

21 May 2025

Business Update: Verbrec secures over \$11 million in Engineering and Construction Contracts

- **Verbrec secures Commonwealth Defence electrical and control system upgrade and maintenance projects with a combined value of \$6.8 million.**
- **Verbrec awarded projects for design of vacuum pump stations and a major control system upgrade for water treatment and processing facilities in South Australia together valued at \$2.7 million.**
- **Verbrec builds on prior phases with award of an early works & constructability design project for a pipeline and process facilities valued at \$1.6 million.**

Verbrec Limited (ASX : VBC) (**Verbrec** or the **Company**) is a leading engineering, asset management, project delivery, operations & maintenance, training and mining technology service provider that supports customers across Australia and the Pacific.

Business Update

Verbrec expects to report a solid profit performance for the half, exceeding the EBITDA and NPAT results posted in the prior half year periods H1 FY2025 and H2 FY2024. This outcome is the result of prudent cost management strategies and improved key client relationships during a challenging and uncertain macroeconomic environment. The Company expects to continue its trend of producing strong gross margins supported through disciplined project management of economically favourable projects.

Verbrec continues to improve its cash position and strengthen its balance sheet.

The Company expects project deferrals to ease in the coming months as postponed investment driven by the Australian election cycle are re-tabled for decision. This process appears to have commenced in earnest, with Verbrec's current work in hand position exceeding the position reported at the end of H1 FY2025.

Multi-year panel agreements and operations & maintenance contracts, along with strong performance from Competency Training provided a stable revenue base for the group throughout the period.

H2 FY2025 Project Awards

Verbrec today provides a business update including several notable projects secured in South Australia in H2 FY2025. The awards detailed in this business update build on recent successes in other geographies and demonstrate management's commitment to invest into growth areas of the business.

The total value of the contracts contained in this announcement is over \$11 million with the majority of revenues expected to be recognised in FY2026.

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Verbrec secures Commonwealth Defence electrical and control system upgrade and maintenance projects with a combined value of \$6.8 million

Verbrec in H2 FY2025, entered into two contracts for the design and construction of control rooms, electrical switchboards and other electrical infrastructure at Commonwealth Defence sites located in South Australia, together valued at approximately \$6.3 million.

In addition, Verbrec secured an extension to its long-standing electrical maintenance contract for electrical and high voltage infrastructure at select Commonwealth Defence sites, which historically has generated in excess of \$1.0 million per annum for the group.

Verbrec's engineering expertise in electrical, high-voltage and control systems leads to value-add services such as construction and maintenance contracts in order to support clients throughout the entire lifecycle of their assets.

Verbrec awarded projects for design of vacuum pump stations and a major control system upgrade for water treatment and processing facilities in South Australia together valued at \$2.7 million

Verbrec was awarded a major control system upgrade project for water utility infrastructure in South Australia valued at \$1.8 million.

In addition, Verbrec secured a contract for the engineering and design of electrical infrastructure for vacuum pump stations for a major residential development in South Australia valued at \$0.9 million.

Verbrec's has a long history supporting water authorities throughout Australia and through its expertise in electrical systems and water infrastructure has secured these important water sector projects.

These two awards demonstrate Verbrec's continued commitment to Water Security projects, one of our Sustainable Focus Areas.

Verbrec builds on prior phases with award of an early works & constructability design project for a South Australian pipeline and process facilities valued at \$1.6 million

During the half, Verbrec was awarded a \$1.6 million contract to undertake early works and constructability design (including site survey) for a gas pipeline development project and associated process facilities in South Australia.

This award builds upon prior phases of detailed design undertaken by Verbrec's class leading engineering team and will provide the client with the definition required to approach the market for the construction of the pipeline.

This important energy security project is another example of Verbrec's growing participation in the Gas Market Transition.



A note from the Chief Executive Officer



It's pleasing to see that the hard work put in by our South Australian team is paying off in H2 FY2024 with several notable project awards.

It's through our engineering-first approach we are afforded the opportunity to deliver for our clients not only in engineering, but through the construction and commissioning phases of these projects.

These projects highlight our expertise in high-voltage and electrical systems, control and automation, pipelines and our continuing success in Gas Market Transition and Water Security.

Mark Read
Chief Executive Officer

Authorised for release by the Board of Directors of Verbrec Limited.

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About Verbrec Limited

Verbrec Limited (ASX:VBC) (Verbrec or the Company) a leading engineering, asset management, project delivery, operations & maintenance, training and mining technology service provider that supports customers across Australia, New Zealand, Papua New Guinea and beyond. The Company serves the energy, infrastructure, and mining industries through their technical specialties; asset management, automation and control, pipelines, power, process plant and training, with capabilities that span across the entire life cycle of an asset. Verbrec is an Australian Securities Exchange listed company (ASX:VBC).

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