5 November 2025

Revised FY26 Guidance and Business Update

Austin Engineering Limited (ASX: ANG, 'Austin' or 'the Company') advises that it has revised its FY26 revenue and underlying EBIT forecasts based on its year-to-date performance and forecasted operating conditions.

- FY26 revenue guidance has been revised to a range of $370m - $380m from $390m - $410m previously.

- FY26 underlying EBIT guidance from continuing operations is now a range of $30m - $34m from $40m to $46m previously.

Austin has recorded a number of years of revenue growth, aided by some large contracts and a solid order book across its various facilities. The Company delivered FY25 revenue increases in all business units and remains confident in its business strategy and ability to deliver profitability.

The guidance adjustments account for several external and internal factors that are expected to impact FY26 results. Austin has undertaken a full review of the business and has implemented some changes with immediate effect.

Commercial viability of an OEM contract entered into in 2024[1] continues to prove challenging. After constraining capacity in Chile, production was moved to Austin's Indonesian operations to fulfill the order. The contract has negatively pressured the profitability of both businesses.

As a result, Austin will suspend the acceptance of any further new orders under this contract until commercial terms and returns are improved. No contract penalty will apply. All current but not yet built orders will be manufactured in Chile at a rate of five trays per month until March 2026.

A further impact to revenue and cost has arisen at Austin Indonesia, following a major local customer's requirement to defer work into H2FY26 due to a significant operational disruption at its mine site. This has resulted in under recovery of the Company's fixed cost base. The Indonesian business is also being impacted by a reduction in Australian coal sector orders. Austin has now reduced its Indonesian workforce to better align to the current demand levels.

Austin Chile is also being impacted by excess steel wastage on product completed between July and September 2025. This was work-in-progress manufacturing that was underway prior to an overhaul of Chile's work processes.

As previously communicated, Austin has implemented a series of actions in Chile to improve the business unit's performance. These include:

- Appointing a new Vice President Americas to oversee North and South American operations.
- Upskilling the local management team across numerous functions including the appointment of a new General Manager.
- Utilising the high performing North American team to assist local management and implement North America's manufacturing systems and processes.

In addition to the above, Austin has:

- Addressed excess steel consumption by improving Chile's 'nesting' process (planning steel cuts to minimise raw material wastage) and strengthening steel management controls. The nesting

[1] Refer to ASX announcement dated 18 March 2024: *Austin Confirms Global Purchase Order Momentum and Order Book Update*

process is now overseen from North America and all new steel processed from August 2025 has been within acceptable waste levels.
- Adjusted shift rosters to improve controls, efficiencies, and oversight of the workforce. This will lead to a significant reduction in staff, costs and improve efficiencies.
- Implemented significant cost control measures and improved control governance over expenses.
- Commenced fixing the shop floor layout and flow of product through the plant, which will also improve efficiencies.

The North American business unit has seen significant revenue growth over the last few years. In FY25, its revenue increased 54% to $147m, accounting for 39% of business revenue.

The business has further expanded to meet demand, with a leased facility and upgrades to its main facility in Casper. However, profitability in FY26 is expected to be impacted by labour inefficiencies and outsourcing due to the rapid growth of the business unit.

The business has had to use contract labour, which can be transient and not as efficient as longer-term employees that are familiar with Austin's systems and processes. Austin has also had to temporarily outsource some of its manufacturing to meet customer demand, which negatively impacts profitability.

As a result, Austin has implemented some measures with immediate effect:
- Continuing to generate employment pipelines and skills development through its weld school, where it takes on trainees and also trains unskilled staff to become welders.
- Developing teams with the right mix of skills and experience and undertaking staff mentoring to develop less experienced staff, which will positively impact efficiencies going forward.
- Continuing with *Lean Manufacturing* principles, with a particular focus on production flow to reduce idle time waiting on parts.
- With the upgrades to the facility and occupation of the additional leased facility, outsourcing has been severely reduced. The last of the main outsourcing of product flowed through July and August 2025.

Across the business, Austin has implemented new reporting and oversight protocols with a focus on productivity and cost drivers, including staff productivity measures, steel wastage, and consumable usage. These will be monitored on a weekly basis going forward.

Austin CEO and Managing Director, Sy van Dyk, said:

"We have undertaken a thorough review of the internal and external factors that are impacting our business and moved to quickly implement measures to address and overcome them.

"While it's extremely disappointing to have to adjust guidance, I am confident in our overarching business, our strategy, the products we deliver, and future demand for them.

"I am also confident the firm measures we are taking and controls we are putting in place will enable us to ensure a strong, profitable business into the future."

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Announcement Authorisation

This announcement was authorised by the Board of Austin.

About Austin Engineering

Austin is a global engineering company. For over 50 years, Austin has partnered with mining companies, contractors and original equipment manufacturers to create innovative engineering solutions that deliver productivity improvements to their operations.

Austin is a market leader in the design and manufacture of loading and hauling solutions, including off-highway dump truck bodies, buckets, water tanks and related attachments, supporting both open-cut and underground operations. Complementing its proprietary product range are repair and maintenance services performed in our workshops and on clients' mine sites, and spare parts.

Through Austin's own design and engineering IP and range of tailored products, it delivers solutions for all commodity applications and drives increased efficiencies in productivity and safety in both open cut and underground mining operations.

Austin's products can create more sustainable mining operations by delivering the lowest cost per tonne to end user, reducing fuel usage per material carried.

The Company is headquartered in Perth and has operations around the world in Australia, USA, Chile and Indonesia serving many of the major mining sites in the world both directly and through local partners.