

For personal use only

# The Environmental Group Limited

*Engineering a Sustainable Future*

FY25 Financial Results Presentation

August 2025



**The Environmental Group Limited**

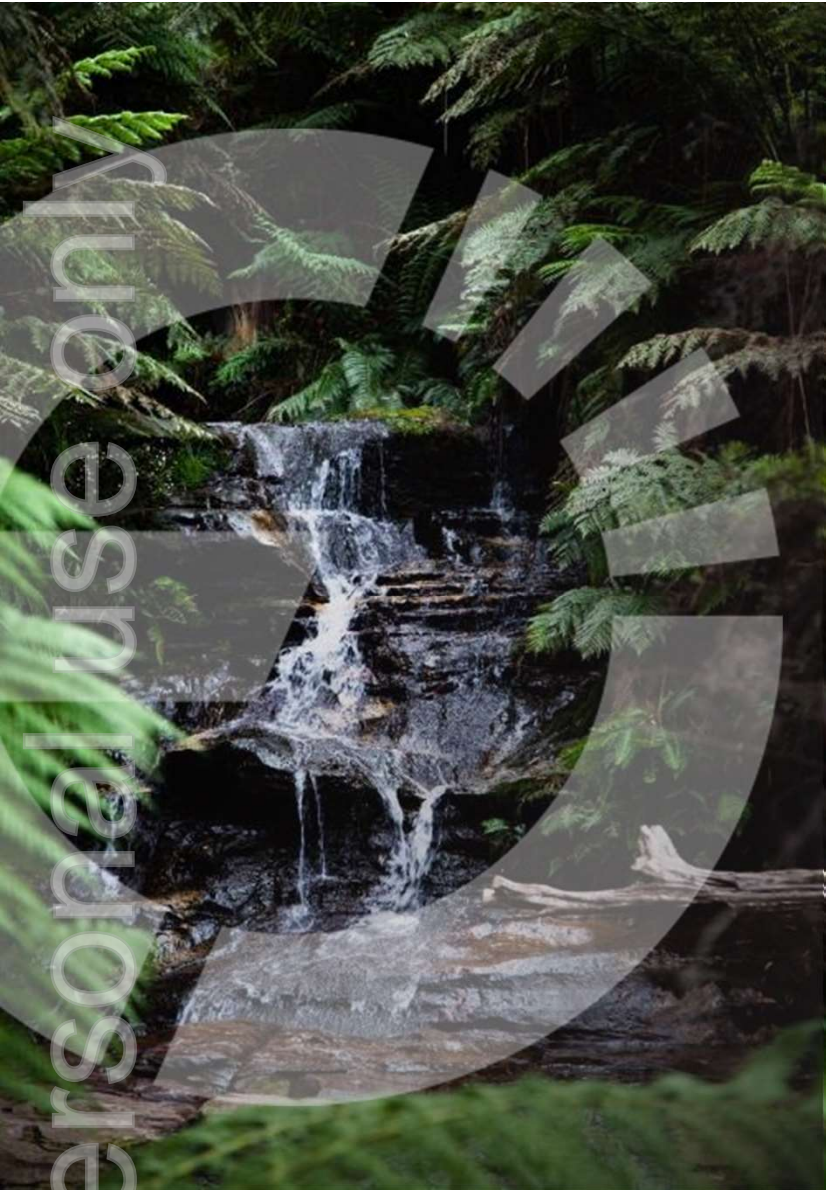
*Engineering a Sustainable Future*



## Disclaimer

The Environmental Group Limited advises that these presentation slides contain forward looking statements which may be subject to significant uncertainties outside of EGL's control. No representation is made as to the accuracy or reliability of forward-looking statements or the assumptions on which they are based. Actual future events may vary from these forward-looking statements, and you are cautioned not to place undue reliance on any forward-looking statement. The presentation should be read in conjunction with the Annual Report for the year ending 30 June 2025.





## Agenda

01 Results highlights

02 Operating units

03 Outlook

04 Questions

for personal use only



**01**

# Results highlights

## FY25 Results Highlights



**\$111.9M**

Revenue up 13.9% on PCP



**\$11.1M**

Underlying<sup>1</sup> EBITDA up 9.9% on PCP



**\$8.1M**

Underlying<sup>1</sup> EBIT up 7.8% on PCP



**\$4.7M**

NPAT up 7.3% on PCP



**53%**

Revenue is recurring, largely service and maintenance



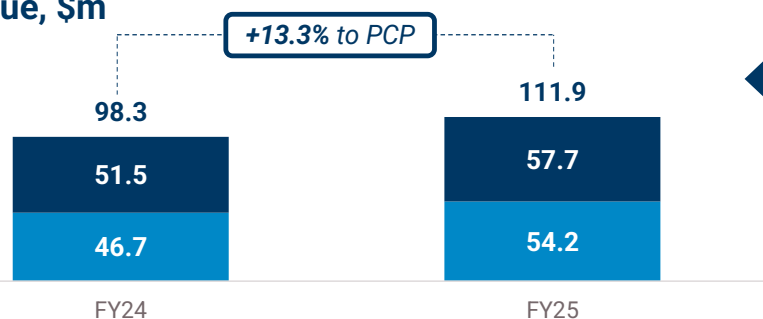
**86%**

Underlying<sup>1</sup> EBITDA up 86% on 1HFY25

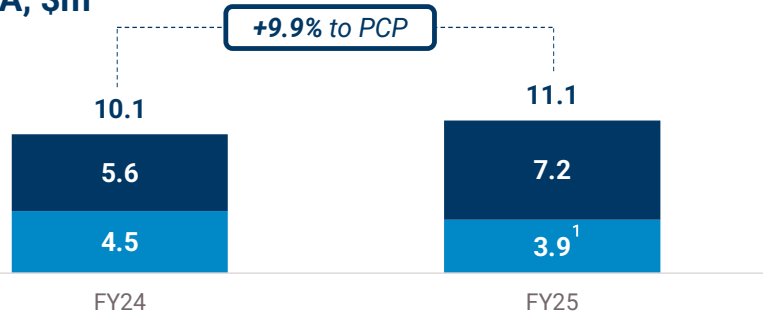
<sup>1</sup> Underlying earnings exclude acquisition costs \$808K, ERP Implementation costs \$307K, Performance Rights \$163K, Restructuring costs \$97, Foreign exchange gains (\$214K).

# FY25 Results Highlights

## Revenue, \$m



## EBITDA, \$m



■ 1H ■ 2H

## FY25 results commentary

- Strong revenue growth underpinned by sustained and elevated demand for gas turbine silencers for EGL Baltec, the acquisition of Advanced Boilers & Combustion to expand EGL Energy, and several successful tender wins for EGL Waste and EGL's PFAS Extraction Technology.
  - Financial contributions to flow from these tender wins to be realised in FY26.
- Several significant milestones achieved in EGL Waste with its PFAS Technology with EPA approval for Reclaim Waste's liquid waste facility to treat PFAS at its Laverton facility, and announcement of another design and construction order for a new type of PFAS treatment plant.
  - PFAS treatment recurring service revenue to commence in FY26.
- EBITDA growth mostly driven by strong performance in EGL Energy and EGL Waste.
- Strong 2H FY25 result driven by improved trading conditions in EGL Clean Air, additional orders in EGL Waste and continued strong trading performance in EGL Energy.

<sup>1</sup> Includes impact of previously announced one-off cost overruns disclosed in November 2024.

# FY25 Results Highlights

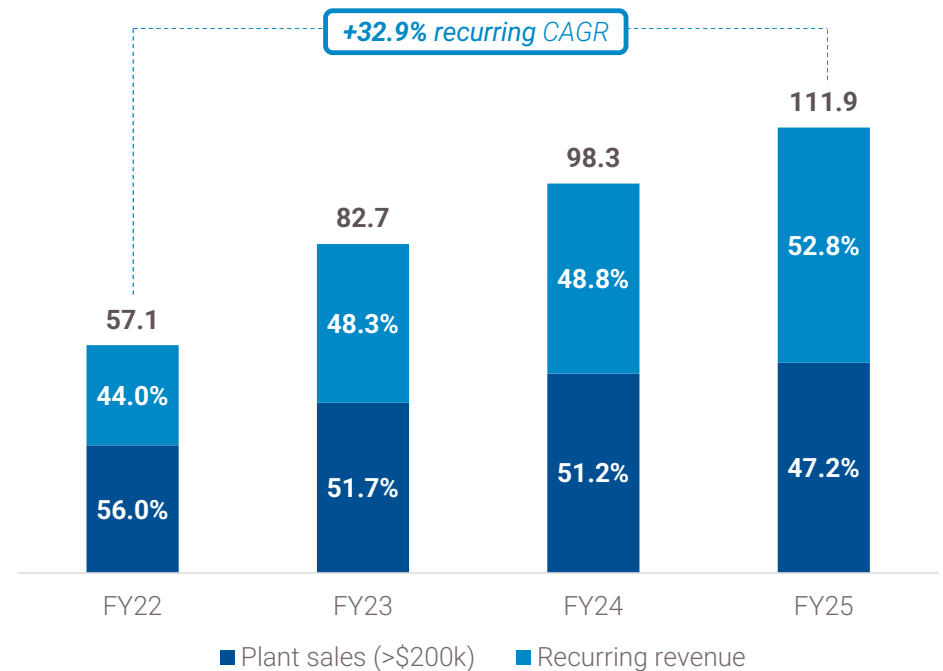
## Most of EGL's revenue is contracted

- 53% of EGL's revenue is contracted or recurring in nature.
- Comprises maintenance services contracts, regular service work, ad-hoc repairs, spare parts and water processing service charges.

## EGL's recurring revenue base has been growing

- EGL's contracted or recurring revenue has grown over time.
- Strategic acquisitions have contributed to this growth.
- Recurring revenue's contribution is expected to continue to grow, as the plants are put into operation, requiring more service and spares.

## EGL revenue mix over time



for personal use only



## 02 Operating units

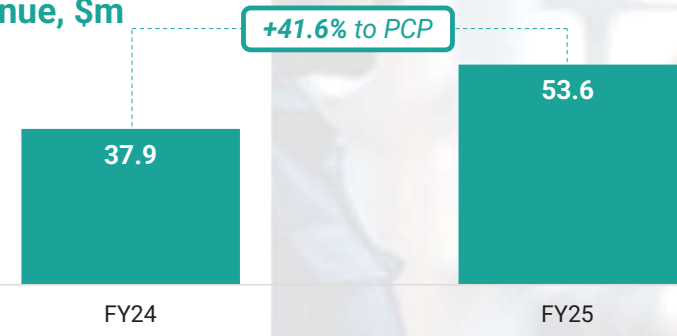
# EGL Energy

## FY25 results commentary

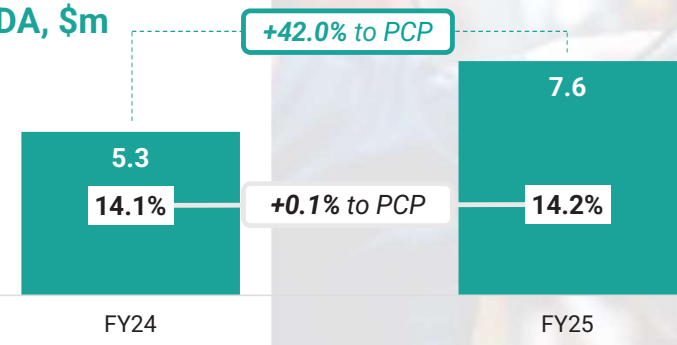
- Continued growth of new boiler sales and product sales.
- Service revenue above expectations for the period.
- Improved EBITDA margin of 14.2%.
- Expanded product offering and additional scale from acquisition of Advanced Boilers & Combustion in April 2025.
- Additional technicians added to support the continued strong growth in the business.



### Revenue, \$m



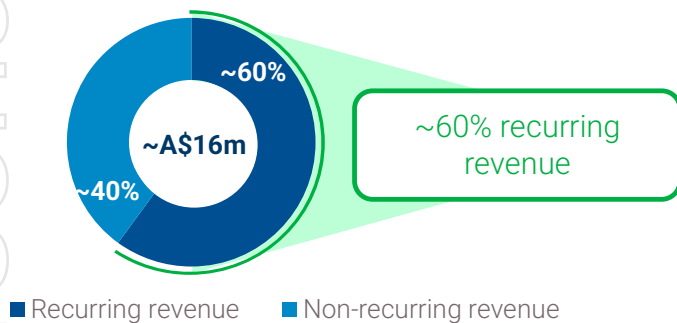
### EBITDA, \$m



## EGL Energy - Advanced Boilers & Combustion (Advanced) acquisition update

- Acquired early April 2025 for A\$5.5m from existing cash reserves.
- Advanced's FY24 revenue of \$16m and normalised EBITDA of \$1.6m.
- The acquisition represents a major expansion of EGL's sales and service offering to the industrial boiler industry.
- Advanced owns exclusive rights to Maxitherm boiler technology, expanding EGL's offering to the larger industrial market.
- Advanced brings incremental and complementary expertise in fabrication, boiler fit out, economisers, pipe welding, skid manufacture and control panels.
- Provides fabrication facility and capability for all EGL PFAS plant sales.
- Strong cultural alignment, with integration complete.

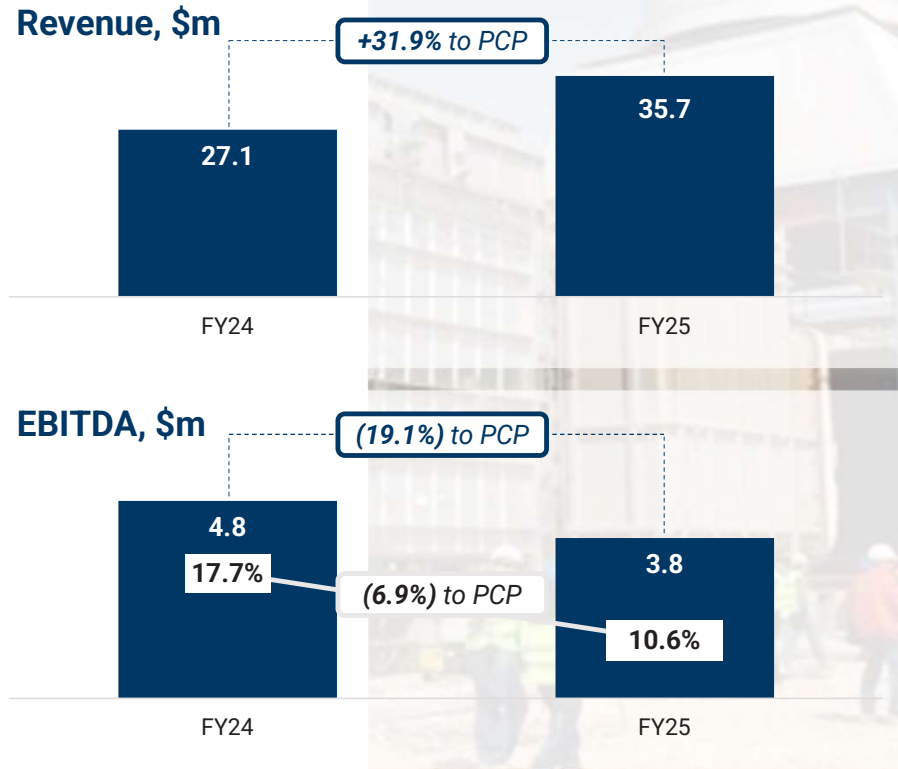
### Advanced FY24 Illustrative revenue mix



# EGL Baltec

## FY25 results commentary

- Strong revenue performance, in line with expectations.
- FY25 EBITDA result includes impact of previously-communicated one-off cost-overrun and margin mix impact of Pelican Point fixed margin, cost-plus project.
- Continued strength in demand for gas-generated peaking power to complement increasing levels of renewable power generation.
- Gas-generated power demand also underpinned by increasing power supply requirements of data centers.
- Industry sources note that orders for new gas turbines are in significant backlog, with some orders unable to be fulfilled until 2030.



# EGL Clean Air

## FY25 results commentary

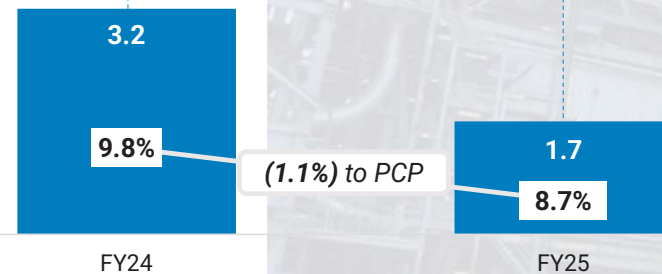
- Result aligned with challenging lithium market conditions and reduced associated kiln off-gas scrubbing systems.
- Soft lithium-related sales offset by improved market demand for dust extraction systems in 2H25 driven by improvements in the construction sector.
- Continued pull-through demand from EGL Waste in new waste plant installations.
- Management are actively repositioning the segment for future growth in non-lithium sector markets.
- 2H25 EBITDA ~13% higher than 1H25 EBITDA.



### Revenue, \$m



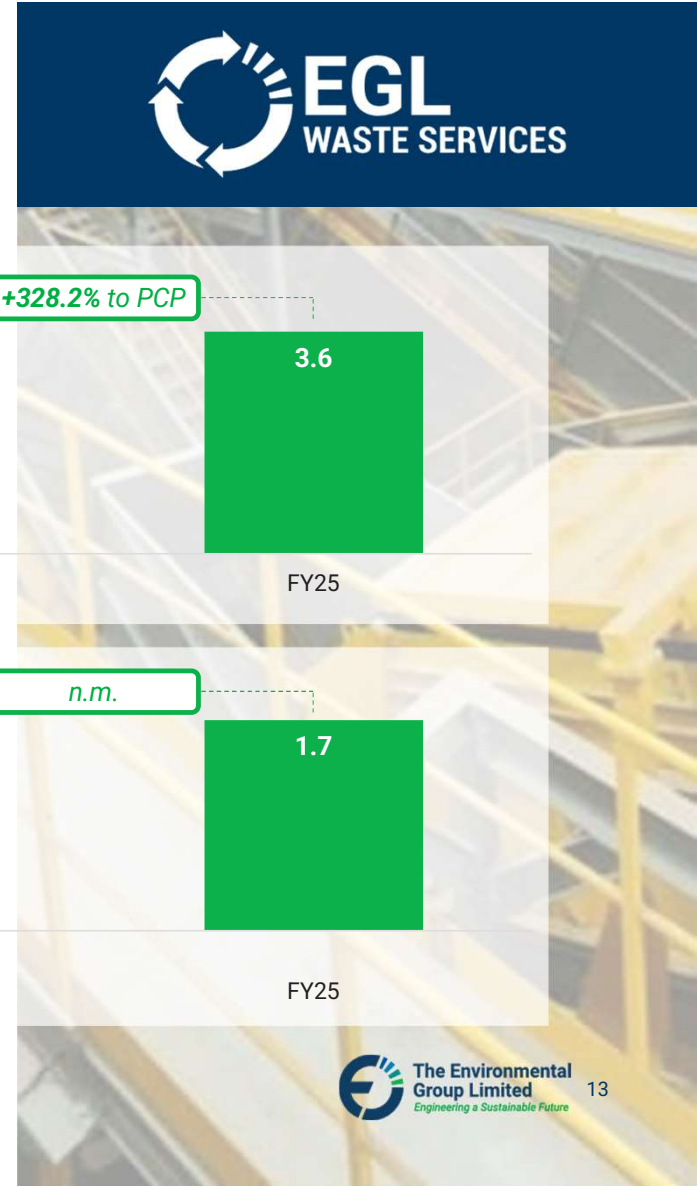
### EBITDA, \$m



# EGL Waste

## FY25 results commentary

- Strong result driven by several successful tender wins for new waste plant, including construction and demolition plants and materials recovery plants.
- Strong pipeline and orderbook for future projects and installations.
- Continued growth in sales of spare parts in waste.
- Significant milestone for EGL's PFAS Technology, with Reclaim Waste's liquid waste facility receiving EPA approval to treat PFAS at its Laverton facility.
- PFAS extraction technology USA patent received, with treatment technology also able to remove ammonia.
- New PFAS treatment plant design and construction order received since FY25 financial year end and expected to be operational in FY26.
- Service revenue from installed PFAS plants to contribute to earnings.



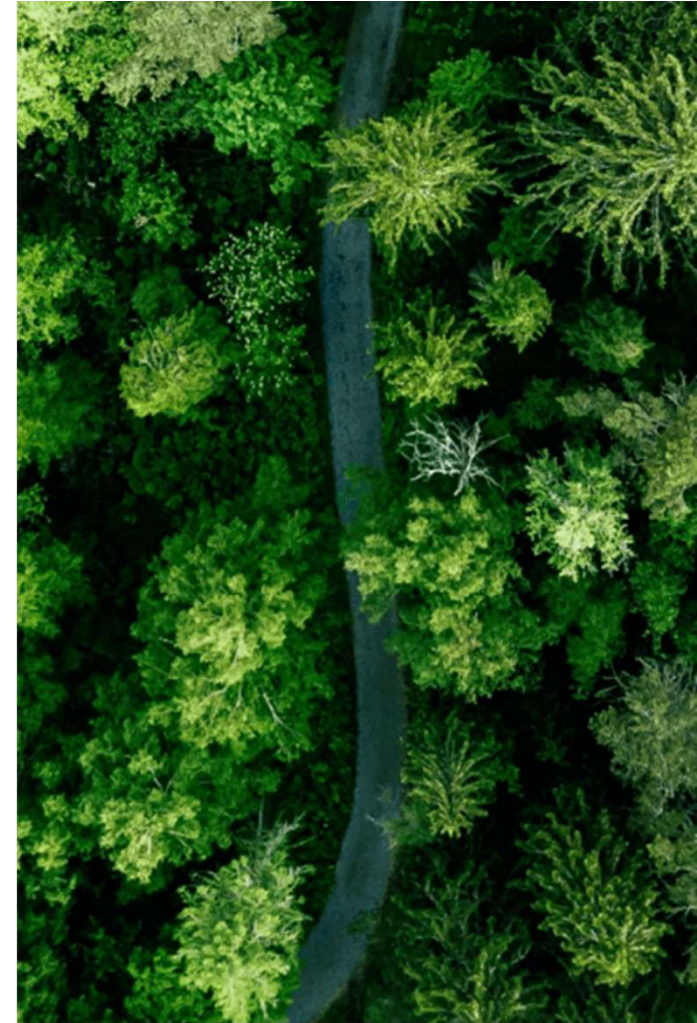
for personal use only



# 03 Outlook

## FY26 Outlook

- We expect normalised EBITDA growth in FY26 to be in the range of 15-20% compared to FY25
- EGL has met guidance each year and sustainably grown the business organically and via targeted strategic acquisitions
- EGL will continue to reinvest cashflow into the business to continue to execute on management's growth strategy and focus on building recurring revenue streams and expanded margins
- Recurring revenue streams are expected to continue to grow in FY26



For personal use only



**04**

# Questions

# Appendix A

## Reconciliation of Statutory (4E) to underlying results

FY25 (\$M)	4E	Less Significant Items	Underlying Business
Revenue	111.9		111.9
Costs of sales	(79.2)		(79.2)
Gross profit	32.8		32.8
Employee expenses	(13.8)		(13.8)
Professional fees	(2.1)		(2.1)
Travel expenses	(1.8)		(1.8)
Marketing expenses	(0.4)		(0.4)
Occupancy expenses	(1.0)		(1.0)
Other expenses	(3.7)	1.2	(2.5)
<b>Operating EBITDA</b>	<b>11.1</b>	<b>1.1</b>	<b>11.1</b>
Depreciation and amortisation	2.9		3.0
<b>EBIT</b>	<b>8.1</b>	<b>1.2</b>	<b>8.1</b>
Interest income	0.03		
Interest expense	(0.7)		(0.7)
<b>Profit before tax</b>	<b>6.3</b>	<b>1.2</b>	<b>7.4</b>
Tax expense	(1.6)		(1.6)
<b>Profit after tax</b>	<b>4.7</b>	<b>1.2</b>	<b>5.8</b>
<b>Earnings per share (EPS)</b>	<b>0.0123</b>		<b>0.0153</b>

Significant Items Reconciliations	\$M
Performance rights	0.16
Acquisition & integration costs	0.81
Restructuring cost	0.10
ERP	0.31
FX	(0.21)
<b>Total</b>	<b>1.16</b>

For personal use only



**The Environmental Group Limited**  
*Engineering a Sustainable Future*

## HEAD OFFICE

Suite 2.01 | Level 2  
315 Ferntree Gully Road  
Mount Waverley  
Victoria 3149

Phone: 03 9541 8699  
ABN: 89 000 013 427

[environmental.com.au](http://environmental.com.au)

## Disclaimer

The Environmental Group Limited advises that these presentation slides contain forward looking statements which may be subject to significant uncertainties outside of EGL's control. No representation is made as to the accuracy or reliability of forward-looking statements or the assumptions on which they are based. Actual future events may vary from these forward-looking statements, and you are cautioned not to place undue reliance on any forward-looking statement. The presentation should be read in conjunction with the Annual Report, 30 June 2025.