

ASX ANNOUNCEMENT

2 April 2026

DURATEC TO ACQUIRE 100% OF NSW-BASED WELDING AND FABRICATION COMPANY, PACIFIC WELDING AUSTRALIA

- WPF Duratec Pty Ltd, a wholly owned subsidiary of Duratec, has entered into an agreement to acquire 100% of PWA for a maximum sale price of \$12m (subject to final adjustment)
- PWA is an Australian-owned welding and fabrication company based in Newcastle, NSW, specialising in project-based welding, mechanical services and specialist fabrication within the Energy and Mining sectors
- The acquisition provides direct access to strategic clients in the Hunter Region, through existing service agreements with key clients
- PWA is a certified consignment holder of Steel Mains MSCL pipe and licensee of Steel Mains Sintakote Coatings
- Strategic acquisition enhances Duratec's self-perform capability and service offerings nationally across Energy and Mining & Industrial
- Opportunity to scale WPF's innovative solutions across East Coast Energy clients
- Acquisition will consist of upfront payment of \$6m, prior to adjustments; and a maximum earn-out of \$6m, contingent upon meeting a combined FY27 and FY28 EBITDA hurdle of \$6.4m
- PWA delivered FY25 revenue of \$14.8m, with an EBITDA of \$1.67m

Australian engineering, construction, and remediation contractor Duratec Limited (**Duratec** or the **Company**) (ASX: **DUR**) is pleased to announce that its wholly owned subsidiary, WPF Duratec Pty Ltd (**WPF**), has entered into an agreement to acquire 100% of the shares in Davhold Australia Pty Ltd, trading as Pacific Welding Australia (**PWA**), subject to the satisfaction of conditions precedent usual in transactions of this nature and adherence to the ACCC's merger control regime.

Commenting on the agreement to acquire PWA, Duratec Managing Director, Chris Oates, said:

"PWA is uniquely aligned to the services of WPF and provides a fantastic opportunity to scale WPF's specialist expertise and self-perform model, while enhancing our service offering within the Energy and Mining & Industrial sectors. This targeted acquisition further establishes WPF's East Coast base and is a continuation of our expansion strategy within these sectors, delivering on our commitment to growth and sustainable returns for our shareholders."

PWA BACKGROUND

Established in 2010, PWA is an Australian welding and fabrication company, specialising in the provision of project-based welding, mechanical services and specialist fabrication to an extensive range of clients across Oil & Gas, Energy, and Mining. Based in Newcastle, NSW, with a team of almost 60 personnel, PWA cemented its investment in the Hunter Region through the establishment of a 1,000m² workshop in 2022.

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The acquisition supports Duratec’s strategic growth by expanding its end-to-end self-perform capabilities, enhancing its service offerings nationally, and providing direct access to strategic clients in the Hunter Region enabling Duratec to pursue additional strategic Energy and Mining & Industrial sector opportunities. PWA is uniquely aligned to the services of WPF, is a certified consignment holder of Steel Mains MSCL pipe and licensee of Steel Mains Sintakote Coatings, and is the incumbent main contractor for fabrication, welding and mechanical services at Orica’s Kooragang Island Facility in NSW.

The move aligns with Duratec’s broader strategy to enter critical national infrastructure markets, diversify revenue streams, and strengthen its position in high-barrier, high-value sectors, and complements the Company’s recent acquisitions of Hunter Coatings Pty Ltd, a specialist industrial painting and coatings contractor based in the Hunter Valley, and RGK Resources Pty Ltd, a WA-based specialist provider of inspection, maintenance and rope access services.

ACQUISITION DETAILS

Duratec views the strength of PWA’s senior management team as a significant asset going forward and therefore has ensured the commitment of current Directors Grant Davies and Ryan Jones, to continuing employment in the company in senior management roles, for a minimum of four years.

The acquisition will be funded from cash reserves and existing bank facilities, with a maximum sale price of \$12m.

The purchase consideration consists of the following elements:

- Upfront payment of \$6m, prior to adjustments;
- A maximum earn-out of \$6m, payable at the end of FY28, contingent upon meeting a combined FY27 and FY28 EBITDA hurdle of \$6.4m; and,
- Any earn-out consideration payments will be funded through WPF’s existing cash reserves.

Completion is expected to occur in or before early July 2026, once the conditions precedent have been met.

STRATEGIC GROWTH AND SYNERGIES

PWA will continue to operate as a premium service contractor to the Oil & Gas industry, with its growth strategy closely aligned to WPF’s expansion along Australia’s East Coast. Building on WPF’s specialist capability and delivery model, the acquisition provides a platform to accelerate penetration into New South Wales and the Hunter region, positioning the business closer to key Energy and Industrial customers. Together, this positions WPF as a national contractor with meaningful scale and capability synergies.



Authorised for release to ASX by the Board of Duratec Limited.

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About Duratec Limited

Duratec Limited (ASX: DUR) is a leading Australian contractor providing assessment, protection, remediation, and refurbishment services to a broad range of assets and infrastructure. The Company's multi-disciplined capabilities combine engineering experience with project delivery expertise and use a range of in-house assessment technologies, including 3D capture and modelling technology with predictive analysis tools. Headquartered in Wangara, Western Australia, Duratec has 18 locations around the country in capital cities and regional centres, delivering services across multiple sectors including Defence, Commercial Building & Facade, Infrastructure (Water, Transport & Marine), Mining & Industrial, Power and Energy.

Please visit www.duratec.com.au for further information.

This release contains certain forward-looking statements and forecasts, including in relation to possible or assumed future performance, costs, dividends, rates, prices, revenue, potential growth of Duratec Limited, industry growth or other trend projections. Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of Duratec Limited. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements, depending on a variety of factors.

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