macmahon fails to sufficiently plan capital spending, raise sufficient funds and meet financial covenants imposed by lenders, it could be exposed to potential inadequate capital structure to fund our strategic objectives, creating balance sheet risks such as issues with gearing, liquidity, or covenants. As a result, Macmahon could face difficulty in executing strategic initiatives due to a lack of necessary funding, potential breaches of covenants leading to penalties or increased borrowing costs, potential liquidity issues impacting daily operations, and diminished investor confidence due to perceived financial instability.

To mitigate this risk, Macmahon has robust financial controls over gearing, liquidity and banking covenants to manage and structure capital and fund its strategic objectives. In addition, Macmahon has diversified financing facilities with several external financiers. We aim to ensure that we continue to meet all our obligations under these facilities regardless of the financial climate.

PIPELINE MAKEUP

Macmahon's performance is impacted by its ability to win, extend and complete new contracts with an appropriate economic return (the "pipeline").

Pipeline degradation of Macmahon's order book pipeline could occur due to misalignment of business operations with market strategy and failure to win or extend new contracts.
As a result, Macmahon could face financial losses due to uneconomic contracts and operational inefficiencies, leading to resource strain, which could ultimately impact overall financial performance and position due to failure to win or extend new contracts.

Macmahon has applied a rigorous work pipeline process to mitigate this risk, including the authority to bid process and risk and opportunity standards, a Board review on potential key projects, and budgets are prepared to consider all secured work.

STRATEGIC PARTNERSHIP RISK - SERVICE PROVIDERS

Strategic partnerships are vital in leveraging resources, sharing knowledge and competencies, and achieving operational efficiency. Macmahon strategically partners with providers of non-core services to grow the Company's revenue and market share in targeted markets. A breakdown in these relationships and/or financial distress experienced by the partner(s) could lead to operational disruption, reputational damage and/or financial losses. This is mitigated by extensive due diligence and procurement activities that ensure parties with complementary skill sets will accelerate our growth and enable us to secure larger-scale projects on acceptable commercial terms.

EXECUTIVE AND NON-EXECUTIVE PERFORMANCE

The performance of Macmahon's leadership team is a critical determinant of the Company's success. In a highly competitive service industry, the Company's strategic direction, financial performance, and stakeholder confidence are all closely tied to the capability and judgment of the CEO and the Board. Inadequate leadership or decision-making by the CEO, inadequate Board composition, and lack of experience or capability of the Board and CEO could result in compromised strategic directions impacting the Company's growth and competitiveness, financial underperformance eroding shareholder value, and reduced decreased stakeholder confidence due to lack of effective leadership, potential loss of key personnel, and reputational damage. Macmahon has implemented a comprehensive performance management system to mitigate this risk, which is reviewed regularly. In addition, the effectiveness of the Board is monitored through the use of board evaluation processes and regular discussions.

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BREAKDOWN IN CORPORATE GOVERNANCE

Overseeing governance is a key function of the Board. Failures in Macmahon's corporate governance systems could lead to increased fraud rates, financial inaccuracies, safety issues, and reputational damage. This may be due to inadequate or insufficient oversight by the Board, non-compliance with governance standards, inadequate internal controls and audit mechanisms, or failure to adhere to regulatory requirements and ethical standards. Without the appropriate controls, there is an increased likelihood of fraudulent activities and financial misstatements, safety issues leading to employee harm, loss of life, operational disruptions, reputational damage attracting adverse reactions from shareholders, markets, and regulators, increased risk of litigation against the Company, and potential penalties or sanctions by regulatory bodies.

To mitigate this, Macmahon maintains a formal Corporate Governance Statement, and an annual review is conducted of the Company's main governance policies and procedures. This is supported by:

- Internal management review processes.
- Regular Board meetings.
- Internal and external auditing processes.
- Representation undertakings by the Executive team to the CEO and CFO every six months.
- A robust internal function that ensures the review and regular monitoring of whistleblower policy and hotline, code of conduct, corrective action and non-conformance standards.

SOCIAL LICENSE TO OPERATE

Local communities can have a significant impact on Macmahon's operations and corporate reputation. Local communities often depend on the project for employment, training and local business opportunities. Social licence to operate represents the level of acceptance or approval by local communities and stakeholders of Macmahon's operations. With increased public scrutiny of the mining and construction industries' social and environmental impact, maintaining a social licence is critical for ongoing success. If Macmahon fails to effectively manage environmental and social impacts of operation and meet the expectations of the community in the way it operates (e.g. controlling noise pollution, controlling environmental pollution, preserving heritage sites, protecting the environment, considering Native Title rights), Macmahon could be exposed to damaged reputation, potential loss of clients or tender and potential legal consequences for non-compliance with local regulations or expectations. To mitigate this risk, Macmahon has implemented active engagement and support in local community relations and sponsorship programs. In addition, Macmahon is ensuring local communities are considered when hiring and procuring supplies. Macmahon also fosters a positive work environment through various health and wellbeing programs. Our Strong Minds, Strong Mines program provides mental, physical, and social health support to our people and the broader mining industry.



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Our Board



HAMISH TYRWHITT

Independent, Non-Executive Chair

Appointed as Director on 1 October 2019
Appointed as Chair on 20 October 2023

Qualifications:
MIE Aust CPEng APEC Engineer (Fellow), ATSE (Fellow), HKIE, and MAICD

Experience and expertise:
Mr Tyrwhitt has over three decades of senior leadership experience in the global contract mining, engineering and construction sectors. He worked for Leighton Group (now CIMIC), at the time the world's largest contract miner, for 28 years, including as Managing Director of Leighton Asia, before leading its global operations as Group CEO from 2011 to 2014.

Since leaving Leighton Group, Mr Tyrwhitt has held CEO and non-executive roles with construction and resources companies listed on the NASDAQ, Dubai, Singapore, and London stock exchanges.

Mr Tyrwhitt is a fellow of the Australian Academy of Technological Sciences and Engineering, a Fellow of the Institution of Engineers Australia, a member of the Hong Kong Institute of Engineers, and a member of the College of Civil Engineers, Australia.

Current other directorships of listed companies:	None
Former directorships of listed companies (last three years):	None
Committee memberships:	
Chair of the Nomination Committee	
Interests in ordinary shares:	1,093,686
Interests in share rights:	105,918



MICHAEL FINNEGAN

Managing Director and Chief Executive Officer

Appointed as Managing Director on 1 October 2019

Qualifications:
BSc (Mining)

Experience and expertise:
Mr Finnegan has more than 25 years of experience in the mining industry, with the last 20 years primarily spent in senior line management positions.

Mr Finnegan has a strong commercial and technical background, having spent time in operations on both the east and west coasts of Australia, as well as in several countries throughout Asia.

Current other directorships of listed companies:	None
Former directorships of listed companies (last three years):	None
Committee memberships:	
Member of the Nomination Committee	
Interests in ordinary shares:	7,736,989
Interests in share rights:	16,306,301

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MAREE ARNASON

Independent, Non-Executive Director

Appointed on 1 November 2024

Qualifications:
BA and FAICD

Experience and expertise:
Ms Arnason has over 35 years' experience across the natural resources, energy and manufacturing sectors and has worked across commodities including copper, gold, iron ore, timber, coal, mineral sands, nickel and natural gas from exploration to full production environments. Ms Arnasan has gained expertise in strategy, sustainability, risk, corporate affairs, stakeholder relations, transformations, divestments, and integrations. Ms Arnason is a Co-Founder/Director of Energy Access Services, who operate an independent digital trading platform for Western Australian wholesale gas buyers and sellers and also serves on the Australian Institute of Company Directors (AICD) Board as a WA Division Director.

Current other directorships of listed companies:	
Gold Road Resources Limited Ardea Resources Limited VHM Limited	
Former directorships of listed companies (last three years):	
Trigg Minerals Limited	
Committee memberships:	
Member of the Audit and Risk Committee Member of the Remuneration and Culture Committee Member of the Nomination Committee	
Interests in ordinary shares:	None
Interests in share rights:	None



DHARMA CHANDRAN

Independent, Non-Executive Director

Appointed on 1 February 2024

Qualifications:
BCom (Marketing), LLB, and MCom (OrgMan)

Experience and expertise:
Mr Chandran is an experienced executive and non-executive director with a background in professional services and human resource management within the financial services, resources, and industrial sectors in Australia and Asia. Mr Chandran has significant experience in the contract mining and civil construction sectors, as the former Chief Human Resources and Corporate Services Officer for mining and civil contractor Leighton Holdings, and further experience in human resource management through his previous role as Chief People Officer of the ABC and his current role as Chief People Officer of Toll Group.

Current other directorships of listed companies:	None
Former directorships of listed companies (last three years):	
Mortgage Choice Limited	
Committee memberships:	
Chair of the Remuneration and Culture Committee Member of the Nomination Committee	
Interests in ordinary shares:	118,099
Interests in share rights:	118,099

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GREG EVANS

Independent, Non-Executive Director

Appointed as Director on 1 November 2024

Qualifications:
BCom (Econ), GradDipAppFin, GAICD

Experience and expertise:
Mr Evans has over 25 years of experience in financial services and capital markets, including over 10 years as a Partner and Principal Director of KPMG Australia's Mergers and Acquisitions Team. Mr Evans has advised boards and management teams, as well as providers of debt and equity, and other financial sponsors, on capital raisings, mergers and acquisition transactions, equity and debt structuring, public offerings, and strategic growth options.

Current other directorships of listed companies:	
Yandal Resources Limited	
Former directorships of listed companies (last three years):	None
Committee memberships:	
Chair of the Audit and Risk Committee Member of the Nomination Committee	
Interests in ordinary shares:	None
Interests in share rights:	None



DAVID GIBBS

Non-Independent, Non-Executive Director

(AMNT Nominee) Appointed on 13 July 2023

Qualifications:
BSc (Hons), ARSM, C Eng, and MAICD

Experience and expertise:
Mr Gibbs has 40 years of international experience in large-scale mining operations, including copper and gold, diamonds, uranium, coal (thermal and coke), talc, and nickel laterite resources. His experience encompasses underground and open-pit mining operations across South Africa, Namibia, Papua New Guinea, Australia, Thailand, and Indonesia. Mr Gibbs is also an Associate of the Royal School of Mines.

Current other directorships of listed companies:	
PT Amman Mineral Internasional Tbk	
Former directorships of listed companies (last three years):	None
Committee memberships:	
Member of the Nomination Committee	
Interests in ordinary shares:	566,338
Interests in share rights:	105,918

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GRAHAME WHITE

Independent, Non-Executive Director

Appointed on 1 February 2024

Qualifications:
BE (MechEng), and MAICD

Experience and expertise:
Mr White is an experienced executive and non-executive director with a background in the construction, energy and resources sectors in Australia and Asia.

Mr White brings a wealth of experience in engineering, mining and resources, infrastructure and civil contracting, strategy, project technical and commercial analysis, and project development and operations management. During his career, Mr White has spearheaded business development across Hong Kong, Singapore, Thailand, Vietnam, the Philippines, China, and Malaysia in the infrastructure and civil contracting sector.

Current other directorships of listed companies:	
Metals X Limited	
Former directorships of listed companies (last three years):	None
Committee memberships:	
Member of the Audit and Risk Committee Member of the Remuneration and Culture Committee Member of the Nomination Committee	
Interests in ordinary shares:	500,000
Interests in share rights:	None

DENISE MCCOMISH

Independent, Non-Executive Director

Appointed as Director on 1 March 2021
Retired from the Board on 29 October 2024

The below information is as at the date of Mrs McComish's resignation.

Qualifications:
FCA, DipAcctgFoundn (Glam), MAICD

Experience and expertise:
Ms McComish is an experienced company director with extensive financial, corporate, ESG and board experience across multiple sectors. Ms McComish was a partner with KPMG for 30 years, specialising in audit and advisory services, and held leadership positions including KPMG Australia board member and national mining leader.

Ms McComish has been a member of the Australian Takeovers Panel since 2013. She also serves as Advisory Board Chair for the ECU School of Business and Law, and a WA Division Councillor for the Australian Institute of Company Directors. Ms McComish is a Fellow of Chartered Accountants Australia and New Zealand, a member of the AICD, and a member of Chief Executive Women. In 2018, she was awarded an Honorary Doctorate in Business from Edith Cowan University.

Current other directorships of listed companies:

- Web Travel Group Limited
- Gold Road Resources Limited
- Beyond Blue Limited

Former directorships of listed companies (last three years):

Mineral Resources Limited

Committee memberships: None

Interests in ordinary shares: 853,559

Interests in share rights: None

Executive Management Team

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MICHAEL FINNEGAN

Managing Director and Chief Executive Officer

Mr Finnegan has more than 25 years of experience in the mining industry, with the last 20 years primarily spent in senior line management positions.

Mr Finnegan has a strong commercial and technical background, having spent time in operations on both the east and west coasts of Australia, as well as in several countries throughout Asia.



URSULA LUMMIS

Chief Financial Officer

Ms Lummis is a Chartered Accountant and holds a Bachelor of Commerce (Honours) degree in Accounting, Auditing and Tax. She joined Macmahon in 2018 as Group Financial Controller and was appointed Chief Financial Officer on 1 November 2021.

Before joining Macmahon, Ms Lummis had over 20 years of experience with KPMG South Africa and KPMG Australia, providing services to numerous globally listed companies in the mining and mining services sectors.



PETER POLLARD

Chief Corporate Development Officer

Mr Pollard holds a Bachelor of Business and joined Macmahon in August 2020 as Chief Financial Officer. In November 2021, Mr Pollard moved into a strategic consulting role and was appointed Chief Corporate Development Officer in November 2023.

Mr Pollard has over 40 years of experience in the contracting and services sectors, covering mining, oil and gas, infrastructure, and telecommunications.

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NICOLA HAMILTON

Chief People Officer

Ms Hamilton commenced with Macmahon in February 2021 and holds a Bachelor of Human Resource Management (Honours). She has over 20 years of experience in people management with global resources companies.

She specialises in building and leading HR functions in diverse environments with expertise in business and strategic planning, change management, talent management and development, and employee relations.



JASON MCCALLUM

Managing Director – Surface Mining Australia

Mr McCallum is a Senior Executive with over 35 years of experience in the mining sector. He joined Macmahon in June 2023 as General Manager East Coast and Civil Operations and was appointed Managing Director of Surface Mining Australia in October 2024. Before Macmahon, Mr McCallum held senior management positions with BHP, Vale Coal and Yancoal.



LUKE REYMOND

Managing Director - Underground Mining Australia

Mr Reymond is a passionate mining professional with a committed focus on industry-leading safety, operational standards, mine performance optimisation and continuous improvement. Mr Reymond has 23 years of experience in Surface and Underground operations in the mining sector for Tier 1 companies, including six years of expatriate experience in senior leadership roles across Africa and Asia.

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Executive Management Team

(continued)



ROD HEALE

Managing Director - Decmil

Mr Heale has over 40 years of experience in building, construction, and infrastructure in Australia. He is currently Managing Director of Decmil, a Macmahon company, and has held senior roles with John Holland, Thiess, and CPB Contractors. Mr Heale holds engineering and law degrees, is a Fellow of Engineers Australia and the AICD, and a registered builder.



DOUG HAMILTON

General Manager - Asia

Mr Hamilton has more than 35 years of experience in the contractor mining and construction sectors. He joined Macmahon in 2016 as an Asset Manager in Indonesia and was appointed Operations Manager in 2019. He now serves as General Manager - Asia and President Director of our Indonesian business. Prior to Macmahon, he spent 23 years in senior roles with Leighton Asia across the Asia Pacific and southern Africa.



MAHA CHAAR

General Counsel and Company Secretary

Ms Chaar is a senior executive and qualified lawyer with extensive national and international experience.

Ms Chaar holds a Master of Laws, a Bachelor of Laws (Honours), and a Bachelor of Science. She joined Macmahon in 2021 and was appointed General Counsel in January 2022 and Company Secretary in January 2024. She has authored several published, peer-reviewed academic papers and articles.

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Sustainability

Macmahon is committed to sustainability. We recognise that the impacts we have on the environment and the communities in which we operate require active and responsible management. We prioritise the health, safety, and wellbeing of our people, and continue to manage our environmental and social footprint in line with evolving expectations and regulatory requirements. Our approach to sustainability is focused on creating long-term value for clients and shareholders, strengthening operational performance, and enhancing business resilience.

For further information, please refer to the standalone FY25 Sustainability Report.

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Sustainability Year in Review



GOVERNANCE

Independent readiness review to assess alignment with **AASB S2** and **strengthen assurance readiness in FY26**

No reported incidents of corruption or **breaches of our Code of Conduct**

331
New suppliers screened for sustainable procurement practices and assessment for social impact risks

Compliance with **ASX Corporate Governance Council's principles**, and all relevant legislative requirements

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ENVIRONMENT

Joined the Caterpillar **'Pathways to Sustainability'** program

Progressed the definition of **Scope 3 boundaries** and **mapped key data sources**

Assessed climate risk and **opportunity frameworks** to support enterprise risk management

Continued work to enhance the **availability and accuracy of Scope 1 and 2 emissions data** across all Macmahon entities

9,301
Scope 1 tonnes Co_2-e

3,203
Scope 2 tonnes Co_2-e

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SOCIAL

33%
Females in Executive Leadership positions

16.7%
Female Non-Executive Directors

4.2%
First Nations People

16%
Female employees across the whole organisation

INTERNAL AND EXTERNAL TRAINING

32
Graduates and Interns

243
Leadership development participants

556 sessions delivered
9% female representation

31
Ex-Defence

Upskilled Heavy Diesel Mechanic trade upgrades and mobilised to site

424
Apprentices and Trainees

30% female representation

6% First Nations representation



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SAFETY AND WELLBEING

Expansion of **Critical Risk Management Program**, including leader training and verifications for critical control management

Delivered the **Macmahon Winning Way** leadership training and **Winning Way Pit Stops**

Implemented targeted programs to **enhance the health and safety of our workforce**

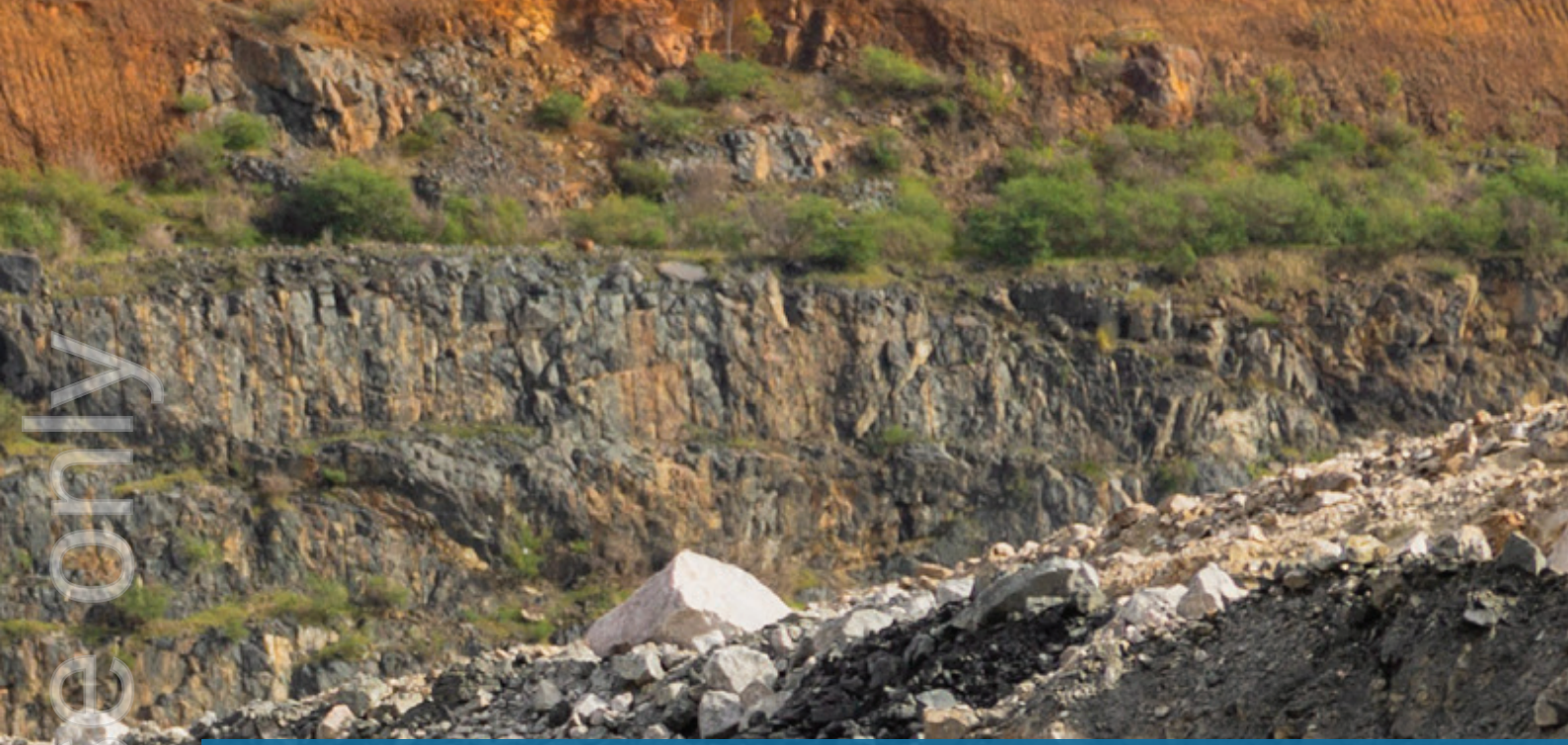
Trained 56 additional Wellness Champions, bringing the total to 104 across our Australian offices and sites

Implemented an **injury management early intervention program**





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Directors' Report

The Directors present their Report, together with the financial statements for the consolidated entity (referred to as the' Group') consisting of Macmahon Holdings Limited (referred to as the 'Company') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

DIRECTORS

The following persons were Directors of Macmahon during the financial year and up to the date of this Report, unless otherwise stated:

H Tyrwhitt	(Independent, Non-Executive Chair)
M Finnegan	(Managing Director and Chief Executive Officer)
M Arnason	(Independent, Non-Executive Director) (Appointed 1 November 2024)
D Chandran	(Independent, Non-Executive Director)
G Evans	(Independent, Non-Executive Director) (Appointed 1 November 2024)
D Gibbs	(Non-Independent, Non-Executive Director)
G White	(Independent, Non-Executive Director)
D McComish	(Independent, Non-Executive Director) (Resigned on 29 October 2024)

Particulars of their qualifications, experience, special responsibilities and any directorships of other listed Australian companies held within the last three years are set out in this Annual Report under the "Our Board" heading on pages 36 - 39 and form part of this Report.

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Meetings of Directors

The number of meetings^ of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2025, and the number of meetings attended by each Director were:

	Board		Audit and Risk Committee		Remuneration and Culture Committee		Nomination Committee	
	M	A	M	A	M	A	M	A
H Tyrwhitt	12	12	1	1	2	2	1	1
M Finnegan	12	12	N/A	N/A	N/A	N/A	N/A	N/A
M Arnason †	7	7	4	4	2	2	1	1
D Chandran	12	12	N/A	N/A	4	4	1	1
G Evans †	7	7	4	4	2	2	1	1
D Gibbs	12	11	N/A	N/A	N/A	N/A	1	1
G White	12	12	5	5	4	4	1	1
D McComish *	5	5	1	1	2	2	N/A	N/A

Chair

Member

M The number of meetings held during the period the Director was a member of the Board and/or Committee.

A The number of meetings attended by the Director during the period the Director was a member of the Board and/or Committee.

** Ms McComish ceased to be a Director on 29 October 2024.*

† Mr Evans and Ms Arnason were appointed to the Board from 1 November 2024.

COMPANY SECRETARIES

Maha Chaar

Ms Chaar is Macmahon's General Counsel and Company Secretary. A summary of Ms Chaar's biography is set out on page 42 of this Report.

OFFICERS WHO WERE PREVIOUSLY PARTNERS OF THE AUDIT FIRM

Ms McComish was a Director of the Company during the financial year until her retirement on 29 October 2024, and was previously a partner of the current audit firm, KPMG, at a time when KPMG undertook an audit of the Group. Ms McComish retired from the KPMG partnership on 30 November 2019 and was appointed as a Director of the Company on 1 March 2021.

CORPORATE GOVERNANCE STATEMENT

The Company's 2025 corporate governance statement is available from its website site at www.macmahon.com.au/about/corporate-governance/#corporate-governance-statement

PRINCIPAL ACTIVITIES

The principal activities of the Group consisted of providing surface mining, underground mining and mining support and civil infrastructure services to mining companies throughout Australia and Southeast Asia.

Apart from the above, or as noted elsewhere in this Report, there were no significant changes in the nature of the activities of the Group during the year under review.

DIVIDENDS

Declared and paid during FY25

Dividends paid or declared by the Company to members since the end of the previous financial year were:

	Cents	$	Date of payment
Interim 2025 ordinary	0.55	11,619,369	10 Apr 2025
Final 2024 ordinary	0.60	12,929,912	11 Oct 2024

Declared after year-end

After the balance sheet date, the following dividends were declared by the Directors:

	Cents	$	Date for payment
Final 2025 ordinary	0.95	20,472,365	10 Oct 2025

As the final dividend was declared after 30 June 2025, the financial effect of these dividends has not been brought to account in the consolidated financial statements of the Group for FY25.

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REVIEW OF OPERATIONS

For the year ended 30 June 2025, the Group reported increases in revenue, underlying EBIT(A), EBITDA that were driven by the acquisition of Decmil Group, commencement of new projects, including Ulysses and Poboya, and organic growth.

Information on the operations and financial position of the Group and its business strategies and prospects is set out in the operational review and financial review on pages 19 - 29, and form part of this Directors' Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the year under review.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Dividends

On 18 August 2025 the Board approved a final dividend on ordinary shares of 0.95 cents per ordinary share in respect of FY25.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Group in future financial years and the expected results of those operations have been included generally within the Annual Report. The Group plans to continue providing surface mining, underground mining and mining support and civil infrastructure services to mining companies throughout Australia and Southeast Asia.

ENVIRONMENTAL REGULATION

The Group is subject to environmental regulation in respect of its projects and operations business activities. The Group aims to ensure that the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with relevant environmental legislation. The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

REMUNERATION REPORT (AUDITED)

The audited remuneration report is set out on pages 55 - 71 and forms part of this Directors' Report.

INDEMNITY AND INSURANCE OF OFFICERS

The Company has indemnified the Directors and executives of the Company for costs incurred in their capacity as a Director or Executive, for which they may be held personally liable, except where there is a lack of good faith.

For the year ended 30 June 2025, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001* (Cth). The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

INDEMNITY AND INSURANCE OF AUDITOR

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During FY25, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 29 to the consolidated financial statements.

The Directors are satisfied that the provision of non-audit services during the year by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth).

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Based on advice received from the Audit and Risk Committee, the Directors are of the opinion that the services as disclosed in note 29 to the consolidated financial statements:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor.
- None of the services undermines the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity, acting as an advocate or jointly sharing economic risks and rewards.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) 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 Class Order 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* (Cth) is set out on page 53.

AUDITOR

KPMG continues in office in accordance with section 327 of the *Corporations Act 2001* (Cth).

RESOLUTION

This Report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001* (Cth).



HAMISH TYRWHITT

Independent, Non-Executive Chair
19 August 2025

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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Macmahon Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Macmahon Holdings Limited for the financial year ended 30 June 2025 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Derek Meates
Partner
Perth
19 August 2025

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Remuneration Report

This Remuneration Report for the year ended 30 June 2025 has been audited by the Company's external auditor.

The remuneration report details the remuneration arrangements for Key Management Personnel (KMP) as defined by and in accordance with the requirement of the *Corporations Act 2001* (Cth) and its regulations. The KMP included in the Remuneration Report include personnel who planned, directed and were responsible to control all business activities and not only specific pillars.

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1 REMUNERATION GOVERNANCE

The Board oversees the remuneration arrangements of the Company. In performing this function, the Board is assisted by input and recommendations from the Remuneration and Culture Committee ("the Committee"), external consultants and internal advice. The Committee is responsible for the overview and recommendation to the Board of remuneration arrangements for Non-Executive Directors and Executive key management personnel (KMPs). The CEO and Managing Director, in consultation with the Board, sets remuneration arrangements for other KMPs. No employee is directly involved in deciding their own remuneration, including the CEO.

Further details of the role and function of the Committee are set out in the Remuneration and Culture Committee Charter on the Company's website at www.macmahon.com.au.

The Committee obtains advice and market remuneration data from external remuneration advisors as required. When advice and market remuneration data is obtained, the Committee follows protocols regarding the engagement and use of external remuneration consultants to ensure ongoing compliance with executive remuneration legislation. These protocols ensure that any remuneration recommendation from an external consultant is free from undue influence by any member of the Company's KMPs to whom it relates.

The protocols for any external consultant providing remuneration recommendations prohibit them from providing advice or recommendations to KMPs or Non-Executive Directors before recommendations are given to the Committee. These arrangements were implemented to ensure that any external party will be able to carry out its work, including information capture and formation of its recommendations, free from undue influence by the individuals to whom they relate.

For FY25, Korn Ferry (AU) Pty Ltd were engaged as remuneration consultants to undertake executive team job sizing and provide remuneration benchmarking data. Korn Ferry (AU) Pty Ltd was paid $31,475 for these services.

1.1 CEO and MD Fixed Remuneration and other KMPs

For FY25, the Company set the fixed pay with reference to the P50 (median) of a group of peer companies. A fixed pay range of plus or minus 20% around the median was used to account for individual factors such as experience, calibre and merit. In selecting the peer group, the Board considered the Company's market capitalisation, operations in international locations, number of employees, number of operations, and complexity of operations.

2 EXECUTIVE REMUNERATION

2.1 Overview

The Company's approach to remuneration is to compensate employees in a way that is cost-effective and appropriate for current industry conditions, but also sufficient to attract, retain and incentivise the calibre of personnel needed to effectively manage the Company's business. To this end, the remuneration packages offered to KMPs have three components:

- Market-competitive fixed remuneration
- An at-risk short-term incentive opportunity dependent on performance over an annual period
- An at-risk long-term incentive opportunity dependent on performance over multiple years

The targeted remuneration mix for KMPs for the year ended 30 June 2025 is outlined below:

		At risk	
	Fixed remuneration	Short-term incentive	Long-term incentive
Michael Finnegan Chief Executive Officer (CEO) and Managing Director	34%	33%	33%
Ursula Lummis Chief Financial Officer (CFO)	44%	33%	23%
Peter Pollard Chief Corporate Development Officer (CCDO)	44%	33%	23%

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2.2 Fixed remuneration

The fixed remuneration paid to KMPs is based on the size and scope of their role, knowledge and experience, market benchmarks for that role, and, to some extent, the Group's financial circumstances. Fixed remuneration comprises base salary, any applicable role-specific allowances, and superannuation.

Remuneration levels are reviewed annually by the Remuneration and Culture Committee through a process that considers individual and overall performance of the Group. In addition, external advisors and industry surveys may be used to ensure the KMPs remuneration is competitive with the market and relevant industry peers.

For FY25, the Company set the fixed pay with reference to the P50 (median) of a group of peer companies. A fixed pay range of plus or minus 20% around the median was used to account for individual factors such as experience, calibre and merit. In selecting the peer group, the Board considered the Company's market capitalisation, operations in international locations, number of employees, number of operations and complexity of operations.

Based on the results of the market benchmarking review, remuneration increases of 7.4% to the CEO and 4.0% to the CFO were provided from 1 July 2024. These increases were appropriate to ensure that senior executives are being remunerated commensurate with their responsibilities and remain market competitive.

2.3 FY25 Short-term incentive ("STI")

For FY25, the STI opportunity provided to KMPs had the following features:

Description	KMPs are eligible to participate in the annual STI plan, which comprises a portion of their variable remuneration and is subject to performance measures.
Performance measures and weighting	A combination of specific Group KPIs are chosen to reflect the core drivers of short-term performance and to provide a framework for delivering sustainable value to the Group and its shareholders. The following KPIs were chosen for the 2025 financial year: • EBIT(A) (50%) • Return on Average Capital Employed (ROACE) (15%) • Contracted EBIT(A) (15%) • Health and safety target (10%) • People culture (10%) The STI was structured to commence upon achievement of the Company's publicly stated EBIT(A) guidance (gateway), and to increase in line with any additional EBIT(A), up to a cap.
Reasons for using these targets	The KPIs were chosen to reflect the core drivers of short-term performance and to provide a framework for delivering sustainable value to the Group and its shareholders.
Performance period	Performance against the STI targets relate to the period from 1 July 2024 to 30 June 2025.
Form of payment and timing of payment	The STI award is determined after the end of the financial year, following a review of performance over the year against the STI performance measures by the Remuneration and Culture Committee. The Board approves the final STI award based on this assessment of performance, after which the STI is paid in cash.
Executive claw back	The after-tax STI payment to KMPs may be claimed back by the Company at any time up to two years after payment in the event of: (a) A restatement of the Group's financial results (other than a restatement caused by a change in applicable accounting standards or interpretations), the result of which is that any STI awarded to the KMPs would have been a lower amount had it been calculated based on such restated results. (b) Fraudulent, dishonest or other improper conduct of the KMPs.
Board discretion	The Board has the right to modify, reduce or remove the STI opportunity at any time, including if there is a fatality.

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Potential bonus awards
The table below shows the potential STI awards, as a percentage of total fixed remuneration ("TFR"), available to the KMPs under the FY25 STI Plan.

	Performance level		
	Threshold (lower end of guidance range $160 million EBIT(A))	**Target** (mid-guidance range $170 million EBIT(A))	**Stretch** (capped at $175 million EBIT(A))
M Finnegan	0% of TFR	100% TFR	130% TFR
U Lummis	0% of TFR	75% TFR	97.5% TFR
P Pollard	0% of TFR	75% TFR	97.5% TFR

The STI metric is pro-rata between the Threshold, Target and Stretch performance levels.

For FY26, there will be no significant change to the STI plan.

The Board will have the right to modify, reduce or remove the STI opportunity at any time.

2.4 Long-term incentive (LTI)

At the discretion of the Board, the Company provides an LTI opportunity to KMPs through the grant of performance rights. These performance rights can vest into fully paid ordinary shares in the Company, for no consideration, subject to meeting a performance condition and a continued employment condition. The purpose of this LTI opportunity is to incentivise KMPs to deliver sustained increases in shareholder value over the long term.

Performance condition
The Board selects the LTI hurdles based on the 3-year strategy for the Group. The vesting of performance rights granted on 1 July 2024 are subject to the following vesting conditions weighted at 50% each:

- Absolute total shareholder return (TSR) over a three-year performance and service period.
- Strategic objectives are subject to the measurement period below and a three-year service period:
  - Year 1 ROACE target (6%); business revenue mix (12%)
  - Year 2 ROACE target (6%); business revenue mix (12%)
  - Year 3 ROACE target (3%); business revenue mix (11%)

For the purposes of calculating TSR, the starting share price is based on the volume-weighted average price (VWAP) over the 30 calendar days before the first day of the performance period, and the closing share price is based on the VWAP over the 30 calendar days up to and including the final day of the performance period.

For performance rights granted on 1 July 2024, the portion of each grant of rights eligible to vest at various levels of increase in Compound Annual Growth Rate (CAGR) TSR is:

Company's TSR performance over the performance period	**Proportion of performance rights that are eligible to vest at the end of the performance period**
Less than 10% CAGR TSR growth	0%
Between 10% and < 15% CAGR TSR growth	50%, plus a straight-line increase in % award until 15% TSR is achieved
At 15% CAGR TSR growth and above	100%

On 100% achievement of all hurdles, the **maximum** LTI award is 100%.

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Potential LTI awards

The table below shows the potential LTI, as a percentage of available grant to the KMPs under the FY25 LTI Plan.

	Percentage allocation of TFR
M Finnegan	100%
U Lummis	55%
P Pollard	55%

Continued employment condition

Performance rights lapse if a holder ceases employment before the rights vest unless the Board, in its absolute discretion, determines otherwise. There is no vesting of performance rights based solely on continued employment.

Change of control

If a change of control occurs or the Company is wound up or delisted, the Board may (in its absolute discretion) determine that all or a portion of the performance rights on issue will vest, notwithstanding the time restrictions or performance conditions applicable to the performance rights.

Testing of the performance condition

Performance rights are tested for vesting only once at the end of the performance period. That is, there is no re-testing of performance rights.

Dividends and voting rights

Performance rights do not have dividend or voting rights. However, the shares allocated upon vesting of performance rights rank equally with other ordinary shares on issue.

Restriction on disposal of shares

The shares allocated to performance rights holders upon the vesting of those rights are initially held in a trust and are subject to disposal restrictions in line with the Company's Securities Trading Policy.

Performance rights granted in FY25

For FY25, a total of 6,238,968 performance rights were granted to current KMPs. Refer to Table 6.1 for further details of performance rights granted during the year.

In addition to the performance rights listed above, the Company granted performance rights to other senior employees of the Group, subject to a three-year performance period and continued employment.

Details of all performance rights issued by the Company are set out in note 28 to the consolidated financial statements included in this Annual Report.

The number of performance rights granted to participants in accordance with the LTI Plan is at the discretion of the Board.

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2.5 Statutory performance indicators (including variable remuneration measures)

The table below shows measures of the Group's financial performance over the past five years as required by the *Corporations Act 2001* (Cth). However, these measures are not all consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs. Consequently, there may not always be a direct correlation between statutory key performance measures and the variable remuneration awarded to KMPs.

	FY25	FY24	FY23	FY22	FY21
Statutory performance indicators					
Profit/(loss) after income tax expense from continuing operations ($m)	73.9	53.2	57.7	27.4	75.4
Reported basic earnings per share from continuing operations (EPS) (cents)	3.47	2.53	2.75	1.30	3.59
Dividends declared (cents per share)	1.50	1.05	0.75	0.65	0.65
Dividends paid (cents per share)[1]	1.15	0.90	0.65	0.65	0.65
Share price at 30 June (cents)	31.0	29.0	15.5	13.5	19.0
Total Shareholder Return (TSR) (%)	10.86	92.9	19.6	(25.5)	(22.9)

1 1.15 cents per share includes the final dividend for FY24 of 0.60 cents per share and the interim dividend for FY25 of 0.55 cents per share.

2.6 Employment contracts

The Company's KMPs are engaged under ongoing employment contracts with no fixed termination date. However, these contracts may be terminated by notice from either party.

Key details of the employment contracts of the current KMPs are set out below:

	Annual fixed remuneration including superannuation	Other remuneration	Notice periods to terminate	Termination payments
M Finnegan	$1,050,000	Short-term and long-term incentive opportunities as described above.	3 months' notice by either party or payment in lieu, except in certain circumstances such as misconduct where no notice period applies.	Statutory entitlements, plus if the Executive is terminated or resigns in certain circumstances following a change of control or delisting of Macmahon, a payment equal to 6 months of annual fixed remuneration, including superannuation. Any unvested performance rights held by the KMPs lapse upon termination or resignation, unless the Board, in its absolute discretion, determines otherwise.
U Lummis	$668,720			Statutory entitlements, plus any unvested performance rights held by the KMP's lapse upon termination or resignation unless the Board, in its absolute discretion, determines otherwise.
P Pollard	$668,720			

Key details of the employment contract of the former KMP are set out below:

D James[1]	$574,577	Short-term and long-term incentive opportunities as described above.	3 months' notice by either party or payment in lieu,except in certain circumstances such as misconduct where no notice period applies.	Statutory entitlements plus any unvested performance rights held by the KMP lapse upon termination or resignation unless the Board, in its absolute discretion, determines otherwise.

1 Mr James resigned as Chief Commercial Officer effective 31 October 2024.

3 NON-EXECUTIVE DIRECTOR REMUNERATION

The remuneration structure provided to Non-Executive Directors is distinct from that applicable to KMPs. Non-Executive Directors only receive fixed remuneration, which is not linked to the financial performance of the Group.

The remuneration provided to Non-Executive Directors for FY25 is set out below:

	Cash remuneration[1] $	Salary sacrifice for share rights $	Total $
H Tyrwhitt	209,772	60,628	270,400
M Arnason[2]	108,467	-	108,467
D Chandran	97,600	67,600	165,200
G Evans[2]	107,633	-	107,633
D Gibbs	74,572	60,628	135,200
G White	161,867	-	161,867
D McComish[3]	60,391	-	60,391
Total	**820,302**	**188,856**	**1,009,158**

1 Cash remuneration includes directors' fees, committee fees and superannuation.
2 Ms Arnason and Mr Evans were appointed as Non-Executive Directors, effective 1 November 2024.
3 Ms McComish resigned from the Board effective 29 October 2024.

The maximum aggregate amount, as approved by Shareholders at the 2021 Annual General Meeting, that can be paid to Non-Executive Directors is $1,300,000 per annum, including superannuation (the Fee Pool).

Non-Executive Directors have the option to sacrifice a percentage of their fixed remuneration for share rights.

Share rights

A Non-Executive Director Salary Sacrifice Plan was initiated by the Company during FY19, pursuant to which Non-Executive Directors may elect to sacrifice all or a portion of their annual pre-tax directors' fees and committee fees (excluding superannuation) in the form of share rights. Vesting is contingent on the Non-Executive Director remaining continuously engaged by the Company as a Non-Executive Director. Share rights were granted in two tranches on 1 July 2024 (50% vesting on the day after the release of Macmahon's half-year results and 50% vesting on the day after the release of Macmahon's full-year results). The share rights may be cash settled at the request of the Non-Executive Director prior to vesting.

For additional information on restrictions or failure to vest, refer to the ASX announcement dated 5 July 2018.

In accordance with Australian Accounting Standards, as the share rights provide an option over equity, they have been fair valued as of their grant dates. Details of the share rights are provided in section 6.

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4 VALUE PROVIDED TO KMPs

4.1 Statutory remuneration for the year ended 30 June 2025

Details of the nature and value of each major element of remuneration provided to KMPs of the Company for FY25 are set out in the table below. In this table, the value of share-based payments has been calculated in accordance with Australian Accounting Standards.

		Short-term				
Directors Non-Executive	Financial Year	Salary $	Committee fees $	STI $	Non-monetary benefits $	Total short-term $
H Tyrwhitt (Chair)	2025	242,511	-	-	-	242,511
	2024	198,744	45,045	-	-	243,789
M Arnason[1]	2025	80,837	16,443	-	-	97,280
	2024	-	-	-	-	-
D Chandran	2025	121,256	26,905	-	-	148,161
	2024	48,799	1,501	-	-	50,300
G Evans[1]	2025	80,837	15,695	-	-	96,532
	2024	-	-	-	-	-
D Gibbs	2025	121,256	-	-	-	121,256
	2024	113,399	22,113	-	-	135,512
G White	2025	121,256	23,916	-	-	145,172
	2024	48,799	1,501	-	-	50,300
D McComish[2]	2025	39,540	14,623	-	-	54,163
	2024	117,117	45,045	-	-	162,162
Total compensation for Non-Executive Directors	2025	807,492	97,582	-	-	905,074
	2024	526,858	115,205	-	-	642,063

		Short-term				
Executives	Financial Year	Salary and allowances $	Committee fees $	STI $	Non-monetary benefits $	Total short-term $
M Finnegan	2025	1,020,000	-	1,137,192	2,769	2,159,961
	2024	949,892	-	992,167	1,119	1,943,178
U Lummis	2025	638,788	-	543,188	1,939	1,183,915
	2024	615,390	-	489,436	340	1,105,166
P Pollard[2]	2025	621,599	-	543,188	-	1,164,787
	2024	-	-	-	-	-
D James[3]	2025	181,762	-	-	-	181,762
	2024	544,297	-	435,393	-	979,690
Total compensation for executive personnel	2025	2,462,150	-	2,223,568	4,708	4,690,426
	2024	2,109,579	-	1,916,996	1,459	4,028,034
Total compensation for Directors and Executives	2025	3,269,642	97,582	2,223,568	4,708	5,595,500
	2024	2,636,437	115,205	1,916,996	1,459	4,670,097

NED footnotes

1 Ms Arnason and Mr Evans were appointed as Non-Executive Directors, effective 1 November 2024.

2 Ms McComish resigned from the Board effective 29 October 2024.

3 Represents the fair value at grant date of the share rights issued for salary sacrificed over the vesting period of the award.

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Other long-term benefits $	Post-employment: Super-annuation $	Post-employment: Termination payments	Share-based payment[3]: Options and rights $	Performance related %	Non-performance related %	Compensation consisting of options and rights %	Total compensation $
-	27,889	-	2,110	-	100	-	272,510
-	26,817	-	3,235	-	100	-	273,841
-	11,187	-	-	-	100	-	108,467
-	-	-	-	-	-	-	-
-	17,039	-	2,353	-	100	-	167,553
-	5,533	-	-	-	100	-	55,833
-	11,101	-	-	-	100	-	107,633
-	-	-	-	-	-	-	-
-	13,944	-	2,110	-	100	-	137,310
-	14,906	-	4,087	-	100	-	154,505
-	16,695	-	-	-	100	-	161,867
-	5,533	-	-	-	100	-	55,833
-	6,229	-	-	-	100	-	60,391
-	17,838	-	2,895	-	100	-	182,895
-	104,084	-	6,573	-	100	-	1,015,731
-	70,627	-	10,217	-	100	-	722,907

Other long-term benefits[1] $	Post-employment: Super-annuation $	Post-employment: Termination payments	Share-based payment: Options and rights $	Performance related %	Non-performance related %	Compensation consisting of options and rights %	Total compensation $
89,337	30,000	-	798,320	63	37	26	3,077,618
86,303	27,708	-	673,667	61	39	25	2,730,856
60,283	29,932	-	246,501	52	48	16	1,520,631
54,254	27,610	-	174,093	49	51	13	1,361,123
58,646	29,196	-	110,304	48	52	8	1,362,933
-	-	-	-	-	-	-	-
18,006	9,977	229,270	(45,995)	N/A	100	N/A	393,020
52,115	27,703	-	157,606	49	51	13	1,217,114
226,272	99,105	229,270	1,109,130	53	47	17	6,354,203
192,672	83,021	-	1,005,366	45	55	19	5,309,093
226,272	203,189	229,270	1,115,703	46	54	15	7,369,934
192,672	153,648	-	1,015,583	49	51	17	6,032,000

Executives footnotes

1 Other long-term benefits related to movement in annual and long service leave liabilities for each Executive.

2 Mr Pollard became a KMP on 1 July 2024. Remuneration is shown from this date.

3 Mr James resigned as Chief Commercial Officer effective 31 October 2024.

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4.2 Voluntary information – Remuneration received by KMPs for the year ended 30 June 2025

The amounts disclosed below reflect the benefits received by each KMP during the reporting period.

	Fixed remuneration[1] $	Awarded STI (cash)[2] $	Shares Awarded[3] $	Realised remuneration received $
M Finnegan	1,050,000	992,166	733,585	2,775,751
U Lummis	668,720	489,436	-	1,158,156
P Pollard[4]	650,795	-	-	650,795
D James[5]	191,740	435,393	-	627,133
Total	**2,561,255**	**1,916,995**	**733,585**	**5,211,835**

1 Fixed remuneration includes base salaries received and payments made to superannuation funds.
2 The STI paid is the FY24 STI paid in FY25, and the FY25 STI will be paid in FY26.
3 The value of the shares awarded is calculated based on the share price on vesting date of 1 July 2024.
4 Mr Pollard became a KMP on 1 July 2024. Remuneration is shown from this date.
5 Mr James resigned as Chief Commercial Officer effective 31 October 2024.

The amounts disclosed above are not the same as remuneration expensed in relation to each KMP in accordance with Australian Accounting Standards (see Table 4.1 above).

Nevertheless, the directors believe that remuneration received is relevant information for the following reasons:

- The statutory remuneration expense for performance rights is based on the fair value determined at the grant date for all unvested rights and does not reflect the fair value of the rights vested and actually received by the KMPs during the year.
- The statutory remuneration shows benefits before they are actually received by the KMPs (deferral and claw back of STI payments).
- Where performance rights do not vest because a market-based performance condition is not satisfied (e.g. absolute TSR), the Company must still recognise the full amount of expenses even though the KMPs will never receive any benefits.

The accuracy of information in this section has been audited together with the rest of the Remuneration Report.

5 ANALYSIS OF STI AND LTI INCLUDED IN STATUTORY REMUNERATION FOR FY25

5.1 STI included in statutory remuneration for FY25

Details of the vesting profile of the short-term incentive cash bonuses awarded as remuneration to Executive KMPs are as follows:

	Included in statutory remuneration $	Vested in year %	Forfeited in the year %
M Finnegan	1,137,192	108.3	-
U Lummis	543,188	108.3	-
P Pollard	543,188	108.3	-

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The STI Award is structured to commence upon achievement of the Company's publicly stated EBIT(A) guidance (gateway), and to increase in line with any additional EBIT(A), up to a cap based on the following:

	KPI	Threshold	Target	Stretch	Actual results	Actual Award STI
STI Award created on EBIT(A)	EBIT(A)	$160m	$170m	$175m	**$171.4m**	**108.3%**

The EBIT(A) result creates the maximum STI award, which is then allocated to further hurdles as follows:

KPI Type	Target	Weighting	Actual results	Actual Award STI
Health, Safety and Environment Target	TRIFR 3.33 or less	5%	2.99	**Yes**
People culture target based on training compliance score	85% group training compliance achieved 85% or greater	5%	>85%	**Yes**
ROACE	19%	15%	20.5%	**Yes**
Contracted EBIT(A)	Project EBIT(A) from work in hand to be greater than 2.5x FY25 project EBIT (A)	15%	3.3x	**Yes**
People culture target based on survey score	WAM Engagement Survey 80% or greater	5%	86%	**Yes**
People culture target based on survey score	Survey participation 61% or greater	5%	79%	**Yes**
STI awarded to KMP				**108.3%**

The percentage vested during the year was based on the following:

KPI	Weighting	Threshold	Target	Actual results	Actual Award STI
Reported Underlying EBIT(A)	50% of award	0%	100%	108.3%	**54.2%**
Health, Safety and Environment Target	5% of award				**5.4%**
People culture target based on training compliance score	5% of award				**5.4%**
ROACE	15% of award				**16.2%**
Contracted EBIT(A)	15% of award				**16.2%**
People culture target based on survey score	5% of award				**5.4%**
People culture target based on survey score	5% of award				**5.4%**
STI awarded to KMP					**108.3%**

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5.2 LTI included in statutory remuneration for FY25

Following the assessment of relevant performance hurdles for the FY22 LTI grants over the three years ended 30 June 2024, the Board approved a total of 72% vesting for KMPs in accordance with the Plan Rules. The following outlines the assessment outcomes for the FY22 grants vested during the year.

FY22 LTI Performance Hurdles and Outcomes

KPI	Weighting	Actual results	Actual Award LTI	Number of Rights Awarded
TSR over 3 years >15%	50%	18%	**50%**	**1,886,792**
FY22				**679,245**
Safety target	4%		**4%**	
Business mix target – Mining Support	7%		**7%**	
Business mix target – Underground	7%		**7%**	
FY23				**150,944**
People target	4%		**4%**	
Business mix target – Mining Support	7%		**0%**	
Business mix target – Underground	7%		**0%**	
FY24				
Business mix target – Mining Support	7%		**0%**	
Business mix target – Underground	7%		**0%**	
LTI awarded to KMP			**72%**	

6 EQUITY INSTRUMENTS

6.1 Rights over equity instruments granted as compensation in FY25

Non-Executive Director share rights

Details of share rights over ordinary shares in the Company granted to Non-Executive Directors for FY25 as part of the NED Salary Sacrifice Plan were as follows:

		Salary sacrificed $	Number of rights granted[1]	Fair value at grant date[2] $	Vesting date
H Tyrwhitt	Tranche 1	30,314	105,918	791	Feb 25
	Tranche 2	30,314	105,918	1,320	Aug 25
M Arnason[3]	Tranche 1	-	-	-	-
	Tranche 2	-	-	-	-
D Chandran	Tranche 1	33,800	118,099	882	Feb 25
	Tranche 2	33,800	118,099	1,471	Aug 25
G Evans[3]	Tranche 1	-	-	-	-
	Tranche 2	-	-	-	-
D Gibbs	Tranche 1	30,314	105,918	791	Feb 25
	Tranche 2	30,314	105,918	1,320	Aug 25
G White	Tranche 1	-	-	-	-
	Tranche 2	-	-	-	-
D McComish[4]	Tranche 1	-	-	-	-
	Tranche 2	-	-	-	-

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1 Share rights are issued on 1 July under the NED Salary Sacrifice Plan and are not in addition to their fixed remuneration. Rights relating to former Non-Executive Directors lapse on retirement, resignation or death.

2 In accordance with Australian Accounting Standards, as the share rights granted include an "option" over ordinary shares, the option element is required to be fair valued at the grant date. The fair value per share is $0.0075 for Tranche 1 and $0.0145 for Tranche 2.

3 Rights were granted on 1 July 2024 prior to the appointment of Ms Arnason and Mr Evans as Non-Executive Directors.

4 Ms McComish resigned from the Board effective 29 October 2024.

KMPs performance rights and ordinary shares

For FY25, the following performance rights were granted as compensation to KMP under the FY25 plan:

	Number of Rights Granted	Vesting conditions	Grant date	Fair value per right at the grant date	Fair value at grant date $	Earliest potential vesting date	Maximum LTI awarded if all vesting conditions are met
M Finnegan	1,834,382	Market	1 Jul 24	0.1940	355,870	1 Jul 27	100%
	1,834,382	Non-market	1 Jul 24	0.3210	588,837	1 Jul 27	100%
U Lummis	642,551	Market	1 Jul 24	0.1940	124,655	1 Jul 27	100%
	642,551	Non-market	1 Jul 24	0.3210	206,259	1 Jul 27	100%
P Pollard	642,551	Market	1 Jul 24	0.1940	124,655	1 Jul 27	100%
	642,551	Non-market	1 Jul 24	0.3210	206,259	1 Jul 27	100%
Total Performance Rights Granted	**6,238,968**						

Rights will expire the earlier of the termination of the individual's employment or the day after they are tested by the Board against the vesting condition and found not to satisfy that condition. Vesting is conditional on the extent to which the Company achieves increases in absolute TSR over the 3-year performance period, as well as the yearly strategic measures. In addition, all rights are subject to a continuing performance condition for the 3-year period, including final Board approval.

LTIP Performance Rights 2025	
Tranche 1	
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%
Tranche 2	
Vesting performance condition (strategic objectives)	
During FY25	
Business Mix – >=38.9% ROACE for Surface Division	6%
Business Mix – >= $582m Civil Infrastructure Revenue	6%
Business Mix – >=$596m Underground Revenue	6%
During FY26	
Business Mix –>=43.0% ROACE for Surface Division	6%
Business Mix – >=$728m Civil Infrastructure Revenue	6%
Business Mix – >=$857m Underground Revenue	6%

During FY27	
Business Mix – >=47.1% ROACE for Surface Division	3%
Business Mix – >=$1,079m Civil Infrastructure Revenue	5%
Business Mix – >=$956m Underground Revenue	6%

6.2 Details of equity rights affecting current and future remuneration

Details of the vesting profiles of the performance rights over ordinary shares in the Company held by Executive KMPs for FY25 are as follows:

KMPs	Grant date (effective from)	Fair value on grant date	Number granted	Number previously forfeited	Number forfeited in 2025	Number vested in FY25	Held at 30 June 2025	Financial year in which the grant vests, subject to performance	Maximum value yet to vest[1]
M Finnegan									
LTIP Performance Rights 2022									
1 Jul 21 (Tranche 1)		$0.099	1,886,792	-	-	(1,886,792)	-	1 July 2024	-
1 Jul 21 (Tranche 2)		$0.177	1,886,792	(528,301)	(528,302)	(830,189)	-	1 July 2024	-
LTIP Performance Rights 2023									
1 Jul 22 (Tranche 1)		$0.061	3,050,848	-	-	-	3,050,848	1 July 2025	-
1 Jul 22 (Tranche 2)		$0.125	3,050,848	(427,119)	-	-	2,623,729	1 July 2025	-
LTIP Performance Rights 2024									
1 Jul 23 (Tranche 1)		$0.126	3,481,481	-	-	-	3,481,481	1 July 2026	$146,222
1 Jul 23 (Tranche 2)		$0.184	3,481,481	-	-	-	3,481,481	1 July 2026	$213,531
LTIP Performance Rights 2025									
1 Jul 24 (Tranche 1)		$0.194	1,834,382	-	-	-	1,834,382	1 July 2027	$237,247
1 Jul 24 (Tranche 2)		$0.321	1,834,382	-	-	-	1,834,382	1 July 2027	$392,558
U Lummis									
LTIP Performance Rights 2023									
1 Jul 22 (Tranche 1)		$0.061	788,644	-	-	-	788,644	1 July 2025	-
1 Jul 22 (Tranche 2)		$0.125	788,644	(110,410)	-	-	678,234	1 July 2025	-
LTIP Performance Rights 2024									
1 Jul 23 (Tranche 1)		$0.126	1,018,518	-	-	-	1,018,518	1 July 2026	$42,778
1 Jul 23 (Tranche 2)		$0.184	1,018,518	-	-	-	1,018,518	1 July 2026	$62,469
LTIP Performance Rights 2025									
1 Jul 24 (Tranche 1)		$0.194	642,551	-	-	-	642,551	1 July 2027	$83,103
1 Jul 24 (Tranche 2)		$0.321	642,551	-	-	-	642,551	1 July 2027	$137,506
P Pollard									
LTIP Performance Rights 2025									
1 Jul 24 (Tranche 1)		$0.194	642,551	-	-	-	642,551	1 July 2027	$83,103
1 Jul 24 (Tranche 2)		$0.321	642,551	-	-	-	642,551	1 July 2027	$137,506
D James[2]									
LTIP Performance Rights 2023									
1 Jul 22 (Tranche 1)		$0.061	932,204	-	(932,204)	-	-	1 July 2025	-
1 Jul 22 (Tranche 2)		$0.125	932,204	(130,509)	(801,695)	-	-	1 July 2025	-
LTIP Performance Rights 2024									
1 Jul 23 (Tranche 1)		$0.126	1,018,518	-	(1,018,518)	-	-	1 July 2026	-
1 Jul 23 (Tranche 2)		$0.184	1,018,518	-	(1,018,518)	-	-	1 July 2026	-

1 The maximum value of performance rights yet to vest is determined based on the amount of the grant date fair value that is yet to be expensed.

2 Mr James resigned as Chief Commercial Officer effective 31 October 2024.

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In addition to a continuing performance condition, vesting is conditional on the extent to which the Company achieves increases in absolute TSR over the 3-year performance period, as well as the yearly strategic measures as follows:

LTIP Performance Rights 2023	
Tranche 1	
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%
Tranche 2	
Vesting performance condition (strategic objectives)	
During FY23	
Safety – Improve TRIFR to <4.4	4%
Business Mix – 12% or more Mining Support of Group Revenue	7%
Business Mix – 27% or more Underground of Group Revenue	7%
During FY24	
People – Improve employee engagement score year-over-year	4%
Business Mix – 15% or more Mining Support of Group Revenue	7%
Business Mix – 28% or more Underground of Group Revenue	7%
During FY25	
Business Mix – 20% or more Mining Support of Group Revenue	7%
Business Mix – 33% or more Underground of Group Revenue	7%

LTIP Performance Rights 2024	
Tranche 1	
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%
Tranche 2	
Vesting performance condition (strategic objectives)	
During FY24	
Safety – Improve TRIFR to =<3.7	4%
Business Mix – >= $237m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$473m Underground of Group Revenue	7%
During FY25	
People & Culture – Improve WAM engagement score year on year	4%
Business Mix – >=$326m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$622m Underground of Group Revenue	7%

During FY26	
Business Mix – >=$394m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$669m Underground of Group Revenue	7%

6.3 Analysis of movements in performance rights

The movement during the reporting period by the number of performance rights over ordinary shares in the Company held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Held at 1 July 2024	Granted as compensation	Forfeited during the year	Vested during the year	Held at 30 June 2025
M Finnegan	15,882,820	3,668,764	(528,302)	(2,716,981)	16,306,301
U Lummis	3,503,914	1,285,102	-	-	4,789,016
P Pollard	-	1,285,102	-	-	1,285,102
D James[1]	3,770,935	-	(3,770,935)	-	-

1 Mr James resigned as Chief Commercial Officer effective 31 October 2024.

6.4 Analysis of movements in share rights by Non-Executive Directors

The movement during the reporting period, by number of share rights over ordinary shares in the Company held, directly, indirectly or beneficially, by Non-Executive Directors, including their related parties, is as follows:

	Held at 1 July 2024	Salary Sacrifice Rights Granted	Vested during FY25	Held at 30 June 2025
Non-Executive Directors				
H Tyrwhitt	158,500	211,836	(264,418)	105,918
M Arnason[1]	-	-	-	-
D Chandran	-	236,198	(118,099)	118,099
G Evans[1]	-	-	-	-
D Gibbs	200,210	211,836	(306,128)	105,918
G White	-	-	-	-
D McComish[2]	141,816	-	(141,816)	-

1 Rights were granted on 1 July 2024 prior to the appointment of Ms Arnason and Mr Evans as Non-Executive Directors.
2 Ms McComish resigned from the Board effective 29 October 2024.

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6.5 Movements in ordinary shareholdings

The movement during FY25 in the number of ordinary shares in the Company held directly, indirectly or beneficially, by Non-Executive Directors and KMPs, including their related parties, is as follows:

	Held at 1 July 2024	Vested rights[2]	Held at 30 June 2025
Non-Executive Directors			
H Tyrwhitt	829,268	264,418	1,093,686
M Arnason[3]	-	-	-
D Chandran	-	118,099	118,099
G Evans[3]	-	-	-
D Gibbs	260,210	306,128	566,338
G White	500,000	-	500,000
D McComish[4]	711,743	141,816	N/A[1]
KMPs			
M Finnegan	5,020,008	2,716,981	7,736,989
U Lummis	-	-	-
P Pollard	-	-	-
D James[5]	-	-	-
Total	**7,321,229**	**3,547,442**	**10,015,112**

1 Ceased to be a Non-Executive Director during FY25.
2 Rights refer to share rights for Non-Executive Directors and performance rights for executives.
3 Ms Arnason and Mr Evans were appointed as Non-Executive Directors, effective 1 November 2024.
4 Ms McComish resigned from the Board effective 29 October 2024.
5 Mr James resigned as Chief Commercial Officer effective 31 October 2024.

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Financial Statements

GENERAL INFORMATION

The financial statements cover Macmahon Holdings Limited ("the Company" or "the Parent") as a consolidated entity (referred to hereafter as "the Group") consisting of Macmahon Holdings Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is the functional and presentation currency of the Company.

Macmahon Holdings Limited is a public company limited by shares, incorporated and domiciled in Australia. The Group is a for-profit entity.

A description of the nature of the Group's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 19 August 2025.

An accounting policy, critical accounting estimate, assumption or judgement specific to a note is disclosed within the note itself.

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	2025 $'000	2024 $'000
Revenue	2	**2,427,458**	2,031,261
Other income	3	**5,253**	8,262
Expenses			
Materials and consumables used		**(405,723)**	(395,664)
Employee benefits expense	4	**(1,067,899)**	(951,357)
Depreciation and amortisation expense	4	**(221,944)**	(211,790)
Equipment and other short-term lease expenses	4	**(217,553)**	(152,911)
Subcontractor costs		**(217,868)**	(82,380)
Share-based payments expense	28	**(7,199)**	(2,055)
Impairment of financial assets	17	**-**	(31,805)
Other expenses	4	**(151,874)**	(110,278)
Operating profit		**142,651**	101,283
Share of profit of equity-accounted investees, net of tax	25	**318**	372
Operating profit, income and expenses from equity-accounted investees		**142,969**	101,655
Finance costs	4	**(36,093)**	(28,506)
Finance income	4	**2,379**	1,739
Net finance costs	4	**(33,714)**	(26,767)
Profit before income tax		**109,255**	74,888
Income tax expense	5	**(35,311)**	(21,662)
Profit after income tax for the year		**73,944**	53,226
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation	20	**2,893**	(3,868)
Items that will not be reclassified to profit or loss:			
Equity investments at FVOCI - Net of change in fair value		**-**	(8,480)
Other comprehensive income/(loss) for the year, net of tax		**2,893**	(12,348)
Total comprehensive income for the year attributable to the owners of the Company		**76,837**	40,878

	Note	2025 Cents	2024 Cents
Earnings per share for profit attributable to the owners of Macmahon Holdings Limited			
Basic earnings per share	6	**3.47**	2.53
Diluted earnings per share	6	**3.44**	2.48

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

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Consolidated Statement of Financial Position

	Note	2025 $'000	2024 $'000
ASSETS			
Current assets			
Cash and cash equivalents	8	**263,893**	194,578
Trade and other receivables	9	**455,381**	382,837
Inventories	10	**104,171**	105,430
Income tax receivable	5	**11,783**	17,058
Total current assets		**835,228**	699,903
Non-current assets			
Investments accounted for using the equity method	25	**1,418**	1,071
Trade and other receivables	9	**52,089**	45,096
Property, plant and equipment	15	**680,403**	671,912
Intangible assets and goodwill	16	**61,642**	10,379
Investment property	11	**51,550**	-
Deferred tax asset	5	**78,263**	22,989
Total non-current assets		**925,365**	751,447
Total assets		**1,760,593**	1,451,350
LIABILITIES			
Current liabilities			
Trade and other payables	12	**466,319**	322,703
Borrowings	18	**89,828**	104,139
Income tax payable	5	**37,782**	14,510
Employee benefits	13	**91,079**	84,107
Provisions	14	**34,719**	32,720
Total current liabilities		**719,727**	558,179
Non-current liabilities			
Trade and other payables	12	**3,721**	4,713
Borrowings	18	**336,519**	237,026
Employee benefits	13	**7,259**	4,919
Deferred tax liability	5	**-**	12,998
Provisions	14	**1,025**	-
Total non-current liabilities		**348,524**	259,656
Total liabilities		**1,068,251**	817,835
NET ASSETS		**692,342**	633,515
EQUITY			
Issued capital	19	**563,118**	563,118
Reserves	20	**(2,774)**	(12,443)
Net accumulated profits		**131,998**	82,840
TOTAL EQUITY		**692,342**	633,515

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

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Consolidated Statement of Changes In Equity

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Retained profits $'000	Total equity $'000
Balance at 30 June 2024	**563,118**	**(12,443)**	**(192,396)**	**275,236**	**633,515**
Profit after income tax expense for the year	-	-	-	73,944	73,944
Other comprehensive income for the year, net of tax	-	2,893	-	-	2,893
Total comprehensive income for the year					
Total comprehensive income for the year	-	2,893	-	73,944	76,837
Transactions with owners in their capacity as owners:					
Treasury shares allocated on vesting of performance rights (note 20)	-	808	-	(721)	87
Treasury shares purchased for compensation plans (note 20)	-	(2,762)	-	-	(2,762)
Dividends (note 20)	-	-	-	(24,549)	(24,549)
Share-based payments expense (note 28)	-	7,277	-	-	7,277
Transactions subsidiary acquistion (note 32)		1,937			1,937
Transfer of lapsed performance rights (note 20)	-	(484)	-	484	-
Balance at 30 June 2025	**563,118**	**(2,774)**	**(192,396)**	**324,394**	**692,342**

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Retained profits $'000	Total equity $'000
Balance at 30 June 2023	**563,118**	**(1,628)**	**(192,396)**	**239,755**	**608,849**
Profit after income tax expense for the year	-	-	-	53,226	53,226
Other comprehensive income for the year, net of tax	-	(12,349)	-	-	(12,349)
Total comprehensive income for the year	-	(12,349)	-	53,226	40,877
Transactions with owners in their capacity as owners:					
Treasury shares allocated on vesting of performance rights (note 20)	-	353	-	(51)	302
Treasury shares purchased for compensation plans (note 20)	-	-	-	-	-
Dividends (note 20)	-	-	-	(19,217)	(19,217)
Share-based payments expense (note 28)	-	2,704	-	-	2,704
Transfer of lapsed performance rights (note 20)	-	(1,523)	-	1,523	-
Balance at 30 June 2024	**563,118**	**(12,443)**	**(192,396)**	**275,236**	**633,515**

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

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Consolidated Statement of Cash Flows

	Note	2025 $'000	2024 $'000
Cash flows from operating activities			
Receipts from customers		**2,709,119**	2,195,546
Payments to suppliers and employees		**(2,301,797)**	(1,894,641)
Payments to suppliers and employees for SaaS costs		**(6,807)**	(1,243)
Receipts from joint venture entities		**121**	100
Corporate development costs		**(8,503)**	(3,156)
Interest received		**2,379**	1,739
Interest and other finance costs paid		**(36,093)**	(24,917)
Income taxes paid		**(24,416)**	(2,610)
Net cash from operating activities	7	**334,003**	270,818
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		**12,616**	6,416
Payments for property, plant and equipment	15	**(178,538)**	(149,985)
Payments for intangible assets	16	**-**	(48)
Proceeds from sale of disposal group held for sale		**-**	1,209
Acquisition of a subsidiary, net of cash acquired	32	**(63,066)**	-
Net cash used in investing activities		**(228,988)**	(142,408)
Cash flows from financing activities			
Purchase of own shares	20	**(2,762)**	-
Proceeds from interest-bearing loans	18	**188,733**	106,374
Repayment of interest-bearing loans	18	**(123,814)**	(156,311)
Repayment of lease liabilities	18	**(74,765)**	(81,911)
Dividends paid	20	**(24,549)**	(19,218)
Net cash used in financing activities		**(37,157)**	(151,066)
Net increase/(decrease) in cash and cash equivalents		**67,858**	(22,656)
Cash and cash equivalents at the beginning of the financial year		**194,578**	218,162
Effects of exchange rate changes on cash and cash equivalents		**1,457**	(928)
Cash and cash equivalents at the end of the financial year	8	**263,893**	194,578

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



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A Results

1 OPERATING SEGMENTS

Identification of reportable operating segments
The Group has identified its reportable segments based on the internal reporting, which is reviewed and used by the Chief Executive Officer (the Chief Operating Decision Maker) in assessing the performance and in determining the allocation of resources between business units.

Management have identified four operating segments; Surface Mining, Underground Mining, International Mining and Civil Infrastructure . The Surface Mining, Underground Mining and International Mining segments have been aggregated into "Mining" due to all segments exhibiting similar economic characteristics regarding the nature of the products and services, production processes, type or class of customers and methods used in rendering their services.

The Civil Infrastructure segment is new for the 2025 financial year as a result of the acquisition of Decmil Group Limited (see Note 32). Prior period comparative information has not been restated as the Group did not provide material civil services at the time. The revenue included in the Unallocated segment relates to revenue from the Homeground accommodation village (see Note 11).

The following describes the operations of each reportable segment:

Mining
The Group provides a broad range of mining services, which includes surface and underground mining, civil and rehabilitation services, equipment maintenance, rentals and management.

Civil Infrastructure
The Group's civil infrastructure division provides design, engineering, construction and maintenance engineering services in Australia.

Financial performance is measured with reference to underlying earnings before interest, tax and customer contract amortisation (EBIT(A)), as included in the internal reporting reviewed by the Chief Executive Officer, and is measured consistently with profit or loss in the consolidated financial statements. Segment EBIT(A) is used to measure financial performance, as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. The financial performance of each reportable segment is set out below:

Consolidated – 2025	Mining $'000	Civil $'000	Unallocated $'000	Total $'000
Revenue				
Revenue from contracts with customers	1,971,020	436,965	19,473	2,427,458
Revenue from contracts with customers - non-cash consideration	-	-	-	-
Total revenue	1,971,020	436,965	19,473	2,427,458
Underlying EBITDA	358,678	29,487	(743)	387,422
Depreciation and amortisation expense (excluding customer contracts amortisation)	(210,386)	(4,065)	(1,588)	(216,039)
Underlying EBIT(A)	148,292	25,422	(2,331)	171,383
Finance income	-	46	2,333	2,379
Finance costs	(31,431)	(4,336)	(326)	(36,093)
Earn-out in relation to previous GBF acquisition	-	-	-	-
Corporate development costs	-	-	(8,503)	(8,503)
Share-based payments expense	-	-	(7,199)	(7,199)
SaaS customisation costs	-	-	(6,807)	(6,807)
Impairment of financial assets	-	-	-	-
Amortisation on customer contracts	(87)	(5,818)	-	(5,905)
Profit/(loss) before income tax expense	116,774	15,314	(22,833)	109,255
Segment assets	1,077,012	265,870	417,711	1,760,593
Segment liabilities	733,009	254,318	80,924	1,068,251
Capital expenditure	214,254	3,566	2,948	220,768

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Consolidated – 2024	Mining $'000	Unallocated $'000	Total $'000
Revenue			
Revenue from contracts with customers	2,021,086	-	2,021,086
Revenue from contracts with customers - non-cash consideration	10,175		10,175
Total revenue	2,031,261	-	2,031,261
Underlying EBITDA	353,520	(1,816)	351,704
Depreciation and amortisation expense (excluding customer contracts amortisation)	(209,995)	(1,411)	(211,406)
Underlying EBIT(A)	143,525	(3,227)	140,298
Finance income	-	1,739	1,739
Finance costs	(28,116)	(390)	(28,506)
Acquisition costs	-	(3,156)	(3,156)
Share-based payments expense	-	(2,055)	(2,055)
SaaS customisation costs	-	(1,243)	(1,243)
Impairment of asset disposal group	(31,805)	-	(31,805)
Amortisation on customer contracts	(384)	-	(384)
Profit/(loss) before income tax expense	83,220	(8,332)	74,888
Segment assets	1,226,729	224,621	1,451,350
Segment liabilities	795,549	22,286	817,835
Capital expenditure	182,825		182,825

	Geographical revenue from contracts with customers		Geographical non-current assets	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Australia	**2,225,703**	1,885,481	**820,248**	623,902
Indonesia	**198,126**	142,624	**97,290**	120,214
Malaysia	**3,629**	3,156	**7,827**	7,331
Others	**-**	-	**-**	-
	2,427,458	2,031,261	**925,365**	751,447

Major customers

The revenue information above is based on the location of customers. Revenue from two customers related to six projects, individually greater than 10%, amounted to $726.021 million (2024: two customers related to three projects, individually greater than 10%, amounted to $630.986 million), arising from the provision of mining services.

Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are regularly reviewed by the Chief Executive Officer in making decisions about resource allocation and performance assessment, and for which discrete financial information is available.

Segment results that are reported to the Chief Executive Officer include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise of corporate assets, net foreign exchange differences, finance income, income taxes, share-based payments and acquisition costs. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

2 REVENUE

	Consolidated	
	2025 $'000	2024 $'000
Revenue from contracts with customers	**2,427,458**	2,021,086
Revenue from contracts with customers (non-cash consideration)	**-**	10,175
	2,427,458	2,031,261

Mining services revenue
The Group generates revenue from the provision of mining services, which includes surface and underground mining, civil and rehabilitation services, equipment maintenance, rentals and management. The activities for each contract were assessed as highly inter-related and, as a result, the Group determined that one performance obligation exists for each of its mining contracts.

The transaction price for each contract is based on agreed contractual rates to which the Group is entitled, and may include a variable pricing element which is discussed below.

Revenue for the services is recognised over time based on the work completed and billed to the customers as the customer receives the benefit. As services are invoiced on a monthly basis based on the actual services provided, or at cost plus margin incurred to date, the Group has used the practical expedient available under AASB 15 Revenue to recognise revenue based on the right to invoice. This is on the basis that the invoiced amount corresponds directly with the value to the customer of the Group's performance completed to date. Amounts billed to customers are not secured and are typically due within 5 – 60 days from the invoice issuance.

Construction revenue
Contracts for Construction activities are assessed to identify the performance obligations contained in the contract. The total contracted revenue (i.e. contract price) is allocated to each individual performance obligation. The benefits being provided by the Group's construction work transfer to the customer as the work is performed and as such revenue is recognised over the duration of the relevant construction project based on percentage complete. Percentage complete is generally measured according to the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs (input method). Significant judgement is required to estimate total contract costs. If the input method would not be representative of the stage of completion, then it is measured by reference to surveys of work performed (output method). When it is probable that total contract costs will exceed total contract revenue, the unavoidable loss is recognised as an expense immediately. Customers are typically invoiced monthly, and invoices are paid on normal commercial terms.

Accommodation revenue
The Group provides accommodation services through the Homeground Gladstone accomodation village (see note 11). Accommodation revenue is recognised as services are performed over the occupancy term.

Sale of goods
The Group generates revenue from the sale of goods in the course of ordinary activities, which is recognised at a point in time when control has been transferred to the customer, generally being when the goods are delivered and accepted by the customer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of trade discounts.

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	Consolidated	
	2025 $'000	2024 $'000
Revenue from mining services	**1,958,520**	1,954,246
Revenue from civil services	**436,965**	-
Revenue from accommodation services	**19,473**	-
Revenue from sale of goods	**12,500**	77,015
	2,427,458	2,031,261

Future unsatisfied performance obligations
The transaction price expected to be recognised in future years for future unsatisfied performance obligations for construction contracts at 30 June 2025 is $327.062 million. The average duration of construction contracts is between 1 to 3 years, however, some contracts will vary from these typical lengths. Of the unsatisfied performance obligations at 30 June 2025, 97% are expected to be recognised in the next 12 months.

Variable consideration
Certain mining contracts with customers include a variable element which is subject to the Group meeting either certain cost targets or material movement KPIs. Variable consideration is recognised when it is highly probable that a significant reversal of revenue will not occur in a subsequent period.

For Civil contracts the main variable consideration elements are claims (contract modifications) and consideration for optional works and provisional sums, each of which needs to be assessed. Contract modifications are changes to the contract approved by the parties to the contract. When determining whether approval has been granted by the parties to the contract, the Group takes into consideration factors including, but not limited to, contract terms, customary business practices, the status of the negotiation process, the ability to enforce the other party and expert legal opinion.

A contract modification may exist even though the parties to the contract may not have finalised the scope or price (or both) of the modification. Contract modifications may include a claim, which is an amount that the contractor seeks to collect as reimbursement for costs incurred (and/or to be incurred) due to reasons or events that could not be foreseen and are not attributable to the contractor, for more work performed (and/or to be performed) or variations that were not formalised in the contract scope.

For the year ended 30 June 2025, variable consideration amounted to $18.581 million (2024: $21.006 million) which was carried as a contract asset (note 9) (2024: $1.558 million), $0.303 million has subsequently been approved by customers.

Non-cash consideration
Where customers contribute materials to the Group to facilitate the fulfilment of the contract, and the Group obtains control of the contributed materials, the costs of these materials have been included as revenue, as non-cash consideration received from the customer and the corresponding expense is included in materials and consumables used in the consolidated statement of profit or loss and other comprehensive income.

3 OTHER INCOME

	Consolidated	
	2025 $'000	2024 $'000
Net gain on disposal of plant and equipment	**2,529**	3,638
Other	**2,724**	4,624
	5,253	8,262

Other income
For 2025, other income primarily relates to training rebates received.

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4 EXPENSES

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

Depreciation and amortisation expenses

Depreciation and amortisation expenses includes the following:

	Consolidated	
	2025 $'000	2024 $'000
Depreciation		
Leasehold improvements	**601**	595
Plant and equipment	**131,859**	116,074
Right-of-use assets	**83,217**	94,392
Amortisation		
Software	**362**	345
Customer contracts and brand name	**5,905**	384
	221,944	211,790

Other expenses

Other expenses includes the following:

	Consolidated	
	2025 $'000	2024 $'000
Freight expenses	**30,556**	29,253
Consulting and other professional services	**20,593**	9,530
Recruitment, training and other employee incidentals	**21,458**	16,912
Travel and accommodation expenses	**12,666**	10,503
Insurance expenses	**10,561**	9,511
Expected credit loss (ECL) allowance	**-**	398
Administrative and facilities expenses[1]	**26,504**	12,661
Information, communication and technology expenses	**11,625**	10,786
Foreign exchange loss	**106**	1,816
SaaS customisation costs	**6,807**	1,243
Corporate development costs	**8,503**	3,156
Other expenses	**2,495**	4,509
	151,874	110,278

Footnote 1: Administrative and facilities expenses includes operating expenses for the Homeground accommodation village, see note 11.

Employee benefits expense

Employee benefits expense includes the following:

	Consolidated	
	2025 $'000	2024 $'000
Salaries and Wages (including on-costs)	**883,702**	809,862
Hired Labour	**184,197**	141,495
	1,067,899	951,357

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The following expenses are also included in Salaries and Wages (including on-costs):

	Consolidated	
	2025 $'000	2024 $'000
Defined contribution superannuation expense	**72,722**	65,599
Employee shares[1]	**78**	649
	72,800	66,248

1 Shares awarded to employees with no performance vesting hurdles other than service conditions form part of the total employee benefits expense. For information on the details of the share-based payments arrangement to these employees, refer to note 28(b).

Net finance costs

Finance costs include interest on lease liabilities and are expensed in the period in which they are incurred. Borrowing costs capitalised are amortised over the term of the facility.

	Consolidated	
	2025 $'000	2024 $'000
Interest income on term deposits	**(2,379)**	(1,739)
Interest expense on lease liabilities	**7,953**	9,005
Interest expense and other facility charges on interest-bearing loans	**26,442**	17,848
Other borrowing costs	**1,698**	1,653
	33,714	26,767

Lease expenses

Lease expenses includes the following:

	Consolidated	
	2025 $'000	2024 $'000
Leases under AASB 16 Leases		
Depreciation of right-of-use assets	**(83,216)**	(94,392)
Equipment and other short-term lease expenses	**(217,553)**	(152,911)
	(300,769)	(247,303)

5 TAX

a) Income tax expense

	Consolidated	
	2025 $'000	2024 $'000
Income tax expense		
Current tax	**51,107**	15,433
Deferred tax - origination and reversal of temporary differences	**(15,796)**	6,229
Income tax expense	**35,311**	21,662

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	Consolidated	
	2025 $'000	2024 $'000
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	**109,255**	74,888
Tax at the statutory tax rate of 30%	**32,777**	22,466
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	**2,183**	811
Non-deductible expenses/(non-assessable income)	**648**	400
Foreign tax rate differential	**(3,429)**	(1,318)
Net temporary difference previously unrecognised	**127**	(731)
Current year losses for which no deferred tax asset was recognised	**(71)**	34
Deferred tax asset derecognised due to change in income tax rates	**-**	-
Other[1]	**3,076**	-
Income tax expense before adjustments for prior periods	**35,311**	21,662
Adjustments recognised for prior periods	**-**	-
Income tax expense	**35,311**	21,662

1 Including withholding tax on dividends from international subsidiaries.

b) Current assets and liabilities - income tax

	Consolidated	
	2025 $'000	2024 $'000
Income tax receivable/(payable) - Australian operations	**(37,782)**	(14,510)
Income tax receivable/(payable) - International operations	**11,783**	17,058

c) Non-current assets - net deferred tax

	2025 $'000	2024 $'000
Net deferred tax (liability)/asset		
At the beginning of the financial year	**9,991**	16,220
Acquired as part of business combination	**52,476**	-
Income tax (charge)/credit recorded in the income statement	**15,796**	(6,229)
Deferred tax asset	**78,263**	9,991

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Consolidated	Net Deferred tax assets[1] 2025 $'000	Net Deferred tax assets[1] 2024 $'000	Net Deferred tax liabilities[1] 2025 $'000	Net Deferred tax liabilities[1] 2024 $'000	Charged/(credited) to the income statement 2025 $'000	Charged/(credited) to the income statement 2024 $'000
Deferred tax asset comprises temporary differences attributable to:						
Inventories	**(1,961)**	-	**-**	(4,660)	**2,699**	(280)
Property, plant and equipment	**45,721**	1,722	**-**	45,219	**(1,220)**	29,052
Property, plant and equipment - Right of Use assets	**(71,714)**	-	**-**	(93,887)	**22,173**	(3,957)
Lease liabilities	**36,810**	-	**-**	44,476	**(7,666)**	(14,951)
Provision for project closure	**12,134**	-		10,922	**2,407**	3,333
Contracted reimbursements for project closure costs	**(2,571)**	-	**-**	(2,571)	**-**	-
Contract assets	**(46,618)**	-	**-**	(49,567)	**2,949**	(3,687)
Other payables	**18,302**	-	**-**	13,441	**4,861**	762
Employee benefits	**22,282**	-	**-**	23,629	**(2,542)**	(392)
Other	**(3,285)**	-	**-**	-	**(3,285)**	
Adjustment to income statement for net deferred tax assets acquired[3]	**-**	-	**-**	-	**(52,476)**	-
Unused tax losses carried forward[2]	**69,163**	21,267	**-**	-	**47,896**	(16,109)
Total	**78,263**	22,989	**-**	(12,998)	**15,796**	(6,229)

1 Net Deferred tax assets and liabilities for FY24 are disclosed separately where there is no right of offset due to different tax jurisdictions. In FY25 all jurisdictions are in a net DTA position.

2 Included in the $69.163 million tax losses carried forward, the Group recognised a deferred tax asset of $15.242 million as at 30 June 2025 for tax losses in Indonesia. The $15.242 million deferred tax asset is subject to a 5 year expiry period.

3 $53.597 million in net deferred tax assets and liabilities were acquired as part of a business combination, see note 32.

Unrecognised deferred tax asset		
Available fraction tax losses	**-**	5,091
Other non-deductible differences	**3,538**	3,687
Unrecognised deferred tax asset	**3,538**	8,778

Income tax

The effective tax rate for the current year is 32.3% (30 June 2024: 28.9%). The effective tax rate excluding withholding tax on dividends paid in FY25 was 31.3%, there was no withholding tax on dividends paid in FY24.

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Additional income tax expenses that arise from the distribution of cash dividends are recognised at the same time that the liability to pay the related dividend is recognised. The Group does not distribute non-cash assets as dividends to its shareholders.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The Indonesian deferred tax asset relating to tax losses is subject to a five year period.

The Group has adopted deferred tax related to assets and liabilities arising from a single transaction (Amendments to AASB 112 Income Taxes) from 1 July 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Group previously accounted for deferred tax on leases and decommissioning liabilities by applying the 'integrally linked' approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognised on a net basis. Following the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statement of financial position because the balances qualify for offset under AASB 112. There was also no impact on the opening retained earnings as at 1 July 2022 as a result of the change. The key impact for the Group relates to disclosure of the deferred tax assets and liabilities recognised as noted above.

Tax consolidation

The Company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2003 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Macmahon Holdings Limited. Current income tax expense/benefit, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated group and are recognised as amounts payable to/(receivable from) other entities in the tax consolidated group in conjunction with any tax funding arrangement amounts (refer below). Any difference between these amounts is recognised by the Group as an equity contribution or distribution.

The Group recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the unused tax losses can be utilised. Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

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Nature of tax funding arrangements and tax sharing arrangements

The head entity, in conjunction with other members of the tax-consolidated group, has entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. The tax funding arrangements require payments to/(from) the head entity equal to the current tax asset/(liability) assumed by the head entity and any deferred tax loss asset assumed by the head entity, resulting in the head entity recognising an inter-entity payable/(receivable) equal in amount to the tax asset/(liability) assumed. The inter-entity payables/(receivables) are at call.

Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity in conjunction with other members of the tax-consolidated group has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgment is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Pillar Two Global Minimum Top-Up Tax legislation

The Group is monitoring and evaluating the domestic implementation by relevant countries of the Organisation for Economic Co-operation and Development's (OECD) Pillar Two which seeks to apply a 15% global minimum tax. Pillar Two was substantively enacted by Malaysia and Singapore with effect from 1 January 2025 and Australia with effect from 1 January 2024. The Group has evaluated the cash tax implications and other impacts of the Pillar Two Model Rules and does not expect the impact on the Group to be significant.

The Group has adopted the guidance contained in the IASB issued International Tax Reform - Pillar Two Model Rules and applies the mandatory temporary exception to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group is currently evaluating the cash tax implications and other impacts of the Pillar Two model rules and does not expect the impact on the Group to be significant.

6 EARNINGS PER SHARE

	Consolidated	
	2025 $'000	2024 $'000
Profit after income tax attributable to the owners of Macmahon Holdings Limited	**73,944**	53,226
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	**2,128,996,880**	2,107,475,001
Adjustments for calculation of diluted earnings per share:		
Effect of performance rights on issue	**22,180,710**	35,104,169
Weighted average number of ordinary shares used in calculating diluted earnings per share	**2,151,177,590**	2,142,579,170
	Cents	**Cents**
Earnings per share for profit attributable to owners of Macmahon Holdings Limited		
Basic earnings per share	**3.47**	2.53
Diluted earnings per share	**3.44**	2.48

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to the owners of Macmahon Holdings Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Total diluted EPS takes into account the dilutive effect of all outstanding share rights vesting as ordinary shares.

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B Cash Flow Information

7 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES

	Consolidated	
	2025 $'000	2024 $'000
Profit after income tax expense for the year from continuing operations	**73,944**	53,226
Adjustments for:		
Depreciation and amortisation expense	**221,944**	211,790
Net (gain)/loss on disposal of plant and equipment	**(2,529)**	(3,638)
Share of profit of equity accounted investees, net of tax	**(318)**	(372)
Share-based payments expense	**7,277**	2,704
Net foreign exchange loss/(gain)	**106**	1,816
Remeasurement of ECL allowance	**-**	398
Impairment of financial assets	**-**	31,805
Other	**(967)**	(3,218)
Income tax expense	**35,311**	21,662
Income taxes paid	**(24,416)**	(2,610)
Net cash received from equity accounted investees	**121**	100
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	**(14,681)**	(90,644)
Decrease/(increase) in inventories	**33**	(8,416)
Increase/(decrease) in trade and other payables	**46,427**	38,612
Increase in employee benefits	**1,585**	11,014
Increase/(decrease) in provisions	**(9,834)**	6,589
Net cash from operating activities	**334,003**	270,818

C Working Capital

8 CASH AND CASH EQUIVALENTS

	Consolidated	
	2025 $'000	2024 $'000
Cash on hand	**15**	11
Cash at bank	**263,878**	194,567
	263,893	194,578

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

9 TRADE AND OTHER RECEIVABLES

	Consolidated	
	2025 $'000	2024 $'000
Current		
Trade receivables[1]	**79,913**	72,318
Contract assets[1]	**278,873**	238,646
Less: Provision for ECL	**(5,730)**	(798)
	353,056	310,166

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	Consolidated	
	2025 $'000	2024 $'000
Other receivables	**91,668**	65,032
Prepayments	**10,657**	7,639
	455,381	382,837
Non-current		
Contract assets	**5,423**	9,031
Other receivables	**6,980**	4,088
Agency receivables	**39,686**	31,977
	52,089	45,096

1 On 28 June 2024, Calidus Resources Limited, went into administration and with the operations at Warrawoona placed into care and maintenance early July 2024, the trade receivable and contract assets of $31.8 million owing to the Group were fully impaired at 30 June 2024.

Trade and other receivables

Trade receivables are initially recognised at the fair value of the services provided to the customer and subsequently at amortised cost less expected credit loss allowances (ECL). Other receivables are initially recognised at fair value and subsequently measured at amortised cost less ECL.

Due to the short term nature of these receivables, their carrying amount approximates their fair value.

Other receivables include:

- Contracted reimbursements for project closure costs of $8.569 million (2024: $8.569 million) relating to the costs recognised as part of the provision for contract closure. Refer to note 14; and,
- VAT receivable of $36.950 million (2024: $32.762 million) relating to input tax credits collected on goods and services consumed has been classified as current, in part, to the extent that the Group expects to receive this within the next 12 months. A VAT receivable of $6.221 million is classified as non-current as at 30 June 2025 (2024: $3.329 million).

Agency receivables

The Group entered into a tripartite agreement with a customer and financier regarding certain mining equipment acquired for the mining contract. The tripartite agreement provides the financier with a put option and the customer with a call option over the equipment, whilst the Group acts as an agent between the financier and the customer, to source and maintain the equipment. The feature of the put/call transaction results in control and risk or reward of the equipment not being with the Group. Lease costs paid by the Group in relation to the equipment (including interest) in excess to the receipts from the customer, is recovered from the customer on the earlier of the life of the asset or exercise of the put/call, which is represented by a non-current receivable at the end of the contract.

Contract assets

Contract assets include $272.564 million (2024: $233.900 million) for the Group's right to consideration of mining and civil services rendered but not billed as at 30 June 2025. Contract assets are transferred to trade receivables when the Group issues an invoice to the customer.

Included in contract assets are also current mobilisation costs of $6.309 million (2024: $4.745 million) capitalised at the commencement of the projects, where the recovery of these costs is included in future rates. These costs are amortised over the contract period as the income is earned. A balance of $5.423 million of capitalised mobilisation costs is classified as non-current as at 30 June 2024 (2024: $9.031 million) as the contract term for the projects is over 12 months.

The balance of contract assets varies and is dependent on the scale of mining services rendered for the claim period, which is ordinarily a calendar month, immediately preceding the end of the reporting period. The balance of contract assets for civil services is dependent on the percentage of complete for each project at a point in time. Contract assets for the civil segment represent civil work equal to the gross unbilled amount expected to be collected from customers for contract work performed to date.

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10 INVENTORIES

	Consolidated	
	2025 $'000	2024 $'000
Inventories	**109,456**	110,564
Less: Allowance for obsolescence	**(5,285)**	(5,134)
Inventories at the lower of cost and net realisable value	**104,171**	105,430

Inventories are measured at the lower of cost and net realisable value. A write-down of $0.150 million to net realisable value that was recognised as an expense during 2025.

The cost of inventories is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs to sell.

Allowance for obsolescence

The provision for impairment of inventories assessment requires a degree of estimation and judgment. The level of the provision is assessed by taking into account the recent sales experience, current market conditions, the ageing of inventories and other factors that affect inventory obsolescence.

11 INVESTMENT PROPERTY

	Consolidated	
	2025 $'000	2024 $'000
Balance at 1 July 2024	**-**	-
Acquired through business combination	**51,550**	-
Additions	**-**	-
Change in fair value	**-**	-
Balance at 30 June 2025	**51,550**	-

Investment Property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss, unless the fair value adjustment is made during the provisional 12-month period for a business combination if the change identified relates to the pre-acquisition period. Any gain or loss on disposal of the investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is also recognised in profit or loss. Accommodation revenue is recognised as services are performed over the occupancy term.

The Group acquired the Homeground Accommodation Village Gladstone as part of the acquisition of Decmil Group Limited (see Note 32). The village is used to provide accommodation in the Gladstone are in Queensland, Australia.

Changes in fair values are recognised as gains in profit or loss and included in 'other income'. All gains are unrealised.

Amounts recognised in profit or loss

The Group has recognised $19.473 million of accommodation revenue for the year ended 30 June 2025 (see note 2). During the year, the Group incurred direct expenses of $12.592 million of maintenance expenses, including administrative and facilities expenses, employee benefits and consultants.

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Measurement of fair values

The fair value of the investment property was determined by an external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement of the investment property has been categorised as a Level 3 fair value based on the inputs to the discounted cashflow valuation technique used. The following table shows the valuation technique used in measuring the fair value of investment property:

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows: The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected occupancy rates. The expected net cash flows are discounted using risk adjusted discount rates.	• Occupancy rates • Risk adjusted discount rates • Room rates	The estimated fair value would increase (decrease) if: • the occupancy rate were higher (lower). • the risk-adjusted discount rates were lower (higher). • the room rates were higher (lower).

12 TRADE AND OTHER PAYABLES

	Consolidated	
	2025 $'000	2024 $'000
Current		
Trade payables	**226,419**	138,504
Accrued expenses	**175,481**	147,268
Contract liabilities	**11,905**	-
Other payables	**52,514**	36,931
	466,319	322,703
Non-current		
Other payables	**3,721**	4,713
	3,721	4,713

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 to 60 days of recognition based on the credit terms.

Accrued wages and salaries between the last pay period and 30 June 2025 of $14.876 million (2024: $12.341 million) are included within accrued expenses.

Refer to note 17 for further details on financial instruments.

Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

13 EMPLOYEE BENEFITS

	Consolidated	
	2025 $'000	2024 $'000
Current		
Annual leave	**56,666**	54,151
Long-service leave	**12,011**	10,173
Other employee benefits	**22,402**	19,783
	91,079	84,107
Non-current		
Long-service leave	**7,259**	4,919
	7,259	4,919

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long-service leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Long-service leave

The liability for long-service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields on high quality corporate bonds at the reporting date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in future payments is available. Contributions to a defined contribution plan which are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Termination benefits

Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

Other employee benefits

Other employee benefits include short-term incentive plans (prior years deferred entitlements and current year estimates), site performance bonuses, sick leave accruals, religious holiday allowance for certain international staff and other short-term benefits.

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14 PROVISIONS

Movements in each class of provision during the current financial year are set out below:

	Project closure $'000	Other $'000	Total $'000
At 1 July 2024	32,422	298	32,720
Arising during the year	3,422	1,535	4,957
Acquired through business acquisition	-	2,483	2,483
Foreign exchange translation	225	-	225
Released during the year	(1,918)	-	(1,918)
Utilised during the year	(2,723)	-	(2,723)
At 30 June 2025	31,428	4,316	35,744

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, if it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax discount rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Provision for project closure

The provision for project closure requires a degree of estimation and judgement around contractual term and expected redundancy and demobilisation costs. The provision is assessed by taking into account past history of contract closures and likelihood of contract extensions.

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D Fixed Assets

15 PROPERTY, PLANT AND EQUIPMENT

Set out below are the carrying amounts of property, plant and equipment and right-of-use assets recognised and movements for the period:

	Right-of-use assets				
Consolidated	Buildings $'000	Plant and equipment $'000	Leasehold improvements $'000	Plant and equipment $'000	Total $'000
At 30 June 2023	**8,465**	**272,515**	**3,353**	**435,724**	**720,057**
Additions	-	118,460	219	63,598	182,277
Disposals	-	(581)	-	(2,476)	(3,057)
Depreciation expense	(1,411)	(92,981)	(595)	(116,074)	(211,061)
Transfers	-	(9,952)	-	(5,228)	(15,180)
Exchange differences	-	(344)	-	(780)	(1,124)
At 30 June 2024	**7,054**	**287,117**	**2,977**	**374,764**	**671,912**
At 1 July 2024	**7,054**	**287,117**	**2,977**	**374,764**	**671,912**
Additions through business acquisition	6,538	645	16	9,068	16,267
Additions	5,270	64,716	-	150,782	220,768
Disposals	(176)	(4,596)	-	(5,288)	(10,060)
Depreciation expense	(3,352)	(79,865)	(601)	(131,859)	(215,677)
Transfers	(196)	(64,393)	-	58,087	(6,502)
Exchange differences	-	321	-	3,374	3,695
At 30 June 2025	**15,138**	**203,945**	**2,392**	**458,928**	**680,403**
Cost	14,485	539,195	4,218	876,360	1,434,258
Accumulated depreciation and impairment losses	(7,431)	(252,078)	(1,241)	(501,596)	(762,346)
Carrying amount at 30 June 2024	**7,054**	**287,117**	**2,977**	**374,764**	**671,912**
Cost	29,226	408,283	10,826	1,187,171	1,635,506
Accumulated depreciation and impairment losses	(14,088)	(204,338)	(8,434)	(728,243)	(955,103)
Carrying amount at 30 June 2025	**15,138**	**203,945**	**2,392**	**458,928**	**680,403**

Security

Leasehold improvements and plant and equipment are subject to a registered charge to secure banking facilities. Refer to note 18.

Property, plant and equipment

Property, plant and equipment is measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost may also include transfers from equity of any gain or loss on qualifying cash flow hedges from foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of plant and equipment is the estimated amount for which plant and equipment could be exchanged, on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of plant and equipment is based on external market appraisals from accredited, independent valuation specialists.

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When parts of an item of plant and equipment have different useful lives, the items are accounted for as separate items (i.e. major components) of plant and equipment.

Depreciation and amortisation
Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation on buildings, leasehold improvements and minor plant and equipment is calculated on a straight-line basis. Depreciation on major plant and equipment and components is calculated on machine hours worked or straight-line over their estimated useful life. Leased assets are depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term, or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Depreciation methods, useful lives and residual values are reviewed on a regular basis with annual reassessments for major items and adjusted if appropriate.

The expected useful lives for the current and comparative years are as follows:

- Leasehold improvements: Period of the lease
- Plant and equipment: 3-12 years
- Right-of-use assets: Period of the lease

Depreciation on certain components allocated to property, plant and equipment, including tyres, are based on their measure of usage.

The carrying amounts of the Group's assets, other than inventories (see Inventory accounting policy) and deferred tax assets (see Income Tax accounting policy), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see impairment of non-financial assets below).

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to profits reserve.

Subsequent costs
The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation expenses for its property, plant and equipment and finite life intangible assets. The depreciation and amortisation expense will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

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Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions, including the continued performance of contracted work, growth rates of the estimated future cash flows and discount rates based on the current cost of capital.

16 INTANGIBLE ASSETS AND GOODWILL

Set out below are the carrying amounts of intangible assets recognised and movements for the period:

Consolidated	Goodwill $'000	Brand name $'000	Customer contracts $'000	Software $'000	Total $'000
Cost					
At 30 June 2023	**8,808**	**-**	**13,655**	**2,804**	**25,267**
Additions	-	-	500	48	548
At 30 June 2024	**8,808**	**-**	**14,155**	**2,852**	**25,815**
Additions	-	-	-	-	-
Acquisition through a business combination	31,507	10,082	15,941	-	57,530
At 30 June 2025	**40,315**	**10,082**	**30,096**	**2,852**	**83,345**
Accumulated amortisation and impairment					
At 30 June 2023	**-**	**-**	**(13,655)**	**(1,052)**	**(14,707)**
Amortisation	-	-	(384)	(345)	(729)
At 30 June 2024	**-**	**-**	**(14,039)**	**(1,397)**	**(15,436)**
Amortisation	-	(504)	(5,401)	(362)	(6,267)
At 30 June 2025	**-**	**(504)**	**(19,440)**	**(1,759)**	**(21,703)**
Net book value					
At 30 June 2024	8,808	-	116	1,455	10,379
At 30 June 2025	**40,315**	**9,578**	**10,656**	**1,093**	**61,642**

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill is measured at cost, less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

For the purposes of impairment testing, goodwill has been allocated to the Group's cash generating units (CGU) or operating divisions as follows:

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	Consolidated	
	2025 $'000	2024 $'000
Surface mining	**3,025**	3,025
Underground mining	**7,013**	5,783
Civil	**30,277**	-
	40,315	8,808

The recoverable amount was determined by calculating the higher of Fair Value less Cost of Disposal (FVLCD) and Value in Use (VIU) for each of the Group's CGUs. The key assumptions in determining the estimated recoverable amount are the discount rate and budgeted EBITDA. The discount rate was a pre-tax measure weighted average cost of capital for the Group of 12.66%. The budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. The cash flow projections included specific estimates for three years and a terminal value thereafter. The terminal value was determined based on management's estimate of the long-term annual EBITDA.

Customer contracts
Customer contracts are a separately identifiable intangible asset equal to the present value of future post-tax cash flows attributed to the portfolio of incomplete contracts assumed at acquisition date through a business combination.

Customer contracts are carried at cost, less accumulated depreciation and impairment losses. Amortisation of customer contracts is included in depreciation and amortisation expenses in the consolidated statement of profit or loss and other comprehensive income. The expected useful life of customer contracts ranges from two to three years.

Brand name
The Brand name assest relates to the Decmil brand which was acquired by the Group through the business acquistion of Decmil Group Limited (see note 32). The brand name has finite useful life of 20 years and is measured at cost less accumulated amortisation and any accumulated impairment losses.

Software
Development expenditure is capitalised only if development costs can be measured reliably or the process is technically and commercially feasible, future economic benefits are probable, and the Group intends to, and has sufficient resources to, complete development and to use the asset. The software expenditure capitalised includes the cost of materials, direct labour and overhead costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in profit or loss as incurred.

Capitalised software development expenditure is measured at cost less accumulated amortisation and impairment losses. The amortisation is included in depreciation and amortisation expenses. The expected useful life of software is five years.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation, and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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E Risk

17 FINANCIAL RISK MANAGEMENT

	Consolidated	
	2025 $'000	2024 $'000
Financial assets		
Cash and cash equivalents	**263,893**	194,578
Trade and other receivables	**419,494**	346,250
	683,387	540,828
Financial liabilities		
Trade and other payables	**447,494**	311,251
Borrowings	**426,347**	341,165
	873,841	652,416

Trade and other receivables excludes prepayments of $10.657 million (2024: $7.639 million), contract closure reimbursements of $8.569 million (2024: $8.569 million), VAT receivable of $36.649 million (2024: $36.091 million), non-financial contract assets of $11.732 million (2024: $13.776 million), and other non-financial assets of $20.367 million (2024: $15.608 million).

Trade and other payables excludes GST and other taxes payable of $22.545 million (2024: $16.165 million).

Fair value of financial assets and financial liabilities
Fair value of cash and cash equivalents, receivables and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial risk management objectives
The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. This framework is designed to identify, monitor and manage the material risks throughout the Group to ensure risks remain within appropriate limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board of Directors is assisted in its oversight role by the Audit and Risk Committee. Internal audits undertaken are reviews of controls and procedures, the results of which are reported to the Audit and Risk Committee.

The Group has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

This note presents qualitative and quantitative information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

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Market risk

Market risk includes changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than respective functional currencies of entities within the Group, which are primarily the Australian Dollar (AUD), but also the US Dollar (USD), Indonesian Rupiah (IDR), Malaysian Ringgit (MYR), and Singapore Dollar (SGD). The Group is also exposed to foreign currency risk on plant and equipment purchases that are denonimated in a currency other than AUD. The currencies giving rise to this risk are primarily USD and IDR.

The contracts for mining and civil services, as well as purchases are primarily denominated in the functional currencies of entities within the Group to minimise the foreign exchange currency risk.

In respect of other monetary assets and liabilities held in currencies other than the AUD, the Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The average exchange rates and reporting date exchange rates applied were as follows:

	Average exchange rates		Reporting date exchange rates	
AUD	**2025**	**2024**	**2025**	**2024**
USD	**0.6477**	0.6557	**0.6531**	0.6668
IDR	**10,423**	10,267	**10,583**	10,919
MYR	**2.8512**	3.0782	**2.7618**	3.1456
SGD	**0.8581**	0.8840	**0.8333**	0.9041

The carrying amount of foreign currency denominated financial assets and financial liabilities at 30 June were as follows:

	Financial assets		Financial liabilities	
Consolidated	**2025 $'000**	**2024 $'000**	**2025 $'000**	**2024 $'000**
USD	**1,643**	12,351	**(1,041)**	(21)
IDR[1]	**133,138**	84,787	**(89,841)**	(58,767)
Other	**323**	326	**(86)**	(241)
	135,104	97,464	**(90,968)**	(59,029)

1 *The Group is paid in IDR for services performed in Indonesia, however, the amount of these IDR payments are adjusted according to movements in the IDR:USD exchange rate up to the date of invoice.*

The following analysis demonstrates the increase/(decrease) of profit or loss and other comprehensive income at the reporting date, assuming a 10% strengthening and a 10% weakening of the following transaction currencies against the functional currencies of the Group companies where the financial assets and liabilities are recorded. This analysis also assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as 2024.

	Weakened by 10%		Strengthened by 10%	
Consolidated - 2025	Effect on profit before tax $'000	Effect on other comprehensive income $'000	Effect on profit before tax $'000	Effect on other comprehensive income $'000
USD	**47**	**-**	**(47)**	**-**
IDR	**(4,330)**	**-**	**4,330**	**-**
Other	**(24)**	**-**	**24**	**-**
	(4,307)	**-**	**4,307**	**-**

	Weakened by 10%		Strengthened by 10%	
Consolidated - 2024	Effect on profit before tax $'000	Effect on other comprehensive income $'000	Effect on profit before tax $'000	Effect on other comprehensive income $'000
USD	(1,182)	-	1,182	-
IDR	(2,602)	-	2,602	-
Other	(9)	-	9	-
	(3,793)	-	3,793	-

Interest rate risk

Interest rate risk on variable rate borrowings is managed under the Group's approved Treasury Policy. Under this policy, interest rate exposures are managed by entering fixed rate finances for equipment purchases.

At 30 June, the Group was exposed to variable interest rate risk on financial instruments as follows:

	Consolidated	
	2025 $'000	2024 $'000
Cash and cash equivalents	**235,525**	150,576
Interest-bearing loans	**(288,649)**	(154,402)
Net exposure to interest rate risk	**(53,124)**	(3,826)

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Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the increase/(decrease) to profit or loss and other comprehensive income at 30 June 2025, assuming a change in interest rates of 50 basis points. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

	50 basis point increase	50 basis point decrease
Consolidated - 2025	**Effect on profit before taxes $'000**	**Effect on profit before taxes $'000**
Cash and cash equivalents	**1,178**	**(1,178)**
Interest-bearing loans	**(1,443)**	**1,443**
	(265)	**265**

	50 basis point increase	50 basis point decrease
Consolidated - 2024	**Effect on profit before taxes $'000**	**Effect on profit before taxes $'000**
Cash and cash equivalents	753	(753)
Interest-bearing loans	(772)	772
	(19)	19

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade receivables and contract assets from customers.

Cash and cash equivalents

The Group limits its exposure to credit risk for cash and cash equivalents by placing funds with highly rated international banks.

Guarantees

The Group's policy is to provide financial guarantees only to or for subsidiaries. Details of outstanding guarantees are provided in note 21.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the characteristics of each individual customer. The demographics of the Group's customer base, including the default risk of the industries and countries in which customers operate, has less influence on credit risk. For the year ended 30 June 2025, Revenue from two customers related to six projects, individually greater than 10%, amounted to $726.021 million (2024: two customers related to three projects, individually greater than 10%, amounted to $630.986 million), arising from the provision of mining services. Geographically, the primary concentration of credit risk is in Australia and Indonesia.

Under the Group's systems and procedures, each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The exposure to credit risk is monitored on an ongoing basis. The Group's analysis includes external ratings, when available, and in some cases, bank references. Credit risk is minimised by managing payment terms and receiving advance payments.

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Exposure to credit risk

The carrying amount of the Group's financial assets represents its maximum credit exposure as follows:

	Consolidated	
	2025 $'000	2024 $'000
Cash and cash equivalents	**263,893**	194,578
Trade receivables	**74,183**	71,520
Contract assets	**272,564**	233,901
Other receivables	**33,062**	8,852
Agency receivables	**39,686**	31,977
Credit risk exposure	**683,388**	540,828

Trade and other receivables excludes prepayments of $10.657 million (2024: $7.639 million), contract closure reimbursements of $8.569 million (2024: $8.569 million), VAT receivable of $36.649 million (2024: $36.091 million), non-financial contract assets of $11.732 million (2024: $13.776 million), and other non-financial assets of $20.367 million (2024: $15.608 million).

The profile of trade and other receivables and contract assets by segment is as follows:

	Consolidated	
	2025 $'000	2024 $'000
Mining customers	**206,699**	347,048
Civil customers	**215,596**	-
Accomodation services customers	**2,930**	-
	425,225	347,048
Less: Provision for expected credit losses - Mining	**(744)**	(798)
Less: Provision for expected credit losses - Civil	**(58)**	-
Less: Provision for expected credit losses - acquired through business acquisition	**(4,928)**	-
Total: Provision for expected credit losses	**(5,730)**	(798)
Credit risk exposure	**419,495**	346,250

At 30 June, the exposure to credit risk for trade and other receivables by geographic region was as follows:

	Consolidated	
	2025 $'000	2024 $'000
Country		
Australia	**390,621**	293,538
Indonesia	**33,602**	52,607
Other	**1,002**	903
	425,225	347,048

Expected credit loss allowance

	2025		2024	
Consolidated	Gross carrying amount $'000	Loss allowance $'000	Gross carrying amount $'000	Loss allowance $'000
Current (not past due)	**410,006**	**(193)**	325,809	(312)
Past due 0-30 days	**7,008**	**(15)**	16,272	(71)
Past due 31-60 days	**519**	**(2)**	1,238	(5)
Over 90 days overdue	**7,692**	**(5,520)**	3,729	(410)
	425,225	**(5,730)**	347,048	(798)

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In determining the provision for ECLs, the Group allocates its exposure to a credit risk based on data that is determined to be predictive of the risk of loss (including, but not limited to external credit ratings, audited financial statements and available press information) and applying experienced credit judgement. Loss rates applied to credit risk ratings are sourced from external credit rating agencies.

The following table provides summarised information of the exposure to credit risk on trade receivables as at 30 June 2025:

Credit rating	Credit impaired	Loss rate %	Gross carrying amount $'000	Loss allowance $'000
A- to AAA	No	0.005 %	**5,692**	**(0)**
BBB- to BBB+	No	0.020 %	**7,510**	**(2)**
BB- to BB+	No	0.278 %	**1,707**	**(5)**
B+ to B-	No	0.052 %	**409,746**	**(5,153)**
C to CCC	Yes	N/A	**-**	**-**
D	Yes	100.000 %	**570**	**(570)**
			425,225	**(5,730)**

The movement in the provision for ECLs is as follows:

	Consolidated	
	2025 $'000	2024 $'000
Opening balance 2025	**798**	3,433
Net remeasurement provision for ECL 2025	**-**	398
Additional provision assumed as part of acquisition	**4,928**	-
Receivables written-off during the year	**-**	-
Loss allowance on trade and and other receivables arising during the period	**-**	31,805
Loss allowance on trade and other receivables written off during the period[1]	**-**	(34,556)
Exchange differences	**4**	(282)
	5,730	798

1 The loss allowance on trade and receivables written off in 2024 includes $31.805 for Calidus Resources Limited and $2.6m for trade receivables provided for in previous financial periods.

The Group recognises a provision for ECLs on financial assets measured at amortised cost and contract assets at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment. The Group assumes a financial asset to be in default when the debtor is unlikely to pay its credit obligatons to the Group in full, without recourse by the Group to actions, such as realising security (if any is held) or the financial asset is more than 90 days past due.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows, and matching the maturity profiles of financial assets and liabilities.

Information about changes in term facilities during the year is disclosed in note 18.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities, and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated – 2025	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Trade payables	**(226,419)**	**-**	**-**	**-**	**(226,419)**
Accrued expenses	**(175,482)**	**-**	**-**	**-**	**(175,482)**
Other payables	**(52,513)**	**(3,721)**	**-**	**-**	**(56,234)**
Borrowings	**(97,727)**	**(40,718)**	**(296,092)**	**-**	**(434,537)**
Total non-derivatives	**(552,141)**	**(44,439)**	**(296,092)**	**-**	**(892,672)**

Consolidated – 2024	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Trade payables	(138,504)	-	-	-	(138,504)
Accrued expenses	(147,268)	-	-	-	(147,268)
Other payables	(36,931)	(4,713)	-	-	(41,644)
Borrowings	(116,530)	(101,113)	(146,020)	-	(363,663)
Total non-derivatives	**(439,233)**	**(105,826)**	**(146,020)**	**-**	**(691,079)**

The cash flows in the maturity analysis are not expected to occur significantly earlier than contractually disclosed above.

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F Debt and Equity

18 BORROWINGS

	Currency	Interest rate (%)	Maturity	Consolidated 2025 $'000	Consolidated 2024 $'000
Current borrowings					
Lease liabilities	AUD, USD	3.28 - 9.09%	2025 - 2026	**71,395**	60,709
Interest-bearing loans	AUD, IDR	3.49 - 8.06%	2025 - 2026	**18,433**	43,430
				89,828	104,139
Non-current borrowings					
Lease liabilities	AUD, USD	3.28 - 9.09%	2025 - 2029	**51,307**	87,544
Interest-bearing loans	AUD, IDR	3.49 - 8.06%	2025 - 2029	**285,212**	149,482
				336,519	237,026

The movement in the carrying amount of borrowings is set out below:

Consolidated	Interest-bearing loans 2025 $'000	Interest-bearing loans 2024 $'000	Lease liabilities 2025 $'000	Lease liabilities 2024 $'000
At 1 July	**192,953**	222,017	**148,212**	198,091
New borrowings	**188,733**	124,162	**42,654**	39,335
Refinancing cash arrangement	**-**	-	**-**	-
Principal repayments	**(123,814)**	(156,311)	**(74,765)**	(81,911)
Disposals	**-**	-	**(967)**	(1,735)
Business acquisition at acquisition date	**44,853**	-	**7,452**	-
Transfers	**-**	5,544	**-**	(5,544)
Exchange differences	**920**	(2,459)	**116**	(24)
At 30 June	**303,645**	192,953	**122,702**	148,212

Refer to note 17 for further information on financial instruments.

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Lease liabilities

The Group leases offices, plant and equipment, and vehicles across the countries in which it operates. Lease contracts are for fixed periods between six months and 10 years and may include extension options. Through FY25, the Group continued to pay down existing borrowings on the syndicated asset financing facility. As at 30 June 2025, $41.581 million was outstanding under this facility (30 June 2024: $74.314 million).

Interest Bearing Loans

During June 2025, the Group replaced the existing Macmahon Group syndicated multi-option debt facility along with the acquired Decmil Group facility, for a new syndicated multi-option debt facility of $550.000 million, expiring in June 2029 which includes the option to extend to June 2030. The Group has drawn a total of $270.000 million as cash and $5.527 million as bank guarantees as at 30 June 2025 (As at 30 June 2024: $132.000 million as cash and $4.338 million drawn for bank guarantees).

The syndicated multi-option debt facility is subject to both financial and non-financial covenants, including maintaining certain interest cover, leverage and gearing ratios. These ratios are tested for compliance on a semi-annual basis to align with full and half year reporting dates. As at 30 June 2025, Macmahon was in compliance, with no covenant breaches or waivers.

Assets pledged as security

The Group's lease liabilities and specific loans are secured by the relevant assets and in the event of default, the assets revert to the lessor or financier. All remaining assets of the Group are pledged as security under the multi-option facility.

Borrowings

Borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, borrowings are classified as non-current.

19 EQUITY – ISSUED CAPITAL

	Consolidated			
	2025 Shares	2024 Shares	2025 $'000	2024 $'000
Ordinary shares - fully paid	**2,154,985,818**	2,154,985,818	**563,118**	563,118
Less: Treasury shares	**(21,701,849)**	(43,487,855)	**(11,794)**	(11,067)
Ordinary shares	**2,133,283,969**	2,111,497,963	**551,324**	552,051

	Number of Ordinary Shares	
	2025	2024
On issue at 1 July	**2,154,985,818**	2,154,985,818
On issue at 30 June	**2,154,985,818**	2,154,985,818

Ordinary shares

Ordinary shares are classified as equity and entitle the holder to participate in dividends and the proceeds on the winding up of the Parent in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value, and the Parent does not have authorised capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the capital proceeds.

On a show of hands, every member present at a meeting in person or by proxy shall have one vote, and upon a poll each share shall have one vote.

Treasury shares

Ordinary shares purchased on market by the Company are recognised at cost, less incremental costs directly attributable to the ordinary shares purchased.

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Capital risk management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern so that it may provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value-adding relative to the Parent entity's current share price at the time of the investment.

The Group is subject to certain financing arrangement covenants, and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total equity and net debt. Net debt is calculated as 'borrowings' less 'cash and cash equivalents', as shown in the consolidated statement of financial position. Total equity is as shown in the consolidated statement of financial position. At 30 June 2025, the Group was in a net debt position.

The gearing ratio at 30 June is as below:

	Consolidated	
	2025 $'000	2024 $'000
Borrowings	**426,347**	341,165
Less: Cash and cash equivalents	**(263,893)**	(194,578)
Net debt	**162,454**	146,587
Equity	**692,342**	633,515
Gearing ratio	**19.01%**	18.79%

20 EQUITY – RESERVES

	Consolidated	
	2025 $'000	2024 $'000
Reserve for own shares (net of tax)	**(11,794)**	(11,067)
Fair value reserve (net of tax)	**(10,475)**	(10,475)
Foreign currency reserve (net of tax)	**8,386**	5,492
Share-based payments	**11,109**	3,607
	(2,774)	(12,443)

Reserve for own shares

The reserve for Company's own shares comprises the cost (net of tax) of the Company's shares held by the trustee of the Group's equity compensation plans which were purchased on-market in anticipation of vesting of share-based payment awards under the equity compensation plans. During the year 10,487,155 shares were purchased by the Company for the non-executive directors' salary sacrifice plan and for the vesting of KMPs long-term incentives (FY24: nil). At 30 June 2025, there were 21,701,849 unallocated shares held in trust (FY24: 43,487,855 shares).

Foreign currency reserve

The foreign currency reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on the net investments in foreign operations. The foreign currency translation reserve is reclassified to the profit and loss either on sale or cessation of the underlying foreign operation.

Share-based payments reserve

The share-based payments reserve is used to record the value of share-based payments and performance rights to employees, including KMP, as part of their remuneration, as well as non-employees. Refer to note 28.

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Fair value reserve

The fair value reserve comprises of the cumulative net change in the fair value of equity investments designated at FVOCI.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Reserve for own shares $'000	Fair value reserve $'000	Foreign currency $'000	Share-based payments $'000	Total $'000
Balance at 30 June 2023	**(12,656)**	**(1,995)**	**9,361**	**3,662**	**(1,628)**
Equity investments at FVOCI - net change in value	-	(8,480)	-	-	(8,480)
Foreign currency translation	-	-	(3,869)	-	(3,869)
Treasury shares allocated on vesting of performance rights	1,589	-	-	(1,237)	353
Share-based payments expense (note 29)	-	-	-	2,704	2,704
Transfer of expired performance rights to retained earnings	-	-	-	(1,522)	(1,522)
Balance at 30 June 2024	**(11,067)**	**(10,475)**	**5,492**	**3,607**	**(12,443)**
Equity investments at FVOCI - net change in value	-	-	-	-	-
Treasury shares purchased for compensation plans	(2,762)	-	-	-	(2,762)
Foreign currency translation	-	-	2,893	-	2,893
Treasury shares allocated on vesting of performance rights	2,035	-	-	(1,227)	808
Transactions subsidiary acquisition	-	-	-	1,937	1,937
Share-based payments expense (note 29)	-	-	-	7,277	7,277
Transfer of expired performance rights to retained earnings	-	-	-	(484)	(484)
Balance at 30 June 2025	**(11,794)**	**(10,475)**	**8,385**	**11,110**	**(2,774)**

Dividends

The Parent has paid and proposed dividends as set out below:

	2025 $'000	2024 $'000
Cash dividends on ordinary shares declared and paid:		
Final dividend for 2024: 0.60 cents per share (2023: 0.45 cents per share)	**12,930**	9,519
Interim dividend for 2025: 0.55 cents per share (2024: 0.45 cents per share)	**11,619**	9,698
	24,549	19,217
Subsequent to year end - Proposed dividends on ordinary shares:		
Final cash dividend for 2025: 0.95 cents per share (2024: 0.60 cents per share)	**20,472**	12,804
	20,472	12,804
Dividend franking account at 30 June		
Amount of franking credits available to shareholders of the Company for future years	**67,486**	105

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G Unrecognised Items

21 CONTINGENT LIABILITIES

The following contingent liabilities existed at 30 June 2025:

	Consolidated	
	2025 $'000	2024 $'000
Bank guarantees (syndicated multi-option debt facility)	**5,521**	4,351
Insurance performance bonds	**81,219**	8,357
	87,740	12,708

Bank guarantees and insurance bonds are issued to contract counterparties in the ordinary course of business as security in certain circumstances for the performance by the Group of its contractual obligations. The Group is also called upon to provide guarantees and indemnities to contract counterparties in relation to the performance of contractual and financial obligations. The value of these guarantees and indemnities is indeterminable.

Other contingent liabilities

The Group has the normal contractor's liability in relation to its current and completed contracts (for example, liability relating to design, workmanship and damage), as well as liability for personal injury and property damage during a project. Potential liability may arise from claims, disputes and/or litigation by or against Group companies. The Group is currently managing a number of claims, disputes and litigation processes in relation to its contracts, as well as in relation to personal injury and property damage arising from project delivery.

The Group notes that on 16 December 2022 its subsidiary, TMM Group (Operations) Pty Ltd, commenced proceedings in the Supreme Court of Western Australia against Coburn Resources Pty Ltd (a subsidiary of Strandline Resources Ltd) (see ASX announcement dated 28 December 2022). The proceedings were in connection with variation and extension of time claims under a contract for bulk earthworks, access road construction and drainage work at the Coburn Mineral sands project. TMM sought declarations, damages, costs, interest and return of security totalling approximately $24.4 million (of which $6.5 million had previously been received by TMM from Coburn following a successful adjudication determination). Coburn filed a counterclaim against TMM seeking $7.8 million.

On 21 February 2025, Strandline announced that it and Coburn Resources have entered into voluntary administration and that Receivers and Managers have been appointed. Macmahon has submitted a proof of debt in the administration and the proceedings have been stayed pending developments in the administration.

The Directors are of the opinion that the disclosure of any further information on this matter would be prejudicial to the interests of the Group.

There were no contingent assets recognised as at 30 June 2025 or 30 June 2024.

22 COMMITMENTS

At 30 June 2025, the Group has contracted capital expenditure commitments, but not provided for in the financial statements, of $53.430 million (2024: $2.297 million).

23 EVENTS AFTER THE REPORTING PERIOD

Dividends

Subsequent to 30 June 2025, the Directors declared a final dividend of 0.95 cents per share.

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H Other Information/Group Structure

24 INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

		Ownership interest	
Incorporated subsidiaries	Country of incorporation	2025 %	2024 %
Macmahon Contractors Pty Ltd	Australia	**100%**	100%
Macmahon Mining Services Pty Ltd	Australia	**100%**	100%
Doorn-Djil Yoordaning Mining and Construction Pty Ltd	Australia	**100%**	100%
Macmahon Underground Pty Ltd	Australia	**100%**	100%
Macmahon Contracting International Pte Ltd	Singapore	**100%**	100%
PT Macmahon Indonesia	Indonesia	**100%**	100%
Macmahon Constructors Sdn Bhd	Malaysia	**100%**	100%
TMM Group Pty Ltd*	Australia	**100%**	100%
TMM Group (Consult) Pty Ltd	Australia	**100%**	100%
TMM Group (IP) Pty Ltd*	Australia	**100%**	100%
TMM Group (Operations) Pty Ltd	Australia	**100%**	100%
Macmahon East Pty Ltd	Australia	**100%**	100%
Macmahon Maintenance Masters Pty Ltd	Australia	**100%**	100%
Macmahon (Southern) Pty Ltd[1]	Australia	**100%**	100%
Macmahon Africa Pty Ltd*	Australia	**100%**	100%
Macmahon Malaysia Pty Ltd*	Australia	**100%**	100%
Macmahon Sdn Bhd*	Malaysia	**100%**	100%
PT Macmahon Contractors Indonesia	Indonesia	**100%**	100%
Macmahon Singapore Pte Ltd*	Singapore	**100%**	100%
Macmahon Contractors Nigeria Ltd*	Nigeria	**100%**	100%
Macmahon Contractors Ghana Limited*	Ghana	**100%**	100%
Macmahon Botswana (Pty) Ltd*	Botswana	**100%**	100%
Strong Minds Strong Mines Pty Ltd	Australia	**100%**	100%
GF Holdings (WA) Pty Ltd	Australia	**100%**	100%
GBF Mining and Industrial Services Pty Ltd	Australia	**100%**	100%
GBF North Pty Ltd	Australia	**100%**	100%
GBF Number 6 Pty Ltd	Australia	**100%**	100%
PT Macmahon Mining Services	Indonesia	**100%**	100%
MBMS Contractors Pty Ltd	Australia	**50%**	100%
Decmil Group Pty Ltd[2]	Australia	**100%**	N/A
Decmil Australia Pty Ltd[2]	Australia	**100%**	N/A
Decmil Engineering Pty Ltd[2]	Australia	**100%**	N/A
Eastcoast Development Engineering Pty Ltd[2]	Australia	**100%**	N/A
Decmil Southern Pty Ltd[2]	Australia	**100%**	N/A
Decmil Maintenance Pty Ltd[2]	Australia	**100%**	N/A
Homeground Villages Pty Ltd[2]	Australia	**100%**	N/A
Homeground Gladstone Pty Ltd[2]	Australia	**100%**	N/A
Interest in trusts			
Macmahon Holdings Limited Employee Share Ownership Plans Trust	Australia	**100%**	100%
Decmil Group Limited - Employee Share Plant Trust[2]	Australia	**100%**	N/A
Homeground Gladstone Unit Trust[2]	Australia	**100%**	N/A

* *Entities were dormant for the financial year ended 30 June 2025.*

1 Macmahon (Southern) Pty Ltd is incorporated and operates in Australia and has a registered branch in South Africa. The Company is dormant.

2 Entity acquired as part of Decmil Group Limited business combination, see note 32.

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25 INTERESTS IN JOINT VENTURES

Interest in joint ventures are accounted for using the equity method of accounting. Information relating to joint ventures that are material to the Group are set out below:

		Ownership Interest	
Incorporated joint venture	Country of incorporation	2025 %	2024 %
PT Macmahon Labour Services	Indonesia	**49**	49
MAHBYS Fleet Rental Pty Ltd	Australia	**50**	50

	Consolidated	
	2025 $'000	2024 $'000
At 1 July	**1,071**	792
Share of profit of equity-accounted investees, net of tax	**318**	372
Exchange differences	**29**	(93)
At 30 June	**1,418**	1,071

Joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss, and the share of the movements in equity is recognised in other comprehensive income.

26 RELATED PARTY TRANSACTIONS

Parent entity

Macmahon Holdings Limited is the ultimate parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 24.

Joint ventures

Interests in joint venture arrangements are set out in note 25.

Key management personnel

Disclosures relating to key management personnel are set out in note 27 and the Remuneration Report.

Transaction with related parties - Joint venture

The following transactions occurred with related parties:

	Consolidated	
	2025 $'000	2024 $'000
Transactions recognised in profit or loss		
Costs incurred by the Group on behalf of and recharged to the joint venture	**130**	105
Costs incurred by the joint venture on behalf of and recharged to the Group	**-**	-
Receivable from/(payable to) joint venture		
Receivable from/(payable to) joint venture	**10**	1

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Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Transactions with significant shareholders - AMNT
AMNT (including its related entities) is a significant shareholder of the Company. The following transactions occurred with AMNT in relation to the provision of mining services for the Batu Hijau mine, which is wholly owned by AMNT:

	Consolidated	
	2025 $'000	2024 $'000
Transaction recognised in profit or loss		
Revenue recognised from shareholder	**64,388**	66,968
Receivables/(payables) from significant shareholders		
Trade receivables and contract assets	**2,112**	33,655

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

27 COMPENSATION OF KEY MANAGEMENT PERSONNEL

Key management personnel compensation for the financial year was as follows:

	Consolidated	
	2025 $	2024 $
Short-term employee benefits	**5,595,500**	4,969,191
Long-term employee benefits	**226,272**	209,212
Post-employment benefits	**203,189**	169,249
Termination benefits	**229,270**	-
Share-based payments	**1,115,703**	982,061
	7,369,934	6,329,713

28 SHARE-BASED PAYMENTS

The Group has the following equity compensation arrangements to remunerate non-executive, executive and employees of the Group:

- Senior Manager Long-Term Incentive Plan (LTIP); and
- Non-Executive Director Salary Sacrifice Plan (SSP).
- Macmahon Employee Share Rights Plan (ESRP).

28(a) Executives and Senior Management Plans

LTI Plans

The LTIP provides Executive and senior management with the opportunity to receive fully paid ordinary shares in the Company for no consideration, subject to specified time restrictions, continuous employment and performance conditions being met. Each performance right will entitle participants to receive one fully paid ordinary share at the time of vesting. The LTIP is designed to assist with employee retention, and to incentivise employees to maximise returns and earnings for shareholders. The Board of Directors determines which employees are eligible to participate and the number of performance rights granted.

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Performance rights granted under prior years LTI plans are set out below:

LTIP Performance Rights 2022

	LTIP Performance Rights 2022
	Tranche 1
Performance rights effective on	01/07/2021
Grant date	30/09/2021
Vesting date	01/07/2024
Service period	3 years
Number of performance rights	8,135,369
Remaining number of rights at 30 June 2025	-
Fair value on grant date	$0.0993
Vesting performance condition	
Less than 10% CAGR (Compound Annual Growth Rate) in TSR (absolute Total Shareholder Return)	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

	LTIP Performance Rights 2022
	Tranche 2
Performance rights effective on	01/07/2021
Grant date	30/09/2021
Vesting date	01/07/2024
Service period	3 years
Number of performance rights	8,135,369
Remaining number of rights at 30 June 2025	-
Fair value on grant date	$0.1769
Vesting performance condition (strategic objectives)	
During FY22	
Safety – Improve TRIFR[2] to 4.8 (20% improvement)	4%
Business Mix – 5% or more Mining Support of Group Revenue	7%
Business Mix – 25% or more Underground of Group Revenue	7%
During FY23	
People – Improve employee engagement score year-over-year	4%
Business Mix – 10% or more Mining Support of Group Revenue	7%
Business Mix – 30% or more Underground of Group Revenue	7%
During FY24	
Business Mix – 15% or more Mining Support of Group Revenue	7%
Business Mix – 33% or more Underground of Group Revenue	7%

2 TRIFR – Total Recordable Injury Frequency Rate

LTIP Performance Rights 2023

	LTIP Performance Rights 2023 Tranche 1
Performance rights effective on	01/07/2022
Grant date	30/09/2022
Vesting date	01/07/2025
Service period	3 years
Number of performance rights	10,098,439
Remaining number of rights at 30 June 2025	5,507,963
Fair value on grant date	$0.0610
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

	LTIP Performance Rights 2023 Tranche 2
Performance rights effective on	01/07/2022
Grant date	30/09/2022
Vesting date	01/07/2025
Service period	3 years
Number of performance rights	10,098,439
Remaining number of rights at 30 June 2025	3,194,620
Fair value on grant date	$0.1250
Vesting performance condition (strategic objectives)	
During FY23	
Safety – Improve TRIFR[2] to <4.4	4%
Business Mix – 12% or more Mining Support of Group Revenue	7%
Business Mix – 27% or more Mining Support of Group Revenue	7%
During FY24	
People – Improve employee engagement score year-over-year	4%
Business Mix – 15% or more Mining Support of Group Revenue	7%
Business Mix – 28% or more Underground of Group Revenue	7%
During FY25	
Business Mix – 20% or more Mining Support of Group Revenue	7%
Business Mix – 33% or more Underground of Group Revenue	7%

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LTIP Performance Rights 2024

	LTIP Performance Rights 2024
	Tranche 1
Performance rights effective on	01/07/2023
Grant date	12/01/2024
Vesting date	01/07/2026
Service period	3 years
Number of performance rights	13,151,949
Remaining number of rights at 30 June 2025	9,364,211
Fair value on grant date	$0.1260
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

	LTIP Performance Rights 2024
	Tranche 2
Performance rights effective on	01/07/2023
Grant date	12/01/2024
Vesting date	01/07/2026
Service period	3 years
Number of performance rights	13,151,949
Remaining number of rights at 30 June 2025	8,053,220
Fair value on grant date	$0.1840
Vesting performance condition (strategic objectives)	
During FY24	
Safety – Improve TRIFR2 to =<3.7	4%
Business Mix – >=$237m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$473m Underground of Group Revenue	7%
During FY25	
People – Improve WAM engagement score year-over-year	4%
Business Mix – >=$326m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$622m Underground of Group Revenue	7%
During FY26	
Business Mix – >=$394m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$669m Underground of Group Revenue	7%

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LTIP Performance Rights 2025

	LTIP Performance Rights 2025
	Tranche 1
Performance rights effective on	01/07/2024
Grant date	16/12/2024
Vesting date	01/07/2027
Service period	3 years
Number of performance rights	8,428,534
Remaining number of rights at 30 June 2025	7,607,150
Fair value on grant date	$0.1940
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

	LTIP Performance Rights 2025
	Tranche 2
Performance rights effective on	01/07/2024
Grant date	16/12/2024
Vesting date	01/07/2027
Service period	3 years
Number of performance rights	8,428,538
Remaining number of rights at 30 June 2025	7,607,154
Fair value on grant date	$0.3210
Vesting performance condition (strategic objectives)	
During FY25	
Business Mix – >=38.9% ROACE for Surface Division	6%
Business Mix – >=$582m Civil Infrastructure Revenue	6%
Business Mix – >=$596m Underground Revenue	6%
During FY26	
Business Mix – >=43.0% ROACE for Surface Division	6%
Business Mix – >=$728m Civil Infrastructure Revenue	6%
Business Mix – >=$857m Underground Revenue	6%
During FY27	
Business Mix – >=47.1% ROACE for Surface Division	3%
Business Mix - >=$1,079m Civil Infrastructure Revenue	5%
Business Mix – >=$956m Underground Revenue	6%

The following inputs were used in the measurement of the fair values at grant date of the 2025 LTIP performance rights:

	LTIP Performance Rights 2025	
	Tranche 1	Tranche 2
Fair value at grant date	$0.1940	$0.3210
Share price at grant date	$0.3550	$0.3550
Exercise price	Nil	Nil
Expected volatility (weighted average volatility)	50.00%	50.00%
Option life (expected weighted average life)	3 years	3 years
Dividend yield	4.00%	4.00%
Risk-free interest rate (based on government bonds)	3.87%	3.87%
Valuation model	Monte-Carlo Simulation	Monte-Carlo Simulation

Expected volatility is estimated taking into account historic average share price volatility.

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Non-Executive Director (NED) Salary Sacrifice Plan (SSP)

The SSP provides Non-Executive Directors with the option to sacrifice a portion of their salary in return for a fixed number of rights over ordinary but restricted shares, which will vest equally within eight months and 14 months from grant date. Once vested, the shares will be held in trust on behalf of the recipients but will be subject to certain restrictions, which limit the recipients' ability to sell the shares. Trading restrictions will generally end on the earliest of ceasing to be a NED, the date a change of control occurs or 15 years after the date the relevant NED share rights were granted.

The following assumptions were applied in the measurement of the fair values of NED share rights using the Black-Scholes option pricing model:

	NED Share Rights 2024		NED Share Rights 2025	
	Tranche 1	Tranche 2	Tranche 1	Tranche 2
Share rights effective on	1/07/2023	01/07/2023	**01/07/2024**	**01/07/2024**
Grant date	01/07/2023	01/07/2023	**01/07/2024**	**01/07/2024**
Vesting date	21/02/2024	21/08/2024	**19/02/2025**	**20/08/2025**
Service period	8 months	14 months	**8 months**	**14 months**
Tranche and number of share rights	500,526	500,526	**329,935**	**329,935**
Remaining number of share rights at 30 June 2025	-	-	**-**	**329,935**
Share price at grant date	$0.155	$0.155	**$0.270**	**$0.270**
Discount for lack of marketability	30%	30%	**30%**	**30%**
Implied fair value of restricted shares	$0.109	$0.109	**$0.189**	**$0.189**
Exercise price	$0.135	$0.135	**$0.286**	**$0.286**
Risk-free interest rate	4.00%	4.00%	**3.84%**	**3.84%**
Volatility factor	50%	50%	**50%**	**50%**
Dividend yield	2.50%	5.00%	**2.00%**	**4.00%**
Implied discount to share price at grant date	94%	91%	**97%**	**95%**
Fair value at grant date	$0.009	$0.013	**$0.007**	**$0.015**

Information about performance rights and share rights outstanding at year end.

The following unvested unlisted performance rights were outstanding at year end:

	LTIP Performance Rights		SSP Share Rights	
	2025 Number	2024 Number	2025 Number	2024 Number
Balance at start of year	**47,785,984**	31,673,100	**500,526**	1,587,993
Granted during the year	**16,857,072**	26,303,898	**659,870**	1,001,052
Vested during the year	**(5,197,709)**	-	**(830,461)**	(2,088,519)
Forfeited during the year	**(18,111,031)**	(10,191,014)	**-**	-
Balance at end of year	**41,334,316**	47,785,984	**329,935**	500,526

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28(b) Employee Share Rights Plan

The ESRP provides selected permanent employees who are not a part of the LTIP arrangements with the opportunity to receive fully paid ordinary shares in the Company for no consideration, subject to specified time restrictions being met. Each right will entitle participants to receive one fully paid ordinary share at the time of vesting. The ESRP is designed to assist with employee retention in a competitive market.

Share rights granted during the current year under the ESRP plan is set out below.

	ESRP Performance Rights Tranche 1	ESRP Performance Rights Tranche 2	ESRP Performance Rights Tranche 3
Grant date	01/01/2023	01/01/2023	01/01/2023
Vesting date	31/03/2023	31/03/2024	31/03/2025
Service period	3 months	1 year 3 months	2 years 3 months
Percentage vesting	30%	30%	40%
Tranche and number of performing rights	4,387,948	4,387,948	5,850,597
Remaining number of rights at 30 June 2025	-	-	-
Fair value on grant date	$0.155	$0.155	$0.155

Information about employee share rights outstanding at year end

The following unvested unlisted employee rights were outstanding at year end:

	ESRP Share Rights	
	2025 Number	2024 Number
Balance at start of year	**4,509,881**	9,306,858
Granted during the year	**-**	-
Vested during the year	**(3,742,118)**	(3,586,428)
Forfeited during the year	**(767,763)**	(1,210,549)
Balance at end of year	**-**	4,509,881

The following share-based payment expenses were recognised net of forfeitures, to profit or loss, disaggregated by equity-compensation arrangement:

	Consolidated	
	2025 $'000	2024 $'000
LTIP performance rights	**7,191**	2,049
NED share rights	**8**	6
Employee share rights	**78**	649
	7,277	2,704

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by referencing the fair value of the equity instruments at the date at which they were granted. The fair value is determined by using the Binomial, Black-Scholes or Monte Carlo model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities with the next annual reporting period, but may impact profit or loss and equity.

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Share-based payments

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial, Monte Carlo or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest, and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

If any performance rights have been forfeited for failure to complete a service period, the costs of the performance rights are trued up, i.e. amounts previously expensed are no longer incurred and accordingly reversed in the current year. This policy is applied irrespective of whether the employee resigns voluntarily or is dismissed by the Company.

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29 REMUNERATION OF AUDITORS

The auditor of Macmahon Holdings Limited is KPMG Australia. Amounts paid or payable for services provided by KPMG and other non-KPMG audit firms are as follows:

	Consolidated	
	2025 $	2024 $
Group auditors		
Audit and review services - KPMG		
Audit or review of the financial statements - Australia[1]	**823,860**	520,212
Audit or review of the financial statements - Controlled entities[2]	**151,306**	-
	975,166	520,212
Other services - KPMG		
Taxation services - Australia	**149,875**	57,278
Taxation services - Network firms	**10,848**	17,693
Other assurance services - Australia	**49,616**	32,085
Other advisory services - Australia	**67,347**	258,750
	277,686	365,806
	1,252,852	886,018
Subsidiary auditors		
Audit and review services		
Audit of the financial statements - Foo Kun Tan LLP	**23,307**	20,363
Audit of the financial statements - PwC Indonesia[2]	**-**	129,547
	23,307	149,910
	1,276,159	1,035,928

1 The increase in audit and review fees for FY25 is due to the acquisition of Decmil Group.
2 KPMG replaced PwC as auditors for the Indonesian subsidiaries for FY25.

30 DEED OF CROSS GUARANTEE

Pursuant to ASIC Corporations (*Wholly-owned Companies*) *Instrument 2016/785* (*the Instrument*), the wholly-owned subsidiaries listed below are relieved from the *Corporations Act 2001* (Cth) requirements for preparation, audit and lodgement of their financial statements and Directors' Report.

It is a condition of the Instrument that the Parent and each of its subsidiaries (Extended Closed Group) below enter into a Deed of Cross Guarantee (Deed). The effect of the Deed is that the Parent guarantees to each creditor, payment in full of any debt in the event of winding up of any of the subsidiaries under certain provisions of the Act. If a winding up occurs under other provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given the same guarantees in the event that the Company is wound up.

The following entities are party to the Deed under which each member guarantees the debts of the others:

- Macmahon Contractors Pty Ltd
- Macmahon Underground Pty Ltd
- Macmahon Mining Services Pty Ltd
- TMM Group Pty Ltd
- TMM Group (Operations) Pty Ltd
- GF Holdings (WA) Pty Ltd
- GBF North Pty Ltd
- GBF Mining and Industrial Services Pty Ltd
- Decmil Group Pty Ltd[1]
- Decmil Australia Pty Ltd[1]
- Decmil Southern Pty Ltd[1]

1 Decmil entities were added to the Deed on 16 December 2024.

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Set out below is a consolidated statement of profit or loss and other comprehensive income, summary of movements in consolidated retained earnings and consolidated statement of financial position, comprising the Company and its controlled entities which are a party to the Deed, after eliminating transactions between parties to the Deed:

Statement of Profit or Loss and Other Comprehensive Income

	Consolidated	
	2025 $'000	2024 $'000
Revenue	**2,205,253**	1,872,578
Other income	**15,548**	10,522
Materials and consumables used	**(389,432)**	(393,775)
Employee benefits expense	**(977,413)**	(878,663)
Subcontractor costs	**(216,492)**	(80,467)
Depreciation and amortisation expense	**(197,934)**	(189,629)
Equipment and other operating lease expenses	**(185,863)**	(129,632)
Net finance costs	**(33,147)**	(24,693)
Other expenses	**(123,994)**	(126,475)
Profit before income tax expense	**96,526**	59,766
Income tax expense	**(23,077)**	(18,325)
Profit after income tax expense	**73,449**	41,441

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Statement of Financial Position

	Consolidated	
	2025 $'000	2024 $'000
ASSETS		
Current assets		
Cash and cash equivalents	**181,939**	143,220
Trade and other receivables	**384,823**	291,942
Inventories	**102,786**	105,236
Total current assets	**669,548**	540,398
Non-current assets		
Trade and other receivables	**60,877**	85,956
Other financial assets	**61,456**	10,350
Property, plant and equipment	**587,576**	572,131
Intangible assets and goodwill	**61,621**	10,338
Deferred tax asset	**63,021**	-
Total non-current assets	**834,551**	678,775
Total assets	**1,504,099**	1,219,173
LIABILITIES		
Current liabilities		
Trade and other payables	**381,301**	264,225
Borrowings	**70,987**	90,949
Income tax payable	**37,782**	14,510
Employee benefits	**87,006**	80,895
Provisions	**25,601**	22,988
Total current liabilities	**602,677**	473,567
Non-current liabilities		
Trade and other payables	**3,698**	4,713
Borrowings	**333,267**	219,797
Employee benefits	**3,574**	2,742
Deferred tax liabilities	**-**	12,998
Total non-current liabilities	**340,539**	240,250
Total liabilities	**943,216**	713,817
NET ASSETS	**560,883**	505,356
EQUITY		
Issued capital	**563,130**	563,118
Reserves	**(11,159)**	(17,934)
Net accumulated losses	**8,912**	(39,828)
TOTAL EQUITY	**560,883**	505,356

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31 PARENT ENTITY INFORMATION

Set out below is the supplementary financial information of the Parent as follows:

Statement of Profit or Loss and Other Comprehensive Income

	2025 $'000	2024 $'000
(Profit)/loss after income taxes of the Parent	**(11,592)**	(487,320)
Total comprehensive loss of the Parent	**(11,592)**	(487,320)

Statement of Financial Position

	2025 $'000	2024 $'000
Current assets	**1,401,762**	735,837
Total assets	**1,775,317**	985,302
Current liabilities	**(908,791)**	(289,410)
Total liabilities	**(1,179,478)**	(406,097)
Equity		
Issued capital	**563,118**	563,118
Share-based payments reserve	**9,173**	4,628
Reserve for own shares	**(11,794)**	(12,292)
Accumulated losses	**(472,334)**	(472,334)
Retained profits	**507,676**	496,084
Total equity	**595,839**	579,204

Guarantees entered into by the Parent entity in relation to the debts of its subsidiaries

The Parent has entered into a Deed with the effect that the Parent guarantees the debt of members of the Extended Closed Group. Further details of the Deed and the Extended Closed Group are disclosed in note 30.

Material accounting policies

The accounting policies of the Parent are consistent with those of the Group.

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32 BUSINESS COMBINATION

Acquisition of Decmil Group Limited
On 15 August 2024, the Group acquired 100 percent of the issued ordinary shares and redeemable convertible preference shares in Decmil Group Limited (Decmil).

The acquisition included inputs i.e. identifiable assets and liabilities acquired (contract assets/liabilities, and investment property, borrowings, a brand name and customer relationships), production processes and an organised workforce. The Group has determined that together the acquired inputs and processes significantly contribute to the ability to create revenue. The Group has concluded that the acquired set is a business and thus has been accounted as a business combination.

The acquisition provides an established foundation to accelerate the Group's civil infrastructure growth, which aligns with its strategic focus to diversify earnings.

For the ten and a half months ending 30 June 2025, Decmil contributed revenue of $456.438 million and profit before tax of $21.547 million to the Group's results. The acquisition has been effectively consolidated from 1 July 2024.

Consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred.

	$'000
Cash	**103,977**
Replacement share-based payment awards (i)	**1,938**
	105,915

(i) Replacement share-based payment awards

In accordance with the terms of the acquistion agreement, the Group exchanged shares (replacement awards) in lieu of Decmil's existing management performance rights (the acquiree's awards). The details of the acquiree's awards and replacement awards were as follows:

	Acquiree's awards	Replacement awards
Terms and conditions	Grant date: 17 November 2023	Vesting dates: 1 January 2025 1 July 2025 1 January 2026 1 July 2026
	17,706,174 performance rights Vesting date: 15 November 2028 Service and market conditions	22,486,841 shares Service condition
Fair value at date of acquisition	$4.905 million	$6.521 million

The consideration for the business combination includes $1.938 million transferred to employees of Decmil when the acquiree's awards were substituted by the replacement awards, which relates to past service provided between the acquiree's awards grant date and the acquisition date. The balance of $4.584 million will be recognised as a post-acquistion share-based payment, of which $3.741 million have been recognised in the 12 months months ending 30 June 2025.

Acquisition related costs

The Group incurred acquisition costs of $7.623 million on legal fees and due diligence costs. These costs have been included in "Other expenses".

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Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	$'000
Cash and cash equivalents	40,911
Trade and Other receivables	55,652
Expected credit loss provision	(4,928)
Investment Property	51,551
Property, plant and equipment	16,267
Customer relationship and backlog	15,941
Brand name	10,082
Deferred Tax asset	60,310
Trade and Other payables	(100,676)
Borrowings	(44,853)
Lease liabilities	(7,452)
Employee benefits	(7,984)
Other Provisions	(2,483)
Deferred tax liability	(6,700)
	75,638

Measurement of fair values

The valuation techniques for measuring the fair value of material assets acquired and liabilities assumed were as follows:

Assets acquired/Liabilities assumed	Valuation technique
Investment property	Discounted cash flows: the valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.
Property, plant and equipment	Market comparison technique and cost technique: The valuation model considers market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Customer relationship and backlog	Multi-period excess earning method: The valuation method considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.
Brand name	Relief-from-royalty method: The valuation method considers the discounted estimated royalty payments that are expected to be avoided as a result of the brand being owned.
Borrowings	Discounted cash flows: The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.
Deferred Tax asset	Unused tax losses: The deferred tax asset has been recognised in respect of unused tax losses and unused tax credits to the extent that is probably that future taxable profits will be available against which the unused tax losses and unused tax credits can be utilised.

The Trade and Other receivables includes Trade receivables of $26.593 million and $22.054million of Contract assets, all of which expected to be collectable at the date of acquisition.

The above amounts have been measured on a provisional basis. If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Goodwill arising from the acquisition has been recognised as follows:

	$'000
Consideration transferred	105,915
Less: Fair value of identifiable net assets	75,638
	30,277

The goodwill recognised is attributable to the expected synergies and other benefits from combining the assets and activities of Decmil with those of the Group.

Acquisition of Pit N Portal

On December 2023, the Group acquired key contracts from Pit N Portal underground services businesses from Emeco Holdings Limited. The acquisition was accounted for as a business combination. This acquisition was finalised during the year resulting in $1.231 million of goodwill being recognised with no other significant changes to the fair value of identifiable net assets acquired.

Business combinations

The Group accounts for business combinations using the acquisitions method when control is transferred to the Group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable assets acquired and liabilities assumed. Any gain on acquisition is recognised in profit or loss immediately. Goodwill is recognised when the fair value of the purchase consideration exceeds the fair value of identifiable assets.

33 DECMIL GROUP LIMITED: ASIC DISCLOSURE

On 17 March 2025, ASIC granted relief to Decmil analogous to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 for the Company's financial year ending 30 June 2025 without applying the disclosing entity exclusion in subparagraph 6(1)(b)(i) but subject to all other requirements in the legislative instrument and a further requirement that Macmahon will include the following additional notes for Decmil in the notes to Macmahon's financial statements for the financial year ending 30 June 2025:

a. a statement of comprehensive income for Decmil setting out the information specified by paragraphs 82 to 87 of Accounting Standard AASB 101 Presentation of Financial Statements (AASB 101) in force at the end of the financial year; and

b. opening and closing retained earnings, dividends provided for or paid, and transfers to and from reserves.

There has been no change in ownership of any of the members of the closed group as parties to the Deed of Cross Guarantee between Macmahon and any of its controlled entities that occurs following the year ended 30 June 2025 and the date of lodgement of the consolidated financial statements.

The tables below represent the full 12 months of Decmil (1 July 2024 to 30 June 2025), notwithstanding that Macmahon only obtained its 100% ownership in Decmil from 15 August 2024. Accordingly, the Statement of Comprehensive Income and Equity tables in items (a) and (b) below is not all attributable to the Company. The basis of preparation of the disclosures in this note is consistent with the basis of preparation referenced in the Decmil Annual Financial Statements for the year ended 30 June 2024.

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a. Statement of Comprehensive Income

	2025[1] $'000	2024[1] $'000
Revenue	**481,135**	467,150
Other income	**759**	6,963
Expenses		
Materials and consumables used	**(178,443)**	(153,525)
Employee benefits expense	**(59,529)**	(67,291)
Depreciation and amortisation expense	**(4,242)**	(4,253)
Equipment and other short-term lease expenses	**(21,444)**	(13,698)
Subcontractor costs	**(161,049)**	(202,393)
Share based payments expense	**-**	(289)
Fair value adjustment to Investment Property[2]	**(11,393)**	-
Expected credit loss expense[3]	**(4,928)**	-
Other expenses	**(23,271)**	(22,520)
Operating profit	**17,595**	10,144
Finance income	**47**	46
Finance expense	**(4,336)**	(4,153)
Net finance costs	**(4,289)**	(4,107)
Profit before income tax	**13,306**	6,037
Income tax (expense)	**(3,992)**	-
Income tax benefit recognised as part of business combination[4]	**60,283**	-
Profit after income tax for the year	**69,597**	6,037
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation	**-**	-
Items that will not be reclassified to profit or loss:		
Equity investments at FVOCI - Net of change in fair value	**-**	-
Other comprehensive income/(loss) for the year, net of tax	**-**	-
Total comprehensive income for the year attributable to the owners of the Company	**69,597**	6,037

1. *The Statement of Comprehensive Income above represents Decmil Group and its subsidiaries (Group Entities) for the years ended 30 June 2025 and 30 June 2024 respectively. All fair value acquisition adjustments that would directly impact the profit and loss of Decmil have been recognised above.*
2. *Macmahon engaged an independent valuation expert for the purposes of purchase price allocation associated for the Business Combination between Macmahon and Decmil (Refer to Note 32 for additional information), resulting in a $11.393 million fair value adjustment to the Homeground camp upon acquisition.*
3. *As part of the purchase price allocation accounting, Macmahon recognised a credit loss for certain legacy projects as at 30 June 2024 resulting in a 4.928 million expected credit loss expense.*
4. *Previously unrecognised tax losses have been recognised in the current financial year, together with a net deferred tax asset relating to the fair value adjustments. The deferred asset relating to tax losses is considered recoverable as the Company has recognised profits for the FY24 and FY25 financial year and forecasting profits for the future years.*

b. Retained Earnings/Reserves/Dividends

	Consolidated	
	2025[1]	2024[1]
Reserves[2]	**-**	3,439
Retained Earnings	**(166,134)**	(239,171)
Dividends[2]	**-**	(2,170)

1. *The Statement of Comprehensive Income above represents Decmil Group and its subsidiaries (Group Entities) for the years ended 30 June 2025 and 30 June 2024 respectively.*
2. *Reserves have been elimiated as part of the business acquistion fair value measurement. No dividends were paid in FY25.*

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34 OTHER MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. The accounting policies are consistent with those disclosed in the prior period financial statements, except for the impact of new and amended standards and interpretations, effective 1 July 2024. The adoption of these standards and interpretations did not result in any significant changes to the Group's accounting policies.

The Group has not elected to early adopt any new or amended standards or interpretations that are issued but not yet effective.

New Accounting Standards and Interpretations not effective for the Group at 30 June 2025 or early adopted

A number of new standards, amendments of standards and interpretations are effective for annual periods beginning from 1 July 2025 and earlier application is permitted, however, the Group has not early adopted these standards in preparing these consolidated financial statements.

The Group has reviewed these standards and interpretations and has determined that none of these new or amended standards and interpretations will significantly affect the Group's accounting policies, financial position or performance.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* (Cth) as appropriate for for-profit orientated entities. These financial statements also comply with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB).

The consolidated financial statements provide comparative information in respect of the previous period. For consistency with the current year's presentation, where required, comparative information has been reclassified.

The financial statements have been prepared under the historical cost basis, except for contingent consideration and certain other financial assets and financial liabilities, which are measured at fair value.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are included in the respective notes to the financial statements:

Note 2 - revenue recognition: estimate of variable consideration and percentage completion of perfomance obligations

Note 5 - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised

Note 32 - business combination: fair value determination of assets acquired and liabilities assumed

Parent entity information

In accordance with the *Corporations Act 2001* (Cth), these financial statements present the results of the Group only. Supplementary information about the Parent entity is disclosed in note 31.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Macmahon Holdings Limited as of 30 June 2025 and the results of all subsidiaries for the year then ended. Macmahon Holdings Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

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Subsidiaries

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when 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. Entities are deconsolidated from the date that control ceases.

Interest in equity accounted investees

The Group's interests in equity-accounted investees comprise interests in joint ventures.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method and are initially recognised at cost, including transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss, and other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Macmahon Holdings Limited's functional and presentation currency .

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at the reporting date exchange rates of monetary assets, and liabilities denominated in foreign currencies are recognised in the profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. Monetary assets and liabilities denominated in foreign currency at the reporting date are translated to the functional currency at the exchange rate at that date. The income and expenses of foreign operations are translated into Australian dollars at the average exchange rates for the period. Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are recognised to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve in equity.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of ttrading; it is due to be settled within 12 months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period subject to compliance with covenants within 12 months after the reporting date.

Deferred tax assets and liabilities are always classified as non-current.

Goods and Services Tax (GST), Value Added Tax (VAT) and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts
The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) 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 Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

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Consolidated Entity Disclosure Statement
As at 30 June 2025

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Incorporated subsidiaries	Country of in-corporation	Body corporate, partnership or trust	Australian or Foreign tax resident	Jurisdiction for Foreign tax resident	Ownership interest 2025 %	Ownership interest 2024 %
Macmahon Holdings Limited (Parent entity)	Australia	Body corporate	Australia	N/A	**100%**	100%
Macmahon Contractors Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
Macmahon Mining Services Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
Doorn-Djil Yoordaning Mining and Construction Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
Macmahon Underground Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
Macmahon Contracting International Pte Ltd	Singapore	Body corporate	Foreign	Singapore	**100%**	100%
PT Macmahon Indonesia	Indonesia	Body corporate	Foreign	Indonesia	**100%**	100%
Macmahon Constructors Sdn Bhd	Malaysia	Body corporate	Foreign	Malaysia	**100%**	100%
TMM Group Pty Ltd*	Australia	Body corporate	Australia	N/A	**100%**	100%
TMM Group (Consult) Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
TMM Group (IP) Pty Ltd*	Australia	Body corporate	Australia	N/A	**100%**	100%
TMM Group (Operations) Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
Macmahon East Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
Macmahon Maintenance Masters Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
Macmahon (Southern) Pty Ltd[1]	Australia	Body corporate	Australia	N/A	**100%**	100%
Macmahon Africa Pty Ltd*	Australia	Body corporate	Australia	N/A	**100%**	100%
Macmahon Malaysia Pty Ltd*	Australia	Body corporate	Australia	N/A	**100%**	100%
Macmahon Sdn Bhd*	Malaysia	Body corporate	Foreign	Malaysia	**100%**	100%
PT Macmahon Contractors Indonesia	Indonesia	Body corporate	Foreign	Indonesia	**100%**	100%
Macmahon Singapore Pte Ltd*	Singapore	Body corporate	Foreign	Singapore	**100%**	100%
Macmahon Contractors Nigeria Ltd*	Nigeria	Body corporate	Foreign	Nigeria	**100%**	100%
Macmahon Contractors Ghana Limited*	Ghana	Body corporate	Foreign	Ghana	**100%**	100%
Macmahon Botswana (Pty) Ltd*	Botswana	Body corporate	Foreign	Botswana	**100%**	100%
Strong Minds Strong Mines Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
GF Holdings (WA) Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
GBF Mining and Industrial Services Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
GBF North Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
GBF Number 6 Pty Ltd	Australia	Body corporate	Australia	N/A	**100%**	100%
PT Macmahon Mining Services	Indonesia	Body corporate	Foreign	Indonesia	**100%**	100%
MBMS Contractors Pty Ltd	Australia	Body corporate	Australia	N/A	**50%**	100%
Decmil Group Pty Ltd[2]	Australia	Body corporate	Australia	N/A	**100%**	0%
Decmil Australia Pty Ltd[2]	Australia	Body corporate	Australia	N/A	**100%**	0%
Decmil Engineering Pty Ltd[2]	Australia	Body corporate	Australia	N/A	**100%**	0%
Eastcoast Development Engineering PtyLtd[2]	Australia	Body corporate	Australia	N/A	**100%**	0%
Decmil Southern Pty Ltd[2]	Australia	Body corporate	Australia	N/A	**100%**	0%
Decmil Maintenance Pty Ltd[2]	Australia	Body corporate	Australia	N/A	**100%**	0%
Homeground Villages Pty Ltd[2]	Australia	Body corporate	Australia	N/A	**100%**	0%
Homeground Gladstone Pty Ltd[2]	Australia	Body corporate	Australia	N/A	**100%**	0%
Interest in trusts						
Macmahon Holdings Limited Employee Share Ownership Plans Trust	Australia	Trust	Australia	N/A	**100%**	100%
Decmil Group Limited - Employee Share Plant Trust[2]	Australia	Trust	Australia	N/A	**100%**	0%
Homeground Gladstone Unit Trust[2]	Australia	Trust	Australia	N/A	**100%**	0%

* *Entities were dormant for the financial year ended 30 June 2025.*

1 Macmahon (Southern) Pty Ltd is incorporated and operates in Australia and has a registered branch in South Africa. The company is dormant.

2 Entity acquired through as part of Decmil Group Limited business combination in August 2024.

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KEY ASSUMPTIONS AND JUDGEMENTS

Determination of Tax Residency
Section 295 (3A) of the *Corporation Acts 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

- Foreign tax residency

The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Partnerships and Trusts
Australian tax law does not contain specific residency tests for partnerships and trusts. Generally, these entities are taxed on a flow-through basis so there is no need for a general residence test. There are some provisions which treat trusts as residents for certain purposes, but this does not mean the trust itself is an entity that is subject to tax. Additional disclosures on the tax status of partnerships and trusts have been provided where relevant.

Branches (permanent establishments)
Foreign branches of Australian subsidiaries are not separate level entities and therefore do not have a separate residency for Australian tax purposes. Generally, the Australian subsidiary that the branch is a part of will be the relevant tax resident, rather than the branch operations. Additional disclosures on the tax status of Australian subsidiaries having a foreign branch with a taxable presence in that jurisdiction have been provided where relevant.



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Directors' Declaration

IN THE DIRECTORS' OPINION:

The consolidated financial statements and notes, and the Remuneration Report in the Directors' Report, comply with and are made in accordance with the *Corporations Act 2001* (Cth), the Accounting Standards, the *Corporations Regulation 2001* and other mandatory professional reporting requirements.

- The consolidated financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 34.
- The consolidated entity disclosure statement on pages 134 and 135 at the end of the financial year is true and correct.
- The consolidated financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025, and of its performance for the financial year ended on that date, and comply with Australian Accounting Standards and the *Corporations Regulations 2001.*
- There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable. At the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee (pursuant to ASIC Corporations (*Wholly-owned Companies*) Instrument 2016/785) described in note 30 to the financial statements.

The Directors have been given the declarations from the Chief Executive Officer and the Chief Financial Officer for the financial year ended 30 June 2025 as required by section 295A of the *Corporations Act 2001* (Cth).

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001* (Cth).

On behalf of the Directors



HAMISH TYRWHITT
Independent Non-Executive Chair
19 August 2025

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Independent Auditor's Report

To the shareholders of Macmahon Holdings Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Macmahon Holdings Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2025 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001,* in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2025;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2025;
- Notes, including material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with 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 Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Revenue Recognition; and
- Acquisition of Decmil Group Limited.

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition ($2,427 million)

Refer to Note 2 to the Financial Report

The key audit matter	How the matter was addressed in our audit
The majority of the Group's revenue arises from rendering mining services ($1,959 million) and civil services ($437 million). Revenue recognition was a key audit matter due to the: • Complexity and judgements involved in applying the requirements of AASB15 Revenue from Contracts with Customers; • Quantum of revenue earned during the year; • Large number of customer contracts with numerous estimation events that may occur over the course of the contract's life. This results in complex and judgemental revenue recognition. Therefore, significant audit effort is required to gather sufficient audit evidence for revenue recognition. We focused on the following judgements the Group applied in determining revenue recognition for mining services and civil services, as applicable: • The Group's determination of contractual entitlement and assessment of the probability of customer approval of changes in scope and/or price;	Our procedures included: – Evaluating the Group's revenue recognition policies and revenue recognition on key contracts with customers against the requirements of the accounting standard; – Understanding the Group's process and key controls for accounting for revenue across different contracts, considering the terms in the customer contracts; – Testing key controls over revenue recognition, including customer approval of monthly progress claims and review and approval of revenue and cost forecasts. – Checking satisfaction of the performance obligation for a statistical sample of revenue transactions, by inspecting documentation such as customer approved progress claims; – Testing a statistical sample of unbilled revenue by checking satisfaction of the performance obligation to underlying documentation; – Testing a sample of revenue recognised close to year end to the underlying progress claims to check revenue recognition in the correct period; – For key contracts where variable consideration is recognised, evaluating the Group's evidence for these amounts, such as contract documents, correspondence with customers and subsequent approval of variable consideration;

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• The Group's consideration of the enforceability or approval of the modification of the terms of a contract may include evidence that is written, oral, or implied by customary business practice and may include involvement from the Group's legal, time and costs experts; • The Group's determination of modification requires a degree of judgement and can drive different accounting treatments, increasing the risk of inappropriately recognising revenue; • Estimating total expected costs at initiation of the customer contract, which have a high level of estimation uncertainty; and • Revisions to total expected costs for certain events or conditions that occur during the performance of the contract or are expected to occur to complete the customer contract, which is difficult to estimate.	– For key contracts where revenue is recognised on a percentage of completion basis, we assessed the total expected cost estimates by (1) obtaining an understanding of the activities required to complete the customer contract from the Group's contract teams, (2) analysing the costs of those activities compared to recent project costs trends and prices, (3) testing a sample of expenditure to underlying documentation, and (4) using our knowledge of the contract characteristics to challenge the completeness of costs and activities; – Evaluating the Group's assessment of when contract modifications for variations and claims are considered approved, enforceable and recoverable by examining supporting documentation such as underlying records, legal agreements, customer correspondence and historical recovery patterns. – Evaluating the Group's disclosures against our understanding obtained from our testing and the requirements of the accounting standards.

Acquisition of Decmil Group Limited ($106 million)	
Refer to Note 32 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The Group's acquisition of 100% of Decmil Group Limited on 15 August 2024 for consideration of $106 million, was a significant transaction. This was a key audit matter due to the additional audit effort for the following reasons: • The size of the acquisition having a pervasive impact on the Group's financial statements; • The Group's judgement and complexity relating to the determination of the fair values of assets and liabilities acquired in the transaction requiring significant audit effort. The Group engaged an external valuation expert to assess the fair value of certain assets including the Homeground investment property, intangible assets including brand name, customer relationships and backlog.	Our procedures included: – We evaluated the acquisition accounting by the Group against the requirements of the accounting standards; – We read the underlying transaction agreements to understand the terms of the acquisition and nature of the assets and liabilities acquired; – We assessed the accuracy of the calculation and measurement of consideration paid to acquire Decmil Group Limited based on the underlying transaction agreements and the Group's bank statements;

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• The Group's valuation models used to determine the fair value of acquired intangible assets and investment property are complex and sensitive to changes in a number of key assumptions. This drives additional audit effort specifically on the feasibility of these key assumptions and consistency of application to the Group's strategy. The key assumptions we focused on included: • forecast revenues and earnings, discount rates and royalty rates for intangible assets; • occupancy rates, room rates and operating costs for the Homeground investment property; • forecast taxable income and annual utilisation allowance for deferred tax assets in relation to tax losses. We involved our valuation specialists to supplement our senior audit team members in assessing this key audit matter.	– Working with our valuation specialists, we assessed the Group's external expert reports and: o Considered the objectivity, competence and scope of the Group's external valuation experts; o Evaluated the valuation methodology used to determine the fair value of assets and liabilities acquired, considering accounting standard requirements and observed industry practices; o Assessed the key assumptions in the Group's external valuation expert report prepared in relation to the identification and valuation of intangible assets: ▪ checking forecast revenue and earnings assumptions for consistency with the Group's valuation models and historical data; ▪ assessing key customer contracts by using our industry experience and knowledge of the terms and conditions of a sample of the underlying agreements and against the accounting standard requirements; o Independently developed discount rate and royalty rate ranges considered comparable using publicly available reports of industry commentators for comparable entities, adjusted by risk factors specific to the Group and the industry it operates in. – Using our industry knowledge and publicly available information for the Gladstone region, we considered forecast occupancy and room rates prepared by the Group's external valuation experts utilised in the determination of the fair value of Homeground investment property. We compared operating costs against historical performance of the operation. – We assessed the Group's tax loss utilisation models and key assumptions by comparing forecast taxable income to historical performance. We involved our tax specialists to assess annual loss utilisation allowances;

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	– We recalculated the goodwill balance recognised as a result of the transaction and compared it to the goodwill amount recorded by the Group; – We assessed the adequacy of disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standard.

Other Information

Other Information is financial and non-financial information in Macmahon Holdings Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001;*
- Implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error;
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

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Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Macmahon Holdings Limited for the year ended 30 June 2025 complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 55 to 71 of the Directors' report for the year ended 30 June 2025.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

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Derek Meates
Partner
Perth
19 August 2025

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Summary of Consolidated Reports

Profit and loss ($'m)	2025	2024	2023	2022	Restated[1] 2021
Revenue from continuing operations	**2,427.5**	2,031.3	1,906.2	1,698.0	1,351.5
Underlying EBITDA	**387.4**	351.7	308.7	291.4	249.9
Depreciation and amortisation (excluding customer contracts)	**(216.0)**	(211.4)	(192.0)	(190.6)	(153.6)
Underlying EBIT	**171.4**	140.3	116.6	100.8	96.2
Other exclusions from underlying items[2]	**(28.4)**	(38.6)	(9.9)	(35.6)	(2.3)
Reported EBIT	**143.0**	101.7	106.7	65.1	93.9
Net interest	**(33.7)**	(26.8)	(24.3)	(19.0)	(14.6)
Profit/(loss) before income taxes	**109.3**	74.9	82.4	46.1	79.3
Income tax expense	**(35.3)**	(21.7)	(24.7)	(18.7)	(3.9)
Profit/(loss) after taxes from continuing operations	**73.9**	53.2	57.7	27.4	75.4
Minority interests	**-**	-	-	-	-
Profit/(loss) after taxes attributed to Macmahon	**73.9**	53.2	57.7	27.4	75.4
Other exclusions from underlying items (net of tax)[2]	**28.4**	38.6	9.9	35.6	15.5
Underlying net profit/(loss) after taxes attributed to Macmahon	**102.4**	91.8	67.6	63.0	59.9
Balance sheet ($'m)					
Plant and equipment	**680.4**	671.9	720.1	672.6	582.7
Total assets	**1,760.6**	1,451.3	1,464.7	1,338.3	1,143.5
Net assets	**692.3**	633.5	608.8	559.5	535.9
Equity attributable to the Group	**692.3**	633.5	608.8	559.9	535.9
Net debt/(net cash)	**162.5**	146.6	201.9	215.5	130.4
Cash flow ($'m)					
Underlying EBITDA	**387.4**	351.7	308.7	291.4	249.9
Net interest paid	**(33.7)**	(23.2)	(23.6)	(19.1)	(15.9)
Income tax (paid)/refund	**(24.4)**	(2.6)	(12.0)	(17.5)	(10.4)
Decrease/(increase) in working capital, provisions and other non-cash items	**4.7**	(55.1)	(6.3)	(26.9)	(15.4)
Net operating cash flows, including joint venture	**334.0**	270.8	266.9	227.9	239.0
Investing and financing cash flows (net)	**(266.2)**	(293.5)	(248.3)	(216.0)	(195.9)
Effect of exchange rates on cash	**1.5**	(0.9)	1.7	4.0	(2.8)
Cash at beginning of financial year	**194.6**	218.2	198.0	182.1	141.8
Closing cash and cash equivalents	**263.9**	194.6	218.2	198.0	182.2

Due to rounding, numbers presented may not add.

1 30 June 2021 balances have been restated to reflect the Group's change in accounting policy for costs related to configuration and customisation of Software-as-a-Service (SaaS) arrangements.

2 Other exclusions from underlying items consist of:

- *2025 consists of acquisition costs, share-based payment expenses, SaaS costs, and amortisation on customer contracts recognised on acquisitions.*
- *2024 consists of acquisition costs, share-based payment expenses, SaaS costs, impairment of financial assets and amortisation on customer contracts recognised on acquisitions.*
- *2023 consists of acquisition costs, share-based payment expenses, SaaS costs, impairment of asset disposal group and amortisation on customer contracts recognised on acquisitions.*
- *2022 consists of earn-out in relation to previous acquisition, acquisition costs, share-based payment expenses, SaaS costs, impairment of asset disposal group and amortisation on customer contracts recognised on acquisitions.*
- *2021 consists of earn-out in relation to previous acquisition, acquisition costs, share-based payment expenses, fair value uplift on investment in joint venture, gain on acquisition of subsidiary and amortisation on customer contracts recognised on acquisitions.*

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	2025	2024	2023	2022	Restated[1] 2021
People and safety					
Number of employees	**10,220**	9,676	8,368	7,848	6,082
LTIFR	**0.4**	0.3	0.1	0.2	0.1
TRIFR	**3.0**	3.6	3.9	4.8	6.4
Order book					
Work in hand ($bn)	**5.4**	4.6	5.1	5.0	5.0
New contracts and extension ($b)	**3.2**	1.5	2.0	1.7	2.3
Revenue growth (%)	**19.5**	6.6	12.3	25.6	(2.1)
Reported NPAT/Revenue (%)	**3.0**	2.6	3.0	1.6	5.6
Underlying NPAT/Revenue (%)[2]	**4.2**	4.5	3.5	3.7	4.4
EBIT interest cover times	**4.2**	3.8	4.4	3.4	6.4
Reported basic EPS from continuing operations (cents)	**3.47**	2.53	2.75	1.30	3.59
Underlying basic EPS from continuing operations (cents)	**4.81**	4.36	3.22	3.00	2.85
Balance sheet ratios					
Gearing ratio	**19.0**	18.8	24.9	27.8	19.6
Reported return on average capital employed (ROACE) (%)	**17.1**	12.5	13.3	9.0	15.3
Underlying ROACE (%)[2]	**20.5**	17.2	14.5	13.9	15.6
Reported return on equity (ROE) (%)	**11.2**	8.6	9.9	5.0	14.6
Underlying ROE (%)[2]	**15.4**	14.8	11.6	11.5	11.6
Reported return on assets (ROA) (%)	**4.6**	3.7	4.1	2.2	7.3
Underlying ROA (%)[2]	**6.4**	6.3	4.8	5.1	5.8
Net tangible assets (NTA) per share ($)	**0.29**	0.29	0.28	0.25	0.24
Cash flow ratios ($'m)					
Net operating cash flow per share (cents)	**15.5**	12.6	12.4	10.6	11.1
Shareholders					
Shares on issue ('m) at 30 June	**2,155.0**	2,155.0	2,155.0	2,155.0	2,155.0
Share price at 30 June (cents)	**31.0**	29.0	15.5	13.5	19.0
Dividends declared (cents)[2]	**1.50**	1.05	0.75	0.65	0.65
Percentage franked (%)	**100.0**	-	-	-	20.0
Market capitalisation ($'m)	**668.0**	624.9	334.0	290.9	409.4
Enterprise value (EV)	**830.5**	771.5	535.9	506.4	539.8
Price/NTA ($)	**1.1**	1.0	0.6	0.5	0.8

1 30 June 2021 balances have been restated to reflect the Group's change in accounting policy for costs related to configuration and customisation of Software-as-a-Service (SaaS) arrangements.

2 Underlying items are adjusted for other exclusions as per footnote 1 on page 144.

3 The interim dividend for FY25 was 0.55 cents per share. The final dividend for FY25 was 0.95 cents per share.

The Summary of Consolidated Reports uses non-IFRS financial information, such as underlying EBIT(A) and EBITDA, to measure the financial performance of the Group. Non-IFRS measures of financial performance are unaudited.

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ASX Additional Information

Additional information required by the Australian Securities Exchange and not disclosed elsewhere in this report is set out below. The information was current as at 15 August 2025.

NUMBER AND DISTRIBUTION OF EQUITY SECURITIES

The Company has a single class of equity securities on issue, being fully paid ordinary shares. The distribution schedule of the Company's ordinary shares is detailed below.

1 - 1,000	623	0.01%
1,001 - 5,000	1,894	0.24%
5,001 - 10,000	921	0.33%
10,001 - 100,000	2,034	3.37%
100,001 Over	483	96.05%
Total	**5,955**	**100%**

There were 964 holders of less than a marketable parcel of shares (1,352 shares or fewer) based on the closing price on 15 August 2025 ($0.370) of Macmahon shares listed on the ASX.

SUBSTANTIAL HOLDERS

The following shareholders have declared a relevant interest in the number of voting shares at the date of giving a substantial shareholder notice under Part 6C.1 of the *Corporations Act 2001* (Cth).

Holders giving notice	Number of ordinary shares in which interest is held
Amman Mineral Contractors (Singapore) Pte Ltd	954,064,924
Paradice Investment Management Pty Ltd	162,033,558

There may be differences between this information and the list of the top 20 largest shareholders due to differences between registered holder details, the nature of a holder's relevant interest in voting shares, or movements of less than 1 percent which do not require disclosure.

VOTING RIGHTS

The voting rights attaching to fully paid ordinary shares are detailed below:

Each holder present at a general meeting (whether in person, online, by proxy or by representative) is entitled to one vote on a show of hands, or on a poll, one vote for each share, subject to any voting restrictions that may apply.

ON-MARKET SHARE BUY-BACK

The Company is not currently conducting an on-market buy-back of its shares listed on the ASX.

RESTRICTED SECURITIES AND VOLUNTARILY ESCROWED SECURITIES

There are no securities issued by the Company which are restricted securities.

There are 6,456,160 securities which are subject to voluntary escrow arrangements in connection with the Company's acquisition of Decmil during 2024. The escrow period ends on 1 January 2026 for half of the voluntary escrowed securities and 1 July 2026 for the balance.

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Equity Security Holders

The 20 largest shareholders of ordinary shares on the Company's register as at 15 August 2025 were:

Rank	Name	Shares	%
1	Amman Mineral Contractors (Singapore) Pte Ltd	954,064,924	44.27
2	Citicorp Nominees Pty Limited	266,687,475	12.38
3	HSBC Custody Nominees (Australia) Limited	223,185,318	10.36
4	J P Morgan Nominees Australia Pty Limited	195,639,443	9.08
5	UBS Nominees Pty Ltd	45,803,049	2.13
6	HSBC Custody Nominees (Australia) Limited	29,742,072	1.38
7	Mr Nicholas Barry Debenham & Mrs Annette Cecilia Debenham	24,044,000	1.12
8	Precision Opportunities Fund Ltd	22,368,611	1.04
9	CPU Share Plans Pty Ltd	21,697,602	1.01
10	Mr Nicholas Barry Debenham	19,628,000	0.91
11	Warbont Nominees Pty Ltd	13,476,879	0.63
12	BNP Paribas Noms Pty Ltd	10,951,814	0.51
13	Mr Amarjit Singh & Mrs Jaswant Kaur	8,600,000	0.40
14	Neweconomy Com Au Nominees Pty Limited	8,514,552	0.40
15	Mr Rodney Lewis Heale	7,378,826	0.34
16	BNP Paribas Nominees Pty Ltd	6,065,614	0.28
17	Jamplat Pty Ltd	5,700,000	0.26
18	HSBC Custody Nominees	5,667,699	0.26
19	Mr Paulus Gerardus Brouwer & Mr Remy Paulus Brouwer	5,600,000	0.26
20	C1 Energy Pty Ltd	4,300,000	0.20
Top 20 Holders		**1,879,115,878**	**87.20**
Remaining Holders Balance		**275,869,940**	**12.80**
Total Shares on Issue		**2,154,985,818**	**100.00**

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Corporate Directory and Glossary

DIRECTORS

Hamish Tyrwhitt
Independent, Non-Executive Chair

Michael Finnegan
Managing Director and Chief Executive Officer

Maree Arnason
Independent, Non-Executive Director

Dharma Chandran
Independent, Non-Executive Director

Greg Evans
Independent, Non-Executive Director

David Gibbs
Non-Independent, Non-Executive Director

Grahame White
Independent, Non-Executive Director

CHIEF FINANCIAL OFFICER

Ursula Lummis

COMPANY SECRETARY

Maha Chaar

REGISTERED OFFICE AND BUSINESS ADDRESS

15 Hudswell Road
Perth Airport WA 6105 Australia
Phone: +61 8 9232 1000

POSTAL ADDRESS

PO Box 198
Cannington WA 6987 Australia

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000 Australia
Phone: 1300 850 505
www.computershare.com.au
web.queries@computershare.com.au

STOCK EXCHANGE LISTING

Macmahon Holdings Limited fully paid ordinary shares are listed on the Australian Securities Exchange with an ASX code of "MAH".

AUDITOR

KPMG
235 St Georges Terrace
Perth WA 6000 WA

INCORPORATION

Macmahon Holdings Limited is incorporated and domiciled in Australia as a public company limited by shares.
ACN 007 634 406
ABN 93 007 634 406

KEY DATES (SUBJECT TO CHANGE)

2025 Annual General Meeting – 24 October 2025 (at a time and place to be announced)
Release of FY26 Half Year Results – February 2026
Release of FY26 Full Year Results – August 2026

GLOSSARY

AMNT	PT Amman Mineral Nusa Tenggara
EBIT	Earnings before net interest expense and tax expense
EBIT(A)	Earnings before net interest expense, tax expense and customer contract amortisation
EBITDA	Earnings before net interest expense, tax expense, depreciation and amortisation
EV	Enterprise value, being market capitalisation plus net debt
Gearing ratio	Net debt/equity plus net debt
LTIFR	Lost time injury frequency rate
TRIFR	Total recordable injury frequency rate
NPAT	Net profit after tax
NTA	Net tangible assets
ROACE	Return on average capital employed – EBIT(A)/average capital employed, where capital employed is total assets excluding cash less current liabilities excluding current debt
ROE	Return on equity – Underlying NPAT/ average net assets
ROA	Return on assets – Underlying NPAT/ average assets

Note: Refer to Summary of Consolidated Reports for reconciliation to underlying results.



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