



## ASX Announcement

12 May 2026

# Bhagwan Marine trading update

Leading Australian marine solutions company, Bhagwan Marine Limited (ASX: **BWN**) (“**Bhagwan**” or the “**Company**”), today provides an update on its FY26 earnings outlook.

### Impact of current global geopolitical and economic environment

The conflict in the Middle East, together with organisational restructuring within the energy sector, has resulted in selected delays to the award and commencement of spot and short-term projects. These delays are considered timing-related rather than structural in nature, with underlying long-term demand remaining strong.

Accordingly, Bhagwan expects FY26 EBITDA in the range of \$38.5m to \$40.5m, excluding contributions from Riverside Marine and acquisition costs. Consistent with trends observed in 1H26, earnings continue to reflect a resilient operating profile, supported by margin expansion, cost discipline and a strong focus on free cash generation.

Riverside Marine’s charter business, Riverside Oceanic, has experienced similar delays. The Group’s towage and industrial sands operations, however, are tracking at or ahead of expectations. Riverside’s 4Q FY26 EBITDA, which corresponds with acquisition completion on 31 March 2026, is expected to be \$5.75m to \$6.25m.

Consolidated Bhagwan FY26 EBITDA is expected to be in the range of \$44.5m to \$46.5m, excluding Riverside Marine acquisition costs.

These estimates are based on current fuel prices, trading conditions and project activity levels, and remain subject to standard review processes.

Pricing structures include mechanisms to mitigate variable operating costs, including fuel pass-through provisions and pricing adjustments at contract renewal or extension. The Company maintains strong visibility over its fuel supply arrangements and has not experienced any fuel-related disruptions. Higher operating costs arising from the conflict and broader inflationary pressures are being closely managed and are expected to be substantially recovered over time.



## Outlook

Bhagwan entered 2H26 with expanding gross margins, strong cash generation and a clear strategic roadmap.

The accretive acquisition of Riverside Marine further strengthens the Company's foundations for growth, supporting diversification and enhancing future free cash flow and earnings. Bhagwan's combined recurring revenue is expected to increase from circa 40% to 50%.

Supported by strong tendering activity and a healthy project pipeline, the outlook remains positive despite the short-term geopolitical and economic environment.

Bhagwan remains focused on executing its strategy, with an emphasis on market penetration, market development, further margin expansion and operational excellence.

### **Commenting on the outlook, Bhagwan's Founder and Managing Director, Loui Kannikoski, said:**

*"Bhagwan remains alert to its operating environment, including the impact of the conflict in the Middle East, which has contributed to higher operating costs and some variability in project timing.*

*"We are focused on the execution of our growth strategy, together with disciplined cost and capital management.*

*The Company is progressing the integration of Riverside Marine whilst maintaining a strong focus on operating leverage."*

### **Additional information**

Bhagwan's FY26 financial results are expected to be released on Thursday 27 August 2026.

### **ENDS**

This announcement has been authorised for release by the Board of Bhagwan Marine Limited.

View this release on InvestorHUB: <https://investors.bhagwanmarine.com/link/epzmlp>



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**About Bhagwan Marine Limited**

Bhagwan Marine is Australia's largest listed marine solutions company for the offshore energy, subsea, ports & inshore and defence sectors. Bhagwan's diverse and multi-functional fleet is equipped to support a wide range of client operations.

The Company is Australia's largest in-house marine crewing provider, employing more than 1,000 skilled professionals, including up to 200 qualified divers. Bhagwan's locally based crews are recognised for their strong safety culture, operational excellence and ability to deliver high-quality outcomes in complex environments.

The Company's long-standing partnerships with major energy and mining companies, construction firms and government agencies reflect Bhagwan's reputation as a trusted and capable partner in marine operations.

**For more information, please visit [www.bhagwanmarine.com](http://www.bhagwanmarine.com)**