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GR Engineering Services Limited
Half Year Financial Report
For the Half Year Ended 31 December 2025

**GR ENGINEERING SERVICES LIMITED
HALF-YEAR FINANCIAL REPORT**

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GR ENGINEERING SERVICES LIMITED

HALF-YEAR FINANCIAL REPORT

DIRECTORS' REPORT

Your directors present their report on GR Engineering Services Limited (ASX:GNG) (the Group or consolidated entity) for the half year ended 31 December 2025 (HY26).

DIRECTORS

The names of the consolidated entity's directors in office during the half year and until the date of this report follow. The Directors were in office for this entire period unless otherwise stated.

Phillip Lockyer (Non-Executive Chairman)
Tony Patrizi (Managing Director)
Peter Hood (Non-Executive Director)
Giuseppe (Joe) Totaro (Non-Executive Director)
Deborah (Deb) Morrow (Non-Executive Director)

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Omesh Motiwalla

PRINCIPAL ACTIVITIES

The consolidated entity's activities have been the provision of high quality process engineering, detailed engineering design, process control and automation design and construction services to the mining and mineral processing industry and the provision of operations, maintenance, engineering and advisory services to the energy sector.

REVIEW OF RESULTS AND OPERATIONS

During the half year period, the consolidated entity achieved revenue of \$218.0 million (HY25: \$272.1 million), EBITDA of \$27.8 million (HY25: \$34.5 million) and profit before tax of \$25.0 million (HY25: \$31.8 million). Refer to note 10 on page 15 of this report for segment analysis.

The HY25 results were characterised by solid operational performance across the Group, with work on key projects continuing into the second half of FY26 and FY27 for GR Engineering Services (GRES), GR Production Services (GRPS), Mipac Holdings (Mipac) and Paradigm Engineers (Paradigm).

At 31 December 2025, the Group's cash position was \$86.5 million (30 June 2025: \$71.0 million) with no external debt. During HY26, the Group paid out \$20.1 million in dividends (HY25: \$16.7 million). The high cash generation, nil external borrowings, low capital intensity and excellent project delivery all contributed to the maintenance of a robust and stable balance sheet. The Group has significant headroom in its guarantee and bonding facilities.

The Group's revenue for FY26 is forecast to be in the range of \$500 million to \$520 million.

Mineral Processing Design and Construction

New and ongoing projects

GRES' design and construction order book of current work includes:

- **King of the Hills Operations Stage 1 and Stage 2 Upgrade** - \$155 million EPC contract with a wholly owned subsidiary of Vault Minerals Limited for the Stage 1 and Stage 2 Upgrade for the King of the Hills Operations in Western Australia. The project scope comprises the design, procurement, construction, installation and commissioning of the upgrade to the King of the Hills dry processing plant and the wet processing plant.
- **Eloise Copper Expansion Project** - \$78 million EPC Contract with a wholly owned subsidiary of AIC Mines Limited for the expansion of the Eloise copper processing facility in Northern Queensland. This project was awarded in June 2025.
- **Lake Way Project Upgrade** - \$36 million EPC contract with Piper Preston Pty Ltd, a wholly owned subsidiary of Sev.en Global Investments, for the upgrade of the Lake Way Project. This sulphate of potash project is located near Wiluna in Western Australia. This project was awarded in August 2025.

GRES has commenced early works on the Laverton Processing Plant Project and Bellevue Paste Plant Project - refer Subsequent Events note below.

In addition to the above ongoing projects, GRES is executing preliminary and minor project works and is involved in multiple ongoing FEED and early contractor involvement engagements.

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DIRECTORS' REPORT

Studies and Consulting

GRES has been engaged on a number of engineering and consultancy assignments on a range of domestic and international projects with scopes extending to engineering studies, process design, procurement support and site supervision services associated with new and existing operations.

During HY26, GRES completed 22 studies and as at 31 December 2025, was engaged on a further 31 studies across a broad range of commodities for projects in Australia and abroad. The level of ongoing study work is high.

Process Controls - Mipac and Paradigm

Mipac and Paradigm are leading providers of control systems, operational technology and engineering services primarily in the mineral processing, iron ore and energy sectors. With an established proven track record of success, the process controls group leverages technology to deliver solutions for operational challenges across a project's entire life cycle, minimising risk and driving productivity.

During HY26, the business continued to deliver control systems, automation and digital solutions for key repeat clients such as First Quantum Minerals, BHP Group, Rio Tinto, Glencore Technology, Anglo American, Ok Tedi Mining and other smaller conglomerates.

Mipac and Paradigm are achieving higher utilisation compared to the prior year and near-term revenue visibility remains high.

Energy - GR Production Services

The Group's production services business, GRPS, delivered solid revenue performance through its continued provision of operations and maintenance services to the energy sector. Its activities included conventional gas, coal seam gas (CSG) to liquefied natural gas (LNG), LNG (offshore and onshore), green hydrogen production and transport, carbon sequestration and the onshore and offshore oil and gas industries across Australia.

In Queensland and South Australia, GRPS managed and executed maintenance and operational support across multiple gas production facilities and more than 3,000 CSG and conventional oil and gas wells. In addition to ongoing work for Santos in the Surat and Cooper Basins, services were delivered to key clients including Shell QGC, Westside Corporation and Senex Energy. The business also broadened its service offering in the region with brownfields engineering and construction services, supporting facility upgrades and sustaining capital programs. GRPS remained the regulated operator of the Moranbah Gas Project under a long term agreement and continued to support onshore clients with respect to carbon sequestration initiatives and operational advisory services for various Australian green hydrogen developments.

In the Northern Territory, GRPS continued to provide maintenance services for the Blacktip gas field production facilities, both onshore and offshore. The business also maintained its support to the Ichthys LNG upstream and downstream facilities, supplying production and technical personnel to INPEX and assisting with maintenance shutdown planning and execution support. GRPS also performed operational readiness activities for Tamboran Resources in the Beetaloo Basin, supporting the safe and efficient transition of new gas production facilities into operation.

In Western Australia, GRPS remained a leading provider of operations and maintenance services in the Perth Basin, delivering engineering, maintenance and operational support to Mitsui E&P Australia (MEPAU) and Beach Petroleum's Waitsia asset. The business also continued to support Chevron's Gorgon and Wheatstone projects, as well as Vermillion Energy's Wandoo asset.

GR ENGINEERING SERVICES LIMITED

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DIRECTORS' REPORT

Safety

The Group is founded on a strong belief in its core values. These values drive the Group to constantly improve its working environment. The Group's commitment to health, safety and well-being for all its personnel at all times is managed to ensure a safe working environment and to ensure that no one works in an unsafe manner. The Group is committed to the target of zero injuries and operates using accredited OH&S, Integrated Management and Quality Management Systems.

The Group applies risk and hazard identification methodologies in developing safety and health management plans that are tailored to each project and its client's requirements. The Group encourages its employees and subcontractors to report all incidents, accidents and near miss occurrences within its workplaces and all reported incidents are investigated.

The Group's Total Reportable Injury Frequency Rate (TRIFR) for HY26 was 1.88.

DIVIDENDS

During HY26, a final dividend for financial year ended 30 June 2025 was paid. This was a fully franked dividend of 12.0 cents per share, paid on 25 September 2025.

A fully franked dividend of 12.0 cents per share has been declared for the 6 months ended 31 December 2025 (31 December 2024: 10.0 cents per share fully franked). The ex-dividend date for the interim dividend is 2 March 2026, the record date for determining entitlements to the interim dividend is 3 March 2026 and the payment date for the interim dividend is 25 March 2026.

The Group has a Dividend Reinvestment Plan (DRP) which enables all shareholders to elect to have all or some of their dividend reinvested in additional Group shares. The DRP is applicable to the FY26 interim dividend. The Directors have determined that a 2.5% discount will apply to the allocation price.

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS

The auditor's independence declaration to the directors is included on page 6 of the Half Year Financial Report.

EVENTS AFTER THE REPORTING DATE

On 17 February 2026, GRES was appointed as preferred contractor by Brightstar Resources Limited in relation to the engineering, procurement and construction (EPC) contract for the Laverton Processing Plant. The EPC contract is subject to the achievement of Final Investment Decision and finalisation of project funding, both of which are anticipated to be completed by late March 2026. The estimated contract value is \$115 million. An early works agreement has been executed and ordering of long lead items and engineering works have commenced.

On 17 February 2026, Bellevue Gold Limited announced that GRES is expected to be appointed to design and construct a paste fill plant at the Bellevue Gold Project in Western Australia. The estimated contract value is \$30 million. The ordering of long lead items has commenced.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the Directors



Tony Patrizi
Managing Director
Date: 20 February 2026

**GR ENGINEERING SERVICES LIMITED
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AUDITOR'S INDEPENDENCE DECLARATION

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Tower 2
Brookfield Place
123 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

Tel: +61 8 9365 7000
Fax: +61 8 9365 7001
www.deloitte.com.au

20 February 2026

The Board of Directors
GR Engineering Services Limited
71 Daly Street
ASCOT WA 6104

Dear Board Members

Auditor's Independence Declaration to GR Engineering Services Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of GR Engineering Services Limited.

As lead audit partner for the review of the half year financial report of GR Engineering Services Limited for the half year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Pieter Janse van Nieuwenhuizen
Partner
Chartered Accountants

GR ENGINEERING SERVICES LIMITED
HALF-YEAR FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Notes	Half-Year Ended	
		31 December 2025	31 December 2024
		\$	\$
Revenue	3(a)	218,012,361	272,114,716
Interest income		1,225,069	1,646,833
Other income	3(b)	1,239,838	1,661,154
Expenses			
Employee benefits expense	3(c)	(72,637,144)	(96,710,070)
Depreciation and amortisation expense	3(d)	(3,772,410)	(3,987,248)
Equity based payments		(1,316,259)	(1,190,401)
Finance costs	3(e)	(285,000)	(312,581)
Direct materials and subcontractor costs		(108,407,062)	(132,740,031)
Accountancy & audit fees		(386,470)	(305,180)
Marketing		(193,961)	(191,493)
Expected credit losses, write-offs		(159,895)	(120,409)
Occupancy		(327,499)	(363,084)
Administration		(8,018,951)	(7,697,061)
Profit before income tax		24,972,617	31,805,145
Income tax expense		(7,737,758)	(9,981,203)
Net profit for the period		17,234,859	21,823,942
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss :			
Fair value gain (loss) on equity investments designated at fair value through other comprehensive income		2,637,618	(107,439)
Exchange differences on translating foreign operations		(294,719)	434,795
Total other comprehensive income, net of income tax		2,342,899	327,356
Total comprehensive income for the period		19,577,758	22,151,298
Profit attributable to owners of the parent		17,234,859	21,823,942
Total comprehensive income attributable to owners of the parent		19,577,758	22,151,298
Earnings per Share:			
Basic (cents per share)		10.27	13.07
Diluted (cents per share)		10.08	12.68

GR ENGINEERING SERVICES LIMITED
HALF-YEAR FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	<i>Notes</i>	<i>31 December 2025</i>	<i>30 June 2025</i>
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	86,509,898	70,959,192
Trade and other receivables	5	63,047,895	63,991,410
Inventories		69,339	69,951
Other		3,788,347	2,798,508
Total Current Assets		153,415,479	137,819,061
Non-Current Assets			
Deferred tax asset		4,724,969	5,129,059
Property, plant and equipment		6,462,365	6,418,350
Right of use assets		7,198,991	8,970,972
Trade and other receivables	5	4,304,962	5,063,027
Financial assets	11	5,321,490	1,565,183
Intangible assets		26,756,268	27,540,262
Total Non-Current Assets		54,769,045	54,686,853
TOTAL ASSETS		208,184,524	192,505,914
LIABILITIES			
Current Liabilities			
Trade and other payables		57,975,147	46,374,284
Lease liabilities		1,949,511	2,481,088
Income tax		2,802,432	5,240,596
Provisions		24,304,389	22,372,552
Contract liabilities	6	42,838,955	39,012,678
Total Current Liabilities		129,870,434	115,481,198
Non-Current Liabilities			
Lease liabilities		5,439,472	6,695,812
Provisions		2,497,588	1,481,104
Total Non-Current Liabilities		7,937,060	8,176,916
TOTAL LIABILITIES		137,807,494	123,658,114
NET ASSETS		70,377,030	68,847,800
EQUITY			
Issued capital	7	51,676,271	47,638,103
Reserves		4,288,148	3,944,257
Retained earnings		14,412,611	17,265,440
TOTAL EQUITY		70,377,030	68,847,800

GR ENGINEERING SERVICES LIMITED
HALF-YEAR FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	<i>Notes</i>	<i>31 December 2025</i>	<i>31 December 2024</i>
		\$	\$
Cash flows from operating activities			
Receipts from customers		239,614,242	331,203,910
Payments to suppliers and employees		(191,489,172)	(262,672,426)
Income tax paid		(9,771,833)	(14,033,279)
Interest received		1,225,069	1,646,834
Net cash flows provided by operating activities		39,578,306	56,145,039
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,311,311)	(2,277,241)
Proceeds from sale of property, plant and equipment		83,962	39,151
Proceeds from sale of financial assets		10,152	801,550
Net cash flows used in investing activities		(1,217,197)	(1,436,540)
Cash flows from financing activities			
Payment of lease liabilities		(1,756,167)	(1,052,758)
Dividends paid		(19,364,787)	(16,700,847)
Interest paid		(285,000)	(311,535)
Net cash flows used in financing activities		(21,405,954)	(18,065,140)
Net increase in cash and cash equivalents		16,955,155	36,643,359
Cash and cash equivalents at beginning of period		70,959,192	74,645,675
Effects of exchange rate changes of balances of cash held in foreign currencies		(1,404,449)	542,377
Cash and cash equivalents at end of period	4	86,509,898	111,831,411

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Issued capital	Performance Rights Reserve	Foreign Currency Translation Reserve	Investment Revaluation Reserve	Retained Earnings	Total
	\$	\$	\$	\$	\$	\$
Balance as at 30 June 2024	46,979,443	2,913,435	61,617	(516,364)	16,888,392	66,326,523
Profit for the period	-	-	-	-	21,823,942	21,823,942
Other Comprehensive income for the period	-	-	434,795	(107,439)	-	327,356
Total Comprehensive income for the period	-	-	434,795	(107,439)	21,823,942	22,151,298
Dividends paid	-	-	-	-	(16,700,847)	(16,700,847)
Issue of shares	400,750	(400,750)	-	-	-	-
Share based payments	-	1,190,401	-	-	-	1,190,401
Realised gain on Investments in equities transferred to retained earnings	-	-	-	401,949	(401,949)	-
Balance as at 31 December 2024	47,380,193	3,703,086	496,412	(221,854)	21,609,538	72,967,375
Balance as at 30 June 2025	47,638,103	4,761,767	(175,417)	(642,093)	17,265,440	68,847,800
Profit for the period	-	-	-	-	17,234,859	17,234,859
Other Comprehensive income for the period	-	-	(294,719)	2,637,618	-	2,342,899
Total Comprehensive income for the period	-	-	(294,719)	2,637,618	17,234,859	19,577,758
Dividends paid	-	-	-	-	(19,364,787)	(19,364,787)
Issue of shares	3,311,615	(3,311,615)	-	-	-	-
Issue of shares under Dividend Reinvestment Plan	726,553	-	-	-	(726,553)	-
Share based payments	-	1,316,259	-	-	-	1,316,259
Realised gain on Investments in equities transferred to retained earnings	-	-	-	(3,652)	3,652	-
Balance as at 31 December 2025	51,676,271	2,766,411	(470,136)	1,991,873	14,412,611	70,377,030

GR ENGINEERING SERVICES LIMITED

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

1 CORPORATE INFORMATION

The financial report of GR Engineering Services Limited and its subsidiaries for the half year ended 31 December 2025 was authorised for issue in accordance with a resolution of the directors on 18 February 2026.

GR Engineering Services Limited is a limited company incorporated and domiciled in Australia. The registered office of GR Engineering Services Limited is located at 71 Daly Street, Ascot, Western Australia.

2 MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for certain financial instruments that are measured at revalued amounts or fair values. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the consolidated entity's annual financial report for the financial year ended 30 June 2025, except for the impact of the Standards and Interpretations described below. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

(b) Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

(c) Standards and Interpretations adopted in the current half year period

The accounting policies adopted in the preparation of the half-year financial report are consistent with those applied in the preparation of the consolidated entity's annual financial report for the year ended 30 June 2025, except for new standards, amendments to standards and interpretations which became effective on 1 July 2025 as set out below.

In the current half year, the consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2025, which include:

- AASB 2023-5 - Lack of exchangeability

The adoption of these Standards and Interpretations does not have any impact on the disclosures or the amounts recognised in the consolidated entity's condensed consolidated financial statements.

(d) Standards and Interpretations issued but not yet adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the consolidated entity for the reporting period ended 31 December 2025. Management are in the process of assessing the impact of the adoption of these Standards and Interpretations on the consolidated entity.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

3 REVENUES AND EXPENSES

	<i>31 December</i> 2025 \$	<i>31 December</i> 2024 \$
(a) Disaggregation of revenue & time of revenue recognition		
Rendering of services		
Rendering of services - mineral processing - over time	169,934,900	222,157,749
Rendering of services - oil & gas - over time	48,077,461	49,956,967
	<u>218,012,361</u>	<u>272,114,716</u>
(b) Other income		
Government rebates and subsidies	112	888
Profit on sale of fixed assets	83,962	39,151
Net foreign exchange (loss)/gain	(64,563)	1,028,922
Sundry revenue	1,220,327	592,193
	<u>1,239,838</u>	<u>1,661,154</u>
(c) Employee benefits expense		
Wages and salaries	63,511,786	87,071,255
Workers' compensation costs	1,151,280	1,669,493
Superannuation costs	7,974,078	7,969,322
	<u>72,637,144</u>	<u>96,710,070</u>
(d) Depreciation and amortisation		
Depreciation of fixed assets	1,638,978	1,887,626
Depreciation of right of use assets	1,304,301	1,304,265
Amortisation of intangible assets	829,131	795,357
	<u>3,772,410</u>	<u>3,987,248</u>
(e) Finance costs		
Interest charges	<u>285,000</u>	<u>312,581</u>

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

4 CASH AND CASH EQUIVALENTS

	<i>31 December</i> 2025 \$	<i>30 June</i> 2025 \$
Cash at bank and in hand	86,509,898	70,959,192
	<u>86,509,898</u>	<u>70,959,192</u>

Cash at bank earns interest at floating rates based on daily bank rates.

5 TRADE AND OTHER RECEIVABLES

	<i>31 December</i> 2025 \$	<i>30 June</i> 2025 \$
Trade receivables - current	45,879,460	44,627,244
Contract assets - oil and maintenance contracts	11,146,857	12,834,050
Contract assets - mineral processing contracts	2,673,228	1,637,175
	<u>13,820,085</u>	<u>14,471,225</u>
Term deposits held for security	1,564,824	1,594,258
Loan receivable - current	1,519,784	1,599,854
Loan receivable - non current	4,304,962	5,063,027
Other receivables	263,742	1,698,829
	<u>67,352,857</u>	<u>69,054,437</u>

6 CONTRACT LIABILITIES

	<i>31 December</i> 2025 \$	<i>30 June</i> 2025 \$
Contract liabilities - current liabilities	42,838,955	39,012,678
	<u>42,838,955</u>	<u>39,012,678</u>

7 ISSUED CAPITAL

	<i>31 December</i> 2025 <i>No of shares</i>	<i>30 June</i> 2025 <i>No of shares</i>
<i>Ordinary Shares</i> Issued and fully paid	<u>169,789,911</u>	<u>167,353,472</u>
<i>Issue of ordinary shares</i> At 30 June 2025	167,353,472	\$ 47,638,103
Issue of shares from exercise of performance rights	2,250,000	3,311,615
Issue of shares under dividend reinvestment plan	186,439	726,553
At 31 December 2025	<u>169,789,911</u>	<u>51,676,271</u>

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

GR ENGINEERING SERVICES LIMITED
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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

8 CONTINGENCIES

	<i>31 December</i> 2025	<i>30 June</i> 2025
	\$	\$
Bank guarantees		
Bank guarantees issued	<u>12,300,317</u>	<u>5,716,628</u>

The consolidated entity's standby multi-option facility with National Australia Bank has a limit of \$60,000,000. The facilities are secured by a fixed and floating charge over all the assets of the consolidated entity. The consolidated entity provides bank guarantees under this facility to support project performance in favour of certain clients. The amount of these bank guarantees at 31 December 2025 is \$9,569,469 (30 June 2025: \$3,632,878).

The consolidated entity has a bank guarantee facility with National Australia Bank to provide guarantees for the security of rental properties to the value of \$1,591,453 (30 June 2025: \$914,922). The amount of bank guarantees issued under this facility at 31 December 2025 is \$1,591,453 (30 June 2025: \$914,922).

The consolidated entity has a bank guarantee facility with HSBC to provide guarantees to support project performance in favour of certain clients. The amount of these bank guarantees at 31 December 2025 is USD \$763,716 (AUD \$1,139,395) (30 June 2025: USD \$763,716 (AUD \$1,168,829)).

The consolidated entity has a \$45 million insurance bond facility with Berkshire Hathaway Specialist Insurance Company and an additional \$30 million insurance bond facility with Allianz Australia Insurance Limited. These facilities are utilised to provide retention and off site materials bonds in connection with certain projects. The amount of insurance bonds issued under the Berkshire Hathaway Specialist Insurance Company facility at 31 December 2025 is \$11,109,554 (30 June 2025: \$9,343,338). The amount of insurance bonds issued under the Allianz Australia Insurance Limited facility at 31 December 2025 is \$13,001,273 (30 June 2025: \$16,137,896).

GR Engineering Services Limited, the parent company, has provided guarantees and indemnities in relation to certain contracts entered into by its subsidiaries. Liability under these guarantees and indemnities is limited to the relevant subsidiaries' contracted limits of liability under the contracts.

9 DIVIDENDS

During the half year, the consolidated entity made the following dividend payments :

	<i>31 December 2025</i>		<i>31 December 2024</i>	
	<i>Cents per</i> <i>share</i>	\$	<i>Cents per</i> <i>share</i>	\$
<i>Fully paid ordinary shares</i>				
Dividend	<u>12.00</u>	<u>20,091,340</u>	<u>10.00</u>	<u>16,700,847</u>

A fully franked dividend of 12.0 cents per share has been declared for the six months ended 31 December 2025. The ex dividend date for the interim dividend is 2 March 2026, the record date for determining entitlements to the interim dividend is 3 March 2026 and the payment date for the interim dividend is 25 March 2026.

GR Engineering has a Dividend Reinvestment Plan (DRP) which enables all shareholders to elect to have all or some of their dividend reinvested in additional GR Engineering shares. The DRP is applicable to the FY26 interim dividend. The Directors have determined that a 2.5% discount will apply to the allocation price.

GR ENGINEERING SERVICES LIMITED
HALF-YEAR FINANCIAL REPORT

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

10 SEGMENT INFORMATION

Operating segments have been identified on the basis of internal reports of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The chief operating decision maker has been identified as the Managing Director. On a regular basis, the board receives financial information on a company basis similar to the financial statements presented in the financial report, to manage and allocate their resources.

The Managing Director has chosen to classify the operations of the consolidated entity by reference to presence in an industry. The segments identified on this basis are "mineral processing" and "oil and gas".

Segment revenues and results

The following table shows the revenue and results of the consolidated entity summarised under these segments.

Segment revenue

	<i>31 December</i> 2025	<i>31 December</i> 2024
	\$	\$
Mineral processing	169,934,900	222,157,749
Oil and gas	48,077,461	49,956,967
Total revenue	<u>218,012,361</u>	<u>272,114,716</u>

Segment profit before tax

	<i>31 December</i> 2025	<i>31 December</i> 2024
	\$	\$
Mineral processing	20,409,013	27,421,811
Oil and gas	4,563,604	4,383,334
Total profit before tax	<u>24,972,617</u>	<u>31,805,145</u>

Segment assets

	<i>31 December</i> 2025	<i>30 June</i> 2025
	\$	\$
Mineral processing	168,451,865	156,232,854
Oil and gas	34,411,169	34,707,877
Corporate - financial assets	5,321,490	1,565,183
Total assets	<u>208,184,524</u>	<u>192,505,914</u>

11 FINANCIAL ASSETS

Financial assets held at fair value through other comprehensive income

	<i>31 December</i> 2025	<i>30 June</i> 2025
	\$	\$
Shares in listed entities	<u>5,321,490</u>	<u>1,565,183</u>

Shares held in the listed entities are measured at fair value at the end of the reporting period.

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GR ENGINEERING SERVICES LIMITED
HALF-YEAR FINANCIAL REPORT

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

12 FINANCIAL INSTRUMENTS

Fair value of financial instruments

The fair values of financial assets and liabilities, together with their carrying amounts in the statement of financial position for the consolidated entity are as follows :

	31 December 2025		30 June 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets	\$	\$	\$	\$
Cash at bank	86,509,898	86,509,898	70,959,192	70,959,192
Trade receivables	53,532,772	53,532,772	54,583,212	54,583,212
Equity instruments	5,321,490	5,321,490	1,565,183	1,565,183
	<u>145,364,160</u>	<u>145,364,160</u>	<u>127,107,587</u>	<u>127,107,587</u>
Liabilities				
Trade payables	57,975,147	57,975,147	46,374,284	46,374,284
Lease liabilities	7,388,983	7,388,983	9,176,900	9,176,900
	<u>65,364,130</u>	<u>65,364,130</u>	<u>55,551,184</u>	<u>55,551,184</u>

The consolidated entity holds equity securities of \$5,321,490 (30 June 2025: \$1,565,183) which are classified as fair value hierarchy level 1, in which fair values are based on quoted prices in active markets. There have been no transfers of fair value hierarchy levels during the period.

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the directors of the consolidated entity have elected to designate these investments in equity instruments as at fair value through other comprehensive income as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the consolidated entity's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

13 KEY MANAGEMENT PERSONNEL

Remuneration arrangements of key management personnel are disclosed in the annual financial report dated 30 June 2025.

14 EVENTS AFTER THE REPORTING DATE

On 17 February 2026, GRES was appointed as preferred contractor by Brightstar Resources Limited in relation to the engineering, procurement and construction (EPC) contract for the Laverton Processing Plant. The EPC contract is subject to the achievement of Final Investment Decision and finalisation of project funding, both of which are anticipated to be completed by late March 2026. The estimated contract value is \$115 million. An early works agreement has been executed and ordering of long lead items and engineering works have commenced.

On 17 February 2026, Bellevue Gold Limited announced that GRES is expected to be appointed to design and construct a paste fill plant at the Bellevue Gold Project in Western Australia. The estimated contract value is \$30 million. The ordering of long lead items has commenced.

A fully franked dividend of 12.0 cents per share has been declared for the six months ended 31 December 2025. The ex dividend date for the interim dividend is 2 March 2026, the record date for determining entitlements to the interim dividend is 3 March 2026 and the payment date for the interim dividend is 25 March 2026.

GR Engineering has a Dividend Reinvestment Plan (DRP) which enables all shareholders to elect to have all or some of their dividend reinvested in additional GR Engineering shares. The DRP is applicable to the FY26 interim dividend. The Directors have determined that a 2.5% discount will apply to the allocation price.

There has been no other matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial period, that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

GR ENGINEERING SERVICES LIMITED HALF-YEAR FINANCIAL REPORT

DIRECTORS' DECLARATION

The directors declare that:

(a) In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

(b) In the directors' opinion, the attached financial statements and notes thereto are in compliance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



Name: Tony Patrizi
Managing Director
Date: 20 February 2026

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Independent Auditor's Review Report to the Members of GR Engineering Services Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of GR Engineering Services Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2025, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- Complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board ("the Code") that are relevant to our audit of the annual financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


DELOITTE TOUCHE TOHMATSU



PG Janse Van Nieuwenhuizen
Partner
Chartered Accountants
Perth, 20 February 2026

Appendix 4D

Preliminary Half Year Report to the Australian Securities Exchange

GR Engineering Services Limited

ABN 12 121 542 738

For the Half Year Ended 31 December 2025
(corresponding period half year ended 31 December 2024)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	<i>Half year ended 31 Dec 2025</i>	<i>Percentage increase / (decrease) from 31 Dec 2024</i>
	<i>\$'000</i>	
Revenue from ordinary activities	218,012	(19.88%)
Profit from ordinary activities after tax attributable to members	17,235	(21.03%)
Net profit for the period attributable to members	17,235	(21.03%)

DIVIDENDS

	<i>Half year ended 31 Dec 2025 (cents per share)</i>	<i>Half year ended 31 Dec 2024 (cents per share)</i>
Final dividend	12.00 (fully franked)	10.00 (fully franked)

Subsequent to reporting date, a fully franked interim dividend was resolved to be paid of 12.0 cents per share, with an ex-dividend date of 2 March 2026 and a record date for determining entitlements to the interim dividend of 3 March 2026. The payment date of the interim dividend is 25 March 2026.

GR Engineering has a Dividend Reinvestment Plan (DRP) which enables all shareholders to elect to have all or some of their dividend reinvested in additional GR Engineering shares. The DRP is applicable to the FY26 interim dividend. The Directors have determined that a 2.5% discount will apply to the allocation price. The last date for lodgement of election notices to participate in the DRP for the 2026 interim dividend is 5pm AEST on 4 March 2026.

NET TANGIBLE ASSET BACKING

	<i>Half year ended 31 Dec 2025</i>	<i>Half year ended 31 Dec 2024</i>
Net tangible asset backing per ordinary security *	22.91 cents	24.30 cents

* Net tangible assets include right of use assets and lease liabilities.

The Half Year Financial Report dated 20 February 2026 forms part of and should be read in conjunction with this Preliminary Half Year Report (Appendix 4D).

This report is based on accounts which have been reviewed. The review report is included in the Half Year Financial Report.

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