

## ASX ANNOUNCEMENT

19 August 2025

### Macmahon Delivers Record Revenue and Earnings in FY25

- **Record revenue and underlying earnings following Decmil integration:**
  - Revenue of \$2.4bn, up 20% (FY24: \$2.0bn)
  - Underlying EBITDA<sup>1</sup> record of \$387.4m, up 10% (FY24: \$351.7m)
  - Underlying EBIT(A)<sup>2</sup> record of \$171.4m, up 22% (FY24: \$140.3m)
  - Underlying NPAT(A)<sup>3</sup> of \$102.4m, up 11% (FY24: \$91.9m)
  - Statutory Net Profit After Tax of \$73.9m, up 39% (FY24: \$53.2m)
  - Underlying operating cash flow<sup>4</sup> of \$407.4m, up 35% (FY24: \$301.0m)
- **Strong free cash flow generation has reduced net debt to pre-Decmil acquisition levels:**
  - Free cash generation of \$140.7m, up 89% (FY24: \$74.5m)
  - Net debt of \$162.5m (1H25: \$236.9m)
  - Gearing<sup>5</sup> at 19.0% (1H25: 26.2%) and Net Debt/EBITDA of 0.42x (1H25: 0.66x)
  - Available liquidity at 30 June of \$538m (cash on hand of \$264m)
- **Successfully integrated Decmil acquisition, accelerating civil business growth across Australia with over ~\$400m of new civil contracts awarded in FY25**
- **Order book \$5.4bn<sup>6</sup> and tender pipeline<sup>8</sup> of \$24.2bn**
- **Final dividend increased to 0.95cps (fully franked) bringing FY25 total dividend to 1.50cps (FY24: 1.05cps), up 43%**
- **FY26 guidance<sup>7</sup>:**
  - Revenue of \$2.6bn – \$2.8bn (\$2.1bn<sup>6</sup> secured for FY26), and
  - Underlying EBIT(A) of \$180m – \$195m

Macmahon Holdings Limited (ASX: MAH) ('Macmahon' or 'the Company') is pleased to deliver a record result for the financial year ended 30 June 2025 (FY25), driven by the successful integration of Decmil and continued growth in the Surface and Underground businesses.

Macmahon's Chief Executive Officer and Managing Director, Michael Finnegan said:

*"Macmahon delivered another year of improved financial performance in FY25 achieving record revenue and underlying earnings, as well as increased free cash flow generation, reducing debt levels and growing returns to shareholders. The FY25 financial result marks the ninth consecutive year we have met or exceeded market guidance and we have again delivered on our objective of improving return on average capital employed and exceeding our*

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*longer-term target of 20%. The Group target will now increase to 25%, underpinned by our growth strategy focused on diversifying the business mix towards civil infrastructure and underground mining and increasing cash backed earnings.*

*Our surface mining business continued to perform well, with several significant contract extensions and new wins during the year. These included securing over \$500 million of new work in Indonesia and a \$900 million contract extension at Byerwen.*

*Underground mining maintained positive growth, also securing a number of new contracts. These included the award of an interim contract at the Poboya gold project in Indonesia, estimated at around \$317 million, and \$262 million of strategically aligned contracts and extensions at the Deflector, Gwalia, Ulysses, Olympic Dam and Fosterville projects located in Australia. The business is well positioned for continued growth over the next two years, which we are targeting to exceed 50%.*

*Our expanded civil infrastructure business performed very well, contributing substantial growth to the Group. The acquisition of Decmil was successfully integrated, adding approximately \$400 million of new civil work to Macmahon's order book during the financial year.*

*Looking ahead, we remain focused on executing our strategy and delivering value to our stakeholders. We have a strong order book, a robust tender pipeline, and are executing on a clear plan for growth and diversification. We are confident that Macmahon is well-positioned for continued growth and success in FY26 and beyond."*

### Financial Performance

Revenue was in line with guidance, increasing by 20% to a record \$2.4 billion (FY24: \$2.0 billion). Key drivers included a strong contribution from Decmil complementing organic growth and efficient delivery of client contracts in our Underground and Surface mining businesses.

Underlying EBITDA<sup>1</sup> increased by 10% to \$387.4 million and underlying EBIT(A)<sup>2</sup> increased by 22% to \$171.4 million, achieving new record levels. Underlying EBIT(A)<sup>2</sup> was again above the midpoint of the market guidance range of \$167.5 million. Underlying earnings growth was in line with the strong revenue growth achieved, reflecting the continued focus on cost management and operational efficiency. Underlying EBITDA<sup>1</sup> margin was 16.0% (FY24: 17.3%) and underlying EBIT(A)<sup>2</sup> margin was 7.1% (FY24: 6.9%), reflecting improved contribution from several renegotiated underground contracts and organic growth across the Group.

Statutory Net Profit After Tax (NPAT) was \$73.9 million (FY24: \$53.2 million) and underlying NPAT(A)<sup>3</sup> was up 11% at \$102.4 million compared to FY24 (\$91.9 million).

At the segment level, the mining business continued to perform well reporting FY25 revenue of \$1.97 billion and underlying EBIT(A) of \$148.3 million at a margin of 7.5%. Around \$2 billion of contract awards and extensions were secured during the period across Australia and Indonesia in our Underground and Surface mining businesses.

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Our expanded Civil Infrastructure business performed very well, contributing substantial growth to the Group. The successful acquisition of Decmil underpinned FY25 Civil Infrastructure revenue of \$437.0 million, underlying EBIT(A) of \$25.4 million and an underlying EBIT(A) margin of 5.8%.

## FY25 Operational Highlights

Key highlights included:

- Corporate
  - Workforce grew to 10,220 employees with the successful integration of Decmil and organic growth across the business.
  - Total Recordable Injury Frequency Rate (TRIFR) for FY25 was 2.99 (FY24: 3.64) and the Lost Time Injury Frequency Rate (LTIFR) was 0.43 (FY24: 0.32).
- Surface Mining
  - Secured over \$500 million of new work in Indonesia, including the \$80m Poboya gold project and the \$463 million Awak Mas gold project.
  - Awarded a \$900 million contract extension at Byerwen.
  - Signed an Alliance, Life of Mine Mining Services Agreement with Cyprium Metals in May 2025 to accelerate the redevelopment of the Nifty Copper Complex.
- Underground Mining
  - Secured a \$105 million, two-year contract at Deflector.
  - Secured a \$67 million contract with Genesis at Gwalia and Ulysses.
  - Awarded a two-year, \$90 million extension at Daisy Milano and strategically aligned extensions at Olympic Dam and Fosterville.
  - Awarded an interim contract at Poboya gold project estimated at \$317 million.
  - Secured strategically aligned extensions at Olympic Dam and Fosterville.
- Civil / Decmil
  - Acquisition of Decmil was completed in August 2024 and successfully integrated during the year.
  - Added over ~\$400 million of new civil work to Macmahon's order book during the year with new contract wins across a broad range of civil construction projects including mine site accommodation, roads, dams and wind farms.

## Cash Flow and Balance Sheet

Cash flow generation remained strong with underlying operating cash flow (excluding interest, tax and M&A costs) of \$407.4 million (FY24: \$301.0 million) representing an overall conversion rate from underlying EBITDA of 105.2%. This was an improvement on the 86% achieved in FY24 and was in line with expectations. Free cash flow generation was up 89% to \$140.7 million after capital expenditure of \$221.2 million (FY24 \$207.1 million). Of this, \$185.9 million related to sustaining capital and \$35.3 million to growth capital.

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Free cash flow was applied to debt reduction, with net debt decreasing to \$162.5 million at 30 June 2025 from 1H25: \$236.9 million, in line with our stated plans to reduce debt back to FY24 levels post the Decmil acquisition (30 Jun 24 \$146.6 million). Gearing as at 30 June 2025 was 19.0% and Net Debt / EBIT(A) 0.42x.

Underlying Return on Average Capital Employed (ROACE<sup>9</sup>) improved to 20.5% (FY24: 17.2%) and underlying Return on Equity (ROE) improved to 15.4% (FY24: 14.8%). The improvement in returns reflects the significant growth in earnings achieved during the period and the Company's focus on delivering a diversified business mix and cash backed earnings.

Cash and unutilised bank facilities at financial year end totalled \$538 million including cash on hand of \$264 million, with Macmahon very well positioned to meet future growth needs.

## Dividends

The Board has declared an increased final dividend of 0.95 cents per share for the year ended 30 June 2025. This brings the total FY25 dividend payment to 1.50 cents per share, up 43% on FY24. The total dividend represents a payout ratio of 31.2%, consistent with the Company's dividend policy payout range of 20 - 35% of underlying earnings per share. This range will increase to 30% - 45% of underlying earnings per share from FY26 onwards.

The final dividend is fully franked, has a record date of 19 September 2025, and will be paid to shareholders on 10 October 2025.

## Outlook and FY26 Guidance

Macmahon is well positioned to continue delivering earnings growth and improved returns in FY26. The Company remains confident in this positive outlook, notwithstanding expectation of the macroeconomic environment remaining uncertain, with developing trade policies likely to continue impacting global economic growth and contribute to commodity price volatility.

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

The Company has entered FY26 with a robust and diversified order book of \$5.4 billion, including \$2.1 billion secured for FY26, and is supported by a strong balance sheet and workforce. The tender pipeline of identified qualified opportunities is now \$24.2 billion and provides a clear longer-term pathway to deliver continued growth in revenue and earnings.

Guidance for FY26 is for increased revenue to between \$2.6 billion – \$2.8 billion and underlying EBIT(A) of \$180 million – \$195 million. FY26 capital expenditure is expected to be around \$245 million with only modest levels of growth capital and a continuing focus on reducing capital intensity and improving margins and ROACE.



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**\*\*\* ENDS \*\*\***

**This announcement was authorised for release by the Macmahon Board of Directors.**

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## **About Macmahon**

*Macmahon is an ASX listed company offering the complete package of mining and civil infrastructure services throughout Australia and Southeast Asia.*

*Macmahon's extensive experience in surface mining, underground mining and civil infrastructure has established the Company as the contractor of choice for resources, non-resources, public infrastructure and renewables projects across a range of locations and sectors.*

*Macmahon is focused on developing strong respectful relationships with its clients whereby both parties work in an open, flexible and transparent way to ensure mutually beneficial outcomes whilst also minimising risks for both parties.*

Visit [www.macmahon.com.au](http://www.macmahon.com.au) for more information.

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## Notes

1. *Underlying EBITDA is earnings before interest, tax, depreciation and amortisation from continuing operations and excludes various one-off items. A reconciliation of Non-IFRS financial information is contained on slide 27 of the Company's Full Year Results Presentation*
2. *Underlying EBIT(A) is earnings before interest and tax from continuing operations and excludes various one-off items. A reconciliation of Non-IFRS financial information is contained on slide 27 of the Company's Full Year Results Presentation*
3. *Underlying NPAT(A) is earnings after interest and tax from continuing operations and excludes various one-off items*
4. *Net operating cash flow excluding interest and tax and various one-off cash costs.*
5. *Gearing = Net Debt / (Net Debt + Equity)*
6. *As at 30 June 2025; excludes short term civil and underground churn work and does not take into account future contract cost escalation recoveries. Includes Macmahon and Decmil revenue.*
7. *Guidance excludes one-off items. Revenue guidance does not take into account future contract cost escalation recoveries and includes Macmahon and Decmil revenue.*
8. *As at 11 August 2025*
9. *Return on Average Capital Employed = Underlying EBIT(A) / Average ((Total Assets excluding Cash) – (Current Liabilities excluding Debt))*