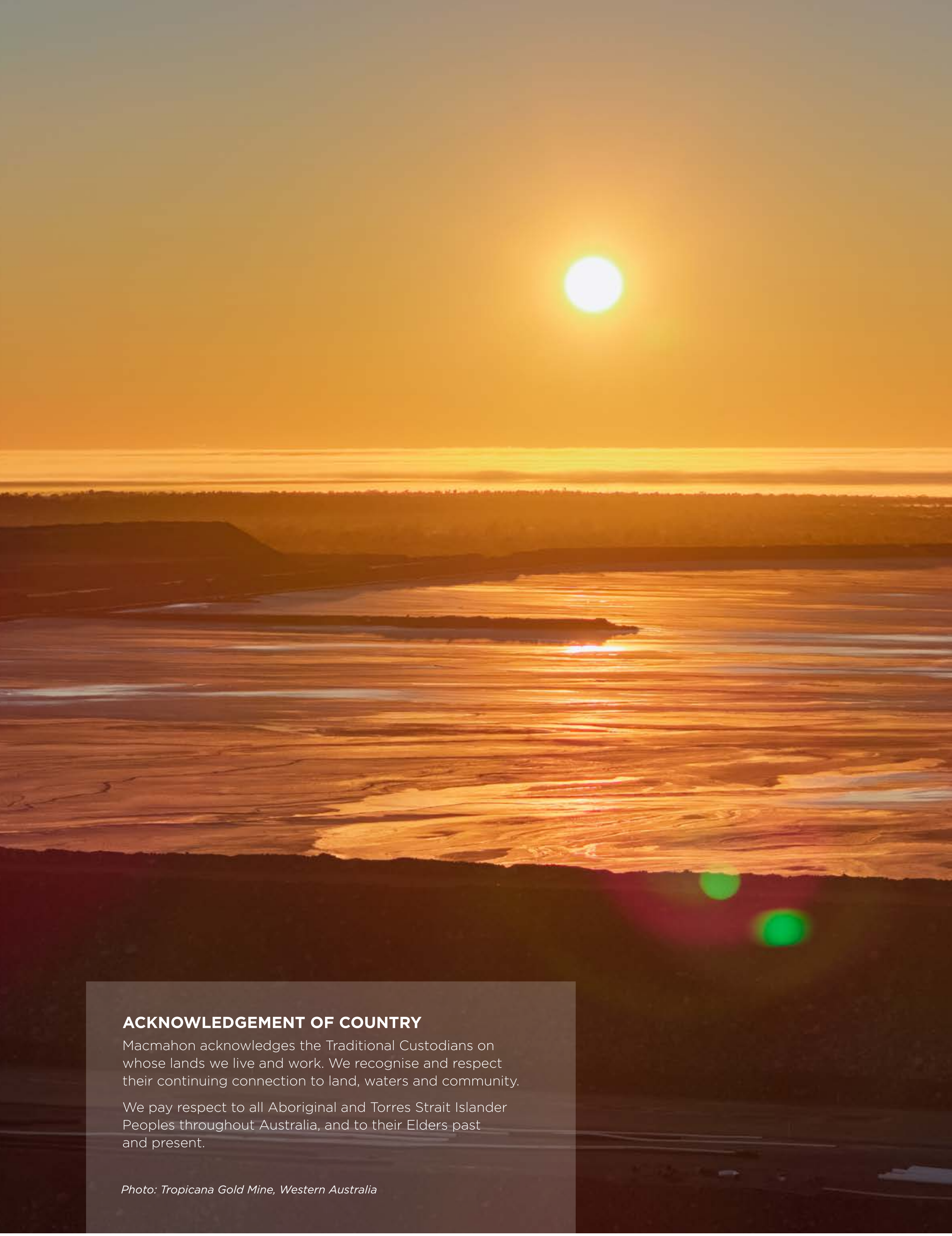
ANNUAL REPORT 2026

MACMAHON



ACKNOWLEDGEMENT OF COUNTRY

Macmahon acknowledges the Traditional Custodians on whose lands we live and work. We recognise and respect their continuing connection to land, waters and community.

We pay respect to all Aboriginal and Torres Strait Islander Peoples throughout Australia, and to their Elders past and present.

Photo: Tropicana Gold Mine, Western Australia

Contents

This Annual Report is a summary of Macmahon's operations and financial results for the financial year ended 30 June 2026.

In this Report, all references to "Macmahon", "the Company", "the Group", "we", "us" and "our" refer to Macmahon Holdings Limited (ACN 007 634 406) and its controlled entities unless stated otherwise.

The information in this Annual Report covers all offices, sites and facilities wholly owned and operated by Macmahon, including the operational footprint that covers Macmahon Holdings Limited and its controlled entities.

References in this Report to a 'year' are to the financial year ended 30 June 2026 unless stated otherwise. All currency amounts are in Australian dollars unless stated otherwise.

Year at a Glance

FINANCIAL YEAR 2026 HIGHLIGHTS

FINANCIALS

REVENUE ▲

$2.6b

FY25: $2.4b

FY24: $2.0b

UNDERLYING EBITDA ▲

$393.8m

FY25: $387.4 million
FY24: $351.7 million

UNDERLYING EBIT(A) ▲

$190.1m

FY25: $171.4 million
FY24: $140.3 million

UNDERLYING NPAT ▲

$114.8m

FY25: $102.4 million
FY24: $91.9 million

EBITDA REPORTED ▲

$386.0m

FY25: $364.9 million
FY24: $313.4 million

EBIT REPORTED ▲

$176.4m

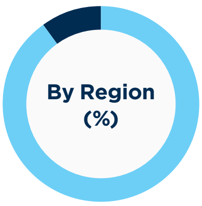
FY25: $143.0 million
FY24: $101.7 million

NPAT REPORTED ▲

$101.1m

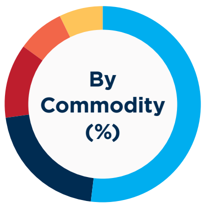
FY25: $73.9 million
FY24: $53.2 million

REVENUE DIVERSIFICATION

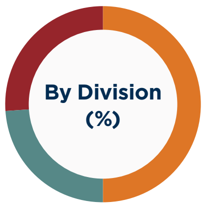


Australia	90
Southeast Asia	10

AngloGold Ashanti	18
Vault	11
Q Coal	9
Talison Lithium	8
Greatland	8
HanRoy	7
Genesis	6
Civil Others	17
Surface Others	10
Underground Others	6



Gold	52
Other	21
Met Coal	12
Lithium	8
Copper/Gold	7



Surface	50
Underground	24
Civil Infrastructure	26

PEOPLE

GROUP WORKFORCE

10,004

TRAINING AND DEVELOPMENT
(Graduates, Apprentices, Trainees and Interns)

279

Total People Trained

26.2%

Female Representation

TRIFR

1.98

LEADERSHIP DEVELOPMENT
THE MACMAHON WINNING WAY

217

Total

14%

Female Representation

"A QUALITY TEAM THAT'S BUILT TO WIN AND BUILT TO LAST."

TOGETHER.WORKS.

Telfer Gold-copper Mine, Western Australia

Our Business

Macmahon is a diversified services provider with leading capabilities in surface and underground mining, and civil construction and infrastructure.

As an ASX-listed company, we provide services to many of the largest resources projects in Australia and Southeast Asia.

Founded in 1963, Macmahon services major resource companies across various commodity sectors. Our end-to-end mining services encompass mine development and materials delivery through to engineering, civil construction, on-site mining services, rehabilitation, site remediation, training and equipment maintenance, refurbishment services.

Boston Shaker Gold Project, Western Australia

Map of Operations

Australia

WESTERN AUSTRALIA

- Perth
- Greenbushes
- King of the Hills
- Telfer
- Tropicana
- Boston Shaker
- Daisy Milano
- Granny Smith
- King of the Hills
- Majestic
- Brockman 4 Mine
- Jerriwah Village
- McPhee Creek
- Nifty
- Telfer
- Waddi Windfarm
- WASP Western Hill Early Works

NORTHERN TERRITORY

- Groundrush

SOUTH AUSTRALIA

- Adelaide
- Olympic Dam
- Olympic Dam

QUEENSLAND

- Byerwen
- Mount Carlton
- Mount Carlton
- Eva Copper Camp
- Peak Downs
- Homeground Gladstone

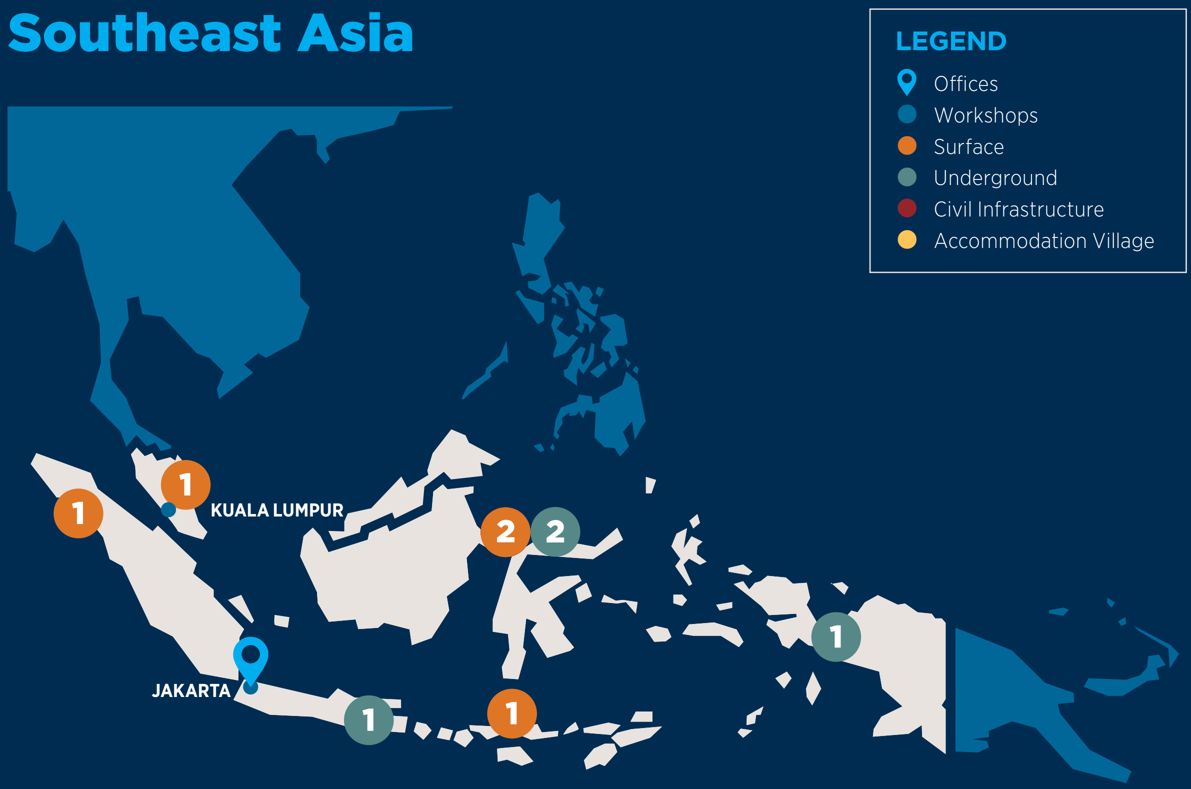
NEW SOUTH WALES

- Sunraysia

VICTORIA

- Campbellfield
- Fosterville
- Fosterville
- Ison Road
- Yan Yean Road

Southeast Asia



INDONESIA

- Awak Mas
- Batu Hijau
- Martabe
- Poboya
- Kucing Liar
- Toka Tindung
- Poboya
- Tujuh Bukit

MALAYSIA

- Langkawi

Our Capabilities

Macmahon has extensive capabilities across the mining and construction sectors, supported by over 60 years of industry experience. In addition to our core mining services, we offer advisory and operational improvement solutions aimed at optimising performance for mine owners. This includes coaching and skills development, cultural change programs, and a dedicated mental health program.

SURFACE MINING

Macmahon's Surface Mining division delivers tailored services backed by extensive operational expertise. We partner with clients to deliver mine planning and analysis through to full-scale operations. Our services include:

- Mine planning and analysis
- Bulk and selective mining
- Drill and blast
- Load and haul
- Crushing and screening
- Fixed plant maintenance
- Water management
- Equipment supply
- Equipment maintenance, refurbishment and support services
- Integrated safety solutions
- Technology solutions partnering
- Engineering design and fabrication
- Extensive trade apprenticeship program
- Graduate engineering program
- New-to-industry operator program

UNDERGROUND MINING

Macmahon's Underground Mining division continues to grow, underpinned by extensive expertise and a strong track record in complex underground projects. Our capabilities span the full project lifecycle and include:

- Mine development
- Mine production
- Vertical development
- Raise drilling
- Cablebolting
- Shotcreting
- Paste and mine backfill

We also provide specialist engineering design and fabrications services, including:

- Shaft sinking
- Shaft lining and maintenance
- Remote shaft lining
- Shaft fit out
- Ore pass liners
- Winder refurbishment
- Conveying, crushing, materials handling
- Emergency egress systems
- Pump stations and rising mains
- Site workshops and infrastructure

CIVIL INFRASTRUCTURE

Macmahon delivers integrated construction and engineering services to the resources, infrastructure and renewable energy sectors. We support clients across the full project lifecycle – from feasibility and design through to construction, commissioning and closure. Our capabilities include:

- Mine infrastructure and services
- Road design, construction and maintenance
- Bulk earthworks
- Water infrastructure – dams, creek diversions, flood levees, and drainage structures
- Topsoil and overburden stripping
- Revegetation and rehabilitation
- Non-process infrastructure
- Tailings storage facilities (TSFs)
- Train loading facilities
- Camps and remote village accommodation
- Bridgeworks
- Rail and airport infrastructure
- Site infrastructure including workshops, buildings and site facilities
- Balance of plant works for renewable energy projects, including solar, wind, and battery installations

Poboya Gold Mine, Indonesia

Vision, Values and Strategy

VISION

Guided by our values and empowered by our people, we will deliver integrated solutions across the mining value chain and build trusted partnerships as the preferred mining and civil infrastructure services partner, creating lasting value while meeting the specific expectations of our clients.

VALUES

In everything we do, we think and behave according to our values.

UNITED
Be Inclusive
Work Together
Support Each Other

COURAGE
Be Brave
Speak Up
Challenge Yourself

INTEGRITY
Be Honest
Respect People
Be Accountable

PRIDE
Be Humble
Work Hard
Celebrate Wins

Boston Shaker Gold Project, Western Australia

STRATEGY

Macmahon is focused on strengthening and expanding its integrated solutions across the mining value chain from single service offerings through to full life-of-project partnerships that deliver sustainable, long-term value. Our people are committed to continually improving the way we work, growing in the right markets and adjacent services and partnering closely with our clients to deliver safe, efficient and innovative outcomes that support long-term success.

GROWING

Increasing revenue and earnings

Achieve sustainable growth by expanding our service offering and winning work from single services to fully integrated services.

IMPROVING

Increasing margins and returns

Improve margins by enhancing operational performance, strengthening contract management and making better use of systems, technology and innovation.

REINFORCING

Deepening client partnerships and extending our service offering

Strengthen long-term partnerships by consistently delivering safe, reliable and high-quality outcomes that build confidence, reduce risk and create opportunities to extend to existing contracts, broaden our service offering and secure future work.

Letter from the Chair

Dear Shareholders,

On behalf of our Board, I am pleased to report that Macmahon delivered a strong financial and operational performance in FY26, reflecting another year of sound operational execution and financial discipline across the business.

FY26 was the tenth consecutive year Macmahon achieved or exceeded market guidance. Over the course of the last decade, the Company has navigated changing market conditions and numerous challenges, including a global fuel supply crisis. This record of consistent growth speaks to the quality of our operations and our people, as well as the depth of our client relationships. In March 2026, Macmahon was included in the S&P/ASX 300 Index, a milestone that reflects how the market recognises the journey we're on.

Macmahon's FY26 performance featured growth in revenue, earnings and return on average capital employed. This, along with strong cash generation and a robust balance sheet, gives us significant flexibility to invest in future growth while increasing cash returns to shareholders.

Macmahon's underground and civil infrastructure businesses were again strong contributors, validating our strategic focus to diversify the Macmahon Group and reduce capital intensity in the business.

Macmahon now has over 10,000 people across operations in Australia and Indonesia. While the Group's TRIFR safety metrics have continued to improve since FY21 as the workforce has grown, sadly, there was a fatality of a Macmahon employee at the Fosterville Gold Mine in December 2025. This was a tragic event and again highlights the critical importance of our safety and continuous improvement initiatives.

It also highlights the importance of mental health and wellbeing across the Group, and Macmahon continues to be a leader in our industry in this area through our *Strong Minds, Strong Mines* program.

Operating our business sustainably is an ongoing objective for Macmahon. During the year, the Company progressed *AASB S2 Climate-related Disclosures* implementation with strengthened governance, systems and disclosure preparation, and established a preliminary Scope 3 baseline in preparation for future disclosures. We prepared a sustainability report that is part of this annual report, and I encourage you to read it for more detail on our sustainability measures and initiatives.

The Board's capital allocation strategy seeks to balance disciplined investment in growth with increased returns to shareholders. Macmahon therefore remains committed to paying a sustainable dividend. The Board declared a final dividend of 1.25 cents per share fully franked, bringing the total dividend for FY26 to 2.20 cents per share, an increase of 47% on FY25. The FY26 dividend payout ratio of 41% is in line with the Company's target payout ratio of 30% to 45% of underlying earnings per share. For FY27 we will be updating our payout ratio to 35% to 45% of underlying earnings per share.

In August 2025, Macmahon announced a Chair transition plan. I had the privilege of being appointed Chair following Hamish Tyrwhitt's retirement from the Board at the conclusion of the Company's 2025 Annual General Meeting. On behalf of the Board, I would like to acknowledge Hamish's outstanding service and leadership during his period as a Director and as Chair of Macmahon. Maree Arnason also left the Board in September 2025, and I would like to extend my thanks to her for her contribution to the Board.

During the year, we welcomed three new Non-Executive Directors to the Board, bringing complementary skills and experience across mining, capital markets, governance and international operations. Suzan Pervan was appointed to the Board in November 2025, Tom Quinn in March 2026, and Arief Sidarto in April 2026. These appointments reflect our approach to ongoing Board renewal and ensure that the Company continues to benefit from a diverse range of perspectives, skills and experience.

Looking ahead, Macmahon is well positioned for further growth and has a positive outlook for FY27.

Despite volatility in commodity prices and uncertainty in global energy and capital markets, Macmahon has diversified revenue streams across mining and civil infrastructure, and across commodities. Furthermore, gold, which features strongly in Macmahon's order book, continues to perform strongly. We have a robust tender pipeline of $25 billion, of which $13.8 billion is expected to be awarded within the next 12 months, and an order book of work in hand of $5.9 billion. This strong order book underpins our confidence in the future. We have $2.2 billion of work already secured for FY27.

I believe it is important to reiterate that our Board remains focused on sustaining long-term growth, maintaining disciplined capital management, and continuing to strengthen governance and oversight. We remain confident that the Company is well positioned to build on its FY26 performance and deliver ongoing value to shareholders.

Finally, on behalf of the Board, I would like to thank all our employees, and especially their partners and families, for their continued dedication and hard work. I would also like to thank Macmahon's CEO, Michael Finnegan, and his management team for their leadership and disciplined execution of Macmahon's strategy.

Of course, I extend my appreciation to our valued clients, who we consider our partners in growth, and especially to our valued shareholders for their continued confidence in Macmahon.

"A DEFINING FEATURE OF MACMAHON'S PERFORMANCE CONTINUES TO BE THE STABILITY AND DEPTH OF ITS LEADERSHIP TEAM."

GREG EVANS

Chair

Macmahon Holdings Limited

MD and CEO Report

Dear Shareholders,

Macmahon delivered strong growth in revenue and earnings in FY26. This continues the demonstrated track record of growth the business has sustained across both our mining and civil infrastructure businesses. In fact, this was the tenth consecutive year the Company has delivered on market guidance, an achievement the entire Macmahon team can be extremely proud of.

While every reporting period presents its challenges, FY26 was characterised by continued commodity price volatility and significantly elevated fuel costs. The successful execution of our longer-term diversification strategy, and our focus on strong client relationships, supported the delivery of positive operational outcomes for our Company and our clients.

KEY ACHIEVEMENTS

The Group reported revenue of $2.6 billion, up 8% on FY25, underlying EBITDA of $393.8 million, up 2%, and underlying EBIT(A) of $190.1 million, up 11%. This was another record result for the Company and delivered on our FY26 guidance range of revenue between $2.6 billion and $2.8 billion and EBIT(A) between $180 million and $195 million. The growth in underlying EBIT(A) relative to revenue reflected the award of new work in Civil and Underground, and operational improvement across the business.

The FY26 performance reflects the successful execution of Macmahon's diversification strategy and the integration of Decmil, which has expanded the Company's addressable market and service capabilities. FY26 was the first full year in which our Decmil civil infrastructure business operated as a fully integrated unit within the Macmahon Group. I anticipate a strong contribution from our civil infrastructure team as we continue to grow the business in Australia and internationally.

FY26 statutory NPAT was $101.1 million, compared to $73.9 million in FY25, whilst underlying NPAT grew 12% to $114.8 million.

The Group continued to generate strong underlying operating cash flow in FY26. This was slightly down, by 4.9%, to $387.4 million for the year, with cash conversion of 98.4%. Free cash flow generation was $103.1 million after capital expenditure of $204.3 million, reflecting our ongoing focus on effective capital management.

These strong operational outcomes reflect our ongoing focus on execution, cost discipline and maximising value from our diversified business portfolio. The challenge for our management team is to continue optimising our business model, driving operational excellence through innovation, continued diversification of our service offering and adapting to the changing needs of our clients and the broader market.

OPERATIONAL HIGHLIGHTS

Macmahon's businesses have performed strongly, supported by our diversified revenue streams across clients, commodities, geographies and service offerings.

SURFACE MINING

Our surface mining business performed strongly in FY26, with the highlight being a contract extension at the Byerwen Coal Mine, valued at $792 million over its initial three-year term, with an option to extend a further two years, increasing the value to $1.32 billion. Macmahon has been providing open cut mining services, including load and haul, and crusher feed, at Byerwen since the establishment of the mine in 2017 and provides employment to 545 people on site.

In March 2026, Macmahon received a Letter of Intent from Wolfram Limited, a wholly owned subsidiary of Bumi Resources, for the restart of operations at the Mount Carlton Gold Mine, with an initial term of 34 months for the restart of the surface mine. The services contract valued at approximately $150 million was signed shortly after.

Also in March, Manuka Resources Limited provided Macmahon with a Letter of Intent for the restart of mining operations at the Wonawinta Silver Project, covering open pit mining services, including drill and blast, and load and haul operations, valued at $190 million over an initial five-year contract period.

UNDERGROUND MINING

Underground was a significant contributor to overall growth, as well as our efforts to increase profit margins and reduce capital intensity in the Group. In May 2026 Macmahon was awarded a 12-month extension with a subsidiary of Black Cat Syndicate Limited for underground mining services at the Majestic Mine in Western Australia.

HIGHLIGHTS

REVENUE
Up 8% on FY25 ▲
$2.6b

Order book secured
$5.9b

Workforce
10,004

This extension followed an initial award of a $55 million 12-month contract in August 2025 and reflects our focus on building and maintaining customer relationships.

In March 2026, Macmahon received a Letter Of Intent with Wolfram for underground services valued at approximately $100 million. Early works have commenced and a final contract is expected imminently.

In April 2026, Macmahon Underground was selected as the preferred mining contractor by the Central Tanami Project Joint Venture (CTPJV) between Tanami Gold NL and MGX Resources Limited for the Groundrush exploration decline project. This is for a 14-month period with a contract value of $38 million.

Subsequent to 30 June, we have been awarded a $355 million contract at Mt Marion with Mineral Resources, a $406 million contract at Snowy River with Endura and we've been selected as preferred contractor at Ravensthorpe by Medallion Metals, which is valued at approximately $240 million.

INTERNATIONAL OPERATIONS

Macmahon has been increasing international revenue in line with our strategic diversification objectives, and I am pleased we have been having success on this front. In August 2025, Macmahon was selected by PT Tambang Tondano Nusajaya (PT TTN), as the underground services contractor at the Toka Tindung Gold Mine located in North Sulawesi, Indonesia. The AUD$33 million contract is for an initial 32-month period.

In September 2025, PT Freeport Indonesia (PTFI), a subsidiary of Freeport-McMoRan, appointed Macmahon as the underground mining services contractor at the Kucing Liar Mine located in Central Papua, Indonesia. The initial contract term is for 34 months, with the first 12 months valued at AU$36 million, and the remaining years to be agreed annually.

CIVIL INFRASTRUCTURE

Throughout FY26, Decmil continued to expand its business, win new work and make a solid contribution to Group earnings.

In January 2026, Decmil received a notice of award from Rio Tinto for its West Angelas Sustaining Project (WASP), valued at $120 million, involving construction of a heavy haulage road, light vehicle access roads and associated drainage works. Work is expected to be completed in 2027. This award was made under an Earthworks Framework Agreement with Rio Tinto for projects in the Pilbara.

In December 2025, Decmil received a notice of award from Tilt Renewables for $51 million in works as part of the balance of plant contract at the 108MW Waddi Windfarm in the mid-west of Western Australia. The Waddi Windfarm balance of plant contract has a total value of $91 million, which has been awarded to a joint venture between Decmil and RJE Global, on a split-scope basis, with RJE to receive $40 million and Decmil to receive $51 million.

Also in December 2025, Decmil received a notice of award from Rio Tinto for the Mobile Equipment Maintenance (MEM) Workshop Expansion project at the Brockman 4 Mine located in the Pilbara region of Western Australia. The contract is valued at $81 million and involves the construction of a new MEM workshop, office, bulk lube storage and oily water system. Works are expected to be completed by April 2027.

In September 2025, Decmil secured a new $86 million civil contract with Major Road Projects Victoria (MRPV) for the Yan Yean Road – Northern Package project. In August 2025, Decmil announced it had secured $144 million in new civil contract awards, including the Marble Bar Road Upgrade Project with Hanroy Iron Ore ($104 million), Stage 2A of the Jerriwah Village Expansion with Hamersley Iron Pty Ltd, part of the Rio Tinto Group ($28 million), and Rolleston Mine Civil Works with Glencore ($12 million). We have also been awarded a $50 million contract by Transport for NSW for the Mamre Road upgrade in Western Sydney.

The strength of our order book and the successful delivery of key projects highlight the effectiveness of our operating model and our ability to partner with clients to deliver long-term value.

HEALTH AND SAFETY

Sadly, one of our valued team members employed at the Fosterville Gold Mine died in an underground event in December 2025. It must be acknowledged that, despite our collective efforts to embed a strong safety culture across all our businesses and ensure all safety procedures and standards are adhered to, the work we do remains inherently risky. We must remain vigilant and do whatever we can to ensure our team members return home safely after every shift.

I would like to reiterate that safety remains our highest priority and is a core value across the organisation. We will continue to strengthen our broader workplace culture through leadership engagement, risk management and continuous improvement initiatives, while reinforcing the importance of respect, inclusion and wellbeing in creating safe, supportive environments where our people can do their best work.

Our Total Recordable Injury Frequency Rate (TRIFR) was 1.98, down from 2.99 in FY25, and our Lost Time Injury Frequency Rate (LTIFR) was 0.23, down from 0.43 in FY25. Despite the steady reduction in key safety metrics, we are continuing to focus on reducing them further. Safety isn't a destination; it's a journey, and it's one we embark on with determination to always do better.

PEOPLE

Macmahon has a strong and growing workforce of over 10,000 people across Australia and Indonesia, with almost half our workforce based in Indonesia. This reflects the growing opportunities we see in Indonesia and the great reputation we have built there over many years.

Our people are central to our success. We have continued to invest in workforce capability through training and leadership development and talent retention initiatives. Our ability to attract and retain skilled personnel remains a competitive advantage and supports consistent operational performance.

In 2026, we launched our Employee Value Proposition (EVP) program, following extensive research, interviews, focus groups and consultation, based on the current lived career experience of our employees.

Our EVP, *Together.Works.*, underpins our workforce communication and reflects how our people come together to get the job done, look out for one another both physically and mentally, and collaborate with our clients.

Our EVP stands alongside our existing people programs, including:

- *Respect@Macmahon,* which focuses on building a culture of respect and inclusivity to help prevent bullying, harassment and discrimination.
- *Strong Minds, Strong Mines* wellbeing program, which is designed to provide meaningful resources for employees and their families.
- *Winning at Macmahon,* our in-house leadership development program.
- *Emerging Leaders,* our structured leadership program for graduates, apprentices, trainees and leaders.

CAPITAL MANAGEMENT AND DIVIDEND

Macmahon maintains a disciplined approach to capital management, ensuring a balance between investing in growth and returning capital to shareholders. Our strong earnings and cash flow generation have supported continued growth in the business while simultaneously enabling increased shareholders' returns in the form of increased dividends.

One of the key metrics used to track our financial performance is Return on Average Capital Employed (ROACE). At the end of FY25 we increased our long term ROACE target from 20% to 25%. For FY26, our ROACE was 22%, progressing well towards the 25% target.

This focus enables us to deploy capital to sustain growth in our business, funding inorganic growth opportunities, while also ensuring sustainable returns to investors through increased dividend payouts.

STRATEGY

Our strategy remains focused on sustainable growth, diversification and disciplined execution. We continue to build on our core strengths in surface mining, expand our capabilities in the lower-capital intensive underground mining and civil infrastructure businesses.

We intend to continue growing our business through expansion of our addressable market by diversifying our service offering. This will be achieved through a combination of organic and inorganic growth. Our focus is on services that are adjacent in the mining value chain to our existing mining services but are not currently part of our current service offering.

The strategy is to expand our service offerings to offer clients an end-to-end mining services solution and present ourselves as a life-of-mine business partner for those clients who see value in this offering.

OUTLOOK

Looking ahead, Macmahon is well positioned to continue delivering strong performance. The outlook for our core markets remains positive, supported by ongoing demand for mining and infrastructure services.

While global uncertainty persists, our diversified portfolio, strong balance sheet and experienced leadership team provide a solid foundation to navigate market conditions and capture growth opportunities.

We have a robust pipeline of $25 billion, of which $13.8 billion will be awarded within the next 12 months. We will compete in a targeted and disciplined way to win the jobs that best align with our capabilities. We have an order book of work in hand of $5.9 billion, with $2.2 billion already secured for FY27.

We will continue to focus on operational excellence, safety, disciplined capital allocation and delivering sustainable returns for shareholders.

I would like to extend my sincere thanks to everyone at Macmahon for their contribution to this outstanding result and for their ongoing dedication and commitment to our Company. I would also like to extend my thanks to our valued clients for their continued collaboration and to our shareholders for their ongoing support.

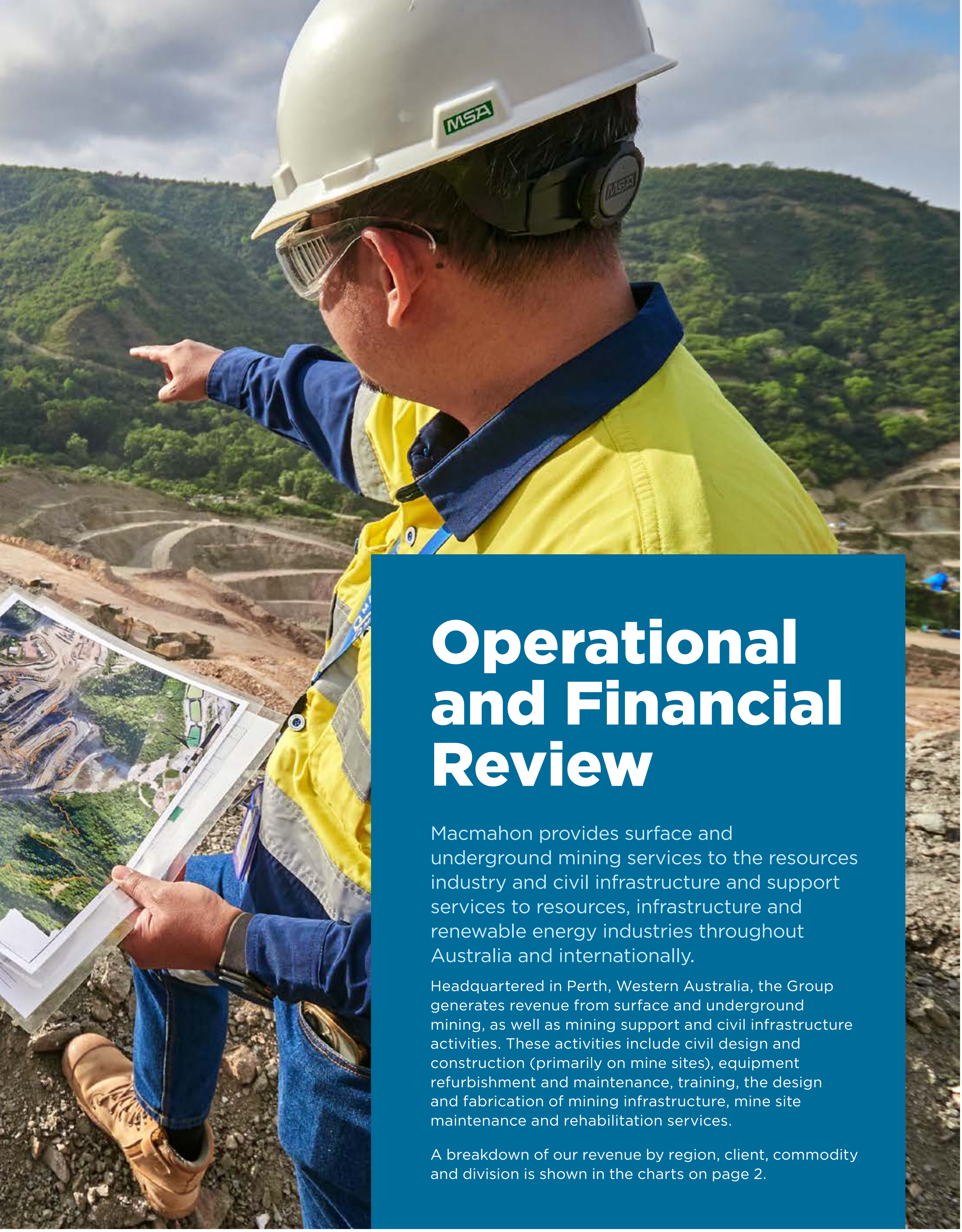
"SAFETY REMAINS OUR HIGHEST PRIORITY, STRENGTHENED THROUGH LEADERSHIP, WELLBEING, RESPECT, INCLUSION AND CONTINUOUS IMPROVEMENT."

MICHAEL FINNEGAN

Managing Director and
Chief Executive Officer

Macmahon Holdings Limited

Poboya Gold Mine, Indonesia



Operational and Financial Review

Macmahon provides surface and underground mining services to the resources industry and civil infrastructure and support services to resources, infrastructure and renewable energy industries throughout Australia and internationally.

Headquartered in Perth, Western Australia, the Group generates revenue from surface and underground mining, as well as mining support and civil infrastructure activities. These activities include civil design and construction (primarily on mine sites), equipment refurbishment and maintenance, training, the design and fabrication of mining infrastructure, mine site maintenance and rehabilitation services.

A breakdown of our revenue by region, client, commodity and division is shown in the charts on page 2.

Operational Review

Surface Mining

Macmahon's surface mining division offers the full suite of services, including bulk and selective mining, mine planning, drill and blast, crushing and screening, water management, equipment operation and maintenance. Macmahon's surface mining fleet currently includes a broad range of equipment including excavators, dump trucks, front-end loaders, dozers, and drill rigs. Macmahon's fleet is sourced from various providers, including Caterpillar, Hitachi, Liebherr and Epiroc.

KEY PROJECT ACTIVITY

During the year, Macmahon provided services to the following projects:

KING OF THE HILLS GOLD MINE

Macmahon is fulfilling a five-year contract with Vault Minerals to provide surface mining services at the King of the Hills project near Laverton in Western Australia.

GREENBUSHES LITHIUM MINE

Macmahon is fulfilling a seven-year contract with Talison Lithium to provide open-cut mining services, including load and haul and crusher feed, at the Greenbushes project in Western Australia.

TELFER GOLD MINE

Macmahon is fulfilling a life-of-mine contract at the Telfer project in Western Australia for Greatland Gold.

TROPICANA GOLD MINE

Macmahon is fulfilling a life-of-mine contract at the Tropicana project in Western Australia for AngloGold Ashanti and joint venture partner, Regis Resources.

BYERWEN COKING COAL MINE

Macmahon provides open-cut mining services at the Byerwen Coking Coal Mine in Queensland's Bowen Basin for QCoal since the mine's establishment in November 2017. In April 2025, Macmahon received a Notice of Award for a three-year extension.

FOXLEIGH PROJECT

Macmahon provided equipment hire and maintenance services for the Foxleigh Coal Mine in the Bowen Basin in Queensland. Services were completed in November 2025.

MOUNT CARLTON MINE

Macmahon commenced fulfilling a 34-month contract with Wolfram Limited in late FY26 to provide open-cut mining services at the Mount Carlton Mine in North Queensland.

BATU HIJAU COPPER/GOLD MINE

Macmahon is fulfilling a life-of-mine contract to provide all mining services at the Batu Hijau Mine in Indonesia for PT Amman Mineral Nusa Tenggara. Batu Hijau is a well-established, world-class copper and gold deposit. The contract is currently on Phase 8, which includes extending in-pit mining to approximately June 2028.

LANGKAWI QUARRY

Macmahon is engaged by YTL Cement Bhd, to deliver quarrying services at the Langkawi Limestone Quarry, located on Langkawi Island, Kedah, Malaysia. The project was extended in 2026 for another seven years. Under the contract, Macmahon provides comprehensive quarrying operations.

MARTABE GOLD MINE

Macmahon is contracted by PT Agincourt Resources to provide mining services at the Martabe Gold Mine in North Sumatra, Indonesia. The scope includes mining and bulk earthworks services across three operating areas, including drilling, waste mining, equipment hire and subcontractor management. Macmahon also undertakes tailings storage facility embankment placement and compaction, and pioneering works to access new open-pit mining areas.

POBOYA GOLD MINE

In September 2023, Macmahon was contracted by PT Citra Palu Minerals at the Poboya Gold Mine in the Central Sulawesi province of Indonesia. The contract includes load and haul and mining services. Under the contract, Macmahon provides the full scope of mining and bulk earthworks-related services, including drilling, mining of waste materials, equipment hire, and subcontractor management. Operations are expected to complete in November 2026.

AWAK MAS GOLD MINE

PT Masmindo Dwi Area awarded Macmahon a seven-year mining services contract for the Awak Mas Gold Mine in the South Sulawesi, Indonesia, in January 2025. The initial award followed a competitive tender process and reflects a strong client relationship and successful contract delivery. Macmahon's scope includes mining and bulk earthworks services, including drilling, waste mining and pioneering works to access new open-pit mining areas.

Telfer Gold-copper Mine, Western Australia

Underground Mining

Macmahon's underground mining division offers underground development and production services, a broad range of ground support services, as well as services to facilitate ventilation and access to underground mines, including shaft sinking, raise drilling and shaft lining. Macmahon's underground mining fleet comprises trucks, loaders, jumbo drills, long-hole production drills, and raise drills. This equipment is predominantly sourced from Sandvik, Epiroc and Caterpillar.

KEY PROJECT ACTIVITY

During the year, Macmahon provided services to the following projects:

BOSTON SHAKER GOLD MINE

Macmahon delivers full underground mining services at the Boston Shaker Underground Mine, including development, ground support, production mining and ore trucking for the Tropicana joint venture.

KING OF THE HILLS GOLD MINE

Macmahon is currently executing a contract with Vault Minerals to provide surface and underground services at the King of the Hills project, located near Laverton in Western Australia. The underground scope of works includes all development and production activities.

DEFLECTOR GOLD MINE

Macmahon provided underground mining services to Vault Minerals at the Deflector Gold project in Western Australia. The underground scope of works included all development and production activities. Services were successfully completed in November 2025.

DAISY MILANO GOLD MINE

Macmahon provides mining services, including development, Production blasting, Production bogging and trucking services to Vault Minerals at the Daisy Milano underground mine near Kalgoorlie in Western Australia.

MAJESTIC MINING CENTRE

Macmahon is fulfilling an underground mining services contract with Black Cat Syndicate at its Majestic Mining Centre, located in the Kalgoorlie-Boulder region of Western Australia. The scope of works includes mine development, production services and associated works.

MOUNT CARLTON MINE

Macmahon commenced early stage works for Wolfram Limited relating to site surface and underground infrastructure, dewatering activities and underground rehabilitation.

GRANNY SMITH GOLD MINE

Macmahon provides cablebolting services to Goldfields near Laverton in Western Australia.

FOSTERVILLE GOLD MINE

Macmahon provides cablebolting and shaft sinking at Agnico Eagle Mines' Fosterville Gold Mine in Victoria.

OLYMPIC DAM COPPER AND URANIUM MINE

Macmahon provides raise drilling services, ore bin replacement, and shaft rehabilitation to Olympic Dam in South Australia for BHP, where Macmahon has been operating for over 30 years.

LEONORA OPERATIONS

Macmahon provided underground mining services for Genesis Minerals at its Leonora Operations in Western Australia which include the Gwalia and Ulysses Gold Mines. The scope of work included mine development, ground support, production, truck, shotcreting, raise drilling and paste filling. Services were successfully completed in May 2026.

TUJUH BUKIT GOLD/COPPER MINE

Macmahon provides underground mining services and support, including fixed plant maintenance and road maintenance for the exploration decline, as well as underground drilling services in East Java, Indonesia. The project is scheduled to be finished in December 2026.

POBOYA GOLD MINE

Macmahon was awarded an underground mining services contract with PT Citra Palu Minerals at The Poboya Gold Mine, Palu, Central Sulawesi, Indonesia in March 2025 to provide the full scope of underground mining services, including supply, installation and maintenance of all underground services, excavation of both levels, decline and incline underground development and ground support.

TOKA TINDUNG UNDERGROUND GOLD MINE

Macmahon secured the underground gold mining contract to provide specialised services at the Toka Tindung Gold Mine in North Sulawesi, Indonesia awarded by PT Tambang Tondano Nusajaya. Under this contract, Macmahon will undertake all underground exploration mine development services and associated works.

KUCING LIAR UNDERGROUND GOLD MINE

Macmahon was awarded a new contract to support the Kucing Liar Project, underground mining operations at the Freeport Underground Mine in Central Papua, Indonesia. The scope of works includes excavation and construction of the facility within the project.

Toka Tindung Gold Mine, Indonesia

Civil Infrastructure

Macmahon delivers integrated construction and engineering services to the resources, infrastructure and renewable energy sectors where we support clients across the full project life cycle – from feasibility and design through to construction, commission and closure.

These services include design, engineering, construction, consulting, procurement, fabrication, equipment sales and hire, equipment refurbishment, maintenance, training services and site rehabilitation services to the resources sector. The Group is focused on building its civil infrastructure and construction business in Australia and Southeast Asia as part of its ongoing strategy to diversify its business. Australian Civil projects are delivered under the Group's Decmil brand.

KEY PROJECT ACTIVITY

During the period, Decmil provided civil and mining support services to the following projects:

RESOURCES

TELFER GOLD MINE - CIVIL

During FY26, Macmahon completed work on TSF 7 and 8 at the Telfer project in Western Australia.

PEAK DOWNS AND SARAJI MINES

Macmahon provides multiple mining services and rehabilitation projects in Queensland, including approximately 56 hectares of rehabilitation at the Peak Downs and Saraji mines.

POBOYA GOLD MINE

Macmahon undertakes the construction of shaft sinking, underground ventilation and paste plant to support underground mining activities at Poboya in Central Sulawesi, Indonesia.

PERDAMAN BULK EARTHWORKS

Decmil completed a contract for Saipem Clough Joint Venture at the Perdaman Industries' Ceres Urea Plant Project in the Pilbara region of Western Australia. The scope included bulk earthworks, drilling and blasting, causeway construction, the culvert supply and installation, establishment of construction and potable water lines, and general site clearing activities.

MARBLE BAR ROAD UPGRADE SECTION 3

Decmil continued to progress a contract to upgrade 23 km of Marble Bar Road in Western Australia to support new mine development operations for Hanroy Iron Ore Projects Pty Ltd.

MARBLE BAR ROAD UPGRADE SECTION 2B AND 5

In August 2025, Decmil was awarded a contract to upgrade 46 km of Marble Bar Road in Western Australia to support new mine development operations for Hanroy Iron Ore Projects Pty Ltd.

JERRIWAH VILLAGE EXPANSION

In August 2025, Decmil was awarded a contract by Hamersley Iron Pty Limited to deliver Stage 2A of the Jerriwah Village Expansion Project at the Brockman 2 mine in the West Pilbara region of Western Australia. The project involves installing client supplied accommodation modules, laundry facilities and a gymnasium. Decmil will also design, supply and install a new multi-sports court facility and other outdoor amenities.

BROCKMAN 4 WORKSHOP EXPANSION

In December 2025, Decmil was awarded a contract by Hamersley Iron Pty Limited for the Mobile Equipment Maintenance (MEM) Workshop Expansion project at the Brockman 4 mine in the Pilbara region of Western Australia. The contract involves constructing a new MEM workshop, office, bulk lube storage and oily water system.

ROLLESTON MINE CIVIL WORKS

Decmil completed a contract for Glencore to perform the earthworks and civil works at the Rolleston open-cut mine in Queensland.

EVA COPPER MINE ACCOMMODATION VILLAGE

Decmil continued to progress a contract by Eva Copper Mine Pty Ltd to deliver its new operations permanent village at the Eva Copper Mine in Queensland. The project involves designing and constructing a 454-person accommodation village.

GIRRAHWEEN SATELLITE WAREHOUSE AND OPERATIONS FACILITY

Decmil completed a contract for Arrow Energy Pty Ltd for the design and construction of the Girrahween Satellite Warehouse and Operations Facility. The scope included the design, supply, and construction of all building and storage facilities, as well as a maintenance workshop, car park, and access roads.

WESTERN HILL BULK EARTHWORKS

In January 2026, Decmil was awarded a contract by Rio Tinto for its West Angelas Sustaining Project (WASP) in the Pilbara region of Western Australia. The project involves constructing a heavy haulage road, light vehicle access roads and associated drainage works.

WEST ANGELAS SUSTAINING PROJECT – NON-PROCESS INFRASTRUCTURE HUB FACILITIES AND UPGRADE OF MEDICAL CENTRE

In January 2026, Decmil was awarded a contract by Robe River Mining Co Pty Ltd for non-process infrastructure hub facilities and medical centre upgrade as part of WASP in the Pilbara region of Western Australia. The project involves design, supply, manufacture, installation, testing and commissioning of non-process infrastructure.

RENEWABLES

WARRADARGE WIND FARM

Decmil continued to progress the civil balance of plant contract for Stage 2 of the Warradarge Wind Farm in Western Australia for Vestas Australia Wind Technology Pty Ltd.

BORUMBA CAMPS

Decmil continued to progress a contract by Queensland Hydro for the design and construction of two 84-bed frontier camps and two 336-bed temporary workers accommodation camps for the Borumba Pumped Hydro Energy Storage (PHES) Project in Queensland. The first camp was completed in late 2025, with the second camp suspended by Queensland Hydro and construction likely to recommence in FY27.

WADDI WIND FARM

Decmil was awarded a contract by Tilt Renewables for the balance of plant project at the 108MW Waddi Windfarm in the Mid-West of Western Australia, near Dandaragan. The project was awarded to a joint venture between Decmil and RJE Global on a split-scope basis. The joint venture scope includes the design and construction of balance of plant works for the 18-turbine wind farm, including turbine bases, access tracks, site cabling and a switch room.

Jerriwah Village, Western Australia

INFRASTRUCTURE

ISON ROAD EXTENSION

Decmil continued to progress a contract to connect with the Ison Road Rail Overpass, constructed by Decmil, to form a new freeway link between Melbourne and Geelong in Victoria. The link will include a 1.3 km four-lane road and cycling paths along the overpass and the extension.

ISON ROAD RAIL OVERPASS

Decmil completed a contract for survey, investigation, design and construction services for roadworks and bridgeworks associated with the Ison Road Overpass project in Werribee, west of Melbourne, Victoria. The Ison Road Project includes a new road overpass for the Melbourne-Geelong rail line, connecting Ison Road in the north with the Ison Road extension to the south at Browns Road.

YAN YEAN ROAD – NORTHERN PACKAGE

In September 2025, Decmil was awarded a contract by Major Road Projects Victoria to replace the Yan Yean Road, Bridge Inn Road and Doctors Gully Road roundabout with a signalised intersection, and to widen Yan Yean and Bridge Inn Road from one to two lanes in each direction.

EQUIPMENT REFURBISHMENT, MAINTENANCE AND SUPPORT SERVICES

Macmahon owns and operates world-class, purpose-built equipment maintenance facilities, enabling it to support frontline contracting services with a full suite of equipment refurbishment, maintenance, and skilled labour services.

Macmahon's primary workshop, located in Perth, Western Australia, is a key operational asset with the ability to rebuild equipment and components. This facility enables Macmahon to provide specialised workshop equipment services to both internal and external clients, and to rapidly and efficiently deploy maintenance supplies to client locations, as well as conduct essential in-field or on-site maintenance work.

TRAINING SERVICES

Macmahon is committed to ongoing training and development of our people, providing workers with the necessary skills and knowledge to maximise their potential. This commitment is supported by our registered training organisation (RTO), which operates from our facility at Perth Airport, Western Australia.

Our programs provide face-to-face training and assessment using mining simulated technologies for both new-to-industry and experienced workers. Training services include national traineeships, apprenticeships, high-risk work licenses, leadership development and equipment operator training.

Ison Road, Victoria

Financial Review

FROM OPERATIONS BEFORE SIGNIFICANT ITEMS

	1H26 $m	2H26 $m	FY26 $m	FY25 $m
Revenue				
Australia	1,178.1	1,181.2	**2,359.3**	2,225.7
Indonesia	127.1	129.0	**256.1**	198.1
Other International	1.8	2.0	**3.8**	3.6
Group Revenue	1,307.0	1,312.2	**2,619.2**	2,427.4
EBITDA (underlying)	200.1	193.7	**393.8**	387.4
EBIT(A) (underlying)	91.0	99.1	**190.1**	171.4
NPAT (underlying)	54.8	60.0	**114.8**	102.4
EBITDA (reported)	196.4	189.6	**386.0**	364.9
EBIT (reported)	84.4	92.0	**176.4**	143.0
NPAT (reported)	48.2	52.9	**101.1**	73.9

Note: With the exception of revenue and NPAT (reported), the other measures above are not defined by IFRS and are unaudited. Refer to the Summary of Consolidated Results section for reconciliation of underlying results.

PROFIT AND LOSS

Macmahon delivered revenue and underlying earnings growth in line with its publicly stated guidance. Group revenue increased by 7.9% to $2.6 billion, compared with $2.4 billion for the year ended 30 June 2025. This growth was supported by new work secured across both Civil and Underground services, in Australia and Internationally, and was partially offset by the completion of two Surface projects in the East.

The commencement of projects, increase in new work in lower capital intensive services, resulted in operating costs increasing inline with revenue. Underlying earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 1.7% to $393.8 million, compared with $387.4 million in the prior year.

Similarly, underlying earnings (before interest, tax, customer contracts amortisation and other adjusting items (EBIT(A)) for FY26 increased by 10.9% to $190.1 million (30 June 2025: $171.4 million). This increase reflected the lower depreciation incurred due to the completion of historical Surface capital intensive projects together with new work commenced in less capital-intensive services.

DEPRECIATION (EXCLUDING AMORTISATION ON CUSTOMER CONTRACTS) AND NET FINANCE COSTS

Depreciation (excluding customer contract amortisation) for the year decreased from $215.7 million to $203.3 million as a result of the completion of two historical Surface projects and lower capital expenditure incurred on new work.

Net finance costs for the year decreased to $30.6 million with the implementation of the revised finance facilities at the end of FY25. The favourable new rate was partially offset with increased interest rates throughout the year.

TAX

The Group reported a tax expense of $44.7 million and an effective tax rate of 30.6%. The prior year's effective tax rate was 32.3%.

BALANCE SHEET

Net assets increased from $692.3 million to $740.1 million at 30 June 2026. Total assets decreased marginally by $1.1 million primarily due to lower capital expenditure, the continuing amortisation of customer intangibles recognised with the acquisition of Decmil and strong receipts from customers as reflected in the closing cash position. Total liabilities decreased by $48.9 million reflecting a reduction in gross debt and final payment of the FY25 tax liability, following the Group becoming a full tax payer in Australia.

The Group's net tangible assets (NTA) increased by 8.5% to $684.1 million at 30 June 2026 (30 June 2025: $630.7 million). As a result, NTA per share increased from 29.3 cents per share to 31.7 cents per share.

WORKING CAPITAL

Investment in net working capital decreased by 20.7% to $74.0 million during the period. With the commencement of new awards in Underground (including Indonesia), inventory increased by 6.0% to $110.4 million. Trade and other Receivables and Trade and Other payables have decreased with the transfer of the Trakindo parts contract directly to Batu Hijau and ongoing focus on working capital management.

Current trade and other receivables decreased from $455.4 million to $422.5 million, whilst current trade and other payables decreased from $466.3 million to $458.9 million. The decrease in trade and other receivables was partially offset with the increase in contract assets for claims at 30 June 2026, currently being negotiated with clients.

NET DEBT

Net debt at 30 June 2026, decreased from $162.4 million to $111.1 million, representing gearing of 13.0%. This comprised cash on hand at 30 June 2026, of $309.7 million (30 June 2025: $263.9 million), offset by borrowings of $420.7 million (30 June 2025: $426.3 million). Net debt to EBITDA for 30 June 2026, was 0.28 times.

The decrease in net debt to $111.1 million was primarily due to ongoing working capital management and disciplined capital expenditure during the period.

As at 30 June 2026, cash and unutilised capital facilities totalled $566.3 million (30 June 2025: $538.4 million).

CASH FLOW

Underlying operating cash flow (excluding interest, tax, acquisition and SaaS customisation costs) for the year ended 30 June 2026 was $387.4 million (30 June 2025: $407.4 million), representing a conversion rate from underlying EBITDA of 98.4%. Cash conversion reflected strong cash generation from operations and the improved receivables collection partially offset with the commencement of new projects.

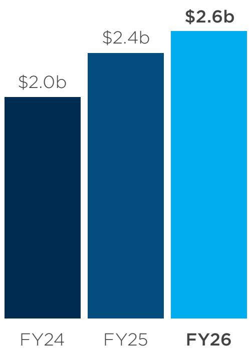
CAPITAL EXPENDITURE

Capital expenditure for property, plant and equipment for the year totalled $204.3 million (2025: $221.2 million), comprising $59.1 million (2025: $42.7 million) acquired through finance leases and $145.2 million funded in cash (2025: $178.5 million).

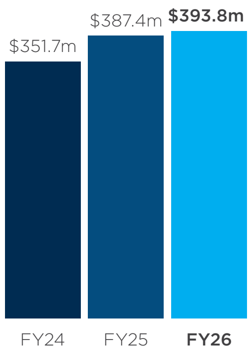
DIVIDEND

The Board has approved the payment of a fully franked final dividend of 1.25 cents per share for FY26. This equates to a total dividend declared for FY26 of 2.2 cents per share.

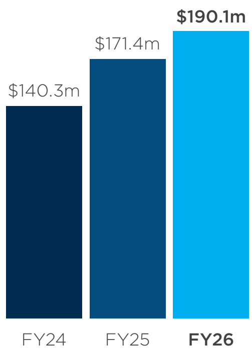
REVENUE



UNDERLYING EBITDA



UNDERLYING EBIT(A)



UNDERLYING EBIT(A) MARGIN

Risk Management

Macmahon defines risk management as the process of identifying, assessing and managing risks that have the potential to materially impact on its operations, people, reputation or financial results.

Given the breadth of operations, geographies, and markets in which Macmahon operates, a wide range of risk factors has the potential to impact Macmahon. While Macmahon endeavours to mitigate and manage risks where it is efficient and practicable to do so, there is no guarantee these efforts will succeed.

Macmahon has an established Risk Management Policy and supporting standards to articulate general principles and provide a framework for integrating risk management into day-to-day decision-making, allowing Macmahon to make informed and appropriate decisions on commercial, sustainability, and business risks to achieve its strategic objectives.

The Audit and Risk Committee oversees the effectiveness of the Group's risk management framework and reviews material business risks and changes in risk ratings. This includes oversight of sustainability and climate-related risks within Macmahon's broader enterprise risk arrangements. Macmahon's approach to climate-related risks and opportunities is presented in the Sustainability Report on page 79.

Risks are assessed based on their likelihood of occurrence and the potential impact they may have, both inherently (before controls) and residually (after controls).

The material business risks that may affect Macmahon's strategic objectives, operational performance and prospects are summarised below.

PEOPLE AND CULTURE

Given the continued shortage of skilled labour and surge in demand for our diversified offerings, Macmahon could face difficulties in securing specialised, skilled employees aligned with Macmahon's values and strategy. A lack of capability to attract, retain and develop our employees may result in compromising our ability to achieve operational performance, culture and capability of the workforce not aligning with the values and strategy of the organisation, not having the right people and/or delivering training and/or meeting the evolving flexible needs of the workforce and potential absenteeism and/or high turnover.

To mitigate this risk, Macmahon has made culture a key focus of the business by championing our values and pursuing a strategy of creating a rewarding and supportive workplace. The development and implementation of initiatives such as the Employee Value Proposition, *Together. Works.*, *Respect@Macmahon* Roadmap and the Diversity, Equity, and Inclusion Roadmap have further embedded our values throughout the business. Additionally, Macmahon has continued its apprenticeship intake and leadership training programs, and conducts ongoing employee engagement surveys to continually assess and improve our workplace culture. These efforts not only reinforce our commitment to our values but also ensure a thriving, inclusive, and motivated workforce.

INDUSTRIAL RELATIONS AND UNION CHANGES

Macmahon aims to maintain strong relationships with our workforce to ensure a safe and productive working environment. Disruptions to Macmahon's operations and work environment could occur due to increased union activism, shifts in the political landscape, or alterations in industrial relations legislation, which could potentially impact our ability to provide continuity of supply and/or work environment. Macmahon has Enterprise Agreements to cover most of the wages workforce for existing projects.

PSYCHOSOCIAL HARM RISK

Psychosocial harm refers to incidents that may cause harm to the mental health of our workforce. Failure to adequately implement workplace policies or enforcement to prevent harassment or bullying, effectively report or provide support systems for affected employees, and provide adequate training to prevent such incidents could compromise employee wellbeing.

Deteriorating mental health of employees could lead to increased absenteeism or turnover, difficulty in attracting and retaining talent due to negative workplace culture, potential legal implications, operational disruptions due to workforce instability, and potential reputational damage impacting the Company's ability to retain clients and impacting operational and financial performance. To mitigate this risk, Macmahon is committed to ensuring the safety and wellbeing of our people, communities, and environment around us. *Respect@Macmahon* is continually expanding and drives ongoing improvements in this area. We implement policies and standards, including the Code of Conduct, Diversity and Inclusion Policy, Sexual Harassment Policy, Whistleblower Policy, and the Equal Employment Opportunity Complaint and Resolution Procedure, designed to protect our workforce. These principles form the foundation of our strategy in addressing psychosocial harm, offering explicit guidance on the standards we expect all our operations to meet.

LOGISTICS AND SUPPLY CHAIN RISK

Macmahon partners with various suppliers and joint venturers. Global supply chains remain fragile due to macroeconomic uncertainty, which has the potential to significantly impact our business operations. In the era of globalised commerce, logistical and supply chain risks remain high due to geopolitical issues, supplier disruptions, and broader macroeconomic trends. Given the dependence on international suppliers and partners, these risks are particularly relevant for Macmahon. Macmahon is exposed to global macroeconomic issues and/or unethical practices of suppliers and joint venture partners, such as engagement in modern slavery, which could disrupt Macmahon's supply chain. This could lead to potential disruptions to operations due to supply chain or logistical issues, resulting in delays, increased costs, damage to Macmahon's reputation, and potential legal issues associated with entities engaging in modern slavery. It could also result in loss of trust among stakeholders and possible sanctions or penalties from regulatory bodies.

To manage this risk, Macmahon regularly reviews procurement policies and procedures, monitors inventory holdings, and maintains regular contact with key suppliers to optimise critical inventory needed to meet operational requirements. Commercial teams also work closely with clients to ensure that cost increases are passed on optimally.

EXECUTION OF CONTRACTS

The proper execution of strategic contracts is vital for business continuity and growth. In the complex environment in which the Group operates, challenges such as project delays, cost overruns, and early contract terminations can severely impact the Company's financial health and reputation. If underperformance in project delivery, inefficient contract management, or inadequate climate-related impact clauses such as weather and premature contract termination were to occur, Macmahon could be exposed to delays, cost overruns, potential legal and regulatory issues arising from non-compliance with contract terms, damage to its reputation, and possible loss of future business opportunities.

To mitigate this risk, Macmahon continues to improve its contract management capabilities, emphasising robust planning, performance tracking, and effective communication with all involved parties.

BREACH OF CLIMATE REGULATIONS

Macmahon faces the risk of non-compliance with climate-related regulatory requirements or mandated disclosures in all jurisdictions where it operates. This includes obligations in Australia under the *National Greenhouse and Energy Reporting (NGER) Act 2007* (Cth) (if thresholds are triggered), potential Safeguard Mechanism responsibilities and mandatory climate-related financial disclosures under *AASB S2* which includes application of the greenhouse gas (GHG) Protocol. The risk also encompasses comparable or emerging requirements in Indonesia and Malaysia and investor-driven expectations equivalent to soft-law compliance.

Climate regulatory obligations are increasing and evolving. Without strong governance, data controls and government policy and regulatory horizon scanning, there is a material risk of misreporting GHG emissions, failing to meet disclosure requirements, or misunderstanding jurisdictional obligations. Non-compliance could result in legal penalties, regulatory scrutiny, reputational damage, loss of investor confidence, or impacts on future contract awards.

Risk Management (continued)

LEGAL/REGULATORY NON-COMPLIANCE WITHIN ALL JURISDICTIONS IN WHICH MACMAHON OPERATES

In addition to Australia, Macmahon operates in international markets, including Indonesia and Malaysia, which may have higher sovereign risk ratings than Australia. This exposes Macmahon to additional adverse economic conditions, civil unrest, conflicts, terrorism, security breaches, bribery and corrupt practices. If Macmahon does not adequately monitor compliance with key legal or regulatory requirements in the jurisdictions it operates, then there is a risk of potential fines or legal proceedings, loss of social license to operate, impacting business continuity and growth, damage to reputation, and loss of trust among stakeholders, including clients and investors.

To mitigate this risk, Macmahon:

- Monitors political activity, policy, legislative and regulatory changes in the jurisdictions it operates.
- Engages with relevant authorities and agencies in those jurisdictions.
- Maintains robust ongoing monitoring of changes in laws and regulations by HR, safety and legal teams.

CYBER SECURITY, IT SERVICES AND IT INFRASTRUCTURE

The potential for cyber security incidents, including ransomware and data extortion, social engineering, business email compromise, identity compromise, supply chain and third-party compromise, and intrusions by state-sponsored or advanced threat actors targeting defence and critical infrastructure supply chains, pose ongoing and material risks to operations, sensitive information, and personnel.

Business continuity relies heavily on the availability, integrity and trustworthiness of IT services, cloud platforms, and the operational technology, telematics and connected systems used on project sites. Compromise, loss of availability, or loss of data integrity will negatively affect operations, project delivery, regulatory compliance (including *Privacy Act*, *Security of Critical Infrastructure Act* (SOCI) obligations where applicable, and Defence Industry Security Program (DISP) requirements), tender qualification, and insurability.

The growing prevalence of Artificial Intelligence (AI) introduces both internal risk (use of unapproved AI tools, leakage of sensitive data into third-party models, prompt injection of approved AI systems) and external risk (AI-enabled phishing, deepfake-based social engineering and impersonation fraud, and AI-accelerated reconnaissance and attack tooling). To mitigate this risk, Macmahon has implemented a Cyber Resilience Strategy and a Cyber Security Management Framework in response to our security maturity assessment, which continues to evolve in accordance with industry changes.

INNOVATION RISK

Adopting new technologies to achieve operational efficiency and cost-effectiveness is needed to remain competitive in the market. Macmahon positions itself as an early adopter of new technologies. Macmahon innovates through the optimisation of business and operational structures and processes. There is a risk that unmatched technological improvements by competitors could leave Macmahon at a competitive disadvantage and unable to compete. There is also a risk that Macmahon may not keep pace with the changes in the current business environment, making the Company less attractive to clients. To mitigate this risk, Macmahon has a Technology Roadmap in surface and underground operations to enhance safe and efficient productivity.

MACROECONOMIC AND CHANGES IN POLITICAL LANDSCAPE RISK

Macroeconomic and political landscape risks remain increasingly relevant as global markets continue to intertwine. For Macmahon, fluctuations in foreign currency exchange (FX) rates, commodity prices, and changing political and regulatory environments in the jurisdictions where Macmahon operates, can significantly affect the bottom line. Macmahon is exposed to macroeconomic events or geopolitical tension changes such as unstable foreign currency fluctuations, political conflicts, industry and commodity price volatility, or price inflation which may have a negative impact on the business.

This is due to economic instability or downturns in the markets Macmahon operates in, political instability leading to policy changes, unpredictable fluctuations in foreign currency rates, volatile commodity prices, or high inflation rates.

As a result, potential financial losses may occur due to unfavourable economic conditions, challenges in meeting changing legal or regulatory requirements, operational disruptions resulting from political conflicts, decreased profitability resulting from currency or commodity price fluctuations, and potential reputational damage if unable to maintain compliance with evolving legal frameworks. To manage this risk, developing a flexible business strategy that includes diversification of markets and products will further aid in minimising the FX impact/exposure to intercompany debt and other foreign currency transactions. Macmahon closely monitors FX exposure and implements natural hedging across its international operations as required.

CONTINGENT LIABILITIES

Macmahon is exposed to several contingent liabilities, including those described in the notes to the Annual Report. The conversion of Macmahon's contingent liabilities into actual liabilities could result in a negative impact on Macmahon's financial position and financial guidance due to unexpected financial burdens. To mitigate this, Macmahon has ongoing monitoring of contingent liabilities, changes to legislation and potential legal precedents.

CAPITAL STRATEGY AND STRUCTURE

Macmahon aims to manage uncertainty related to changing macroeconomic conditions. We do the same when it comes to the volatility in commodity, currency and capital markets, given the impact they can have on our earnings, balance sheet and ability to pursue our strategy.

If Macmahon fails to sufficiently plan capital spending, raise sufficient funds and meet financial covenants imposed by lenders, it could be exposed to potential inadequate capital structure to fund our strategic objectives, creating balance sheet risks such as issues with gearing, liquidity, or covenants. As a result, Macmahon could face difficulty in executing strategic initiatives due to a lack of necessary funding, potential breaches of covenants leading to penalties or increased borrowing costs, potential liquidity issues impacting daily operations, and diminished investor confidence due to perceived financial instability.

To mitigate this risk, Macmahon has robust financial controls over gearing, liquidity and banking covenants in order to manage and structure capital for funding its strategic objectives. In addition, Macmahon has diversified financing facilities with several external financiers. We aim to ensure that we continue to meet all our obligations under these facilities regardless of the financial climate.

PIPELINE MAKEUP

Macmahon's performance is impacted by its ability to win, extend and complete new contracts with an appropriate economic return (the "pipeline").

Pipeline degradation of Macmahon's order book pipeline could occur due to misalignment of business operations with market strategy and failure to win or extend new contracts. As a result, Macmahon could face financial losses due to uneconomic contracts and operational inefficiencies, or entering/working in high-risk commodities, leading to resource strain, which could ultimately impact overall financial performance and position due to failure to win or extend new contracts.

Macmahon has applied a rigorous work pipeline process to mitigate this risk, including the authority to bid process and risk and opportunity standards, a Board review on potential key projects, and budgets are prepared to consider all secured work.

STRATEGIC PARTNERSHIP RISK - SERVICE PROVIDERS

Strategic partnerships are vital in leveraging resources, sharing knowledge and competencies, and achieving operational efficiency. Macmahon strategically partners with providers of non-core services to grow the Company's revenue and market share in targeted markets. A breakdown in these relationships and/or financial distress experienced by the partner(s) could lead to operational disruption, reputational damage and/or financial losses. This is mitigated by extensive due diligence and procurement activities that ensure parties with complementary skill sets will accelerate our growth and enable us to secure larger-scale projects on acceptable commercial terms.

Risk Management (continued)

EXECUTIVE AND NON-EXECUTIVE PERFORMANCE

The performance of Macmahon's leadership team is a critical determinant of the Company's success. In a highly competitive service industry, the Company's strategic direction, financial performance, and stakeholder confidence are all closely tied to the capability and judgment of the CEO and the Board. Inadequate leadership or decision-making by the CEO, inadequate Board composition, and lack of experience or capability of the Board and CEO, could result in compromised strategic directions impacting the Company's growth and competitiveness, financial underperformance eroding shareholder value, and decreased stakeholder confidence due to lack of effective leadership, potential loss of key personnel, and reputational damage. Macmahon has implemented a comprehensive performance management system to mitigate this risk, which is reviewed regularly. In addition, the effectiveness of the Board is monitored through the use of board evaluation processes and regular discussions.

BREAKDOWN IN CORPORATE GOVERNANCE

Overseeing holistic governance is a key function of the Board. Breakdown in administration of governance could lead to increased fraud rates, financial inaccuracies, safety issues, and reputational damage. This may be due to inadequate or insufficient oversight by the Board, non-compliance with governance standards, inadequate internal controls and audit mechanisms, or failure to adhere to regulatory requirements and ethical standards. Without the appropriate controls, there is an increased likelihood of fraudulent activities and financial misstatements, safety issues leading to employee harm, loss of life, operational disruptions, reputational damage attracting adverse reactions from shareholders, markets, and regulators, increased risk of litigation against the Company, and potential penalties or sanctions by regulatory bodies.

To mitigate this, Macmahon maintains a formal Corporate Governance Statement, and an annual review is conducted of the Company's main governance policies and procedures. This is supported by:

- Internal management review processes.
- Regular Board meetings.
- Internal and external auditing processes.
- Representation undertakings by the Executive team to the CEO and CFO every six months.
- A robust internal function that ensures the review and regular monitoring of Whistleblower Policy and hotline, Code of Conduct, corrective action and non-conformance standards.

SOCIAL LICENSE TO OPERATE

Local communities can have a significant impact on Macmahon's operations and corporate reputation. Local communities often depend on the project for employment, training and local business opportunities. Social license to operate represents the level of acceptance or approval by local communities and stakeholders of Macmahon's operations. With increased public scrutiny of the mining and construction industries' social and environmental impact, maintaining a social license is critical for ongoing success. If Macmahon fails to effectively manage social impacts of operation and meet the expectations of the community in the way it operates, Macmahon could be exposed to a damaged reputation, potential loss of clients or tender and potential legal consequences for non-compliance with local regulations or expectations. To mitigate this risk, Macmahon has implemented active engagement and support in local community relations via the Macmahon Foundation. In addition, Macmahon is ensuring local communities are considered when hiring and procuring supplies. Macmahon also fosters a positive work environment through various health and wellbeing programs. Our *Strong Minds, Strong Mines* program provides mental, physical, and social health support to our people and the broader mining industry.

Tropicana Gold Mine, Western Australia

Our Board

GREG EVANS

INDEPENDENT, NON-EXECUTIVE CHAIR

Appointed as Director on 1 November 2024

Appointed as Chair on 24 October 2025

QUALIFICATIONS:

BCom (Econ), GradDipAppFin, and GAICD

EXPERIENCE AND EXPERTISE:

Mr Evans has over 25 years of experience in financial services and capital markets, including over 10 years as a Partner and Principal Director of KPMG Australia's Mergers and Acquisitions Team.

Mr Evans has advised boards and management teams, as well as providers of debt and equity, and other financial sponsors on capital raisings, mergers and acquisition transactions, equity and debt structuring, public offerings, and strategic growth options.

Current other directorships of listed companies

Non-Executive Director of Yandal Resources Limited

Former directorships of listed companies (last three years)

None

Committee memberships

- Chair of the Nomination Committee

Interests in ordinary shares	64,100
Interests in share right	64,100

MICHAEL FINNEGAN

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Appointed as Managing Director on 1 October 2019

QUALIFICATIONS:

BSc (Mining)

EXPERIENCE AND EXPERTISE:

Mr Finnegan has more than 25 years of experience in the mining industry, with the last 20 years primarily spent in senior management positions.

Mr Finnegan has a strong commercial and technical background, having spent time in operations on both the east and west coasts of Australia, as well as in several countries throughout Asia.

Current other directorships of listed companies

None

Former directorships of listed companies (last three years)

None

Committee memberships

- Member of the Nomination Committee

Interests in ordinary shares	12,557,328
Interests in share rights	14,423,392

DHARMA CHANDRAN

INDEPENDENT, NON-EXECUTIVE DIRECTOR

Appointed on 1 February 2024

QUALIFICATIONS:

BCom (Marketing), LLB, and MCom (OrgMan)

EXPERIENCE AND EXPERTISE:

Mr Chandran is an experienced executive and non-executive director with a background in professional services and human resource management within the financial services, resources, and industrial sectors in Australia and Asia.

Mr Chandran has significant experience in the contract mining and civil construction sectors, as the former Chief Human Resources and Corporate Services Officer for mining and civil contractor Leighton Holdings, and further experience in human resource management through his previous role as Chief People Officer of the ABC and his current role as Chief People and Corporate Services Officer of Toll Group.

Current other directorships of listed companies

None

Former directorships of listed companies (last three years)

None

Committee memberships

- Chair of the Remuneration and Culture Committee
- Member of the Nomination Committee

Interests in ordinary shares	364,348
Interests in share rights	128,150

DAVID GIBBS

NON-INDEPENDENT, NON-EXECUTIVE DIRECTOR

(AMNT Nominee) Appointed on 13 July 2023

QUALIFICATIONS:

BSc (Hons), ARSM, C Eng, and MAICD

EXPERIENCE AND EXPERTISE:

Mr Gibbs has 40 years of experience in small to large mining operations, including copper and gold, diamonds, uranium, coal (thermal and metallurgical), talc, and nickel laterite resources.

Mr Gibbs' experience encompasses underground and open-pit mining operations across South Africa, Namibia, Papua New Guinea, Australia, Thailand, and Indonesia.

Current other directorships of listed companies

None

Former directorships of listed companies (last three years)

PT Amman Mineral Internasional Tbk

Committee memberships

- Member of the Nomination Committee

Interests in ordinary shares	672,256
Interests in share rights	None

Our Board (continued)

SUZAN PERVAN

INDEPENDENT, NON-EXECUTIVE DIRECTOR

Appointed on 1 November 2025

QUALIFICATIONS:

BBus, CA, and GAICD

EXPERIENCE AND EXPERTISE:

Ms Pervan is an experienced accounting professional with over 25 years of practice and industry experience. Ms Pervan spent nine years at Ernst & Young in Australia and five years internationally, including with Price Waterhouse Coopers. In 1998, she co-founded the Perth based accounting firm, Gooding Pervan Chartered Accountants, where she worked until retirement from the firm in 2010. In 2003, Ms Pervan was recognised by the Business News 40under40 Awards for her contribution to business and leadership.

Ms Pervan has also served as Non-Executive Director of United Credit Union and Pioneer Credit, bringing governance, financial and strategic expertise to the Board. Ms Pervan is a graduate member of the Australian Institute of Company Directors, a member of Chartered Accountants Australia and New Zealand, and holds a Bachelor of Business degree from Curtin University.

Current other directorships of listed companies

None

Former directorships of listed companies (last three years)

Pioneer Credit Limited

Committee memberships

- Chair of the Audit and Risk Committee
- Member of the Remuneration and Culture Committee
- Member of the Nomination Committee

Interests in ordinary shares	None
Interests in share rights	None

TOM QUINN

INDEPENDENT, NON-EXECUTIVE DIRECTOR

Appointed on 16 March 2026

QUALIFICATIONS:

BSc (MechEng) and MBA

EXPERIENCE AND EXPERTISE:

Mr Quinn is an experienced executive across multiple sectors, including mining, engineering and construction, manufacturing, oil and gas, food, and chemical industries. Mr Quinn's experience includes leading multi-billion-dollar businesses in Australia, Asia, North America, undertaking mergers and acquisitions, and operational risks. From 2010 to 2013 Mr Quinn was named as one of the top 100 engineers in Australia by Engineers Australia.

Mr Quinn holds a Bachelor of Science degree in Mechanical Engineering (Hons) and a Master of Business Administration, both from Monash University.

Current other directorships of listed companies

Chair – Nagambie Resources Limited

Former directorships of listed companies (last three years)

None

Committee memberships

- Member of the Audit and Risk Committee
- Member of the Nomination Committee

Interests in ordinary shares	None
Interests in share rights	None

ARIEF SIDARTO

NON-INDEPENDENT, NON-EXECUTIVE DIRECTOR

(AMNT Nominee) Appointed on 29 April 2026

QUALIFICATIONS:

Bachelor's degrees in finance and engineering, and an MBA

EXPERIENCE AND EXPERTISE:

Mr Sidarto is a financial and corporate executive with over 30 years of experience in financial strategy, capital markets, and large corporate transformation, including leading complex restructuring initiatives, driving business improvement, and executing cross-border transactions across resource and industrial sectors. Mr Sidarto has extensive expertise with multi-national stakeholders, regulatory compliance, and aligning strategic objectives with shareholder value creation.

Mr Sidarto currently serves as President Director of PT Amman Mineral Internasional Tbk (Amman).

Mr Sidarto holds dual bachelor's degrees in finance and engineering from the University of Pennsylvania and a Master of Business Administration degree from Harvard Business School.

Current other directorships of listed companies

PT Amman Mineral Internasional Tbk

Former directorships of listed companies (last three years)

None

Committee memberships

- Member of the Nomination Committee

Interests in ordinary shares 2,619,447

Interests in share rights None

GRAHAME WHITE

INDEPENDENT, NON-EXECUTIVE DIRECTOR

Appointed on 1 February 2024

QUALIFICATIONS:

BE (MechEng)

EXPERIENCE AND EXPERTISE:

Mr White is an experienced executive and non-executive director with a background in the construction, energy and resources sectors in Australia and Asia.

Mr White brings a wealth of experience in engineering, mining and resources, infrastructure and civil contracting, strategy, project technical and commercial analysis, and project development and operations management. During his career, Mr White has spearheaded business development across Hong Kong, Singapore, Thailand, Vietnam, the Philippines, China, and Malaysia in the infrastructure and civil contracting sector.

Current other directorships of listed companies

Metals X Limited

Former directorships of listed companies (last three years)

None

Committee memberships

- Member of the Audit and Risk Committee
- Member of the Remuneration and Culture Committee
- Member of the Nomination Committee

Interests in ordinary shares 500,000

Interests in share rights None

Executive Management Team

MICHAEL FINNEGAN

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Mr Finnegan has more than 25 years of experience in the mining industry, with the last 20 years primarily spent in senior line management positions.

Mr Finnegan has a strong commercial and technical background, having spent time in operations on both the east and west coasts of Australia, as well as in several countries throughout Asia.

URSULA LUMMIS

CHIEF FINANCIAL OFFICER

Ms Lummis is a Chartered Accountant and holds a Bachelor of Commerce (Honours) degree in Accounting, Auditing and Tax. She joined Macmahon in 2018 as Group Financial Controller and was appointed Chief Financial Officer on 1 November 2021.

Before joining Macmahon, Ms Lummis had over 20 years of experience with KPMG South Africa and KPMG Australia, providing services to numerous globally listed companies in the mining and mining services sectors.

PETER POLLARD

CHIEF CORPORATE DEVELOPMENT OFFICER

Mr Pollard holds a Bachelor of Business and joined Macmahon in August 2020 as Chief Financial Officer. In November 2021, Mr Pollard moved into a strategic consulting role and was appointed Chief Corporate Development Officer in November 2023.

Mr Pollard has over 40 years of experience in the contracting and services sectors, covering mining, oil and gas, infrastructure, and telecommunications.

NICOLA HAMILTON

CHIEF PEOPLE OFFICER

Ms Hamilton commenced with Macmahon in February 2021 and holds a Bachelor of Arts (Honours) in Human Resource Management. She has over 25 years of experience in people and culture leadership management with global resources companies.

She specialises in building and leading HR functions in diverse environments with expertise in business and strategic planning, change management, talent management and development, and employee relations.

MAHA CHAAR

GENERAL COUNSEL AND COMPANY SECRETARY

Ms Chaar is a senior executive and qualified lawyer with extensive national and international experience.

Ms Chaar holds a Master of Laws, a Bachelor of Laws (Honours), and a Bachelor of Science. She joined Macmahon in 2021 and was appointed General Counsel in January 2022 and Company Secretary in January 2024. She has authored several published, peer-reviewed academic papers and articles.

BRYN VAUGHAN

EXECUTIVE GENERAL MANAGER HSSEQT

Mr Vaughan has over 20 years of experience across the resources, construction and services industries. Mr Vaughan joined the business in 2024 through the acquisition of Decmil and was appointed Executive General Manager HSSEQT in December 2025. Prior to joining Macmahon, Mr Vaughan held senior roles at Decmil and CPB Contractors (formerly Leighton Contractors). Mr Vaughan holds a Master's degree in Occupational Health and Safety.

Executive Management Team (continued)

JASON MCCALLUM

MANAGING DIRECTOR – SURFACE MINING AUSTRALIA

Mr McCallum is a Senior Executive with over 35 years of experience in the mining sector. He joined Macmahon in June 2023 as General Manager East Coast and Civil Operations and was appointed Managing Director of Surface Mining Australia in October 2024. Before Macmahon, Mr McCallum held senior management positions with BHP, Vale Coal and Yancoal.

LUKE REYMOND

MANAGING DIRECTOR - UNDERGROUND MINING AUSTRALIA

Mr Reymond is a passionate mining professional with a committed focus on industry-leading safety, operational standards, mine performance optimisation and continuous improvement. Mr Reymond has 25 years of experience in Surface and Underground operations in the mining sector for Tier 1 companies, including six years of expatriate experience in senior leadership roles across Africa and Asia.

DEON BADDOCK

MANAGING DIRECTOR – CIVIL INFRASTRUCTURE WEST

Mr Baddock has 30 years of experience across the resources, infrastructure and renewables sectors in Australia. Mr Baddock joined the business in 2024 through the acquisition of Decmil and was appointed Managing Director of West Coast Operating Companies in September 2025. Mr Baddock is a Chartered Professional Civil and Structural Engineer and holds various Postgraduate qualifications.

SIMON BARNES

MANAGING DIRECTOR – CIVIL INFRASTRUCTURE EAST

Mr Barnes has 30 years of experience across the civil infrastructure and construction across Australia. Mr Barnes joined the business in 2024 through the acquisition of Decmil and was appointed Managing Director of East Coast Operating Companies in September 2025. Before joining Macmahon, Mr Barnes held senior executive roles with Acciona and Lendlease Engineering where he led large project teams and oversaw major transport and infrastructure programs.

DOUGLAS HAMILTON

GENERAL MANAGER - ASIA

Mr Hamilton has more than 35 years of experience in the contractor mining and construction sectors. He joined Macmahon in 2016 as an Asset Manager in Indonesia and was appointed Operations Manager in 2019. He now serves as General Manager - Asia and President Director of our Indonesian business. Prior to Macmahon, he spent 23 years in senior roles with Leighton Asia across the Asia Pacific and southern Africa.

Tropicana Gold Mine, Western Australia

Sustainability at Macmahon

Macmahon is building a resilient, sustainable business through strong safety, financial and operational performance. Our people are central to our success as we create long-term value, minimise our environmental footprint, make a positive social impact and apply ethical business and governance practices.

FY26 Highlights

DEVELOPED AND LAUNCHED

TOGETHER.WORKS.

Macmahon's Group-wide Employee Value Proposition.

ESTABLISHED

THE MACMAHON FOUNDATION

Launched a Community Grants Program to strengthen community engagement, awarding nine grants in its inaugural year.

IMPLEMENTED

EVOTIX

Macmahon's Group-wide platform for HSEQ reporting, governance and continual improvement.

ADVANCED

CRITICAL RISK MANAGEMENT

Framework to better reflect operating company and sector specific risk profiles.

RECOGNISED

STRONG MINDS, STRONG MINES

With the 2026 Australian Mental Health Award for Best Practice in the Workplace.

FIRST NATIONS TRAINEES

FIRST

Martu First Nations Dump Truck Training Academy at Telfer.

CLIMATE DISCLOSURE

FIRST

Mandatory climate-related financial disclosures under *AASB S2* published.

EMISSIONS INVENTORY

FIRST

Scope 3 emissions inventory prepared ahead of FY27 disclosure and assurance.

5

Consecutive years of *Respect@Macmahon*.

78.5%

Apprentice retention rate.

20.6%

Employees in Australia are female.

Waddi Wind Farm, Western Australia

Governance

At Macmahon, strong governance is fundamental to sustaining our social license to operate and delivering long-term business resilience. Our governance framework and supporting policies promote ethical conduct, accountability, and transparency across the organisation, reinforcing our values and responsibilities to shareholders.

Boston Shaker Gold Project, Western Australia

Corporate Governance

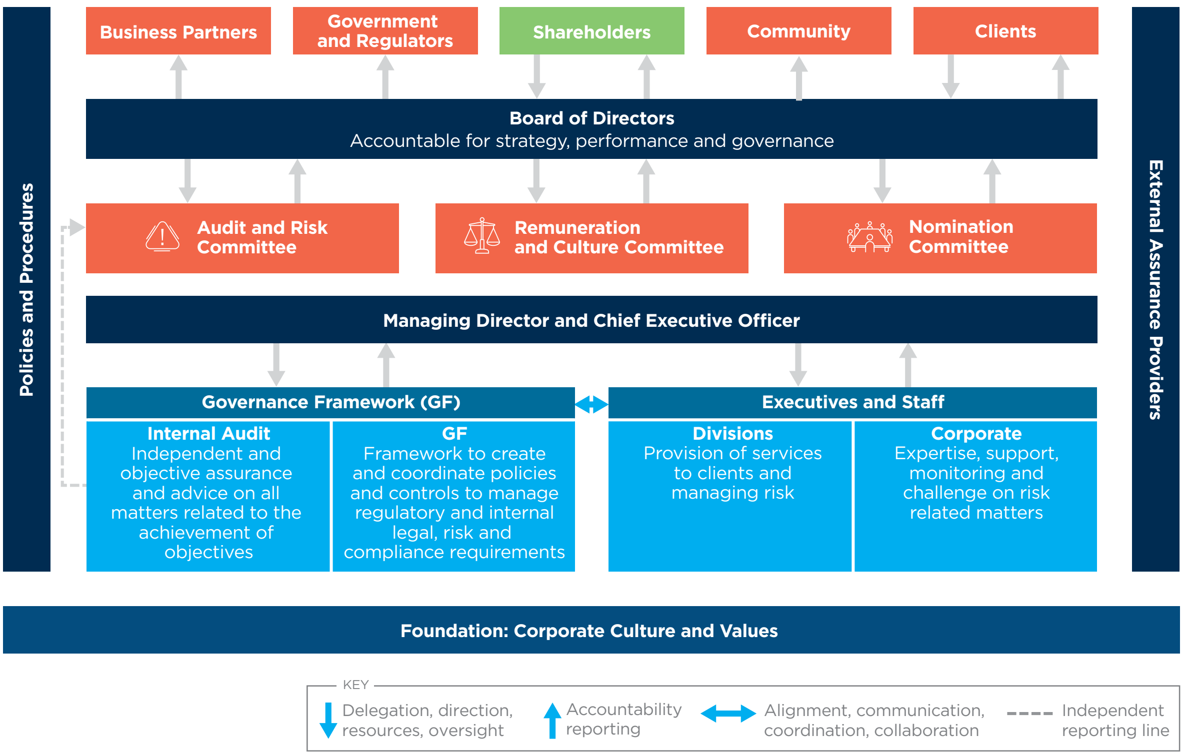
Macmahon's governance framework establishes clear accountability for decision-making, oversight and performance across the Group. It is supported by policies, standards, internal controls and assurance processes designed to promote ethical conduct, transparency and the responsible management of financial and non-financial risks.

The Board is Macmahon's highest governing body and is responsible for the overall strategic direction, performance and governance of the Company. It oversees Macmahon's purpose, values, policies and strategy and retains oversight of material business risks, including sustainability and climate-related matters.

The Audit and Risk Committee supports the Board by overseeing the Group's risk management framework, internal controls, financial and sustainability reporting, internal audit and external assurance. Management is responsible for implementing the Group's strategy and managing risks within approved accountabilities, policies and risk tolerances.

Further information on Macmahon's Board, committees and broader corporate governance practices is provided in the FY26 Corporate Governance Statement.

CORPORATE GOVERNANCE FRAMEWORK



BUSINESS ETHICS AND TRANSPARENCY

Macmahon is committed to conducting business lawfully, ethically and with integrity. Our Code of Conduct defines the standards of behaviour expected from directors, employees, contractors and others acting on behalf of the Group.

The Code is supported by policies and standards addressing matters including anti-bribery and corruption, whistleblowing, human rights, privacy, diversity and inclusion, health and safety, environmental management, procurement and sustainability. Together, these requirements provide a consistent foundation for responsible decision-making across Macmahon's Australian and international operations.

Macmahon's core policies are available at www.macmahon.com.au/about/core-policies

COMPLIANCE OVERVIEW

For this reporting period, there were:

No matters involving corruption or serious breaches of the Code of Conduct were recorded.	No confirmed incidents where contracts with business partners were terminated or not renewed due to corruption-related violations.
No confirmed incidents in which employees were dismissed or disciplined for corruption.	No public legal cases relating to corruption were brought against Macmahon or its employees.

ASSURANCE AND INTERNAL CONTROLS

Macmahon's assurance arrangements support the Board and management in assessing the effectiveness of governance, risk management and internal controls.

The internal audit function evaluates key areas of the business using internal and external subject-matter expertise where appropriate. Internal audit findings and recommendations are reported to the Audit and Risk Committee and are used to support ongoing improvement in governance, control and risk-management practices.

External audit and assurance activities provide additional confidence over Macmahon's corporate reporting. These include the review of the Half-Year Financial Report, the audit of the Annual Financial Report and limited assurance over selected climate-related financial disclosures.

The precise scope and conclusion of the climate assurance engagement are set out in the Independent Limited Assurance Report accompanying the Sustainability Report.

Responsible Procurement

Macmahon recognises that its purchasing decisions can influence environmental, social and economic outcomes across the supply chain. Our procurement approach is designed to support safe, ethical and responsible sourcing, while promoting transparency, fair business practices and alignment with Macmahon's values and operating requirements.

Environmental and social considerations are incorporated into supplier onboarding, prequalification and ongoing due diligence. Macmahon seeks to work with suppliers and service providers that meet applicable legal and contractual requirements, demonstrate responsible business practices and support the effective management of sustainability-related risks.

MODERN SLAVERY

Macmahon takes a risk-based approach to identifying and managing modern slavery risks across its operations and supply chain. Supplier due diligence includes the Modern Slavery Self-Assessment Questionnaire, onboarding requirements, awareness training and targeted reviews where additional scrutiny is warranted.

The assessment considers matters such as labour practices, codes of conduct, grievance mechanisms, supply-chain transparency and obligations under the *Modern Slavery Act 2018* (Cth). Modern slavery awareness training is also incorporated into the supplier onboarding process to help suppliers recognise potential indicators of modern slavery and understand the appropriate steps to take where concerns are identified.

In FY26, 175 new suppliers were assessed for modern slavery and broader social-impact risks through Macmahon's supplier onboarding process.

Macmahon publishes an annual Modern Slavery Statement outlining the actions taken to identify, assess and address modern slavery risks across the Group's operations and supply chain. Published Statements are available on our website: www.macmahon.com.au/sustainability/governance/modern-slavery

FIRST NATIONS SUPPLIER ENGAGEMENT

Macmahon is committed to supporting greater participation by First Nations businesses in its supply chain and creating sustainable economic opportunities in the regions where it operates.

Our approach is guided by Macmahon's First Nations Peoples Statement and focuses on building respectful, long-term relationships with First Nations businesses and communities. Where opportunities arise, Macmahon works with clients, project teams and procurement partners to support local sourcing, supplier participation and capability development.

This approach recognises that procurement can generate value beyond the immediate supply of goods and services by supporting employment, business growth and economic participation within local and First Nations communities.

Jerriwah Village, Western Australia

People, Culture and Wellbeing

Macmahon is committed to maintaining a safe, healthy and inclusive workplace where our people feel valued, supported and empowered to develop their skills and build rewarding careers. Together, we strive to make a meaningful difference by fostering strong community connections and contributing positively to the places where we live and work.

Our Approach to Social Responsibility

Our social priorities are centred on creating safe, inclusive and respectful workplaces while building strong, trusted relationships with the communities connected to our operations. We recognise that our people are fundamental to our success and are committed to supporting their health, safety, wellbeing, development and leadership growth. Through a combination of Group-wide programs and locally tailored initiatives, we foster diversity, equity and inclusion, promote mental health and wellbeing, create meaningful career opportunities, and strengthen cultural awareness across our workforce. We also partner with local and First Nations businesses to help generate sustainable economic and social value. By embedding these commitments into the way we work, we aim to create lasting positive outcomes for our people, communities and stakeholders, strengthen our social license to operate, and contribute to the long-term success of the regions in which we operate.

PEOPLE AND CULTURE

At Macmahon, our culture is built on our Winning Values that guide how we work together and achieve success. Through *The Macmahon Winning Way* leadership development program, we invest in developing leaders who inspire trust, encourage growth and foster strong team performance. Designed specifically for our operating environment, these programs provide leaders with the tools and confidence to create positive workplace experiences where individuals and teams can thrive. This training includes specific modules on psychologically safe environments, as well as practical steps that leaders can take to foster an inclusive culture. Since its inception in FY24, over 500 leaders have progressed through *The Macmahon Winning Way.*

In FY26, Macmahon developed and launched *Together.Works.* our Group-wide Employee Value Proposition (EVP) which articulates a consistent employment experience that all employees can expect, regardless of the operating company they are employed by. *Together.Works.* has been established on the principles of 'give' and 'get' to reinforce that employment requires meaningful contribution from both the employee and employer to be fulfilling and sustainable. *Together.Works.* was developed after extensive workforce engagement, including more than 30 in-person focus groups across Australia and Indonesia-based sites.

All Leaders, Recruiters and People Representatives received specific training prior to launch. This helped ensure that *Together.Works.* isn't just an advertising campaign, but a lived experience felt by all employees.

We are committed to developing talent from within, creating opportunities for our people to grow, progress and build rewarding careers. By investing in our leadership pipeline, living our Winning values every day, and recognising performance in a fair and meaningful way, we foster a culture where individuals and teams can achieve their full potential. At Macmahon, winning is more than the results we deliver – it is reflected in how we work, how we support one another, and how we succeed together every day. Macmahon supports the wellbeing of our people through a range of programs and initiatives designed to help them thrive both inside and out of work. These include access to our Employee Assistance Program (EAP), our award-winning health and wellbeing program, *Strong Minds, Strong Mines*, and on-site gym facilities across the majority of our workplaces. *Respect@Macmahon* continued through FY26, to foster a workplace where issues such as sexual harassment, bullying and harassment are not tolerated.

We are equally committed to helping our people grow, providing structured opportunities to build skills, develop capabilities and progress their careers. Through programs such as *Respect@Macmahon*, we continue to foster a workplace culture built on respect and inclusion, where issues such as sexual harassment, bullying and harassment are not tolerated.

FY26 saw the continuation of *The Macmahon Winning Way* leadership development training. This training includes specific modules on psychologically safe environments, as well as practical steps that leaders can take to foster an inclusive culture. Since its inception in FY24, over 500 leaders have progressed through *The Macmahon Winning Way* leadership program. To compliment the launch of *Together.Works.*, FY26 saw the launch of our EVP Winning Way Pit Stop for all leaders. This electronic learning provided an overview of *Together.Works.* to our leaders and drew connections to *The Macmahon Winning Way* – driving embedment of the EVP as a lived employee experience.

CASE STUDY

BUILDING MACMAHON'S FUTURE LEADERS FROM WITHIN

Developing the Next Generation of Frontline Leaders

At Macmahon, developing talent from within is a key component of our workforce strategy. The *Emerging Leaders* program was established to provide operators and tradespeople with a structured pathway into frontline leadership positions, helping strengthen internal talent pipelines while creating meaningful career opportunities for our people.

Designed for employees who demonstrate initiative, resilience and a willingness to learn, the program equips participants with the skills, confidence and practical experience needed to take the next step in their careers. The program focuses on preparing future leaders for positions such as Leading Hand and Shift Supervisor, while reinforcing the Macmahon Winning Values.

A PRACTICAL APPROACH TO LEADERSHIP DEVELOPMENT

Recognising that many future leaders emerge directly from operational roles, the program has been intentionally designed to be practical, accessible and immediately applicable in the workplace. Participants complete a structured development journey that combines self-reflection, leader-supported learning and virtual leadership masterclasses.

The program includes:

- A program welcome pack including a leadership workbook to help participants identify strengths and development opportunities.
- Three leadership Masterclasses covering:
  - Introduction to Leadership
  - Communication and Difficult Conversations
  - Accountability and Delegation
- On-the-job application activities and "Skills Quests" designed to reinforce learning.
- Ongoing support from leaders and a broader development network.

This approach allows participants to develop capability while remaining in their operational roles, creating an effective bridge between technical expertise and leadership responsibility.

DEMONSTRATING EARLY IMPACT

The program has grown significantly since its introduction and is now operating across Macmahon's Australian Mining Operations. As at 30 June 2026, Macmahon recorded 105 active participants nationally and 34 internal frontline leadership appointments in FY26.

Participant feedback has been strongly positive, with participants highlighting the value of the program in supporting the important transition from team member to team leader.

Safety, Health and Wellbeing

Macmahon adheres to the values of United, Courage, Integrity, and Pride. By promoting an inclusive and supportive environment, encouraging open conversations, and maintaining accountability, the Company ensures focus on managing the safety, health and wellbeing of its employees.

INTEGRATED MANAGEMENT SYSTEMS

Macmahon's success relies on a safe, healthy and well-controlled workplace. The Group Integrated Management System (IMS), certified to ISO 45001, ISO 14001 and ISO 9001, provides the framework for managing safety, environmental and quality risks across Macmahon's operations. Decmil, the Group's civil contracting subsidiary, maintains its own separately certified management system covering the same three ISO standards, reflecting the specific legal and client requirements of civil construction. Decmil also holds accreditation under the Australian Government's Office of the Federal Safety Commissioner (OFSC) scheme, allowing it to tender for and act as head contractor on building and construction projects funded directly or indirectly by the Australian Government, and to automatically meet the work health and safety (WHS) pre-qualification requirements in most Australian states and territories. Together these systems enable our teams to deliver safe, high-quality work across complex civil and mining environments.

OH&S TRAINING AND CONTRACTOR MANAGEMENT

Macmahon requires all personnel to complete inductions and minimum training before starting work. Training systems, content, and processes are reviewed to ensure the delivery of current, position-specific safety and health information. Subcontractors, service providers, and suppliers are engaged, monitored, and evaluated through specific processes to ensure competency of workers and compliance with Macmahon standards.

HIGHLIGHTS

Successfully implemented and embedded Evotix as the Group's HSEQ system of record, improving reporting consistency, data governance and visibility of HSEQ performance and assurance.

Progressed the refinement of the Group Critical Risk Framework to better reflect operating company and sector specific risk profiles, improving the relevance and focus of critical controls and assurance activities.

Strengthened management system governance within the operating model by aligning key HSEQ requirements, accountabilities and assurance activities across operating companies and projects, improving consistency, visibility and oversight.

RESPECT@MACMAHON - SEXUAL HARASSMENT PREVENTION

At Macmahon, we are committed to eliminating sexual harassment and fostering workplaces where every person feels safe, respected and valued. Through *Respect@Macmahon*, we have invested five years of focused and sustained effort, strengthening accountability, promoting respectful behaviours and creating environments where inappropriate behaviour is not tolerated.

Supported by ongoing training, leadership engagement and targeted initiatives that promote psychological safety and inclusion, *Respect@Macmahon* plays a central role in bringing our Macmahon Winning Values to life.

In FY26, each OpCo developed and delivered a *Respect@Macmahon* roadmap, aligned to its specific operating environment, geographies, and industry segment. This was complimented by a Group-led program that outlined key deliverables for embedment through each OpCo. Individual, site-specific plans addressed location-specific trends and requirements. These site-specific plans were informed by the unique results of the FY25 Engagement Survey, ensuring that actions taken directly address the feedback shared from each site's workforce.

Examples of the activities undertaken as part of the *Respect@Macmahon* program include:

- Internal communication and procedural reviews
- Training and development
- Improvements to our onboarding processes
- Group-wide campaign to promote Active Bystander action

In FY26, and as part of *Respect@Macmahon*, Macmahon launched *Respect in Action.* This is a quarterly briefing to all employees that communicates practical information to support the ongoing development of a respectful and inclusive culture. Throughout the financial year, the following topics were covered:

- Intention vs. Perception
- The Bystander Effect
- Starting 2026 with Respect
- Workplace Gossip

To ensure the ongoing effectiveness of *Respect@Macmahon*, our FY26 Roadmap included a Pulse Check, along with an all-company engagement survey. These activities provided vital insights from across the business to help ensure our initiatives are rolled out in a meaningful and impactful way.

Respect@Macmahon will continue into FY27 as the foundation for fostering our respectful and inclusive culture and for eliminating sexual harassment.

HEALTH MANAGEMENT

To further promote health and wellness, an additional 66 Wellness Champions were trained in FY26, bringing the total to 170 across our Australian offices and sites. The presence of Wellness Champions is key to maintaining our ability to support the management of risks associated with all aspects of worker health, including psychosocial factors.

The training provides team members with the support to continue the work undertaken by the *Strong Minds, Strong Mines* program, ensuring a continued focus on an area of great importance. The provision of EAPs, online wellbeing advice and resources has contributed to the successful increase in awareness surrounding mental health and wellbeing.

Macmahon also has an Early Intervention Program, which focuses on responding to reports of injury or illness in the workplace by providing medical treatment to support a worker's recovery and return to work. The program aims to:

- Reduce the impact and duration of a worker's injury or illness
- Optimise recovery outcomes
- Strengthen a worker's capacity to remain at work
- Promote a supportive and productive work environment

Access to the program is only available for Macmahon employees who have sustained an injury or illness at work or where pre-existing injuries or illnesses have been exacerbated in the course of employment. The program does not impact a worker's ability to lodge a workers' compensation claim, and participation is voluntary. Workers may withdraw from the program at any time.

FY26 OH&S PERFORMANCE

MACMAHON'S SAFETY PERFORMANCE

Total Recordable Injury Frequency Rate (TRIFR) decreased from 2.99 in FY25 to 1.98 in FY26.

Lost Time Injury Frequency Rate (LTIFR) decreased from 0.43 in FY25 to 0.23 in FY26.

WORK-RELATED INJURIES DURING THE REPORTING PERIOD

WORK-RELATED INJURY	TOTAL	EMPLOYEES	CONTRACTORS
Lost Time Injuries (LTIs)	7	4	3
Total Recordable Injuries (LTI, MTI* and RWI*)	60	50	10
Hours Worked (million hours worked)	30.2	24.4	5.8

** MTI: Medical Treatment Injury, RWI: Restricted Work Injury*

CASE STUDY

CREATING LASTING CHANGE IN MENTAL HEALTH ACROSS THE RESOURCES INDUSTRY

Strong Minds, Strong Mines

At Macmahon, getting everyone home safe every day goes beyond physical safety to supporting the mental wellbeing of our people. Through our *Strong Minds, Strong Mines* program, we are creating meaningful and lasting change by raising awareness, encouraging open conversations and providing practical tools that help build mentally healthy workplaces.

Supporting wellbeing is recognised as key to our employee's experience at Macmahon. We are committed to creating an environment where people feel supported, valued and able to thrive, both at work and in their personal lives. *Strong Minds, Strong Mines* bring this commitment to life by fostering a culture where mental wellbeing is prioritised and asking for help is encouraged.

Now in its seventh year, the comprehensive eight-month program continues to strengthen mental health literacy, reduce stigma and build resilience across the resources sector. Delivered across Macmahon and the broader mining and resources industry, the program reflects our long-standing commitment to improving mental wellbeing and creating safer, more supportive workplaces.

During the year, the program visited 17 project sites across Australia, delivering 53 presentations to more than 2,100 employees and contractors. Ongoing support was also provided to our network of 66 Wellbeing Champions, equipping them to continue leading conversations, supporting their colleagues and fostering workplaces where people feel safe to speak up and seek help.

Participant feedback continues to demonstrate the program's positive impact, with post-program surveys showing increased confidence to start conversations about mental health, greater willingness to seek support when needed and a stronger understanding of how to recognise and respond to signs of mental ill-health in themselves and others.

The program's impact was further recognised nationally when *Strong Minds, Strong Mines* received the 2026 Australian Mental Health Award for Best Practice in the Workplace at the National Mental Health Awards, acknowledging its contribution to creating healthier, safer and more supportive workplaces across the Australian resources industry.

STRONG MINDS
STRONG MINES

Diversity, Equity and Inclusion

A diverse and inclusive culture ensures our people feel valued, respected and have access to equal opportunities. This supports full participation and productivity at work whilst unlocking new perspectives and ways of solving problems to generate creativity and innovation, producing more sustainable and effective outcomes for everyone.

HIGHLIGHTS

Strong female representation in **New to Industry Trainee Programs** across Australia and Southeast Asia.

Female representation **remained at 16%** (company-wide) sustaining the gains achieved in FY25 (Australia increased from 19% to 20.6%).

DIVERSITY TARGETS AND PROGRESS IN FY26

	FY26 TARGET (%)	FY26 ACTUAL (%)	FY25 TARGET (%)	FY25 ACTUAL (%)
First Nations Peoples	6	4.5	6	4.2
Percentage of female Non-Executive Directors	40*	14.28	40*	16.7
Percentage of female employees across Australia	22	20.6	20	19
Percentage of female employees across the whole organisation	18	16.2	15	16

** The Board is committed to promoting diversity and inclusivity in its composition, processes, and decision-making and has an aspiration for Board gender diversity of 40:40:20.*

PROMOTING GENDER EQUALITY

At Macmahon, we are committed to creating an environment where people from all backgrounds have the opportunity to succeed. In FY26, female employee participation across our Australian operations increased from 19% to 20.6%, reflecting our continued focus on attracting, developing and retaining women across all areas of our business.

We continue to see strong female representation in our New to Industry Trainee Programs across Australia and Southeast Asia, demonstrating the impact of our inclusive approach to recruitment and talent development.

Macmahon provided its 2025-26 report to the Workplace Gender Equality Agency (WGEA) in June 2026. In addition, certain Macmahon entities are Designated Relevant Employers (DRE) per the *Workplace Gender Equality Act 2012* (Cth) and were required to set the applicable gender equality targets. These entities have lodged their nominated targets with WGEA. Macmahon is in full compliance with the *Workplace Gender Equality Act 2012* (Cth) reporting requirements. The public report for 2025-26 reporting period is available to view on our website.

FEMALE DIVERSITY PROGRESS IN SOUTHEAST ASIA

LOCATION	FY26 ACTUAL (%)	FY25 ACTUAL (%)	FY24 ACTUAL (%)
Jakarta Office	41.6	38.5	45.0
Martabe	29.3	30.1	31.1
Poboya	25.1	39.0	36.0
Batu Hijau	4.3	3.9	3.0
Awak Mas	27.0	44.0	N/A
Toka Tindung	8.0	9.0	N/A
Kucing Liar	19.0	N/A	N/A

Boston Shaker Gold Project, Western Australia

FIRST NATIONS PEOPLES

We are committed to supporting Aboriginal and Torres Strait Islander participation across our business and recognise the value this brings to our people, culture and operations. Through partnerships with local communities and employment initiatives, we continue to create opportunities that encourage greater participation in our workforce. Macmahon's First Nations Peoples Statement and Diversity and Inclusion Policy underpin Macmahon's commitment to fostering a diverse and inclusive workplace. We work with our clients to promote positive outcomes for First Nations Peoples and local communities wherever possible. Macmahon's First Nations Peoples Statement and Diversity and Inclusion Policy are available to view on our website.

In FY26, Macmahon's target for First Nations representation was 6% of its total Australian-based employed workforce. At 30 June 2026, Macmahon's Australian-based workforce comprised 185 First Nations Peoples, representing 4.5% of all Australian-based employees. Macmahon has set its target for First Nations representation at 6% for FY27.

CASE STUDY

BUILDING STRONGER FUTURES THROUGH SPORT

Leonora Blazers

Strong communities are built by creating opportunities for young people to connect, grow and thrive. In Leonora, Western Australia, Macmahon's partnership with the Leonora Blazers is helping provide exactly that.

Located in the same region as the Leonora underground operations, the Leonora Blazers is a community basketball program supporting predominantly First Nations children and young people. More than a sporting club, the program provides a safe and supportive environment where participants develop confidence, life skills and a sense of purpose while building healthy relationships with teammates and mentors.

Many of the young people involved face significant socio-economic challenges and are considered at risk. Through basketball, the program encourages them to stay engaged at school, set personal goals and be accountable to one another. The wider community also benefits, with games bringing families and residents together to celebrate local achievement and connection.

During the year, Macmahon's support helped fund uniforms and equipment, enabling multiple teams to travel across Western Australia to compete. We also donated a community bus, which will continue to be serviced by Macmahon, providing safe and reliable transport for training sessions and competitions throughout the season.

Our Leonora underground team further strengthened the partnership by attending the club's end of season presentation to present player trophies, recognising the achievements and commitment of the young athletes.

"Most importantly their preparedness to be innovative, have vision and remain outcomes focused gives me confidence that Macmahon is a partner the Blazers can rely on to make a meaningful difference in the lives of our young people, now and in the future!"

"MACMAHON'S PERSONAL APPROACH TO COMMUNITY RELATIONS AND INTENTION TO BE HANDS-ON IS IMPRESSIVE."

RENE REDDINGIUS

Program Coordinator Leonora Blazers

Training and Development

Macmahon is committed to continuous training and development for our people, providing our people with the necessary skills and knowledge to maximise their potential.

HIGHLIGHTS

Conducted the first Martu First Nations Dump Truck Training Academy at Telfer.

Continued to provide a range of traineeships for new-to-industry workers in equipment operation and tyre fitting qualifications.

78.5% retention rate of Apprentices on successful completion of their training.

EMPLOYEE TRAINING & DEVELOPMENT

Graduates, Apprentices, Trainees and Interns

279	26.2%	3.2%
Total	Female representation	First Nations representation

LEADERSHIP DEVELOPMENT

217	14%
Total Leaders completed *The Macmahon Winning Way*	Female leadership representation

APPRENTICES

Macmahon's apprenticeship program includes traditional apprenticeships, accelerated pathways, and trade upgrades for ex-Defence personnel. Apprenticeship opportunities were offered across a range of roles, including Heavy Diesel Mechanics, Boilermakers, Light Vehicle Mechanics, Electricians and Auto Electricians.

TRAINEESHIPS

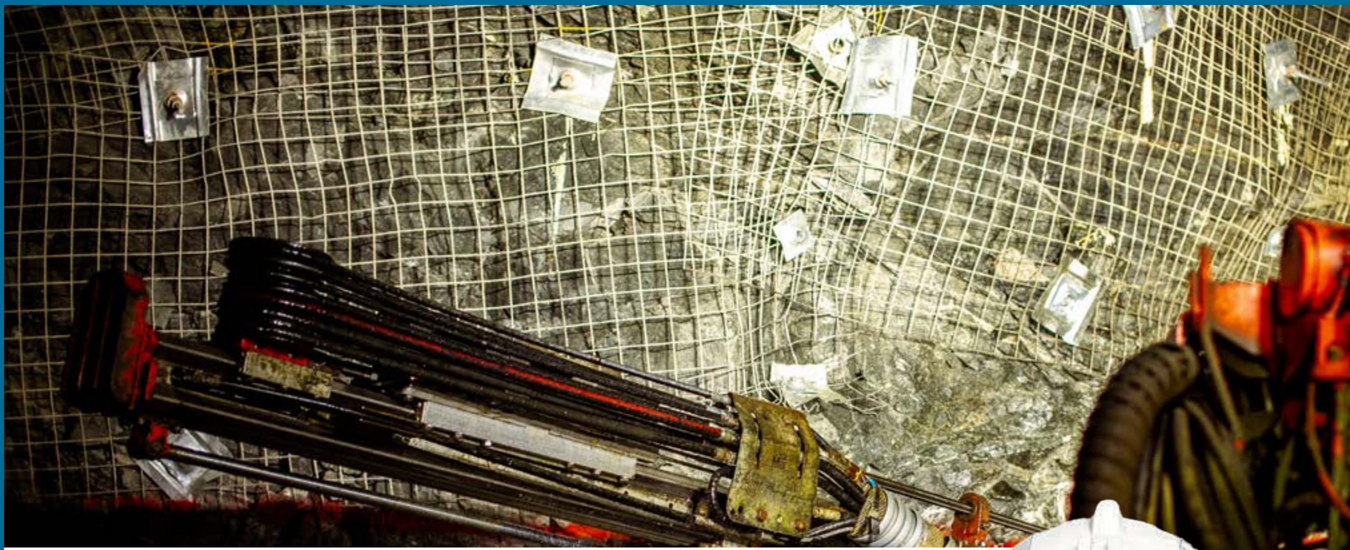
Macmahon's traineeship program offers pathways across a range of operational roles. Most trainees commence their traineeship in the Training Academies, with considerable attention being given to the required underpinning knowledge specific to the qualification and role in which the trainee is engaged. The program combines structured learning with on-the-job experience, ensuring trainees are well-prepared to meet operational and safety standards.

REGISTERED TRAINING ORGANISATION (RTO)

The RTO team maintained its commitment to the National Standards for Registered Training Organisations, supported by ongoing quality assurance activities across key training products and services. Following the introduction of the revised RTO Standards on 1 July 2025, Macmahon undertook an independent review of its training systems and processes to ensure alignment with the new requirements. The review confirmed that our practices met the expectations of the revised standards, demonstrating our commitment to delivering high-quality training outcomes and continuous improvement.

LEADERSHIP DEVELOPMENT

The Macmahon Winning Way leadership development program and the Macmahon Emerging Leader program both equip our frontline leaders with the skills necessary to lead effective teams while fostering a psychologically safe culture that is respectful, safe, and inclusive.



CASE STUDY

CREATING PATHWAYS FOR FUTURE LEADERS

Developing future leaders starts with recognising potential and giving people the opportunity to grow. At Macmahon, structured development programs, mentoring and practical experience help employees build skills and confidence to take the next step in their careers.

Leading Hand Driller John Dalby is one example. Joining Macmahon five years ago as an offsider, John transitioned into raise drilling, building his technical capability with the support of mentors, supervisors and practical experience before progressing into a leadership role.

As part of his development, John completed Macmahon's *Emerging Leaders* program which strengthened his leadership skills and prepared him for greater responsibility. He credits the program with improving his ability to navigate challenging conversations, resolve conflict and lead with confidence.

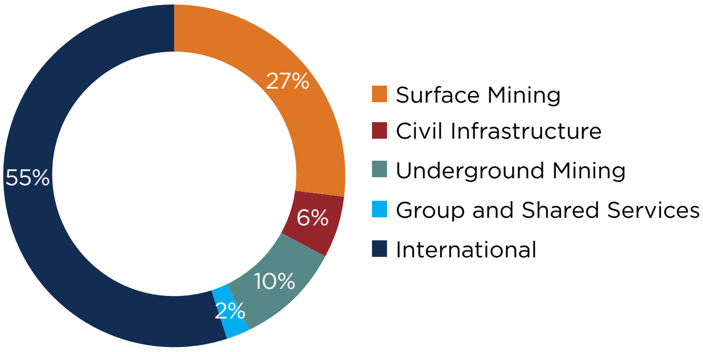
John now combines technical expertise with a people-first leadership approach, creating clear expectations, supporting his crew and leading by example. He encourages others to embrace every opportunity to learn, believing that continuous development is key to building a rewarding career.

John's journey reflects Macmahon's commitment to creating meaningful career pathways and equipping our people with the skills, confidence and support to succeed as the next generation of leaders.

Our Workforce

As of 30 June 2026, our workforce totalled 10,004 people, remaining broadly stable compared with 10,220 reported at the end of FY25. These figures include employees and contractors. A breakdown of our workforce is presented below.

	FY26	FY25	FY24
Employees	8,796	8,723	8,269
Contractors	1,208	1,497	1,407
Total	**10,004**	**10,220**	**9,676**



EMPLOYMENT CONDITIONS AND BENEFITS

Macmahon maintains 13 single enterprise agreements in Australia, which govern employment terms and conditions across its operations.

Macmahon's various industrial instruments, including all enterprise agreements, set out minimum notice periods for operational changes. Where significant operational changes are proposed that may have a substantial impact on employees, Macmahon provides employees and their representatives with at least 28 days' notice prior to implementation.

REWARD AND RECOGNITION

Macmahon has implemented various strategies to reward our people. Reward and recognition initiatives include:

- Retention bonus schemes in agreement with clients.
- Competitive remuneration linked to performance, with increase benchmarking biannually.
- Monetary leader awards to recognise performance and access to discount benefits.
- Paid Parental Leave extended to all operations in Australia and Indonesia.
- A Return-to-Work Childcare Allowance designed to support employees transitioning back to work following Parental Leave.
- Access to gym facilities and classes.
- Flexible working arrangements, including offering our FIFO and DIDO workforce the flexibility to choose between lifestyle and higher earnings rosters.
- Access to an award-winning physical and mental health program, *Strong Minds, Strong Mines*.
- Opportunities for growth and development through our Emerging Leader Program.
- Access to Employee Assistance Program (EAP), providing confidential counselling, wellbeing and support services for employees and their immediate families.
- Access to a range of employee benefits through Maxxia, including salary packaging and novated leasing options, helping employees maximise the value of their remuneration in a tax-effective manner.
- Access to a benefit platform that provides employees with a broad range of retail, travel, entertainment, health and lifestyle discounts, helping employees and their families reduce everyday living costs.

Team Macmahon in the 2025 Cancer200 Ride for The Perkins

Macmahon Foundation

Investing in Stronger Communities

At Macmahon, we believe our success is closely connected to the strength of the communities where we live and work. As we deliver mining and civil infrastructure projects across Australia and Southeast Asia, we recognise our responsibility to create positive, lasting impacts beyond our operations.

The creation of the Macmahon Foundation in FY25 provides a coordinated approach to supporting initiatives that strengthen the communities connected to our business. Working alongside community organisations, local partners and our people, the Foundation invests in programs that create meaningful outcomes across four focus areas: health and wellbeing, education, First Nations engagement and the environment.

A key element of the Foundation is the launch of the Macmahon Community Grants Program in October 2025. Open to eligible not-for-profit organisations, the program supports community-led initiatives that deliver tangible benefits in the regions where Macmahon operates. Grant rounds are held twice each year in March and October, with successful applicants eligible to receive grants of up to $10,000.

Applications are assessed by an internal committee comprising senior leaders from across the business against established funding criteria, with a focus on supporting initiatives that deliver meaningful and sustainable outcomes for local communities.

The Community Grants Program recognises that every community has different priorities. Whether improving access to education, supporting health and wellbeing, strengthening community services, promoting inclusion, or protecting the environment, each grant is designed to create lasting benefits.

In its inaugural year, through the Community Grants Program, community partnerships and additional local community donations, Macmahon invested $518,686 in FY26, supporting 26 organisations across Australia.

The Foundation has awarded nine community grants to organisations making a positive difference across Australia. Recipients include The Neighbourhood Hub, Bully Zero Australia Foundation, The Multicultural Professional Network, Science Schools Foundation Inc, The Bays Healthcare Group Inc, North Bendigo Football and Netball Club, Technology for Ageing and Disability WA, Starlight Children's Foundation and LiteHaus International. Several of these initiatives are featured in case studies throughout this report.

Beyond community grants, Macmahon continues to support communities through long-standing partnerships and employee-led fundraising initiatives. During the year, we continued our partnership with the QCoal Foundation, supporting health and education across regional Queensland. We also maintained our support for the Perth Football Club women's programs, including the WAFLW and Rogers Cup under 17s, helping create opportunities for young female athletes.

This year also marks the 10th year of Macmahon's sponsorship of the Harry Perkins Institute and the Cancer200 ride for research. Over the past decade, our employees have proudly ridden alongside the broader community to support life-saving cancer research, helping raise more than $1.66 million for the Harry Perkins Institute of Medical Research. It is a partnership that reflects the generosity, commitment and community spirit of our people and suppliers.

Together, these initiatives demonstrate our commitment to creating positive social impact and supporting the long-term wellbeing of the communities where we operate.

CASE STUDY: MACMAHON FOUNDATION COMMUNITY GRANT

SUPPORTING YOUTH WELLBEING IN REGIONAL QUEENSLAND

Bully Zero

Creating positive outcomes for communities extends beyond Macmahon's project boundaries. Through a grant from the Macmahon Foundation, the Bully Zero Australia Foundation delivered bullying prevention and resilience programs to schools in the communities surrounding Macmahon's Byerwen project near Glenden.

The initiative reached 488 students across Glenden State School, Bowen State High School and St Mary's Catholic School through 10 interactive sessions. The program covered topics including understanding bullying, respectful communication, online safety, resilience and preparing young people for the workforce.

By investing in preventative education, the Macmahon Foundation is helping equip students with the skills and confidence to build positive relationships, respond to challenging situations and create safer, more inclusive school communities.

Supporting initiatives that strengthen the wellbeing of young people reflects Macmahon's commitment to creating lasting social value in regional communities where its employees and their families live and work. Feedback from participating schools will help inform the ongoing impact of the program.

BULLY ZERO®

CASE STUDY: MACMAHON FOUNDATION COMMUNITY GRANT

STRENGTHENING COMMUNITIES THROUGH CONNECTION

The Neighbourhood Hub

Strong communities are built through connection, support and access to local services.

In Mackay, the Macmahon Foundation helped strengthen those connections by providing a community grant to The Neighbourhood Hub (TNHUB), supporting programs that empower families and foster social belonging.

With many of the 400-strong workforce at Macmahon's long-term Byerwen project living in the Mackay region with their families, supporting local initiatives such as TNHUB helps create positive outcomes for employees, their families and the wider community.

The grant supported a range of family and parenting activities, including the Staying Calm Together workshop, which equipped parents and carers with practical strategies to understand children's emotions, respond calmly during challenging moments and build stronger family relationships. Participants reporting increased confidence, stronger connections and valuable practical tools they could apply at home.

The funding also enabled a community Yarning Circle, led by Mackay First Nations Elder Aunty Lyn, providing participants with the opportunity to learn about local bush tucker, cultural traditions and the rich history of the region. The welcoming environment encouraged meaningful conversations and strengthened understanding of local First Nations culture.

Recognised as a TNHUB Changemaker, the Macmahon Foundation is proud to support initiatives that build resilient, connected communities.

COMMUNITY IMPACT

11
Workshops delivered

106
Families supported

6
Months of community impact

The Neighbourhood Hub

Stakeholder Engagement

At Macmahon, we define our key stakeholders as those who may be affected by our operations or have an interest in or influence over our activities. We have consistently engaged with these stakeholders in the same manner as in previous financial years. Our key stakeholder groups are listed in the table below.

By engaging with our stakeholders, we aim to understand their concerns and priorities and incorporate their feedback into our decision-making processes. This helps us to build strong relationships with our stakeholders and ensure that our operations are conducted in a responsible and sustainable manner.

STAKEHOLDERS	KEY INTERESTS AND CONCERNS	FY26 ENGAGEMENT
Local communities and First Nations Peoples	Potential environmental and social impacts associated with operations. As many of our operations are located in remote areas, we have a broad range of local interests and concerns, including local content, employment, and business opportunities.	• Community consultation and engagement • Social investment • Project community engagement plans • Jangga Operations (First Nations Group Byerwen in Queensland) • Western Kangoulu (First Nations Partnership in Central Queensland) • QCoal Foundation • Kinaway Foundation and Supply Nation Member
Clients	Reliability, quality, cost and delivery.	• Regular communications and meetings • Site visits and presentations • Senior management involvement • Performance and contract management meetings • Client feedback and satisfaction reviews • Joint planning and innovation workshops
Employees	Company restructuring, health and safety, working conditions, organisational culture, benefits and career development opportunities.	• Fortnightly electronic direct mail • Quarterly printed newsletter • Macmahon intranet site • Staff briefings with the CEO • Performance reviews • Personal development plans • Regular communication via our dedicated communications tool - Team MAC • Formal and informal reward and recognition (Managers to employees and peers to peers) • Pre-starts and toolbox talks • Return to work meetings • *Strong Minds, Strong Mines* monthly toolbox presentations • Various training courses • Online surveys and pulse checks

STAKEHOLDERS	KEY INTERESTS AND CONCERNS	FY26 ENGAGEMENT
Supply Chain	Transparent procurement processes, fair commercial terms, safety and quality expectations, compliance with sustainability and modern slavery requirements and long-term relationship opportunities.	• Modern Slavery Self-Assessment Questionnaire (SAQ), supplier training and targeted audits • Supplier onboarding and prequalification processes, including integration of the SAQ into the online onboarding system • On-going monitoring, with active initiatives, of small business suppliers to align payment terms to 30 days from received date where applicable • Engagement with small suppliers to improve receipting times • Enhanced reporting to support timely invoice matching, with clear escalation avenues
Investors	Delivery of financial returns, mitigation and management of financial and non-financial risks, and ESG reporting.	• Regular meetings and contact with financiers, institutional shareholders and investor representatives (brokers, analysts) • Australian Securities Exchange (ASX) announcements • Regular printed and electronic communications, including investor presentations
Industry groups	Collaboration to ensure industry outcomes; for example, coordinating safety data for the industry's benefit.	Active participation in many associations, including: • The Chamber of Minerals and Energy • Civil Contractors Federation of Western Australia • Queensland Resources Council • Western Australia School of Mines Alumni • Construction Contractors Association of Western Australia • The National Association of Women in Construction • Association of Mining and Exploration Companies
Regulators	Safety and environmental reportable incidents and breaches.	• Australian Securities Exchange (ASX) • Workplace Health and Safety Regulators* • Environmental Regulators* • State and Territory Anti-Discrimination Bodies*

**These names vary across different states, and the direct relationship is often with the client, depending on jurisdictions.*

CASE STUDY: MACMAHON FOUNDATION COMMUNITY GRANT

SUPPORTING GRASS ROOTS SPORT

North Bendigo Football and Netball Clubs

The Macmahon Foundation has continued its support of the North Bendigo Football and Netball Club, building on last year's partnership by providing a community grant for the Club's annual Ladies Day event.

Located near Macmahon's Fosterville underground operation, the Club is an important part of the local community, with members of the Fosterville team actively involved through participation and volunteering. The event brought together, players, families, volunteers, and local businesses, celebrating inclusion while strengthening community connections.

Beyond the event, funds raised will support improvements to shared sporting facilities, create opportunities for young First Nations participants and assist Sunshine Bendigo, a local charity supporting families experiencing hardship.

By supporting grassroots sport, the Macmahon Foundation is helping strengthen one of the region's most import community assets. In close-knit communities such as Bendigo, sporting clubs foster connection, inclusion and a sense of belonging – creating positive social outcomes for employees, their families and the wider community.

CASE STUDY: MACMAHON FOUNDATION COMMUNITY GRANT

SUPPORTING REGIONAL HEALTHCARE

The Bays Healthcare

The Macmahon Foundation is committed to creating lasting positive outcomes in the communities where Macmahon operates. Through its Grants Program, the Foundation invests in initiatives that strengthen health, wellbeing and community resilience.

One recent example is its support for The Bays' Nursing and Midwifery Program, recognising the critical role regional healthcare services play in ensuring people can access quality care close to home.

As a mining and civil infrastructure services provider, Macmahon understands the importance of strong regional communities. With a workforce that is largely based in regional and remote locations, access to skilled healthcare professionals is essential for the wellbeing of employees, their families and the communities that support them.

This commitment extends beyond project delivery. While Macmahon is currently delivering the Ison Road Upgrade Project in Werribee – a major infrastructure project that will improve connectivity across Melbourne's growing western corridor – the Foundation is also investing in initiatives that leave a positive legacy long after construction is complete.

By supporting programs that develop nursing and midwifery capability, the Macmahon Foundation is helping strengthen regional healthcare, improve access to essential services and ensure more people receive the right care, in the right place, when they need it most.

THE BAYS

COMMUNITY IMPACT

Supporting
regional health and wellbeing.

Investing
in the future healthcare workforce.

Creating
lasting social value in the communities where Macmahon operates.

Strengthening
regional communities through the Macmahon Foundation Grants Program.

Telfer Gold-copper Mine, Western Australia

Environment

Macmahon is committed to responsible environmental management and continually improving how we manage the impacts of our activities. We recognise our responsibility to use resources efficiently, prevent pollution, protect land and water, support biodiversity and reduce greenhouse gas emissions wherever practicable.

Our Approach

Our environmental approach extends beyond compliance. We aim to embed responsible environmental practices into planning, project delivery and decision-making, while working with clients, employees, suppliers and other stakeholders to identify opportunities for better environmental outcomes.

This commitment is guided by Macmahon's Environmental Policy and supported by our ISO 14001-certified IMS, which provides the framework for identifying environmental risks, implementing controls, monitoring performance and driving continual improvement across our operations.

As a contractor operating across mining and civil infrastructure, Macmahon is well placed to translate environmental objectives into practical action. Our operational knowledge, equipment capability and long-term client relationships enable us to identify improvements that can enhance resource efficiency, extend asset life, reduce waste and support more efficient project delivery.

FY26 also marked an important step forward in embedding climate-related considerations across Macmahon's governance, risk management, strategy and reporting. During the year, Macmahon prepared its first mandatory climate-related financial disclosures in accordance with *AASB S2* and completed its first climate scenario analysis. The analysis considered two plausible climate pathways and assessed the resilience of Macmahon's strategy under different transition and physical climate conditions.

Together, this work brought the Group's approach to climate-related risks and opportunities, resilience and greenhouse gas emissions within a single statutory reporting framework. Further information is included in the Sustainability Report on page 79.

HIGHLIGHTS

Prepared Macmahon's **first mandatory climate-related financial disclosures** under *AASB S2*.

Completed Macmahon's **first Scope 3 emissions inventory**, laying the foundation for FY27 disclosure and assurance.

Completed climate scenario analysis and assessed Macmahon's resilience across two climate pathways.

Strengthened Group-wide **environmental and greenhouse gas emissions reporting** through Evotix.

No environmental prosecutions or infringements were recorded against Macmahon.

ENVIRONMENTAL MANAGEMENT

Environmental opportunities are most effectively identified and delivered close to our operations, where project teams understand local conditions, client priorities and the practical requirements of project delivery.

Across the Group, Macmahon continues to explore initiatives that can improve environmental performance while supporting safe and efficient operations. These include:

- Reducing waste and increasing material recovery.
- Repairing, refurbishing and reusing equipment and components.
- Extending the service life of tyres and other operational assets.
- Improving water efficiency and water management.
- Supporting progressive rehabilitation and land management.
- Improving fuel and equipment efficiency.
- Assessing lower-emissions technologies and operating practices with clients, suppliers and original equipment manufacturers.

These activities support more efficient resource use by retaining the value of equipment and materials for longer and reducing unnecessary consumption and disposal. They also provide opportunities to improve operational performance and reduce costs, demonstrating that environmental responsibility and efficient project delivery can be mutually reinforcing.

Macmahon also continued its participation in Caterpillar's Pathways to Sustainability program, a four-year collaborative experience that supports the development of strategies to safely reduce operational greenhouse gas emissions, improve efficiency and prepare people, processes, technology and infrastructure for future change.

Through collaboration and shared learning, Macmahon continues to build environmental capability across the Group and translate project-level insights into broader operational improvement.

GREENHOUSE GAS EMISSIONS AND ENERGY REPORTING

Macmahon assesses its obligations under the *National Greenhouse and Energy Reporting (NGER) Act 2007* (Cth) annually. This assessment considers greenhouse gas emissions, energy consumption and energy production from Australian facilities under Macmahon's operational control, as determined in accordance with the NGER framework. In FY26, the Group did not exceed the applicable thresholds for mandatory reporting under the NGER Act.

Macmahon's Group-wide Scope 1 and Scope 2 greenhouse gas emissions, including emissions from Australian and international operations within the reporting boundary, are disclosed on page 108.

STRENGTHENING OUR REPORTING CAPABILITY

In FY26, Macmahon completed its first Group-wide Scope 3 greenhouse gas emissions inventory. The inventory provides greater visibility of emissions across the Group's value chain and lays the foundation for Scope 3 disclosure in FY27.

Environmental and emissions reporting capability was also strengthened through Evotix. The platform supports more consistent collection, review and governance of environmental information across Australian and international operations, including data relating to fuel and energy, materials, waste, water and land. As part of the broader Group-wide HSEQ platform, Evotix also supports standardised reporting, improved data governance and stronger oversight.

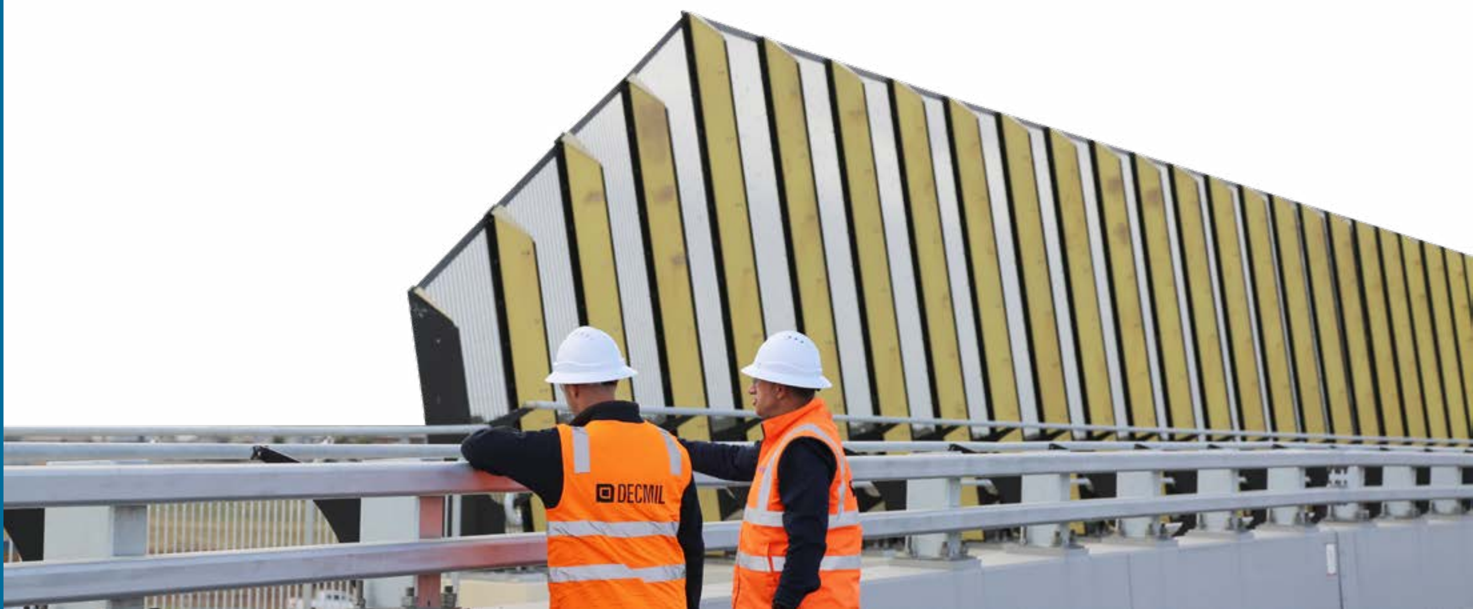
CASE STUDY

BUILDING SUSTAINABILITY INTO THE ISON ROAD NETWORK

Following the successful completion of the Ison Road Overpass in Melbourne's west, Decmil was awarded the next stage of the project – the Ison Road Extension.

The award has enabled the project team to build on the strong sustainability foundations established during the overpass works, carrying proven initiatives, supplier relationships and lessons learned into the next phase of delivery.

The completed overpass demonstrated how thoughtful design and construction planning can deliver measurable environmental benefits. Design optimisation reduced material and plant requirements, while GreenPower, solar-powered equipment, biodiesel and solar lighting helped lower operational emissions. The project also increased the use of environmentally certified concrete, steel and aggregates and embedded waste avoidance, reuse and recycling into day-to-day delivery.



TAKING THE APPROACH FORWARD

The Ison Road Extension is building on the sustainability practices used on the Overpass project, with the project team carrying initiatives and lessons into the delivery stage.

Design optimisation remains a focus. Changes to the road level and alignment have improved the balance of cut-and-fill materials and removed the need for retaining walls along parts of the Extension, reducing material requirements and associated construction activity.

The team is also continuing to prioritise environmentally certified concrete, steel and aggregates, together with GreenPower, solar energy and lower-emissions biodiesel blends. Waste avoidance, onsite material reuse, source segregation and recycling remain embedded in project delivery.

By carrying forward successful initiatives and identifying new opportunities, the Extension is taking the project's sustainability approach into its next phase.

PROJECT HIGHLIGHTS

22%
Reduction in greenhouse gas emissions*

15
Energy-reduction initiatives targeting Scope 1 and Scope 2 emissions

22%
Of total material value sourced from products with recognised Type I or Type III environmental labels

100%
GreenPower purchased for the main site compound

100%
Of spoil diverted from landfill

98.5%
Of inert and non-hazardous waste diverted from landfill

Against the project base case (2023 Business As Usual assumptions).

Borumba Dam Camps, Queensland

Sustainability Report

Climate-related Disclosures

Macmahon recognises that climate change presents both risks and opportunities for our business, clients and stakeholders. We are committed to managing these impacts in a disciplined and transparent manner through effective governance, risk management and strategic decision-making. As climate-related expectations, regulations and market dynamics continue to evolve, we remain focused on strengthening business resilience, supporting operational performance, and delivering long-term value.

1 BASIS OF PREPARATION

This Sustainability Report presents climate-related disclosures for Macmahon Holdings Limited ("Macmahon" or "the Group") for the financial year ended 30 June 2026 (FY26). The reporting entity and consolidation approach are consistent with those applied in the Group's financial statements prepared under Chapter 2M of the *Corporations Act 2001* (Cth).

These disclosures have been prepared in accordance with *AASB S2* Climate-related Disclosures (*AASB S2*), issued by the Australian Accounting Standards Board (AASB), and *Corporations Act 2001* (Cth).

As this is the first year in which Macmahon has applied *AASB S2*, it has applied the following transitional reliefs for the first annual reporting period:

- Not to disclose comparative information in this report.
- Not to disclose Scope 3 Greenhouse Gas (GHG) emissions.

These disclosures have been prepared in conjunction with the Group's financial statements and reflect climate-related effects where they influence financial estimates, assumptions or carrying values.

All monetary amounts are presented in Australian dollars, consistent with the Group's presentation currency. Rounding has been applied in accordance with the Group's rounding policy.

The Sustainability Report was authorised for issue by the Directors on 18 August 2026.

2 JUDGEMENT AND UNCERTAINTIES

The preparation of climate-related financial disclosures requires the Group to apply judgement in identifying climate-related risks and opportunities (CRROs) that could reasonably be expected to affect the Group's prospects over the short, medium or long-term. For the purposes of this report, these are referred to as the "relevant CRROs".

Climate-related disclosures incorporate forward-looking information and are subject to inherent uncertainty. The following table summarises the key judgements, assumptions and uncertainties applied in preparing this report.

KEY JUDGEMENTS	ASSUMPTIONS AND UNCERTAINTIES
EMISSIONS BOUNDARY DETERMINATION	The Group applies the operational control approach under the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). As a contractor operating on client-owned sites, a significant portion of fuel consumed in Macmahon-operated fleet is in facilities or activities where the client retains operational control. These emissions are therefore excluded from Macmahon's Scope 1 boundary. *Refer to Section 9 for more details.*
EMISSIONS MEASUREMENT	GHG quantification is unavoidably subject to significant inherent limitations because of the incomplete scientific knowledge and inherent limitations in the nature of, and methods used for, determining emissions factors and data. The selection of different but acceptable emissions factors or measurement techniques could have resulted in different GHG emissions reported. *Refer to Section 9 for more details.*
SCENARIO SELECTION	The Group exercised judgement when selecting two distinct climate scenarios: one aligned with limiting global warming to 1.5°C (low warming) and another representing warming well above 2.5°C (high warming). These scenarios were selected to represent a range of plausible climate futures relevant to Macmahon's operating environment and business model. There is inherent uncertainty in the forecast climate change impacts and projections. Future policy settings, carbon pricing trajectories, technology development and market responses may differ from those assumed in the selected scenarios. Regional climate variability, including extreme rainfall and temperature patterns, may evolve differently from current projections and affect operational conditions. *Refer to Section 7 for more details.*
TIME HORIZONS	Short-term (0-5 years), medium-term (5-10 years) and long-term (beyond 10 years) were determined with reference to typical contract durations, asset life and strategic planning cycles.
ASSESSMENT OF FINANCIAL EFFECTS	Macmahon applies judgement in assessing current and anticipated financial effects of relevant climate-related risks and opportunities on the Group's financial position, financial performance and cash flows. This includes consideration of whether any climate-related risk or opportunity creates a significant risk of material adjustment to the carrying amount of assets or liabilities within the next annual reporting period. Where quantitative financial effects have not been disclosed, the Group has assessed whether the relevant climate-related effect is not separately identifiable from broader commercial, operational, contractual or market factors, or whether measurement uncertainty is so high that the resulting quantitative information would not be useful to primary users. In those circumstances, qualitative disclosure is provided. Financial effects are assessed at Group level and, where relevant, by reference to the Group's financial reporting structure. *Refer to Section 6 for more details.*

KEY JUDGEMENTS	ASSUMPTIONS AND UNCERTAINTIES
OPERATIONAL EXPOSURE	As a contractor operating on client-owned or client-controlled sites, Macmahon's anticipated financial exposure to physical climate impacts is primarily project-specific. Forward-looking assessments rely on assumptions about: • Contract terms, weather allowances, relief provisions and cost recovery mechanisms. • Project-specific conditions, including site location, access routes, wet-season exposure, heat exposure, logistics constraints and client-controlled infrastructure. • The timing, duration and severity of weather-related disruption. • The extent to which impacts can be managed, recovered or separately identified from broader project execution, contract administration and operational performance factors. These assumptions are subject to inherent uncertainty and may affect the assessment of anticipated financial effects. *Refer to Section 6 for more details.*
RESILIENCE ASSESSMENT	Significant areas of uncertainty considered in the assessment included the timing and strength of climate policy, carbon-pricing trajectories, client transition strategies, commodity demand, technology readiness, supporting infrastructure, regional climate projections, weather variability and the extent to which impacts can be managed or recovered through contract structures. The scenarios are not assigned probability weightings and do not represent forecasts of future conditions or financial performance. Rather, they provide a structured basis for assessing the resilience of Macmahon's strategy and business model under alternative climate pathways. *Refer to Section 7 for more details.*
EXPOSURE TO PHYSICAL AND TRANSITION RISK	The amount and percentage of assets and business activities vulnerable to climate-related metrics should be read as transition and physical-risk exposure indicators, not as measures of current financial effect or forecasts of future revenue impact. Assumptions about exposure to transition and physical risk are subject to inherent uncertainty. *Refer to Section 9 for more details.*

These disclosures are based on reasonable and supportable information available at the reporting date without undue cost or effort. Actual outcomes may differ from the assumptions applied.

3 BUSINESS MODEL AND VALUE CHAIN

Macmahon provides mining and civil infrastructure services across three core business areas: Surface Mining, Underground Mining and Civil Infrastructure. The Group provides mining services across Australia and Southeast Asia, and civil construction services across the infrastructure, resources and renewable energy sectors.

Macmahon's services include surface and underground mining, civil design and construction, equipment maintenance and refurbishment, engineering and fabrication, mine site maintenance, rehabilitation and related project support services. These services are generally delivered under contract on client-owned or client-controlled sites.

Macmahon's role is typically to provide people, equipment, technical capability and project delivery expertise within an agreed scope, rather than to own the underlying mining, civil infrastructure or production assets.

Macmahon's operating model is diversified across service lines, geographies, clients and commodities. This diversification is an important feature of the Group's business model, as exposure to operational, commercial and market conditions may vary by project type, location, commodity, client and contract structure. Where relevant, this report refers to internal Operating Company groupings as OpCos to describe the management lens used for climate-related assessment.

Core Business Areas

SURFACE MINING

- Mine planning
- Drill and blast
- Bulk and selective mining
- Crushing and screening
- Water management
- Equipment operation and maintenance

UNDERGROUND MINING

- Underground development and production
- Ground support services
- Ventilation and access
- Shaft sinking
- Raise drilling
- Shaft lining

CIVIL INFRASTRUCTURE

- Civil construction
- Bulk earthworks
- Non-process infrastructure
- Road maintenance and construction
- Bridgeworks
- Camps and remote village accommodation
- Design and construct

For the purposes of this report, Macmahon has considered its value chain in three parts:

UPSTREAM VALUE CHAIN

Includes the goods, services and inputs required to deliver work for clients. This includes mobile fleet and equipment suppliers, fuel and energy providers, parts and maintenance suppliers, technology providers, subcontractors, labour and training providers, insurers, financiers, regulators and other service providers.

PROJECT DELIVERY ACTIVITIES

Includes the work performed within the Group's contracted scope. This includes operating and maintaining mobile fleet, delivering surface and underground mining services, undertaking civil construction works, managing site-level logistics, coordinating labour and equipment, maintaining productivity and managing project-level risks.

DOWNSTREAM VALUE CHAIN

Includes the clients, project owners, communities and end users that are affected by, or benefit from, the services Macmahon delivers. This includes resources and infrastructure clients, client-operated facilities, project owners, local communities and the broader markets that influence demand for mining and civil services.

Macmahon Value Chain

UPSTREAM VALUE CHAIN

- Mobile fleet and equipment suppliers
- Fuel and energy providers
- Parts and maintenance suppliers
- Technology providers
- Subcontractors
- Labour and training providers

PROJECT DELIVERY ACTIVITIES

- Operating and maintaining mobile fleet
- Delivering surface and underground mining services
- Undertaking civil construction works
- Managing site-level logistics

DOWNSTREAM VALUE CHAIN

Includes end users that are affected by, or benefit from, the services Macmahon delivers, including:

- Resources and infrastructure clients
- Client-operated facilities
- Project owners
- Local communities
- The broader markets

4 GOVERNANCE

BOARD OVERSIGHT

The Board retains ultimate oversight of CRROs and is responsible for ensuring that these matters are appropriately considered within the Group's strategy, risk management framework and long-term value creation objectives.

During FY26, the Board and Audit and Risk Committee (ARC) Charters were updated to explicitly incorporate oversight of climate-related matters, including review of climate-related disclosures and monitoring relevant CRROs within the Enterprise Risk Management (ERM) framework. The Board and ARC Charters are available to view at macmahon.com.au.

The ARC supports the Board in fulfilling its oversight responsibilities and recommends the Sustainability Report to the Board for approval. The Board approves the Group's climate-related strategy and annual climate disclosures, and receives structured reports on material climate matters at least quarterly, supplemented by ad hoc updates where material matters arise.

The Board also oversees the Group's approach to climate-related targets and performance metrics. As at FY26, the Group has not established climate-related reduction targets; however, the Board monitors climate-related risk exposure, emissions performance and disclosure development as part of its broader sustainability oversight responsibilities. Climate-related performance is not currently linked to executive remuneration.

Climate-related risks and opportunities are considered by the Board and ARC through existing strategy, ERM, capital allocation and disclosure governance processes. This includes consideration of CRROs when reviewing strategic plans, material capital allocation decisions, risk appetite, portfolio exposure, and climate-related financial disclosures. Where relevant, these processes support consideration of trade-offs associated with CRROs, including between commercial outcomes, risk exposure, client requirements, technology readiness, capital allocation, contract duration and the timing of potential responses.

	BOARD LEVEL CLIMATE-RELATED RESPONSIBILITIES	REPORTING FREQUENCY
BOARD	Approval of the Sustainability Report	At least quarterly
	Oversight of integration of climate considerations into strategy and capital allocation	Annual approval of disclosures
	Oversight of relevant CRROs	
AUDIT AND RISK COMMITTEE	Oversight of integration of climate-related risks within the ERM framework	Biannually
	Review of climate-related disclosures prior to Board approval	
	Oversight of internal controls and assurance readiness	
	Review and challenge identification, assessment and management of CRROs	
NOMINATION COMMITTEE	Review Board and Executive team skills, experience and succession planning	Annually

The Board maintains appropriate climate governance capability through ongoing director education, annual review of the Board skills matrix and recruitment aligned to identified capability requirements. The skills matrix includes sustainability and climate-related governance capability.

The ARC supports the Board in its oversight role and is comprised of Board members. Accordingly, climate-related skills and competencies relevant to ARC oversight are considered through the Board skills matrix, director education and Board succession planning processes.

The Nomination Committee supports the Board in this regard by reviewing Board skills and experience, including capability to oversee sustainability strategy, climate-related risks and opportunities, and ESG-related responsibilities, as part of succession planning and annual performance review processes.

In FY26, members of the Board completed climate governance training and received external briefings relating to *AASB S2* obligations

MANAGEMENT OVERSIGHT

The Board delegates the day-to-day responsibilities on climate-related matters, including the execution of strategy and management of CRROs, to the Managing Director and Chief Executive Officer (MD and CEO). The MD and CEO is supported by the Executive Management Team.

In FY26, the Macmahon Advisory Committee on Sustainability (MACS) was established to coordinate Management-level oversight of climate-related matters. MACS is not a Board Committee and does not have delegated authority from the Board; it supports the MD and CEO in discharging management responsibilities in ESG governance and climate-related disclosure readiness.

MACS operates under a formal Terms of Reference and is chaired by the MD and CEO. Escalation of climate-related matters to the ARC or Board occurs through the MD and CEO in accordance with the Group's governance framework.

Management-level climate responsibilities are embedded through MACS's Terms of Reference, Executive Management role descriptions and the Group's Risk Management Policy, Sustainability Policy and Climate Change Position Statement. These governance instruments define accountability for the identification, assessment and monitoring of climate-related risks and opportunities and establish alignment with the Group's ERM framework.

MACS receives regular reporting on climate-related matters, including at least quarterly updates on performance metrics, relevant risks or opportunities, regulatory updates, and progress against sustainability-related items in Macmahon's business plan.

Management also completes due diligence on all climate-related disclosures in line with the financial-reporting close process. Where possible, Management aims to align internal governance processes for climate-related matters with financial reporting governance processes.

	MANAGEMENT LEVEL CLIMATE-RELATED RESPONSIBILITIES	REPORTING FREQUENCY
MACS	Assess and monitor relevant CRROs Review climate scenario analysis and oversee integration into risk management and strategy decisions Monitor risk mitigation actions and performance metrics Review data integrity, internal controls and disclosure readiness Support the MD and CEO in preparing climate-related information for ARC and Board consideration Coordinate Management-level oversight of sustainability and climate-related matters	At least quarterly
EXECUTIVE MANAGEMENT	Oversee operational resilience and transition initiatives Review and endorse climate-related disclosures prior to submission to the ARC Integrate climate-related risks or opportunities into business planning and capital allocation	Monthly

INTERNAL CONTROLS AND DISCLOSURE GOVERNANCE

Climate-related governance processes are integrated with finance, risk, legal and operational functions to support the identification, assessment, monitoring, escalation and disclosure of relevant CRROs.

Macmahon manages CRROs through existing ERM and governance processes, including application of the Group's approved ERM risk matrix, allocation of accountability, periodic review through MACS, and escalation to the ARC and Board where required. Relevant climate-related risks are integrated into the Strategic Risk Register where appropriate and monitored through established ERM reporting cycles.

Macmahon's Sustainability Report is prepared in accordance with the Group's existing management system processes and governance framework that supports financial reporting integrity. The Board and ARC oversee the effectiveness of internal controls supporting climate-related data, disclosures and reporting processes.

During FY26, the Group focused on establishing consistent data collection processes, system linkages and review mechanisms to support the reliability of climate-related disclosures and future assurance requirements under the Australian Sustainability Assurance Standard (ASSA 5000) – General Requirements for Sustainability Assurance Engagements.

Macmahon is progressively strengthening its control environment to build readiness for reasonable assurance over a broader range of climate-related disclosures in future reporting periods:

- Implementation of defined data-owner accountabilities and sign-off procedures.
- Integration of climate-data validation checks within existing HSEQ and financial-reporting systems.
- Periodic internal reviews coordinated by the MACS to confirm data integrity and alignment with the Group's assurance plan.

5 RISK MANAGEMENT

Macmahon manages climate-related risks and opportunities (CRROs) within the Group's ERM framework. Climate-related exposures are identified, assessed and governed using the same risk matrix, risk appetite settings and escalation thresholds that apply to other strategic, operational and financial risks across the Group. This ensures climate-related risks are considered alongside other principal risks in determining the Group's overall risk profile and governance response.

As FY26 represents Macmahon's first year of mandatory climate-related financial disclosure, the CRRO assessment was undertaken as a discrete exercise conducted in parallel with the standard ERM cycle. Whilst undertaken separately to establish an initial baseline of climate-related exposures, the assessment applied the same consequence categories, likelihood scales and governance guardrails used across the enterprise.

The assessment considered both transition-related drivers associated with the global transition to a lower-emissions economy, and physical climate drivers associated with changes in climate conditions and extreme weather events. Transition drivers included evolving emissions regulation, potential carbon pricing mechanisms, technological developments and changing market demand, while physical drivers included acute weather events, rainfall variability and longer-term changes in climate conditions that may affect operational environments.

CRROs were assessed across short-term (0-5 years), medium-term (5-10 years) and long-term (beyond 10 years) planning horizons. These horizons were selected to align with project delivery, fleet replacement, capital allocation and strategic planning cycles.

As this is Macmahon's first reporting period under *AASB S2*, there are no prior-period changes to the climate risk management process to report. Future changes to the process will be disclosed where relevant.

	FY26 CRRO ASSESSMENT PROCESS
1 IDENTIFY CRROs	CRROs were identified at OpCo and corporate levels to capture operational, commercial and Group-level strategic exposures. The process considered physical (acute and chronic) and transition climate drivers across priority focus areas relevant to Macmahon, including project delivery, critical fleet and equipment, supply chain inputs, client and contractual requirements, portfolio exposure and strategic opportunities. Scenario analysis was not used as the primary mechanism for identifying CRROs or prioritising relevant CRROs for enterprise-level assessment. Identification was informed by operational experience, contract structures, regulatory developments, climate data and projections, market and technology trends, peer and industry information, and strategic planning inputs. Each item was mapped to the relevant enterprise risk category to support alignment with Macmahon's ERM framework and enable consistent assessment, consolidation and escalation.

	FY26 CRRO ASSESSMENT PROCESS
2 ASSESS CRROs	All identified CRROs were assessed using Macmahon's approved ERM risk matrix and consequence/likelihood scales. Each entry was classified by climate type, category and theme, and assessed by reference to expected business impact, time horizon, existing controls, likelihood and consequence. Consequence assessments were qualitative and considered potential financial, operational, contractual, safety, environmental, legal, compliance, reputational and strategic effects. CRRO descriptions were prepared to reflect the nature of the underlying climate-related exposure. Ratings reflected the exposure at the time of review, taking into account existing controls and current operating conditions. Planned mitigation or adaptation actions were documented, but were not assumed to change the rating unless already implemented.
3 CONSOLIDATE GROUP REGISTER	OpCo and Corporate-level CRROs were subsequently consolidated into a Group Climate Risk and Opportunity Register. Related CRROs were grouped under common titles and climate themes, duplication was removed and entity-level assessments were retained to preserve the full scope of exposure. Where multiple risks apply under the same title within an entity, the highest entity-level rating is carried forward to preserve the maximum potential exposure. This provides a structured Group-level view while retaining transparency of underlying OpCo and Corporate exposures.
4 PRIORITISE CRROs	Consolidated CRROs were evaluated to determine which climate-related risks and opportunities could reasonably be expected to affect the Group's prospects, considering the aggregation of impacts across operating segments and the scale and duration of exposure. The prioritisation process applied Macmahon's ERM risk scale and considered the relative significance of each CRRO across the Group's operating structure, including whether exposure was concentrated in a particular OpCo or had the potential to influence the Group's risk profile at an enterprise level. CRROs assessed as relevant through this process were included in Macmahon's climate risk management and disclosure process.
5 TREAT, INTEGRATE AND TEST RESILIENCE	Relevant CRROs are subject to enhanced governance oversight, financial effects assessment, scenario analysis and disclosure. Relevant climate-related risks are integrated within the Strategic Risk Register and managed in accordance with the Group's ERM processes, following the same treatment, monitoring and escalation pathways as other Strategic Risks. In parallel, relevant climate-related opportunities are considered through business planning, capital allocation and capability development processes under MACS oversight. Scenario analysis was applied after relevant CRROs were identified to assess how they may evolve under alternative climate pathways and to test the resilience of Macmahon's strategy and business model.

	FY26 CRRO ASSESSMENT PROCESS
6 MONITOR, REPORT AND DISCLOSE	The Group Climate Risk and Opportunity Register is reviewed at least annually, or more frequently where significant changes in the Group's operating context, project portfolio or external climate-related drivers may affect the assessment. Relevant climate-related risks within the Strategic Risk Register are monitored through established ERM reporting cycles and reviewed by the Audit and Risk Committee. Relevant climate-related opportunities within the Group's Business Plan (Business Plan Initiatives) are monitored by Management and progress reported to the Board. The register, financial effects assessment and scenario analysis outputs support Macmahon's climate-related financial disclosures under *AASB S2*.

Macmahon has identified five CRROs that could reasonably be expected to affect the Group's prospects over time. These CRROs represent the key climate-related exposures and opportunities that could influence the Group's business model, strategic positioning, operational performance and financial outcomes.

These climate-related risks and opportunities are described in Section 6.

6 CLIMATE-RELATED RISKS AND OPPORTUNITIES

Macmahon operates through a project-based delivery model across multiple segments, project types and geographical locations, supported by a largely mobile fleet. The Group typically provides people, equipment and project delivery expertise under client contracts, rather than owning or controlling long-life production assets such as mines, processing facilities or energy infrastructure.

Macmahon assessed the five relevant CRROs to understand their potential effects on the Group's prospects over the short, medium and long-term, applying the judgements and assumptions described in Section 2.

The assessment considered the effects of relevant CRROs on Macmahon's business model, value chain, strategy and decision-making, including where each relevant CRRO is concentrated and how it could affect portfolio positioning, project delivery, contract structures, fleet and capital planning, operating conditions and resource allocation.

The potential financial effects of relevant CRROs were also assessed with reference to Macmahon's financial position, financial performance and cash flows, including financial statement estimates, assumptions and carrying amounts. This included consideration of whether any relevant CRRO created a significant risk of material adjustment to the carrying amount of assets or liabilities within the next annual reporting period.

The potential financial effects of relevant CRROs were assessed as either not material for the current reporting period, or otherwise subject to a high degree of measurement uncertainty. Where measurement uncertainty was too high for quantified information to be useful to readers, Macmahon considered the combined effects of those CRROs in aggregate and assessed that quantified information on the aggregated financial effects would also not provide useful information. Macmahon will continue to assess the availability of relevant data and exposure to these risks and opportunities in future reporting periods.

Each CRRO profile describes the nature of the risk or opportunity, and summarises its effect on Macmahon's business model and strategy, financial effects, mitigation and adaptation measures and scenario sensitivity. The scenario analysis methodology and overall resilience assessment are presented separately in Section 7, with broader strategic outlook and transition planning considerations further described in Section 8.

Warradarge Wind Farm, Western Australia

1. TRANSITION RISK/OPPORTUNITY

PORTFOLIO EXPOSURE AND POSITIONING UNDER TRANSITION PATHWAYS

DESCRIPTION

Climate policy, decarbonisation and electrification are influencing commodity demand, client investment decisions and transition pathways. These changes may influence Macmahon's project pipeline, revenue mix and medium-term growth opportunities.

Exposure to emissions-intensive commodities, sectors or regions may increase sensitivity to transition pathways and evolving stakeholder expectations. This may affect project pipeline resilience, client demand and medium-term growth. Conversely, increased demand for transition-aligned commodities and infrastructure may support diversification and long-term revenue stability.

EFFECT ON BUSINESS MODEL AND STRATEGY

This item affects Macmahon's contractor-based business model through potential changes in client demand, project pipeline composition and revenue mix. In FY26, the effect was primarily reflected in portfolio monitoring, tender assessment and strategic planning discussions, rather than a change to the Group's operating model. As Macmahon does not own the underlying commodities or production assets it services, transition-related exposure is primarily linked to client investment decisions and market demand for mining, civil and infrastructure services.

In the short- to medium-term, transition pathways may influence demand for services in emissions-intensive sectors, while also creating opportunities in commodities, infrastructure and client projects that support decarbonisation, electrification or broader transition-related investment. These effects may influence which projects are available to tender, the competitiveness of Macmahon's service offering, and the mix of work across OpCos.

The strategic implication is maintaining portfolio flexibility, monitoring commodity, client and geographic exposure, and positioning the Group to respond to changing market demand without reliance on a single commodity, sector or geography. Macmahon's diversified operating model supports this flexibility, although transition-related changes in client investment patterns may influence growth opportunities and pipeline resilience over time.

MITIGATION AND ADAPTATION

Macmahon manages this risk and opportunity through portfolio monitoring, pipeline review and strategic planning processes. Commodity, client and market exposure are considered as part of tender assessment, business planning and capital allocation discussions. Transition-related market developments are monitored to support decision-making on project opportunities, service positioning and portfolio mix across mining and civil markets.

TIME HORIZON

Short	Medium	Long
0-5 YEARS	5-10 YEARS	10+ YEARS

VALUE CHAIN EXPOSURE

Downstream Value Chain: Concentrated in Macmahon's project pipeline, client base and commodity exposure across the Group's operating activities.

CURRENT FINANCIAL EFFECTS

The Group's revenue mix continued to evolve during FY26 through normal commercial and contract cycles. The Group has diversified over a range of commodities, clients and services, with new contracts awarded across gold, base metals and civil infrastructure markets, including renewables-related works.

No material current financial effect on revenue, project margins, tender outcomes or contract performance was identified as specifically attributable to climate-related transition factors during FY26. Portfolio changes primarily reflected client demand, commodity market conditions, project maturity and competitive dynamics.

ANTICIPATED FINANCIAL EFFECTS

Transition pathways may influence Macmahon's revenue mix, tender pipeline, project margin profile and operating cash flows through changes in commodity demand, client capital allocation, policy settings, project approvals and demand for mining, civil and infrastructure services.

In the short-term, this presents both downside risk to tender pipeline resilience and project mix where transition-sensitive commodities, clients or regions are affected, and upside opportunity where client investment shifts toward commodities, civil works or infrastructure that support transition-related demand.

A separate quantified amount or range has not been provided for this CRRO, including any combined effect with other contributing factors, as the climate-related effect is not separately identifiable from broader commodity price movements, client investment decisions, project timing, competitive tender outcomes and market conditions. A quantified amount or range would not provide a useful representation of the anticipated financial effect.

FINANCIAL STATEMENT AREAS POTENTIALLY AFFECTED

Financial Performance: Revenue from contracts with customers; operating expenses.

Financial Position: Working capital balances, including contract balances, where affected by project timing and contract performance.

Cash Flows: Cash flows from operating activities; cash flows used in investing activities where portfolio changes require capital deployment.

RELEVANT SCENARIO

Both scenarios, with greater sensitivity under the **Proactive Response (~1.5°C) scenario**, where stronger government policy, client decarbonisation commitments and investment in electrification may accelerate changes in commodity demand and project pipeline composition. This may increase transition pressure on emissions-intensive sectors, but also generate opportunities linked to transition-supportive commodities and infrastructure. Under the Passive Response (~3.6°C) scenario, demand for emissions-intensive commodities may remain more stable in the short-term, although longer-term uncertainty may increase as policy, market and physical climate pressures evolve.

2. TRANSITION RISK

FLEET INVESTMENT, TECHNOLOGY TRANSITION AND CAPITAL PLANNING

DESCRIPTION

Transition toward lower-emissions equipment and supporting infrastructure may influence fleet planning, replacement timing and capital allocation decisions. This risk relates to the availability, readiness and commercial viability of lower-emissions fleet technologies, and the ability to align investment decisions with client requirements, project duration and operational needs.

EFFECT ON BUSINESS MODEL AND STRATEGY

This risk affects Macmahon's contractor-based business model through the timing, suitability and commercial viability of fleet investment decisions. In FY26, the effect was primarily reflected in fleet planning, tender evaluation and capital allocation considerations, rather than a material change to the Group's fleet strategy. Macmahon's mobile fleet is a core input to project delivery, and fleet planning decisions influence the Group's ability to meet client requirements, maintain utilisation, manage operating efficiency and remain competitive in tender processes.

Over the long-term, lower-emissions fleet technologies may require Macmahon to balance emissions performance, operational reliability, technology readiness, supporting infrastructure and capital discipline. This reflects the scale of Macmahon's mobile fleet, the typical duration of major operating contracts and the need to align fleet decisions with client requirements over successive contract cycles.

The strategic implication is ensuring fleet planning remains flexible, commercially disciplined and aligned to contract duration, client requirements and available site infrastructure. This supports staged investment and reduces the risk of premature capital deployment, while allowing Macmahon to respond as technology readiness, infrastructure availability and client demand evolve.

MITIGATION AND ADAPTATION

Macmahon manages this risk through existing fleet planning, capital allocation and investment approval processes. Fleet replacement and investment decisions consider asset life, utilisation, project requirements, technology readiness, commercial viability, client expectations and available supporting infrastructure. Macmahon also monitors OEM technology developments and engages with clients where lower-emissions fleet options, operational efficiency initiatives or site infrastructure requirements may affect project delivery.

TIME HORIZON

Short 0-5 YEARS	Medium 5-10 YEARS	**Long 10+ YEARS**

VALUE CHAIN EXPOSURE

Upstream Value Chain and Project Delivery: Concentrated in Macmahon's owned and operated mobile fleet, maintenance functions and capital planning across the Group's operating activities.

CURRENT FINANCIAL EFFECTS

Fleet investment and capital allocation decisions during FY26 were driven by operational requirements, asset utilisation, project demand and contract terms. Climate-related considerations were assessed within standard capital planning processes but were not the primary driver of any material fleet decision.

Fleet assets were not written down, retired early, or had their useful lives or residual values changed due to technology transition factors. No material current financial effect on capital expenditure, depreciation or operating costs was identified as attributable to climate-related technology transition during FY26.

ANTICIPATED FINANCIAL EFFECTS

Over the long-term, fleet technology transition may influence future capital allocation, fleet replacement timing, asset utilisation, operating costs and cash flows as lower-emissions equipment, supporting infrastructure and client expectations evolve. The financial effect will depend on the commercial availability and operational suitability of lower-emissions equipment, site infrastructure readiness, contract duration, project requirements and the extent to which transition costs can be recovered through contract pricing.

The anticipated financial effect has not been separately quantified because fleet technology transition is assessed through broader fleet lifecycle, asset management and capital planning decisions, including equipment availability, market pricing, project demand and contract requirements. The Group determined disclosing of any amount or range would not provide useful information because the relevant drivers interact over successive fleet replacement cycles and cannot be attributed reliably to climate-related technology transition alone.

FINANCIAL STATEMENT AREAS POTENTIALLY AFFECTED

Financial Performance: Depreciation and operating expenses.

Financial Position: PPE; borrowings and lease liabilities where fleet investment is financed.

Cash Flows: Cash flows from operating activities; cash flows used in investing activities; cash flows from financing activities where fleet investment is funded through borrowings or leases.

RELEVANT SCENARIO

Both scenarios, with greater sensitivity under the **Proactive Response (~1.5°C) scenario**. Under the Proactive Response scenario, stronger government policy, client decarbonisation commitments and procurement expectations may accelerate demand for lower-emissions fleet options, improved equipment efficiency and supporting infrastructure. Under the Passive Response (~3.6°C) scenario, demand may be more fragmented across clients, commodities and jurisdictions. Across both scenarios, exposure depends on the pace and alignment of client demand, government policy, OEM technology readiness, infrastructure availability and commercial viability.

3. PHYSICAL RISK

OPERATIONAL EXPOSURE TO EXTREME WEATHER AND CLIMATE VARIABILITY

DESCRIPTION

Physical climate conditions, including extreme weather events and flooding, may disrupt site access, logistics and execution of works. Macmahon's exposure is primarily operational and project-specific, rather than asset-based or portfolio-wide. Potential impacts may include downtime, reduced productivity and operating cost variability where weather conditions exceed operational or contractual assumptions.

EFFECT ON BUSINESS MODEL AND STRATEGY

This risk is concentrated within Macmahon's project delivery model and affects the Group through potential disruption to active projects, including site access constraints, downtime, scheduling changes, productivity impacts, logistics disruption and changes to sequencing of works. In FY26, weather-related disruption was observed at certain projects and managed through existing project controls, contract management and operational planning processes.

This risk is considered most relevant over the short- to medium-term because Macmahon's exposure arises primarily through active project delivery, contract performance and site-specific operating conditions. Given Macmahon's project-based operating model and contract cycles, exposure is typically reassessed through tendering, contract negotiation and project planning as new contracts are awarded or existing contracts are renewed. Longer-term shifts in climatic patterns, including changes in rainfall variability and temperature conditions, were considered as part of this assessment; however, the relevant exposure for Macmahon is expected to arise primarily through project-specific operational impacts during active contract periods.

Although physical climate risks may increase over time, Macmahon's exposure is expected to remain project-specific rather than Group-wide, with impacts moderated by contract duration, operational controls, project-level contingency planning and geographic diversification. However, exposed projects may experience margin or cash flow variability where disruption exceeds operational or contractual assumptions. The strategic implication is maintaining operational flexibility, disciplined wet-season planning and clear contractual risk allocation so that project-level disruption can be managed without materially changing Macmahon's contractor-based business model.

MITIGATION AND ADAPTATION

In addition to the active diversification for service offering, commodity and region, Macmahon manages this risk through specific contract mechanisms, together with established project planning, site controls and business continuity processes. This includes wet-season planning, scheduling flexibility, work method adaptation, logistics coordination, emergency response planning and workforce safety controls, including heat and severe weather management where relevant. Contract terms, weather allowances and recovery mechanisms are considered through tendering, contract management and project governance processes. Operational responses are tailored to site conditions and client requirements, recognising that weather-related exposure varies by project, geography and operating context.

TIME HORIZON

Short	Medium	Long
0-5 YEARS	5-10 YEARS	10+ YEARS

VALUE CHAIN EXPOSURE

Project Delivery: Concentrated in weather-exposed project delivery activities, particularly Surface Mining, Civil and International projects in northern Western Australia, Queensland and Southeast Asia. Exposure is generally less direct for Underground Mining projects.

CURRENT FINANCIAL EFFECTS

Weather-related disruption was observed at certain projects during FY26, in Australia and Indonesia. Impacts included periods of reduced productivity, scheduling changes, downtime and associated cost variability.

Based on project financial reporting, weather-delay information, operational reporting and contractual recovery arrangements available at the reporting date, weather-related disruption did not result in a material Group-level current financial effect requiring separate quantitative disclosure.

ANTICIPATED FINANCIAL EFFECTS

Over the short-term, extreme weather and climate variability may affect project productivity, sequencing, site access, logistics, operating costs and operating cash flows. The financial effect is expected to remain project-specific and will depend on the location of the work, timing and duration of disruption, contract weather allowances, cost recovery rights and the effectiveness of site-level response controls.

Weather impacts are managed through contract mechanisms, project delivery, contract administration and operational response, and the climate-related component is not separately identifiable from ordinary project execution factors such as site conditions, programme changes, contract weather allowances and recovery mechanisms. A Group-wide amount or range has therefore not been presented, as it would aggregate projects with different weather exposures, contract settings and recovery positions and would not provide primary users with useful information about the anticipated financial effect.

FINANCIAL STATEMENT AREAS POTENTIALLY AFFECTED

Financial Performance: Revenue from contracts with customers; operating expenses.

Financial Position: Trade and other receivables, including contract assets, where affected by project timing or recovery mechanisms; provisions where contractual obligations arise.

Cash Flows: Cash flows from operating activities.

RELEVANT SCENARIO

Both scenarios, with greater sensitivity under the **Passive Response (~3.6°C) scenario**. Under the Passive Response scenario, growing physical climate variability may increase the frequency or severity of weather-related disruption, particularly in regions exposed to extreme rainfall, flooding, wet-season variability or heat. Under the Proactive Response (~1.5°C) scenario, physical climate impacts are still expected to increase relative to historical baselines; however long-term escalation is moderated compared with the higher-warming pathway.

4. TRANSITION RISK

EXPOSURE TO EVOLVING CLIENT EXPECTATIONS ON CLIMATE-RELATED PERFORMANCE

DESCRIPTION

Client expectations relating to climate-related performance, emissions management and reporting are increasingly influencing how projects are resourced and delivered. These expectations may include requirements for Macmahon to support client emissions-reduction objectives, net zero commitments, regulatory reporting obligations, operational efficiency initiatives or project-level sustainability requirements.

This risk relates to ensuring climate-related requirements are aligned with Macmahon's role as a contractor on client-owned or client-controlled sites and are appropriately reflected in contract arrangements.

EFFECT ON BUSINESS MODEL AND STRATEGY

This risk is concentrated in Macmahon's tendering, contract management and project delivery activities, and affects the Group's contractor-based business model through the evolving role of contractors in supporting client climate-related performance, emissions management and reporting expectations. As Macmahon often operates on client-owned or client-controlled sites, climate-related requirements need to be clearly aligned with Macmahon's contracted scope, operational responsibilities and the client's own regulatory and reporting obligations.

In the short- to medium-term, client expectations may increasingly influence tender evaluation, contract terms, reporting obligations and project delivery arrangements, particularly where clients are subject to NGER, Safeguard Mechanism or other emissions reduction requirements. These expectations may place greater emphasis on Macmahon's ability to demonstrate efficient fleet operation, practical emissions-reduction initiatives and alignment with client decarbonisation objectives.

The primary implications are commercial, legal, compliance and reputational.

MITIGATION AND ADAPTATION

Macmahon manages this risk through established tender, contract review and project governance processes. Climate-related requirements, including emissions management, data and reporting expectations, are assessed as part of tender and contract evaluation to ensure responsibilities are clearly allocated and aligned with Macmahon's contracted scope. Material or non-standard requirements are escalated through existing governance pathways, with input from operational, finance, legal and sustainability functions where required.

TIME HORIZON

Short	Medium	Long
0-5 YEARS	5-10 YEARS	10+ YEARS

VALUE CHAIN EXPOSURE

Downstream Value Chain and Project Delivery: Concentrated in tendering and project delivery where client climate-related requirements may be passed through to Macmahon, particularly on Australian civil and mining projects subject to NGER or Safeguard Mechanism obligations. Exposure is generally less direct for International operations.

CURRENT FINANCIAL EFFECTS

Relevant existing contracts were reviewed for climate-related performance, emissions management and reporting requirements as part of financial assessments during FY26. Where such requirements were identified, they were managed through established project, commercial and compliance processes.

No material incremental costs, margin impacts, contract adjustments or current financial effects were identified as attributable to client climate-related expectations during FY26.

ANTICIPATED FINANCIAL EFFECTS

Over the short-term, client expectations on emissions management, reporting and operational performance may increasingly influence tender evaluation, contract terms, delivery requirements, compliance effort and project margins, particularly where clients are subject to emissions-reduction or reporting obligations. The financial effect will depend on how those requirements are specified, priced, allocated within Macmahon's contracted scope and recoverable through commercial terms.

Client climate-related requirements are assessed as part of broader tendering, contract review, pricing and project delivery decisions, rather than as standalone financial drivers. As a result, the anticipated climate-related effect has not been separately quantified. A combined amount or range would also blend these requirements with wider commercial, technical, competitive and pricing factors, and would not provide primary users with useful information about the anticipated financial effect.

FINANCIAL STATEMENT AREAS POTENTIALLY AFFECTED

Financial Performance: Revenue from contracts with customers; operating expenses.

Financial Position: Trade and other receivables, including contract assets, where affected by contract performance or recovery mechanisms; provisions where contractual obligations arise.

Cash Flows: Cash flows from operating activities.

RELEVANT SCENARIO

Both scenarios, with greater sensitivity under the **Proactive Response (~1.5°C) scenario**, as stronger climate policy, carbon-price signals and client procurement expectations increase the likelihood that climate-related obligations are passed down. Under the Passive Response (~3.6°C) scenario, the risk may still arise where regulatory requirements remain fragmented across jurisdictions.

5. OPPORTUNITY

INCREASING DEMAND FOR CLIMATE ADAPTATION AND RESILIENCE SERVICES

DESCRIPTION

Increasing physical climate variability may create demand for complementary adaptation and resilience-related works at client sites and associated infrastructure. This may provide opportunities for Macmahon to support existing and new clients through services that improve operational resilience, site access, water management, logistics and infrastructure performance.

EFFECT ON BUSINESS MODEL AND STRATEGY

This opportunity may affect Macmahon's business model by supporting complementary service offerings across existing mining, civil infrastructure and mine site support activities. As physical climate variability increases, clients may require practical works that improve site access, water management, logistics, operational continuity and infrastructure resilience. In FY26, the opportunity was primarily reflected in early assessment of existing capability and potential tender evidence, rather than a standalone service line or material change to the Group's business model.

In the short- to medium-term, this may create opportunities to strengthen client relationships, improve tender competitiveness and support pipeline diversification, particularly where Macmahon can leverage existing capability rather than establish a new standalone service line.

The opportunity is expected to arise through client demand for resilience-related works at climate-exposed sites and associated infrastructure, rather than through Macmahon's own asset base.

The strategic implication is identifying where existing mining and civil capabilities can be positioned to support client adaptation needs. This may include using project experience, operational knowledge and cross-OpCo capability to respond to resilience-related opportunities where they are commercially viable and aligned with Macmahon's core service offering.

MITIGATION AND ADAPTATION

Macmahon manages this opportunity through pipeline review, tender assessment and business development processes. The Group is assessing where existing mining and civil capabilities may support growing demand for adaptation and resilience-related works. This includes reviewing relevant internal capability, developing tender evidence where appropriate and considering opportunities that are commercially viable and aligned with Macmahon's core service offering.

TIME HORIZON

Short 0-5 YEARS	Medium 5-10 YEARS	Long 10+ YEARS

VALUE CHAIN EXPOSURE

Downstream Value Chain and Project Delivery: Concentrated in Civil Infrastructure, mine site infrastructure and mining support services where clients require adaptation or resilience-related works.

CURRENT FINANCIAL EFFECTS

The Group delivered works during FY26 that may contribute to site resilience and operational continuity as part of existing Mining and Civil Infrastructure service delivery. Macmahon did not separately identify FY26 revenue, or margin impacts as directly attributable to climate adaptation or resilience demand.

Relevant works were recognised within ordinary project delivery rather than as a discrete adaptation revenue stream. No material current financial effect was identified as specifically attributable to this opportunity during FY26.

ANTICIPATED FINANCIAL EFFECTS

Over the short- to medium-term, increasing physical climate variability may support demand for resilience and adaptation-related works at client sites and associated infrastructure, including works that improve site access, water management, logistics, operational continuity or infrastructure performance. The opportunity is expected to arise through existing mining, civil infrastructure and mine support capabilities, rather than a standalone service line.

The financial effect will depend on client investment decisions, project timing, tender outcomes, scope definition and whether resilience-related requirements are included in commercially viable work packages. Adaptation-related demand is assessed through ordinary pipeline review, tender assessment and business development processes. A standalone amount or range has not been presented because it would blend ordinary project delivery, client resilience requirements and broader market factors, and would not provide primary users with useful information about the anticipated financial effect.

FINANCIAL STATEMENT AREAS POTENTIALLY AFFECTED

Financial Performance: Revenue from contracts with customers; operating expenses.

Financial Position: Trade and other receivables, including contract assets, where affected by project timing, billing or contract performance.

Cash Flows: Cash flows from operating activities.

RELEVANT SCENARIO

Both scenarios, with greater sensitivity under the **Passive Response (~3.6°C) scenario**, where increasing physical climate variability may drive greater demand for adaptation and resilience-related works, particularly where extreme weather, rainfall, flooding, heat or access constraints affect client operations and infrastructure. Under the Proactive Response (~1.5°C), demand may still arise where clients invest in operational resilience, but the opportunity is expected to be less strongly driven by escalating physical climate impacts.

7 CLIMATE RESILIENCE

APPROACH TO SCENARIO ANALYSIS

Macmahon uses climate scenario analysis to assess how relevant CRROs may evolve under different plausible climate futures and to test the resilience of the Group's strategy and business model.

FY26 represents Macmahon's first structured climate scenario analysis under *AASB S2*. The analysis was undertaken after relevant CRROs were identified through the climate risk assessment process, not as the primary mechanism for identifying or prioritising CRROs. However, outcomes from scenario analysis will inform future review cycles, including reassessment of CRROs where required.

The analysis covered Macmahon's consolidated operating businesses, including Surface Mining, Underground Mining, Civil Infrastructure and International operations, with emphasis on regions and activities where relevant CRROs were identified. Consistent with the Group's foundational year of mandatory climate disclosure, the analysis was qualitative in nature and based on reasonable and supportable information available at the reporting date, without undue cost or effort.

The scenario analysis considered impacts across the short-term (0-5 years), medium-term (5-10 years) and long-term (beyond 10 years), aligned with typical contract durations, fleet replacement cycles and strategic planning horizons.

Two reference pathways were assessed:

- A lower-warming pathway aligned to SSP1-1.9 (~1.5°C), aligned to the latest international agreement on climate change, the 2015 Paris agreement.
- A higher-warming pathway aligned to SSP3-7.0 (~3.6°C).

These scenarios were selected to represent a range of plausible climate futures relevant to Macmahon's operating environment and incorporate both transition-risk and physical-risk assumptions. The lower-warming pathway reflects a coordinated global transition consistent with the objectives of the Paris Agreement, while the higher-warming pathway reflects a delayed or fragmented policy response resulting in greater long-term physical climate impacts.

These scenarios draw on the IPCC SSPs (SSP1-1.9 and SSP3-7.0), with transition assumptions informed by NGFS and IEA scenario datasets. Consistent with these climate scenarios, Macmahon considered key assumptions relating to:

- Climate-related policy settings in relevant jurisdictions, including emissions-reduction regulation, carbon-pricing signals, climate reporting requirements and policy variability across operating regions.
- Macroeconomic and market trends associated with the global energy transition, including commodity demand, client capital allocation, infrastructure investment and demand for mining and civil services.
- National and regional variables across Australia and Southeast Asia, including severe weather events, extreme rainfall, wet-season variability, heat exposure and other regional climate conditions relevant to project delivery.
- Energy usage and mix, including diesel reliance, client-controlled fuel and energy arrangements, electrification pathways and the availability of lower-emissions energy sources.
- Technology developments relevant to mining and civil operations, including lower-emissions fleet, supporting infrastructure, energy efficiency technologies and climate-related data and reporting systems.

These assumptions provide the contextual basis for assessing how CRROs may evolve under each scenario. The figure below summarises the key characteristics of the two climate scenarios and their relevance to Macmahon's operating environment.

SCENARIO 1

PROACTIVE RESPONSE

~1.5°C (SSP1-1.9)

SCENARIO CHARACTERISTICS

This scenario assumes a globally coordinated and policy-driven transition consistent with limiting warming to approximately 1.5°C.

Climate policy strengthens progressively over time, and includes strong emissions reduction commitments, escalating carbon-price signals, accelerated electrification and rapid deployment of low-emissions technologies.

Demand for minerals associated with electrification strengthens, while emissions-intensive sectors face gradual structural pressure.

Physical climate impacts continue to increase relative to historical baselines but remain lower than under higher-warming pathways.

RELEVANCE TO MACMAHON

This scenario reflects a policy-aligned global transition consistent with Australia's net zero by 2050 commitment and strengthening decarbonisation frameworks.

It is relevant to Macmahon given the Group's reliance on diesel-powered fleet, exposure to energy and carbon-pricing settings, and operation under short- to medium-term mining and civil contracts that are influenced by evolving client procurement and emissions expectations.

SCENARIO 2

PASSIVE RESPONSE

~3.6°C (SSP3-7.0)

SCENARIO CHARACTERISTICS

This scenario assumes delayed and fragmented global climate action, resulting in approximately 3.6°C warming by 2100.

Policy ambition varies across jurisdictions and carbon pricing remains limited or inconsistent in the near-term. Energy system transition progresses more slowly and unevenly across jurisdictions.

While near-term transition pressures are lower, uncertainty increases over time. Policy ambition varies across jurisdictions and energy system transition progresses more slowly.

Physical climate impacts intensify progressively relative to lower-warming pathways.

RELEVANCE TO MACMAHON

This scenario reflects a delayed and fragmented global transition pathway, broadly consistent with a business-as-usual trajectory and increasing long-term physical climate exposure.

It is relevant to Macmahon given the Group's geographic footprint in climate-exposed regions of Australia and Southeast Asia, and its project-based operating model, which is influenced by prevailing regulatory, market and environmental conditions over successive contract cycles.

Sources: IPCC SSP1-1.9/SSP3-7.0; NGFS transition scenarios; IEA energy outlooks

Scenarios are not forecasts and are not assigned probability weightings, but provide a structured basis for resilience testing. The scenarios provide the basis for assessing the resilience of Macmahon's strategy and business model under both a policy-aligned transition pathway and a higher physical risk environment.

RESILIENCE ASSESSMENT

The table below summarises Macmahon's assessment of the Group's resilience under the two assessed climate scenarios. The assessment considered how scenario drivers may affect the relevant CRROs, and what this means for the resilience of Macmahon's business model and strategy over the short, medium and long-term. Relevant financial effect considerations are included to support connectivity with the current and anticipated financial effects assessment described in Section 6.

	RESILIENCE UNDER SCENARIO 1	RESILIENCE UNDER SCENARIO 2
TRANSITION-RELATED IMPLICATIONS	Stronger policy settings, client decarbonisation expectations and technology development increase sensitivity across Macmahon's transition-related CRROs, particularly portfolio positioning, fleet planning and contract allocation. Resilience is supported by Macmahon's diversified portfolio, project-based contract model, mobile fleet profile and ability to respond to changing client and market conditions over successive contract cycles.	Transition-related pressures are expected to emerge more unevenly across clients, commodities and jurisdictions. Portfolio exposure and fleet planning remain relevant, but timing uncertainty may increase where client expectations, policy settings and technology pathways develop at different speeds. Resilience is supported by Macmahon's diversified portfolio and ability to adapt commercial and capital decisions over successive contract cycles.
PHYSICAL CLIMATE IMPLICATIONS	Physical climate impacts remain relevant, particularly for operational exposure to extreme weather and adaptation/resilience-related opportunities. However, long-term escalation is moderated relative to the higher-warming pathway. Exposure is expected to remain project-specific and managed through operational controls, planning and contract mechanisms.	Physical climate impacts intensify progressively, increasing the relevance of operational exposure to extreme weather and demand for adaptation/resilience-related services. Weather-related disruption may affect access, logistics, scheduling and productivity at exposed projects. Resilience is supported by geographic diversification, operational flexibility and project-level contingency planning.
BUSINESS MODEL AND STRATEGY	Macmahon's contractor-based business model remains resilient under this scenario. Key strategic sensitivities relate to client expectations, contract structures, portfolio positioning and fleet transition timing. Limited ownership of long-life production infrastructure reduces exposure to structural asset impairment.	Macmahon's contractor-based business model remains resilient, although project delivery variability may increase where physical conditions affect active projects. Diversification across geographies, services, commodities and operating environments reduces the likelihood of uniform impacts across the Group.
FINANCIAL EFFECT SENSITIVITIES	Potential financial effects may arise through tender competitiveness, contract obligations, fleet investment timing, capital allocation and changes in revenue mix. These effects are expected to depend on client requirements, technology readiness, contract terms, pricing discipline and cost recovery mechanisms.	Potential financial effects may arise through downtime, productivity impacts, logistics, scheduling changes and margin variability where disruption exceeds contractual assumptions. Effects are expected to be project-specific rather than portfolio-wide, and depend on contract structure, weather allowances and recovery mechanisms.

SCENARIO 1

OVERALL RESILIENCE ASSESSMENT

No structural impact to Macmahon's overall business model was identified within the assessed time horizons. Under this scenario, resilience is supported by Macmahon's geographic diversification, commercial structuring, portfolio diversification, staged fleet renewal and aligning investment decisions with contract duration and technology readiness.

While transition pressures may increase, these are expected to influence tender competitiveness, contract obligations and capital planning rather than require a fundamental change to Macmahon's strategy or operating model. Physical climate impacts remain relevant but are expected to be more moderate than under the higher-warming pathway and managed through existing project controls, scheduling flexibility and contractual mechanisms.

Maintaining resilience under this scenario will require disciplined commercial risk allocation, continued monitoring of client and commodity exposure, staged fleet renewal aligned to contract duration and technology readiness, and ongoing improvement in emissions data and reporting capability.

SCENARIO 2

OVERALL RESILIENCE ASSESSMENT

No structural impairment to Macmahon's overall business model was identified within the assessed time horizons. Under this higher-warming pathway, resilience is supported by Macmahon's geographic diversification, contractor-based operating model, mobile asset base and ability to adjust project delivery and capital allocation decisions across successive contract cycles.

While operational variability may increase over time, the project-based and mobile asset nature of Macmahon's business model provides flexibility to redeploy, repurpose, upgrade or decommission existing assets across successive contract cycles.

Maintaining resilience under this scenario will require strong project-level contingency planning, logistics flexibility and clear contractual allocation of weather-related risks, while continuing to monitor evolving client expectations, policy settings and technology pathways across jurisdictions. Increasing physical climate variability may also support demand for adaptation and resilience-related services aligned to Macmahon's existing mining and civil capabilities.

Boston Shaker Gold Project, Western Australia

Across both assessed scenarios, Macmahon's exposure to climate-related risks is primarily linked to project execution, contract performance and capital planning decisions rather than ownership of long-life production infrastructure:

- **Proactive Response (~1.5°C)** Under this pathway, transition-related pressures increase over time, including stronger climate policy settings, higher carbon-price signals and evolving client procurement expectations. While the Group's direct exposure to carbon pricing remains limited where fuel and energy are client-supplied, emissions performance and reporting capability may become increasingly relevant to contract award and competitiveness. Portfolio diversification across commodities and jurisdictions provides flexibility to respond to evolving demand under this pathway.
- **Passive Response (~3.6°C)** Under this pathway, near-term transition pressures are comparatively lower; however, physical climate risks intensify progressively over time. Increased rainfall variability, extreme weather events and heat exposure may affect site access, logistics, equipment utilisation and scheduling. For Macmahon's project-based operations, financial exposure is generally mediated through contractual mechanisms and aligned to contract duration. Where weather disruption exceeds contractual assumptions, margin variability may arise.

Macmahon's capacity to adjust or adapt over the short, medium and long-term is supported by its contractor-based operating model, diversified service lines, geographic and commodity exposure, mobile fleet profile and ability to make commercial and capital allocation decisions over successive contract cycles.

In the short-term, responses are expected to focus on project controls, tender and contract review, wet-season planning and client engagement. In the medium to long-term, responses may include portfolio positioning, staged fleet replacement, operational resilience measures and capability development aligned to client and market demand. Key sensitivities include contract structures, fleet investment timing, technology readiness and project-level exposure to physical climate variability.

Resilience is also supported by existing operating cash flows and capital expenditure programs, together with the flexibility to redeploy, upgrade or retire mobile fleet assets over time through normal capital planning processes. At the reporting date, no material climate-specific capital investment, acquisition, divestment or asset retirement was identified as required to maintain the resilience of the Group's strategy or business model.

The scenario analysis did not identify conditions under either assessed scenario that would require a material change to Macmahon's overall strategy or business model within the assessed horizons. This conclusion reflects a qualitative assessment prepared using reasonable and supportable information available at the reporting date and does not represent a forecast of future financial performance.


Yan Yean Road, Victoria

8 STRATEGIC OUTLOOK AND TRANSITION PLANNING

Macmahon recognises that the transition to a lower-emissions economy and increasing physical climate variability may influence the Group's long-term strategy, capital allocation and portfolio composition. CRROs are therefore progressively being integrated into governance, risk management and strategic planning processes.

During FY26, climate-related considerations were incorporated into enterprise risk discussions, relevant planning processes and Management forums. Scenario analysis and the resilience assessment supported evaluation of potential strategic implications under alternative climate pathways, including matters relating to portfolio positioning, fleet and capital planning, and operational resilience measures. Outcomes of the scenario analysis will inform FY27 strategic planning processes and ongoing assessment of capital allocation priorities.

Macmahon's responses to relevant CRROs are resourced through existing governance, operating and capital planning frameworks. During FY26, climate governance, risk assessment, reporting and scenario analysis were resourced through existing Group functions and external specialist support. Oversight and coordination are supported by executive leadership and MACS, with integration into established ERM and financial reporting processes.

Investments in climate-related data systems, reporting capability and scenario analysis have been incorporated within broader operational improvement and digital system initiatives.

Operational resilience measures are implemented through established site-level operational budgets and business continuity planning processes, whilst fleet planning and capital allocation decisions are assessed through the Group's standard capital planning and approval frameworks. This approach supports consideration of climate-related matters alongside operational performance, commercial viability and market conditions when assessing future investment and strategic decisions.

Macmahon has not adopted a formal Climate Transition Plan or quantitative emissions-reduction targets at this stage. Given the diversity of the Group's operations across multiple commodities, markets and jurisdictions, Macmahon considers it appropriate to first establish reliable emissions baselines, governance processes and analytical capability. During FY26, the Group therefore prioritised strengthening data systems, governance capability and scenario-analysis processes to support future transition planning and potential target-setting where appropriate.

As this is the Group's first year of structured climate-related disclosure under *AASB S2*, no prior-period transition plan or climate-related commitments were disclosed against which progress is required to be reported.

9 METRICS AND TARGETS

In its first year of mandatory reporting, Macmahon has applied the transitional relief provisions available under *AASB S2*, including relief from presenting comparative information and Scope 3 GHG emissions.

GREENHOUSE GAS EMISSIONS

In accordance with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004), Macmahon determines its organisational boundary using the operational control approach. Macmahon has determined this to be the most appropriate measurement approach for Macmahon's operational context as it allows the Company to distinguish between emissions that are able to be controlled by the Company, and those that are able to be controlled by the Company's clients.

For operations in Australia, Macmahon measures its GHG emissions in accordance with the requirements of the *National Greenhouse and Energy Reporting (NGER) Act* (2007) and the methodologies contained within the NGER (Measurement) Determination 2008.

Macmahon has elected to apply *AASB S2025-1 Amendments to Greenhouse Gas Emissions Disclosures* early, prior to its mandatory application date of annual reporting periods beginning on or after 1 January 2027. For operations in other regions, Macmahon applies the GHG Protocol where no relevant jurisdictional measurement authority has been identified.

GHG emissions reported in Scope 1 and Scope 2 include activities and facilities where Macmahon has operational control, unless otherwise transferred to Macmahon by the client under a contractual arrangement.

Scope 1 and Scope 2 GHG emissions relate to entities and projects consolidated within the Macmahon Group financial statements. The Group has not entered into any contractual arrangements in relation to its Scope 2 GHG emissions. The Group does not currently hold material equity-accounted investees or joint ventures that generate reportable Scope 1 or Scope 2 emissions outside the consolidated accounting group.

In prior year voluntary disclosures, Macmahon reported Scope 1 and Scope 2 GHG emissions and energy consumed from Australian activities only, as defined by the NGER framework.

FY26 GREENHOUSE GAS EMISSIONS SUMMARY	
SCOPE 1	**2,805 t CO_2-e**
SCOPE 2 (LOCATION-BASED)	**2,346 t CO_2-e**

CALCULATION METHODOLOGIES

GHG emissions are calculated by multiplying input data against the relevant emissions factors given the activity type and applicable reporting standard.

Scope 1 GHG emissions are primarily calculated based on purchased records data from invoiced quantities. For operations in Australia, Macmahon applies the definitions and emissions factors as stated in the NGER (Measurement) Determination 2008. No Scope 1 GHG emissions were identified for operations outside Australia.

Location-based Scope 2 GHG emissions are calculated based on electricity consumption data from invoiced quantities. For operations in Australia, Macmahon applies the emissions factors as stated in the NGER (Measurement) Determination 2008. For operations outside Australia, Macmahon applies the emissions factors as stated in the UNFCCC Harmonized IFI Default Grid Factors 2021. Market-based Scope 2 GHG emissions are not included in this report.

Voluntary Non-standard Disclosure

GHG emissions from Macmahon-related activities at client projects, where Macmahon does not hold operational control, do not fall part of Scope 1 or Scope 2 disclosures. For transparency and context on Macmahon's operational exposure and contractual footprint, these are instead reported as a voluntary non-standard disclosure under a *Diesel Combustion in Group-Operated Fleet* category. Due to Macmahon's contractor-based operating model, clients generally manage fuel procurement and have full authority to introduce and implement operating policies at their operations. Associated GHG emissions from Macmahon-related activities at these projects fall within the client's Scope 1 reporting boundary.

VOLUNTARY: DIESEL COMBUSTION IN GROUP-OPERATED FLEET (FY26)	**1,723,657 t CO_2-e**
CALCULATION METHODOLOGIES	
GHG emissions from diesel combustion in Group-operated fleet are calculated based on either purchased records data from invoiced quantities or usage data from client-controlled fuel tracking systems at projects. For activities in Australia, Macmahon applies the emissions factors as stated in the NGER (Measurement) Determination 2008. For activities outside Australia, Macmahon applies the emissions factors as stated in the GHG Protocol Cross-sector Emission Factors.	

Tropicana Gold Mine, Western Australia

EXPOSURE TO TRANSITION RISK

Macmahon monitors transition-risk exposure using group-developed revenue indicators that estimate the amount and percentage of Group revenue from contracts with customers derived from business activities that may be most affected by evolving climate policy, carbon pricing, emissions-reduction regulation and structural commodity demand shifts, which are expected to be those customers in mining.

For the year ended 30 June 2026 approximately 73.9% of Group revenue from contracts with customers was derived from client projects in mining.

EXPOSURE TO PHYSICAL RISK

Macmahon assesses exposure to physical climate risks as part of its enterprise risk management, project risk assessment and operational planning processes. The Group's operations are geographically diversified across multiple regions and projects, each of which is subject to differing physical climate risk profiles and supported by site-specific mitigation and adaptation measures.

For the year ended 30 June 2026, Macmahon did not identify a material concentration of revenue exposure to physical climate risks at a Group level, considering geographic distribution of operations, the nature and timing of physical climate hazards, and the effectiveness of existing risk management and mitigation controls. Accordingly, there is no amount and/or percentage of Group revenue from contracts with customers considered to be significantly exposed to physical climate risks.

CLIMATE-RELATED OPPORTUNITIES

Macmahon's climate-related opportunities primarily relate to the potential for increased demand for mining, civil construction and related services arising from the energy transition, critical minerals development, renewable energy infrastructure, electrification and other climate resilience investment. These opportunities are not dependent on a distinct set of assets or business activities, and it is assessed that Macmahon's existing equipment fleet, operational capabilities and workforce can generally be redeployed across a range of projects and commodities, including in response to evolving customer demand and market conditions associated with the transition to a lower-emissions economy.

Accordingly, climate-related opportunities are assessed to be available across substantially all of the Group's operating assets and business activities rather than being attributable to a separately identifiable portion of the business.

For the year ended 30 June 2026 A$2.619 billion, or 100% of Group revenue from contracts with customers, was considered capable of supporting activities aligned with climate-related opportunities.

CAPITAL DEPLOYMENT TOWARD CLIMATE OBJECTIVES

During FY26, the Group reviewed capital expenditure, financing and investment activity to assess whether any material amount was specifically deployed toward climate-related risks or opportunities. Based on this review, no material amount was identified as specifically deployed toward climate-related risks or opportunities.

INTERNAL CARBON PRICE

Macmahon does not currently apply a formal internal carbon price in project evaluation or investment decisions. Indicative carbon price assumptions were considered qualitatively within scenario analysis to assess potential exposure under alternative policy settings.

CLIMATE IN EXECUTIVE REMUNERATION

Climate metrics are not currently separately weighted or incentivised within executive remuneration frameworks. The Board may consider future integration of climate-related performance measures once credible baselines and measurable targets are established.

CLIMATE TARGETS AND PERFORMANCE

Macmahon has not yet established emissions reduction targets.

Warradarge Wind Farm, Western Australia

Directors' Declaration

In the opinion of the Directors of Macmahon Holdings Limited (the 'Company'), reasonable steps have been taken to ensure the substantive provisions of the sustainability report, including:

i. The climate statements and notes required as at 18 August 2026 for the consolidated entity set out on pages 79 to 111, are in accordance with the *Corporations Act 2001* (Cth), including section 296C and section 296D, and are in compliance with the Australian Sustainability Reporting Standards (being *AASB S2* Climate-related Disclosures).

ii. Early adoption of *AASB S2025-1* Amendments to Greenhouse Gas Emissions Disclosures prior to its mandatory application date, to access jurisdictional relief for the reporting of greenhouse gas emissions.

Signed in accordance with a resolution of the Directors.

GREG EVANS
Independent, Non-Executive Chair

18 August 2026

Independent Auditor's Review Report

To the shareholders of Macmahon Holdings Limited

Report on specified Sustainability Disclosures of Macmahon Holdings Limited presented in the Sustainability Report titled "Sustainability Report FY26" prepared in accordance with the Corporations Act 2001

Review Conclusion on specified Sustainability Disclosures as required under the Corporations Act 2001

We have conducted a review of the following specified Sustainability Disclosures presented in the Sustainability Report of *Macmahon Holdings Limited* titled "Sustainability Report FY26" for the year ended 30 June 2026 in accordance with Australian Standards on Sustainability Assurance (ASSA) 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB).

Specified Sustainability Disclosures	***Reporting requirement of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D) (the Criteria)***	***Locations in Sustainability Report***
Governance disclosures	*Paragraph 6*	*Section 4 "Governance", pages 85 – 87*
Strategy (risk and opportunities) disclosures	*Subparagraphs 9(a), 10(a) and 10(b)*	*Section 5 "Risk Management", Table "FY26 CRRO Assessment Process", the following rows:* • *"1. Identify CRROs", page 88* • *"2. Assess CRROs", page 89* • *"3. Consolidate Group Register", page 89* • *"4. Prioritise CRROs", page 89* *The following subsections of Section 6 "Climate-related Risks and Opportunities":* • *"Portfolio exposure and positioning under transition pathways" (identification as Transition Risk/Opportunity and Description section, page 92)*

KPMG

		• *"Fleet investment, technology transition and capital planning" (identification as Transition Risk and Description section, page 94)* • *"Operational exposure to extreme weather and climate variability" (identification as Physical Risk and Description section, page 96)* • *"Exposure to evolving client expectations on climate-related performance" (identification as Transition Risk and Description section, page 98)* • *"Increasing demand for climate adaptation and resilience services" (identification as Opportunity and Description section, page 100)*
Scope 1 greenhouse gas emissions	*Subparagraphs 29(a)(i)(1) to (2) and 29 (a)(ii) to (v)*	*Section 9 "Metrics and Targets", subsection Greenhouse Gas Emissions, excluding 'Voluntary Non-Standard Disclosure', page 108*
Scope 2 greenhouse gas emissions		*Section 9 "Metrics and Targets", subsection Greenhouse Gas Emissions, excluding 'Voluntary Non-Standard Disclosure', page 108*

The requirements of AASB S2 identified in the table above form the Criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the specified Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the Corporations Act 2001.

Basis for Conclusion

Our review has been conducted in accordance with ASSA 5000 *General Requirements for Sustainability Assurance Engagements* issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant Criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the "Summary of the Work Performed" section of our report.

Our responsibilities under ASSA 5000 are further described in the "Auditor's responsibilities" section of our report.

We comply with the independence and other ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited.

Our firm applies Auditing Standard ASQM1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, issued by the AUASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information

The Directors of Macmahon Holdings Limited are responsible for the other information. The other information comprises the Macmahon Holdings Limited Annual Report including the Financial Report and Sustainability Report, but does not include the specified Sustainability Disclosures and our review report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of conclusion thereon, with the exception of the Financial Report and Remuneration Report and our respective audit reports.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the specified Sustainability Disclosures

The Directors of Macmahon Holdings Limited are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining a system of internal control that it determines is necessary to enable the preparation of specified Sustainability Disclosures in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the specified Sustainability Disclosures may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

For climate risks and opportunities, there is inherent uncertainty as a result of using assumptions about future events and management's actions that may not occur.

Greenhouse gas quantification is subject to inherent uncertainty due to the nature of the information and the uncertainties inherent in: (i) the methods used for determining or estimating the appropriate amounts, (ii) information used to determine emission factors and (iii) the values needed to combine emissions of different gases.

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Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgment and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement to identify and assess the risks of material misstatement, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to the assessed risks of material misstatement at the disclosure level.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Enquire with relevant Macmahon Holdings Limited personnel to obtain an understanding over the internal controls, governance structure and reporting processes of the specified Sustainability Disclosures;
- Review relevant documentation including the calculation spreadsheets, basis of preparation, policies, reporting procedures, methodologies and other supporting records underlying the specified Sustainability Disclosures;
- Assessed the adequacy of disclosures against AASB S2 criteria, including consistency, clarity, and alignment with the entity's sustainability-related risks and opportunities;
- Test and reconcile the specified Sustainability Disclosures to underlying source documentation on a sample basis;
- Test the mathematical accuracy of a sample of calculations underlying the specified Sustainability Disclosures;
- Assess emission factor sources and re-perform a sample of emission factor calculations used in the specified Sustainability Disclosures; and
- Review the Sustainability Report in its entirety to ensure it is consistent with our overall knowledge of Macmahon Holdings Limited and our observation of its operations.

KPMG

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Derek Meates
Partner
Perth
18 August 2026

Independent Auditor's Review Report

To the shareholders of Macmahon Holdings Limited

Report on specified Sustainability Disclosures of Macmahon Holdings Limited presented in the Sustainability Report titled "Sustainability Report FY26" prepared in accordance with the Corporations Act 2001

Review Conclusion on specified Sustainability Disclosures as required under the Corporations Act 2001

We have conducted a review of the following specified Sustainability Disclosures presented in the Sustainability Report of *Macmahon Holdings Limited* titled "Sustainability Report FY26" for the year ended 30 June 2026 in accordance with Australian Standards on Sustainability Assurance (ASSA) 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB).

Specified Sustainability Disclosures	***Reporting requirement of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D) (the Criteria)***	***Locations in Sustainability Report***
Governance disclosures	*Paragraph 6*	*Section 4 "Governance", pages 85 – 87*
Strategy (risk and opportunities) disclosures	*Subparagraphs 9(a), 10(a) and 10(b)*	*Section 5 "Risk Management", Table "FY26 CRRO Assessment Process", the following rows:* • *"1. Identify CRROs", page 88* • *"2. Assess CRROs", page 89* • *"3. Consolidate Group Register", page 89* • *"4. Prioritise CRROs", page 89* *The following subsections of Section 6 "Climate-related Risks and Opportunities":* • *"Portfolio exposure and positioning under transition pathways" (identification as Transition Risk/Opportunity and Description section, page 92)*

Boston Shaker Gold Project, Western Australia

Directors' Report

The Directors present their Report together with the financial statements for the consolidated entity (referred to as "the Group") consisting of Macmahon Holdings Limited (referred to as "the Company") and the entities it controlled during and at the end of the year ended 30 June 2026.

Directors

The following persons were Directors of Macmahon during the financial year and up to the date of this Report, unless otherwise stated:

G Evans	Independent, Non-Executive Chair
M Finnegan	Managing Director and Chief Executive Officer
D Chandran	Independent, Non-Executive Director
D Gibbs	Non-Independent, Non-Executive Director
G White	Independent, Non-Executive Director
S Pervan	Independent, Non-Executive Director (Appointed 1 November 2025)
T Quinn	Independent, Non-Executive Director (Appointed 16 March 2026)
A Sidarto	Non-Independent, Non-Executive Director (Appointed 29 April 2026)
H Tyrwhitt	Independent, Non-Executive Director (Resigned 24 October 2025)
M Arnason	Independent, Non-Executive Director (Resigned 2 September 2025)

Directors' qualifications, experience, special responsibilities and any directorships of other listed Australian companies held within the last three years are set out on pages 36 to 39 of this Report.

Toka Tindung Gold Mine, Indonesia

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2026, and the number of meetings attended by each Director were:

	Board		Audit and Risk Committee		Remuneration and Culture Committee		Nomination Committee	
	M	A	M	A	M	A	M	A
G Evans*	15	15	4	4	N/A	N/A	3	3
M Finnegan	15	15	N/A	N/A	N/A	N/A	3	3
D Chandran	15	15	N/A	N/A	4	4	3	3
D Gibbs	15	13	N/A	N/A	N/A	N/A	3	3
S Pervan**	8	8	3	3	2	2	2	2
T Quinn***	4	4	1	1	N/A	N/A	1	1
A Sidarto****	3	3	N/A	N/A	N/A	N/A	1	1
G White	15	13	5	5	4	4	3	3
M Arnason †	4	4	2	2	2	2	N/A	N/A
H Tyrwhitt ††	7	7	N/A	N/A	N/A	N/A	1	1

Chair

Member

M *The number of meetings held during the period the Director was a member of the Board and/or Committee.*

A *The number of meetings attended by the Director during the period the Director was a member of the Board and/or Committee.*

* *Mr Evans became Chair of the Board and Nomination Committee on 24 October 2025 and served as Chair of the Audit and Risk Committee during the year until 12 February 2026.*

** *Ms Pervan was appointed to the Board from 1 November 2025 and to the Audit and Risk Committee and Remuneration and Culture Committee on 4 November 2025. Ms Pervan became Chair of the Audit and Risk Committee on 13 February 2026.*

*** *Mr Quinn was appointed to the Board and Nomination Committee from 16 March 2026, and to the Audit and Risk Committee on 26 March 2026.*

**** *Mr Sidarto was appointed to the Board and Nomination Committee from 29 April 2026.*

† *Ms Arnason ceased to be a Director (and member of the Audit and Risk and Remuneration and Culture Committee) on 2 September 2025.*

†† *Mr Tyrwhitt ceased to be a Director (and Chair of the Board and Nomination Committee) on 24 October 2025.*

COMPANY SECRETARY

MAHA CHAAR

Ms Chaar is Macmahon's General Counsel and Company Secretary. A summary of Ms Chaar's biography is set out on page 41 of this Report.

OFFICERS WHO WERE PREVIOUSLY PARTNERS OF THE AUDIT FIRM

Not applicable.

CORPORATE GOVERNANCE STATEMENT

The Company's 2026 corporate governance statement is available from its website at www.macmahon.com.au/about/corporate-governance/#corporate-governance-statement

PRINCIPAL ACTIVITIES

The principal activities of the Group consisted of providing surface mining, underground mining and mining support and civil infrastructure services to mining companies throughout Australia and Southeast Asia.

Apart from the above, or as noted elsewhere in this Report, there were no significant changes in the nature of the activities of the Group during the year under review.

REVIEW OF OPERATIONS

For the year ended 30 June 2026, the Group reported increases in revenue, underlying EBIT(A), and EBITDA that were driven by new work secured across both Civil and Underground services, in Australia and internationally, and was partially offset by the completion of two Surface projects in the East.

Information on the operations and financial position of the Group and its business strategies and prospects is set out in the operational review and financial review on pages 19 to 29, and form part of this Directors' Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the year under review.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

DIVIDENDS

On 18 August 2026 the Board approved a final dividend on ordinary shares of 1.25 cents per ordinary share in respect of FY26.

DIVIDENDS

DECLARED AND PAID DURING FY26

Dividends paid or declared by the Company to members since the end of the previous financial year were:

	Cents	$	Date of payment
Interim 2026 ordinary	0.95	20,472,367	10 Apr 2026
Final 2025 ordinary	0.95	20,472,367	10 Oct 2025

DECLARED AFTER YEAR-END

After the balance sheet date, the following dividends were declared by the Directors:

	Cents	$	Date for payment
Final 2026 ordinary	1.25	$26,937,323	12 Oct 2026

As the final dividend was declared after 30 June 2026, the financial effect of these dividends has not been brought to account in the consolidated financial statements of the Group for FY26.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Group in future financial years and the expected results of those operations have been included generally within the Annual Report. The Group plans to continue providing surface mining, underground mining and mining support and civil infrastructure services to mining companies throughout Australia and Southeast Asia.

ENVIRONMENTAL REGULATION

The Group is subject to environmental regulation in respect of its projects and operations business activities. The Group aims to ensure that the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with relevant environmental legislation. The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

REMUNERATION REPORT (AUDITED)

The audited remuneration report is set out on pages 127 to 145 and forms part of this Directors' Report.

INDEMNITY AND INSURANCE OF OFFICERS

The Company has indemnified the Directors and executives of the Company for costs incurred in their capacity as a Director or Executive, for which they may be held personally liable, except where there is a lack of good faith.

For the year ended 30 June 2026, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001* (Cth). The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

INDEMNITY AND INSURANCE OF AUDITOR

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During FY26, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 29 to the consolidated financial statements.

The Directors are satisfied that the provision of non-audit services during the year by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth).

Based on advice received from the Audit and Risk Committee, the Directors are of the opinion that the services as disclosed in note 29 to the consolidated financial statements:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor.
- None of the services undermines the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity, acting as an advocate or jointly sharing economic risks and rewards.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to "rounding-off". Amounts in this Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 125.

AUDITOR

KPMG continues in office in accordance with section 327 of the *Corporations Act 2001* (Cth).

RESOLUTION

This Report is made in accordance with a resolution of Directors, pursuant to section 298 (2)(a) of the *Corporations Act 2001* (Cth).

GREG EVANS
Independent, Non-Executive Chair

18 August 2026

Telfer, Western Australia

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Macmahon Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial report and the review of specified sustainability disclosures in the sustainability report of Macmahon Holdings Limited for the financial year ended 30 June 2026 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit of the financial report and the review of the sustainability report; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit of the financial report and the review of the sustainability report.

KPMG

Derek Meates
Partner
Perth
18 August 2026

Telfer Gold-copper Mine, Western Australia

Remuneration Report

This Remuneration Report for the year ended 30 June 2026 has been audited by the Company's external auditor.

The remuneration report details the remuneration arrangements for Key Management Personnel (KMP) as defined by and in accordance with the requirement of the *Corporations Act 2001* (Cth) and its regulations. The KMP included in the Remuneration Report include personnel who planned, directed and were responsible to control all business activities and not only specific pillars.

1 REMUNERATION GOVERNANCE

The Board oversees the remuneration arrangements of the Company. In performing this function, the Board is assisted by input and recommendations from the Remuneration and Culture Committee (the Committee), external consultants and internal advice. The Committee is responsible for the overview and recommendation to the Board of remuneration arrangements for Non-Executive Directors and Executive key management personnel (KMPs). The MD and CEO, in consultation with the Board, sets remuneration arrangements for other KMPs. No employee is directly involved in deciding their own remuneration, including the MD and CEO.

Further details of the role and function of the Committee are set out in the Remuneration and Culture Committee Charter on the Company's website at www.macmahon.com.au.

The Committee obtains advice and market remuneration data from external remuneration advisors as required. When advice and market remuneration data is obtained, the Committee follows protocols regarding the engagement and use of external remuneration consultants to ensure ongoing compliance with executive remuneration legislation. These protocols ensure that any remuneration recommendation from an external consultant is free from undue influence by any member of the Company's KMPs to whom it relates.

The protocols for any external consultant providing remuneration recommendations prohibit them from providing advice or recommendations to KMPs or Non-Executive Directors before recommendations are given to the Committee. These arrangements were implemented to ensure that any external party will be able to carry out its work, including information capture and formation of its recommendations, free from undue influence by the individuals to whom they relate.

For FY26, Godfrey Remuneration Group Pty Ltd were engaged as remuneration consultants to provide market data for Non-Executive Directors (NEDs) fees and to provide recommendations in relation to benchmarking the market competitiveness of Macmahon's remuneration practices for the MD and CEO and Executive KMP. Godfrey Remuneration Group Pty Ltd were paid $36,300 for these services.

1.1 MD AND CEO FIXED REMUNERATION AND OTHER KMPS

For FY26, the Company set the fixed pay with reference to the P50 (median) of a group of peer companies. A fixed pay range of plus or minus 20% around the median was used to account for individual factors such as experience, calibre and merit. In selecting the peer group, the Board considered the Company's market capitalisation, operations in international locations, number of employees, number of operations, and complexity of operations.

2 EXECUTIVE REMUNERATION

2.1 OVERVIEW

The Company's approach to remuneration is to compensate employees in a way that is cost-effective and appropriate for current industry conditions, but also sufficient to attract, retain and incentivise the calibre of personnel needed to effectively manage the Company's business. To this end, the remuneration packages offered to KMPs have three components:

- Market-competitive fixed remuneration.
- An at-risk short-term incentive opportunity dependent on performance over an annual period.
- An at-risk long-term incentive opportunity dependent on performance over multiple years.

The targeted remuneration mix for KMPs for the year ended 30 June 2026 is outlined below:

		At risk	
	Fixed remuneration	Short-term incentive	Long-term incentive
Michael Finnegan Managing Director (MD) and Chief Executive Officer (CEO)	34%	33%	33%
Ursula Lummis Chief Financial Officer (CFO)	44%	33%	23%
Peter Pollard Chief Corporate Development Officer (CCDO)	44%	33%	23%

2.2 FIXED REMUNERATION

The fixed remuneration paid to KMPs is based on the size and scope of their role, knowledge and experience, market benchmarks for that role, and, to some extent, the Group's financial circumstances. Fixed remuneration comprises base salary, any applicable role-specific allowances, and superannuation.

Remuneration levels are reviewed annually by the Remuneration and Culture Committee through a process that considers individual and overall performance of the Group. In addition, external advisors and industry surveys may be used to ensure the KMPs remuneration is competitive with the market and relevant industry peers.

For FY26, the Company set the fixed pay with reference to the P50 (median) of a group of peer companies. A fixed pay range of plus or minus 20% around the median was used to account for individual factors such as experience, calibre and merit. In selecting the peer group, the Board considered the Company's market capitalisation, operations in international locations, number of employees, number of operations and complexity of operations.

Based on the results of the market benchmarking review, remuneration increases of 4.0% to the MD and CEO, CFO and CCDO were provided from 1 July 2025. These increases were appropriate to ensure that senior executives are being remunerated commensurate with their responsibilities and remain market competitive.

2.3 FY26 SHORT-TERM INCENTIVE (STI)

For FY26, the STI opportunity provided to KMPs had the following features:

Description	KMPs are eligible to participate in the annual STI plan, which comprises a portion of their variable remuneration and is subject to performance measures.
Performance measures and weighting	A combination of specific Group KPIs are chosen to reflect the core drivers of short-term performance and to provide a framework for delivering sustainable value to the Group and its shareholders. The following KPIs were chosen for the 2026 financial year: • EBIT(A) (100%) The STI outcome reduced by the following KPI modifiers if not achieved: • Total Recordable Injury Frequency Rate (TRIFR) (-10%) • Return on Average Capital Employed (ROACE) (-10%) • Order Book (-10%) • Employee Value Proposition (EVP) (-10%) • Compliance to the Integrated Management System (IMS) Annual Plan (-10%) The STI was structured to commence upon achievement of the Company's publicly stated EBIT(A) guidance (gateway), and to increase in line with any additional EBIT(A), up to a cap.
Reasons for using these targets	The KPIs were chosen to reflect the core drivers of short-term performance and to provide a framework for delivering sustainable value to the Group and its shareholders.
Performance period	Performance against the STI targets relate to the period from 1 July 2025 to 30 June 2026.
Form of payment and timing of payment	The STI award is determined after the end of the financial year based on audited results, with earnings used to assess performance adjusted for any Board approved excluded one-off items. The Board approves the final STI award following this assessment, after which the STI is paid in cash.
Executive claw back	The after-tax STI payment to KMPs may be claimed back by the Company at any time up to two years after payment in the event of: a) A restatement of the Group's financial results (other than a restatement caused by a change in applicable accounting standards or interpretations), the result of which is that any STI awarded to the KMPs would have been a lower amount had it been calculated based on such restated results. b) Fraudulent, dishonest or other improper conduct of the KMPs.
Board discretion	The Board has the right to modify, reduce or remove the STI opportunity at any time, including if there is a fatality.

POTENTIAL BONUS AWARDS

The table below shows the potential STI awards, as a percentage of total fixed remuneration (TFR), available to the KMPs under the FY26 STI Plan.

	Performance level		
	Threshold (lower end of guidance range $180 million EBIT(A))	Target (mid-guidance range $185 million EBIT(A))	Stretch (capped at $195 million EBIT(A))
M Finnegan	0% of TFR	100% TFR	130% TFR
U Lummis	0% of TFR	75% TFR	97.5% TFR
P Pollard	0% of TFR	75% TFR	97.5% TFR

The STI metric is pro-rata between the Threshold, Target and Stretch performance levels.

For FY27, there will be no significant change to the STI plan.

The Board will have the right to modify, reduce or remove the STI opportunity at any time.

2.4 LONG-TERM INCENTIVE (LTI)

At the discretion of the Board, the Company provides an LTI opportunity to KMPs through the grant of performance rights. These performance rights can vest into fully paid ordinary shares in the Company, for no consideration, subject to meeting a performance condition and a continued employment condition. The purpose of this LTI opportunity is to incentivise KMPs to deliver sustained increases in shareholder value over the long-term.

PERFORMANCE CONDITION

The Board selects the LTI hurdles based on the three-year strategy for the Group. The vesting of performance rights granted on 1 July 2025 are subject to the following vesting conditions:

- Absolute total shareholder return (TSR) over a three-year performance and service period (50%).
- Strategic objectives are subject to the measurement period below and a three-year service period:
  - Year 1 underlying unweighted EPS growth target (10%)
  - Year 2 underlying unweighted EPS growth target (10%)
  - Year 3 underlying unweighted EPS growth target (10%)
- Remaining employed as at 30 June 2028 (20%).

For the purposes of calculating TSR, the starting share price is based on the volume-weighted average price (VWAP) over the 30 calendar days before the first day of the performance period, and the closing share price is based on the VWAP over the 30 calendar days up to and including the final day of the performance period.

For performance rights granted on 1 July 2025, the portion of each grant of rights eligible to vest at various levels of increase in Compound Annual Growth Rate (CAGR) TSR is:

Company's TSR performance over the performance period	Proportion of performance rights that are eligible to vest at the end of the performance period
Less than 10% CAGR TSR growth	0%
Between 10% and < 15% CAGR TSR growth	50%, plus a straight-line increase in % award until 15% TSR is achieved
At 15% CAGR TSR growth and above	100%

For performance rights granted on 1 July 2025, the portion of each grant of rights eligible to vest at various levels of increase in underlying unweighted EPS growth for each financial year from FY26-FY28 is:

Company's underlying unweighted EPS growth over the performance period	Proportion of performance rights that are eligible to vest at the end of the performance period
Less than 8% annual underlying unweighted EPS growth	0%
8% annual underlying unweighted EPS growth	50%
12% or more annual underlying unweighted EPS growth	100%
Between 8% and 12% annual underlying unweighted EPS growth	Pro-rata between 50% and 100%

On 100% achievement of all hurdles, the **maximum** LTI award is 100%.

POTENTIAL LTI AWARDS

The table below shows the potential LTI, as a percentage of available grant to the KMPs under the FY26 LTI Plan.

	Percentage allocation of TFR
M Finnegan	100%
U Lummis	55%
P Pollard	55%

CONTINUED EMPLOYMENT CONDITION

Performance rights lapse if a holder ceases employment before the rights vest unless the Board, in its absolute discretion, determines otherwise. There is no vesting of performance rights based solely on continued employment.

CHANGE OF CONTROL

If a change of control occurs or the Company is wound up or delisted, the Board may (in its absolute discretion) determine that all or a portion of the performance rights on issue will vest, notwithstanding the time restrictions or performance conditions applicable to the performance rights.

TESTING OF THE PERFORMANCE CONDITION

Performance rights are tested for vesting only once at the end of the performance period. That is, there is no re-testing of performance rights.

DIVIDENDS AND VOTING RIGHTS

Performance rights do not have dividend or voting rights. However, the shares allocated upon vesting of performance rights rank equally with other ordinary shares on issue.

RESTRICTION ON DISPOSAL OF SHARES

The shares allocated to performance rights holders upon the vesting of those rights are initially held in a trust and are subject to disposal restrictions in line with the Company's Securities Trading Policy.

PERFORMANCE RIGHTS GRANTED IN FY26

For FY26, a total of 6,447,976 performance rights were granted to current KMPs. Refer to Section 6.1 for further details of performance rights granted during the year.

In addition to the performance rights listed above, the Company granted performance rights to other senior employees of the Group, subject to a three-year performance period and continued employment.

Details of all performance rights issued by the Company are set out in note 28 to the consolidated financial statements included in this Annual Report.

The number of performance rights granted to participants in accordance with the LTI Plan is at the discretion of the Board.

2.5 STATUTORY PERFORMANCE INDICATORS (INCLUDING VARIABLE REMUNERATION MEASURES)

The table below shows measures of the Group's financial performance over the past five years as required by the *Corporations Act 2001* (Cth). However, these measures are not all consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs. Consequently, there may not always be a direct correlation between statutory key performance measures and the variable remuneration awarded to KMPs.

	FY26	FY25	FY24	FY23	FY22
Statutory performance indicators					
Profit/(loss) after income tax expense from continuing operations ($m)	**101.1**	73.9	53.2	57.7	27.4
Reported basic earnings per share from continuing operations (EPS) (cents)	**4.72**	3.47	2.53	2.75	1.30
Dividends declared (cents per share)	**2.20**	1.50	1.05	0.75	0.65
Dividends paid (cents per share)[1]	**1.90**	1.15	0.90	0.65	0.65
Share price at 30 June (cents)	**95.50**	31.00	29.00	15.50	13.50
Total Shareholder Return (TSR) (%)	**214.2**	10.9	92.9	19.6	(25.5)

1 1.90 cents per share includes the final dividend for FY25 of 0.95 cents per share and the interim dividend for FY26 of 0.95 cents per share.

2.6 EMPLOYMENT CONTRACTS

The Company's KMPs are engaged under ongoing employment contracts with no fixed termination date. However, these contracts may be terminated by notice from either party.

Key details of the employment contracts of the current KMPs are set out below:

<table>
<tr><th></th><th>Annual fixed remuneration including superannuation</th><th>Other remuneration</th><th>Notice periods to terminate</th><th>Termination payments</th></tr>
<tr><td>M Finnegan</td><td>$1,092,000</td><td rowspan="3">Short-term and long-term incentive opportunities as described above.</td><td rowspan="3">Three months' notice by either party or payment in lieu, except in certain circumstances such as misconduct where no notice period applies.</td><td>Statutory entitlements, plus if the Executive is terminated or resigns in certain circumstances following a change of control or delisting of Macmahon, a payment equal to six months of annual fixed remuneration, including superannuation. Any unvested performance rights held by the KMPs lapse upon termination or resignation, unless the Board, in its absolute discretion, determines otherwise.</td></tr>
<tr><td>U Lummis</td><td>$695,469</td><td rowspan="2">Statutory entitlements, plus any unvested performance rights held by the KMP's lapse upon termination or resignation unless the Board, in its absolute discretion, determines otherwise.</td></tr>
<tr><td>P Pollard</td><td>$695,469</td></tr>
</table>

3 NON-EXECUTIVE DIRECTOR REMUNERATION

The remuneration structure provided to Non-Executive Directors is distinct from that applicable to KMPs. Non-Executive Directors only receive fixed remuneration, which is not linked to the financial performance of the Group.

The remuneration provided to Non-Executive Directors for FY26 is set out below:

	Cash remuneration[1] $	Salary sacrifice for share rights $	Total $
G Evans[2]	200,364	36,875	237,239
D Chandran	91,450	73,750	165,200
D Gibbs	135,200	-	135,200
S Pervan[3]	120,425	-	120,425
T Quinn[4]	44,945	-	44,945
A Sidarto[5]	23,558	-	23,558
G White	175,200	-	175,200
H Tyrwhitt[2]	85,235	-	85,235
M Arnason[6]	30,527	-	30,527
Total	**906,904**	**110,625**	**1,017,529**

1 *Cash remuneration includes directors' fees, committee fees and superannuation.*

2 *Mr Tyrwhitt retired as Director and Chair on 24 October 2025. Mr Evans succeeded as Chair from that date.*

3 *Ms Pervan was appointed as Non-Executive Director, effective 1 November 2025.*

4 *Mr Quinn was appointed as Non-Executive Director, effective 16 March 2026.*

5 *Mr Sidarto was appointed as Non-Executive Director, effective 29 April 2026.*

6 *Ms Arnason resigned from the Board, effective 2 September 2025. As such, her share rights were forfeited and paid out in cash.*

The maximum aggregate amount, as approved by Shareholders at the 2021 Annual General Meeting, that can be paid to Non-Executive Directors is $1,300,000 per annum, including superannuation (the Fee Pool).

Non-Executive Directors have the option to sacrifice a percentage of their fixed remuneration for share rights.

SHARE RIGHTS

A Non-Executive Director Salary Sacrifice Plan was initiated by the Company during FY19, pursuant to which Non-Executive Directors may elect to sacrifice all or a portion of their annual pre-tax directors' fees and committee fees (excluding superannuation) in the form of share rights. Vesting is contingent on the Non-Executive Director remaining continuously engaged by the Company as a Non-Executive Director. Share rights were granted in two tranches on 1 July 2025 (50% vesting on the day after the release of Macmahon's half-year results and 50% vesting on the day after the release of Macmahon's full-year results). The share rights may be cash settled at the request of the Non-Executive Director prior to vesting.

For additional information on restrictions or failure to vest, refer to the ASX announcement dated 5 July 2018.

In accordance with Australian Accounting Standards, as the share rights provide an option over equity, they have been fair valued as of their grant dates. Details of the share rights are provided in section 6.

4 VALUE PROVIDED TO KMPS

4.1 STATUTORY REMUNERATION FOR THE YEAR ENDED 30 JUNE 2026

Details of the nature and value of each major element of remuneration provided to KMPs of the Company for FY26 are set out in the table below. In this table, the value of share-based payments has been calculated in accordance with Australian Accounting Standards.

Directors Non-Executive	Year	Short-term				
		Salary $	Committee fees $	Cash bonus/ STI $	Non-monetary benefits $	Total short-term $
G Evans (Chair)[1]	2026	203,377	8,443	-	-	211,821
	2025	80,837	15,695	-	-	96,532
D Chandran	2026	120,714	26,786	-	-	147,500
	2025	121,256	26,905	-	-	148,161
D Gibbs	2026	120,714	-	-	-	120,714
	2025	121,256	-	-	-	121,256
S Pervan[2]	2026	80,476	27,046	-	-	107,522
	2025	-	-	-	-	-
T Quinn[3]	2026	35,666	4,464	-	-	40,130
	2025	-	-	-	-	-
A Sidarto[4]	2026	21,034	-	-	-	21,034
	2025	-	-	-	-	-
G White	2026	120,714	35,714	-	-	156,428
	2025	121,256	23,916	-	-	145,172
H Tyrwhitt[1]	2026	76,102	-	-	-	76,102
	2025	242,511	-	-	-	242,511
M Arnason[5]	2026	21,034	6,223	-	-	27,257
	2025	80,837	16,443	-	-	97,280
Total compensation for Non-Executive Directors	2026	799,831	108,676	-	-	908,507
	2025	767,953	82,959	-	-	850,912

Executives	Year $	Salary and allowances $	Short-term			
			Committee fees $	STI bonus $	Non-monetary benefits $	Total short-term $
M Finnegan	2026	1,062,000	-	1,259,362	1,459	2,322,821
	2025	1,020,000	-	1,137,192	2,769	2,159,961
U Lummis	2026	665,469	-	601,543	2,110	1,269,122
	2025	638,788	-	543,188	1,939	1,183,915
P Pollard	2026	620,483	-	601,543	-	1,222,026
	2025	621,599	-	543,188	-	1,164,787
Total compensation for executive personnel	2026	2,347,952	-	2,462,448	3,569	4,813,969
	2025	2,280,387	-	2,223,568	4,708	4,508,663
Total compensation for Directors and Executives	2026	3,147,783	108,676	2,462,448	3,569	5,722,476
	2025	3,048,340	82,959	2,223,568	4,708	5,359,575

NED footnotes

1 *Mr Tyrwhitt retired as Director and Chair on 24 October 2025. Mr Evans succeeded as Chair from that date.*
2 *Ms Pervan was appointed as Non-Executive Director, effective 1 November 2025.*
3 *Mr Quinn was appointed as Non-Executive Director, effective 16 March 2026.*
4 *Mr Sidarto was appointed as Non-Executive Director, effective 29 April 2026.*
5 *Ms Arnason resigned from the Board, effective 2 September 2025. As such, her share rights were forfeited and paid out in cash.*
6 *Represents the fair value at grant date of the share rights issued for salary sacrificed over the vesting period of the award.*

	Post-employment		Share-based payment[6]				
Other long-term benefits $	Super-annuation $	Termination payment	Options and rights $	Performance related %	Non-performance related %	Compensation consisting of options and rights %	Total compensation $
-	25,419	-	2,158	-	100	-	239,397
-	11,101	-	-	-	100	-	107,633
-	17,700	-	4,315	-	100	-	169,515
-	17,039	-	2,353	-	100	-	167,553
-	14,486	-	-	-	100	-	135,200
-	13,944	-	2,110	-	100	-	137,310
-	12,903	-	-	-	100	-	120,425
-	-	-	-	-	-	-	-
-	4,816	-	-	-	100	-	44,945
-	-	-	-	-	-	-	-
-	2,524	-	-	-	100	-	23,558
-	-	-	-	-	-	-	-
-	18,771	-	-	-	100	-	175,200
-	16,695	-	-	-	100	-	161,867
-	9,132	-	-	-	100	-	85,235
-	27,889	-	2,110	-	100	-	272,510
-	3,271	-	-	-	100	-	30,527
-	11,187	-	-	-	100	-	108,467
-	109,022	-	6,473	-	100	-	1,024,002
-	97,855	-	6,573	-	100	-	955,340

	Post-employment		Share-based payment				
Other long-term benefits[1] $	Super-annuation $	Termination payment	Options and rights $	Performance related %	Non-performance related %	Compensation consisting of options and rights %	Total compensation $
100,220	30,000	-	1,065,829	66	34	30	3,518,870
89,337	30,000	-	798,320	63	37	26	3,077,618
60,899	30,000	-	352,573	56	44	21	1,712,594
60,283	29,932	-	246,501	52	48	16	1,520,631
56,870	30,000	-	247,326	55	45	16	1,556,222
58,646	29,196	-	110,304	48	52	8	1,362,933
217,989	90,000	-	1,665,728	61	39	25	6,787,686
208,266	89,128	-	1,155,125	57	43	19	5,961,182
217,989	199,022	-	1,672,201	53	47	21	7,811,688
208,266	186,983	-	1,161,698	49	51	17	6,916,522

Executives footnotes

1 *Other long-term benefits related to movement in annual and long service leave liabilities for each Executive.*

4.2 VOLUNTARY INFORMATION – REMUNERATION RECEIVED BY KMPS FOR THE YEAR ENDED 30 JUNE 2026

The amounts disclosed below reflect the benefits received by each KMP during the reporting period.

	Fixed remuneration[1] $	Awarded STI (cash)[2] $	Shares Awarded[3] $	Realised remuneration received $
M Finnegan	1,092,000	1,137,192	1,494,305	3,723,497
U Lummis	695,469	543,188	386,278	1,624,935
P Pollard	650,483	543,188	-	1,193,671
Total	**2,437,952**	**2,223,568**	**1,880,583**	**6,542,103**

1 *Fixed remuneration includes base salaries received and payments made to superannuation funds.*

2 *The STI paid is the FY25 STI paid in FY26, and the FY26 STI will be paid in FY27.*

3 *The value of the shares awarded is calculated based on the share price on vesting date of 1 July 2025.*

The amounts disclosed above are not the same as remuneration expensed in relation to each KMP in accordance with Australian Accounting Standards (see Table 4.1 above).

Nevertheless, the directors believe that remuneration received is relevant information for the following reasons:

- The statutory remuneration expense for performance rights is based on the fair value determined at the grant date for all unvested rights and does not reflect the fair value of the rights vested and actually received by the KMPs during the year.
- The statutory remuneration shows benefits before they are actually received by the KMPs (deferral and claw back of STI payments).
- Where performance rights do not vest because a market-based performance condition is not satisfied (e.g. absolute TSR), the Company must still recognise the full amount of expenses even though the KMPs will never receive any benefits.

The accuracy of information in this section has been audited together with the rest of the Remuneration Report.

5 ANALYSIS OF STI AND LTI INCLUDED IN STATUTORY REMUNERATION FOR FY26

5.1 STI INCLUDED IN STATUTORY REMUNERATION FOR FY26

Details of the vesting profile of the short-term incentive cash bonuses awarded as remuneration to Executive KMPs are as follows:

	Included in statutory remuneration $	Vested in year %	Forfeited in the year %
M Finnegan	1,259,362	115.3	-
U Lummis	601,543	115.3	-
P Pollard	601,543	115.3	-

The STI Award is structured to commence upon achievement of the Company's publicly stated EBIT(A) guidance (gateway), and to increase in line with any additional EBIT(A), up to a cap based on the following:

	KPI	Threshold	Target	Stretch	Actual results	Actual Award STI
STI Award created on EBIT(A)	EBIT(A)	$180m	$185m	$195m	**$190.1m**	**115.3%**

The EBIT(A) result creates the maximum STI award, which is then allocated to further hurdles as follows:

KPI Modifiers	Target	Weighting	Actual results	KPI Target Achieved
Total Recordable Injury Frequency Rate (TRIFR)	TRIFR 2.69 (or less)	-10%	1.98	**Yes**
Return on Average Capital Employed (ROACE)	21.5%	-10%	22.0%	**Yes**
Order Book	Project EBIT(A) from work in hand to be greater than 2.5x FY25 Group EBIT(A)	-10%	3.02x	**Yes**
Employee Value Proposition (EVP)	Develop EVP Framework and execute the Group EVP Roadmap	-10%	Yes	**Yes**
Compliance to the Integrated Management System (IMS) Annual Plan	85% (or more) compliance achieved	-10%	>=85%	**Yes**
STI awarded to KMP				**115.3%**

The percentage vested during the year was based on the following:

KPI	Weighting	Threshold	Target	Actual results	Actual Award STI
Reported Underlying EBIT(A)	100% of award	0%	100%	115.3%	**115.3%**
KPI Modifiers					
Total Recordable Injury Frequency Rate (TRIFR)	-10% of award				**0.0%**
Return on Average Capital Employed (ROACE)	-10% of award				**0.0%**
Order Book	-10% of award				**0.0%**
Employee Value Proposition (EVP)	-10% of award				**0.0%**
Compliance to the Integrated Management System (IMS) Annual Plan	-10% of award				**0.0%**
STI awarded to KMP					**115.3%**

5.2 LTI INCLUDED IN STATUTORY REMUNERATION FOR FY26

Following the assessment of relevant performance hurdles for the FY23 LTI grants over the three years ended 30 June 2025, the Board approved a total of 79% vesting for KMPs in accordance with the Plan Rules. The following outlines the assessment outcomes for the FY23 grants vested during the year.

FY23 LTI Performance Hurdles and Outcomes

KPI	Weighting	Actual results	Actual Award LTI	Number of Rights Awarded
TSR over 3 years >15%	50%	27%	**50%**	3,839,492
FY23				844,688
Safety target	4%		**4%**	
Business mix target – Mining Support	7%		**0%**	
Business mix target – Underground	7%		**7%**	
FY24				844,688
People target	4%		**4%**	
Business mix target – Mining Support	7%		**7%**	
Business mix target – Underground	7%		**0%**	
FY25				537,529
Business mix target – Mining Support	7%		**7%**	
Business mix target – Underground	7%		**0%**	
LTI awarded to KMP			**79%**	

6 EQUITY INSTRUMENTS

6.1 RIGHTS OVER EQUITY INSTRUMENTS GRANTED AS COMPENSATION IN FY26

Non-Executive Director share rights

Details of share rights over ordinary shares in the Company granted to Non-Executive Directors for FY26 as part of the NED Salary Sacrifice Plan were as follows:

		Salary sacrificed $	Number of rights granted[1]	Fair value at grant date[2] $	Vesting date
G Evans[3]	Tranche 1	18,438	64,100	900	Feb 2026
	Tranche 2	18,438	64,100	1,258	Aug 2026
D Chandran	Tranche 1	36,875	128,150	1,800	Feb 2026
	Tranche 2	36,875	128,150	2,515	Aug 2026
D Gibbs	Tranche 1	-	-	-	-
	Tranche 2	-	-	-	-
S Pervan[5]	Tranche 1	-	-	-	-
	Tranche 2	-	-	-	-
T Quinn[5]	Tranche 1	-	-	-	-
	Tranche 2	-	-	-	-
A Sidarto[5]	Tranche 1	-	-	-	-
	Tranche 2	-	-	-	-
G White	Tranche 1	-	-	-	-
	Tranche 2	-	-	-	-
H Tyrwhitt[3]	Tranche 1	-	-	-	-
	Tranche 2	-	-	-	-
M Arnason[4]	Tranche 1	39,107	135,900	1,909	Feb 2026
	Tranche 2	39,107	135,900	3,112	Aug 2026

1 *Share rights are issued on 1 July under the NED Salary Sacrifice Plan and are not in addition to their fixed remuneration. Rights relating to former Non-Executive Directors lapse on retirement, resignation or death.*

2 *In accordance with Australian Accounting Standards, as the share rights granted include an "option" over ordinary shares, the option element is required to be fair valued at the grant date. The fair value per share is $0.0140 for Tranche 1 and $0.0229 for Tranche 2.*

3 *Mr Tyrwhitt retired as Director and Chair on 24 October 2025. Mr Evans succeeded as Chair from that date.*

4 *Ms Arnason resigned from the Board, effective 2 September 2025. As such, her share rights were forfeited and paid out in cash.*

5 *Rights were granted on 1 July 2025 prior to the appointment of Ms Pervan, Mr Quinn and Mr Sidarto as Non-Executive Directors.*

KMPS PERFORMANCE RIGHTS AND ORDINARY SHARES

For FY26, the following performance rights were granted as compensation to KMP under the FY26 plan:

	Number of rights granted	Vesting conditions	Grant date	Fair value per right at the grant date	Fair value at grant date $	Earliest potential vesting date	Maximum LTI awarded if all vesting conditions are met
	1,895,834	Market	1 Jul 2025	0.2490	472,063	1 Jul 2028	100%
M Finnegan	1,137,501	Non-market	1 Jul 2025	0.3700	420,875	1 Jul 2028	100%
	758,333	Non-market	1 Jul 2025	0.3700	280,583	1 Jul 2028	100%
	664,077	Market	1 Jul 2025	0.2490	165,355	1 Jul 2028	100%
U Lummis	398,446	Non-market	1 Jul 2025	0.3700	147,425	1 Jul 2028	100%
	265,631	Non-market	1 Jul 2025	0.3700	98,283	1 Jul 2028	100%
	664,077	Market	1 Jul 2025	0.2490	165,355	1 Jul 2028	100%
P Pollard	398,446	Non-market	1 Jul 2025	0.3700	147,425	1 Jul 2028	100%
	265,631	Non-market	1 Jul 2025	0.3700	98,283	1 Jul 2028	100%
Total Performance Rights Granted	**6,447,976**						

Rights will expire the earlier of the termination of the individual's employment or the day after they are tested by the Board against the vesting condition and found not to satisfy that condition. Vesting is conditional on the extent to which the Company achieves increases in absolute TSR over the three-year performance period, as well as the yearly strategic measures. In addition, all rights are subject to a continuing performance condition for the three-year period, including final Board approval.

LTIP Performance Rights 2026

Tranche 1

Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

Tranche 2

Vesting performance condition	
During FY26	
Less than 8% annual underlying unweighted EPS growth	0%
8% annual underlying unweighted EPS growth	50%
12% or more annual underlying unweighted EPS growth	100%
Between 8% and 12% annual underlying unweighted EPS growth	Pro-rata between 50% and 100%
During FY27	
Less than 8% annual underlying unweighted EPS growth	0%
8% annual underlying unweighted EPS growth	50%
12% or more annual underlying unweighted EPS growth	100%
Between 8% and 12% annual underlying unweighted EPS growth	Pro-rata between 50% and 100%
During FY28	
Less than 8% annual underlying unweighted EPS growth	0%
8% annual underlying unweighted EPS growth	50%
12% or more annual underlying unweighted EPS growth	100%
Between 8% and 12% annual underlying unweighted EPS growth	Pro-rata between 50% and 100%

Tranche 3

Vesting performance condition	
Employed as at 30 June 2028	100%

6.2 DETAILS OF EQUITY RIGHTS AFFECTING CURRENT AND FUTURE REMUNERATION

Details of the vesting profiles of the performance rights over ordinary shares in the Company held by Executive KMPs for FY26 are as follows:

Grant date (effective from)	Fair value on grant date	Number granted	Number previously forfeited	Number forfeited in 2026	Number vested in FY26	Held at 30 June 2026	Financial year in which the grant vests, subject to performance	Maximum value yet to vest[1]
M Finnegan								
LTIP Performance Rights 2023								
1 Jul 22 (Tranche 1)	$0.061	3,050,848	-	-	(3,050,848)	-	1 Jul 2025	-
1 Jul 22 (Tranche 2)	$0.125	3,050,848	(427,119)	(854,238)	(1,769,491)	-	1 Jul 2025	-
LTIP Performance Rights 2024								
1 Jul 23 (Tranche 1)	$0.126	3,481,481	-	-	-	3,481,481	1 Jul 2026	-
1 Jul 23 (Tranche 2)	$0.184	3,481,481	-	-	-	3,481,481	1 Jul 2026	-
LTIP Performance Rights 2025								
1 Jul 24 (Tranche 1)	$0.194	1,834,382	-	-	-	1,834,382	1 Jul 2027	118,623
1 Jul 24 (Tranche 2)	$0.321	1,834,382	-	-	-	1,834,382	1 Jul 2027	196,279
LTIP Performance Rights 2026								
1 Jul 25 (Tranche 1)	$0.249	1,895,834	-	-	-	1,895,834	1 Jul 2028	314,708
1 Jul 25 (Tranche 2)	$0.370	1,137,501	-	-	-	1,137,501	1 Jul 2028	280,583
1 Jul 25 (Tranche 3)	$0.370	758,333	-	-	-	758,333	1 Jul 2028	187,056
U Lummis								
LTIP Performance Rights 2023								
1 Jul 22 (Tranche 1)	$0.061	788,644	-	-	(788,644)	-	1 Jul 2025	-
1 Jul 22 (Tranche 2)	$0.125	788,644	(110,410)	(220,820)	(457,414)	-	1 Jul 2025	-
LTIP Performance Rights 2024								
1 Jul 23 (Tranche 1)	$0.126	1,018,518	-	-	-	1,018,518	1 Jul 2026	-
1 Jul 23 (Tranche 2)	$0.184	1,018,518	-	-	-	1,018,518	1 Jul 2026	-
LTIP Performance Rights 2025								
1 Jul 24 (Tranche 1)	$0.194	642,551	-	-	-	642,551	1 Jul 2027	41,551
1 Jul 24 (Tranche 2)	$0.321	642,551	-	-	-	642,551	1 Jul 2027	68,752
LTIP Performance Rights 2026								
1 Jul 25 (Tranche 1)	$0.249	664,077	-	-	-	664,077	1 Jul 2028	110,237
1 Jul 25 (Tranche 2)	$0.370	398,446	-	-	-	398,446	1 Jul 2028	98,283
1 Jul 25 (Tranche 3)	$0.370	265,631	-	-	-	265,631	1 Jul 2028	65,522
P Pollard								
LTIP Performance Rights 2025								
1 Jul 24 (Tranche 1)	$0.194	642,551	-	-	-	642,551	1 Jul 2027	41,551
1 Jul 24 (Tranche 2)	$0.321	642,551	-	-	-	642,551	1 Jul 2027	68,752
LTIP Performance Rights 2026								
1 Jul 25 (Tranche 1)	$0.249	664,077	-	-	-	664,077	1 Jul 2028	110,237
1 Jul 25 (Tranche 2)	$0.370	398,446	-	-	-	398,446	1 Jul 2028	98,283
1 Jul 25 (Tranche 3)	$0.370	265,631	-	-	-	265,631	1 Jul 2028	65,522

1 *The maximum value of performance rights yet to vest is determined based on the amount of the grant date fair value that is yet to be expensed.*

In addition to a continuing performance condition, vesting is conditional on the extent to which the Company achieves increases in absolute TSR over the three-year performance period, as well as the yearly strategic measures as follows:

LTIP Performance Rights 2024

Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

Tranche 2

Vesting performance condition (strategic objectives)	
During FY24	
Safety – Improve TRIFR to =<3.7	4%
Business Mix – >= $237m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$473m Underground of Group Revenue	7%
During FY25	
People and Culture – Improve WAM engagement score year on year	4%
Business Mix – >=$326m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$622m Underground of Group Revenue	7%
During FY26	
Business Mix – >=$394m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$669m Underground of Group Revenue	7%

LTIP Performance Rights 2025

Tranche 1	
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

Tranche 2	
Vesting performance condition (strategic objectives)	
During FY25	
Business Mix –>=38.9% ROACE for Surface Division	6%
Business Mix – >=$582m Civil Infrastructure Revenue	6%
Business Mix – >=$596m Underground Revenue	6%
During FY26	
Business Mix –>=43.0% ROACE for Surface Division	6%
Business Mix – >=$728m Civil Infrastructure Revenue	6%
Business Mix – >=$857m Underground Revenue	6%
During FY27	
Business Mix – >=47.1% ROACE for Surface Division	3%
Business Mix – >=$1,079m Civil Infrastructure Revenue	5%
Business Mix – >=$956m Underground Revenue	6%

6.3 ANALYSIS OF MOVEMENTS IN PERFORMANCE RIGHTS

The movement during the reporting period by the number of performance rights over ordinary shares in the Company held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Held at 1 July 2025	Granted as compensation	Forfeited during the year	Vested during the year	Held at 30 June 2026
M Finnegan	16,306,301	3,791,668	(854,238)	(4,820,339)	14,423,392
U Lummis	4,789,016	1,328,154	(220,820)	(1,246,058)	4,650,292
P Pollard	1,285,102	1,328,154	-	-	2,613,256

6.4 ANALYSIS OF MOVEMENTS IN SHARE RIGHTS BY NON-EXECUTIVE DIRECTORS

The movement during the reporting period, by number of share rights over ordinary shares in the Company held, directly, indirectly or beneficially, by Non-Executive Directors, including their related parties, is as follows:

	Held at 1 July 2025	Granted as compensation	Vested during the year	Forfeited during the year	Held at 30 June 2026
Non-Executive Directors					
G Evans[1]	-	128,200	(64,100)	-	64,100
D Chandran	118,099	256,300	(246,249)	-	128,150
D Gibbs	105,918	-	(105,918)	-	-
S Pervan[2]	-	-	-	-	-
T Quinn[3]	-	-	-	-	-
A Sidarto[4]	-	-	-	-	-
G White	-	-	-	-	-
H Tyrwhitt[1]	105,918	-	(105,918)	-	-
M Arnason[5]	-	271,800	-	(271,800)	-

1 *Mr Tyrwhitt retired as Director and Chair on 24 October 2025. Mr Evans succeeded as Chair from that date.*
2 *Ms Pervan was appointed as Non-Executive Director, effective 1 November 2025.*
3 *Mr Quinn was appointed as Non-Executive Director, effective 16 March 2026.*
4 *Mr Sidarto was appointed as Non-Executive Director, effective 29 April 2026.*
5 *Ms Arnason resigned from the Board, effective 2 September 2025. As such, her share rights were forfeited and paid out in cash.*

6.5 MOVEMENTS IN ORDINARY SHAREHOLDINGS

The movement during FY26 in the number of ordinary shares in the Company held directly, indirectly or beneficially, by Non-Executive Directors and KMPs, including their related parties, is as follows:

	Held at 1 July 2025	Held at Appointment	Vested during the year[1]	Held at 30 June 2026
Non-Executive Directors				
G Evans[2]	-	-	64,100	64,100
D Chandran	118,099	-	246,249	364,348
D Gibbs	566,338	-	105,918	672,256
S Pervan[3]	-	-	-	-
T Quinn[4]	-	-	-	-
A Sidarto[5]	-	2,619,447	-	2,619,447
G White	500,000	-	-	500,000
H Tyrwhitt[2]	1,093,686	-	105,918	N/A[2]
M Arnason[6]	-	-	-	-
KMPs				
M Finnegan	7,736,989	-	4,820,339	12,557,328
U Lummis[7]	467,893	-	1,246,058	1,713,951
P Pollard	-	-	-	-
Total	**10,483,005**	**2,619,447**	**6,588,582**	**18,491,430**

1 *Rights refer to share rights for Non-Executive Directors and performance rights for executives.*
2 *Mr Tyrwhitt retired as Director and Chair on 24 October 2025. Mr Evans succeeded as Chair from that date.*
3 *Ms Pervan was appointed as Non-Executive Director, effective 1 November 2025.*
4 *Mr Quinn was appointed as Non-Executive Director, effective 16 March 2026.*
5 *Mr Sidarto was appointed as Non-Executive Director, effective 29 April 2026.*
6 *Ms Arnason resigned from the Board, effective 2 September 2025. As such, her share rights were forfeited and paid out in cash.*
7 *Shares held at 1 July 2025 relate to vesting of share right plans granted before commencing as CFO and KMP.*

Boston Shaker Gold Project, Western Australia

Financial Statements

General Information

The financial statements cover Macmahon Holdings Limited (“the Company” or “the Parent”) as a consolidated entity (referred to hereafter as “the Group”) consisting of Macmahon Holdings Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is the functional and presentation currency of the Company.

Macmahon Holdings Limited is a public company limited by shares, incorporated and domiciled in Australia.

The Group is a for-profit entity.

A description of the nature of the Group’s operations and its principal activities are included in the Directors’ Report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 18 August 2026.

An accounting policy, critical accounting estimate, assumption or judgement specific to a note is disclosed within the note itself.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	2026 $'000	2025 $'000
Revenue	2	**2,619,243**	2,427,458
Other income	3	**5,037**	5,253
Expenses			
Materials and consumables used		**(480,627)**	(405,723)
Employee benefits expense	4	**(1,041,305)**	(1,067,899)
Depreciation and amortisation expense	4	**(209,546)**	(221,944)
Equipment and other short-term lease expenses	4	**(249,600)**	(217,553)
Subcontractor costs		**(315,400)**	(217,868)
Share-based payments expense	28	**(4,993)**	(7,199)
Other expenses	4	**(146,754)**	(151,874)
Operating profit		**176,055**	142,651
Share of profit of equity-accounted investees, net of tax	25	**349**	318
Operating profit, income and expenses from equity-accounted investees		**176,404**	142,969
Finance costs	4	**(33,103)**	(36,093)
Finance income	4	**2,490**	2,379
Net finance costs	4	**(30,613)**	(33,714)
Profit before income tax		**145,791**	109,255
Income tax expense	5	**(44,656)**	(35,311)
Profit after income tax for the year		**101,135**	73,944
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation	20	**(17,793)**	2,893
Other comprehensive income/(loss) for the year, net of tax		**(17,793)**	2,893
Total comprehensive income for the year attributable to the owners of the Company		**83,342**	76,837

	Note	2026 cents	2025 cents
Earnings per share for profit attributable to the owners of Macmahon Holdings Limited			
Basic earnings per share	6	**4.72**	3.47
Diluted earnings per share	6	**4.65**	3.44

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	Note	2026 $'000	2025 $'000
ASSETS			
Current assets			
Cash and cash equivalents	8	**309,653**	263,893
Trade and other receivables	9	**422,511**	455,381
Inventories	10	**110,361**	104,171
Income tax receivable	5	**6,873**	11,783
Total current assets		**849,398**	835,228
Non-current assets			
Investments accounted for using the equity method	25	**1,403**	1,418
Trade and other receivables	9	**73,348**	52,089
Property, plant and equipment	15	**654,382**	680,403
Intangible assets and goodwill	16	**56,027**	61,642
Non-current tax receivables	5	**5,928**	-
Investment property	11	**51,666**	51,550
Deferred tax asset	5	**67,317**	78,263
Total non-current assets		**910,071**	925,365
Total assets		**1,759,469**	1,760,593
LIABILITIES			
Current liabilities			
Trade and other payables	12	**458,920**	466,319
Borrowings	18	**61,300**	89,828
Income tax payable	5	**9,702**	37,782
Employee benefits	13	**90,134**	91,079
Provisions	14	**33,367**	34,719
Total current liabilities		**653,423**	719,727
Non-current liabilities			
Trade and other payables	12	**2,477**	3,721
Borrowings	18	**359,438**	336,519
Employee benefits	13	**4,019**	7,259
Provisions	14	**-**	1,025
Deferred tax liability	5	**-**	-
Total non-current liabilities		**365,934**	348,524
Total liabilities		**1,019,357**	1,068,251
NET ASSETS		**740,112**	692,342
EQUITY			
Issued capital	19	**563,118**	563,118
Reserves	20	**(14,802)**	(2,774)
Net accumulated profits		**191,796**	131,998
TOTAL EQUITY		**740,112**	692,342

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

Consolidated	Issued Capital $'000	Reserves $'000	Accumulated Losses $'000	Retained Profits $'000	Total Equity $'000
Balance at 30 June 2025	563,118	(2,774)	(192,396)	324,394	692,342
Profit after income tax expense for the year	-	-	-	101,135	101,135
Other comprehensive income for the year, net of tax	-	(17,793)	-	-	(17,793)
Total comprehensive income for the year	-	(17,793)	-	101,135	83,342
Transactions with owners in their capacity as owners:					
Treasury shares allocated on vesting of performance rights (note 20)	-	1,535	-	(1,385)	150
Treasury shares purchased for compensation plans (note 20)	-	-	-	-	-
Dividends (note 20)	-	-	-	(40,715)	(40,715)
Share-based payments expense (note 28)	-	4,993	-	-	4,993
Transactions subsidiary acquisition (note 32)		-		-	-
Transfer of lapsed performance rights (note 20)	-	(763)	-	763	-
Balance at 30 June 2026	563,118	(14,802)	(192,396)	384,192	740,112

Consolidated	Issued Capital $'000	Reserves $'000	Accumulated Losses $'000	Retained Profits $'000	Total Equity $'000
Balance at 30 June 2024	563,118	(12,443)	(192,396)	275,236	633,515
Profit after income tax expense for the year	-	-	-	73,944	73,944
Other comprehensive income for the year, net of tax	-	2,893	-	-	2,893
Total comprehensive income for the year	-	2,893	-	73,944	76,837
Transactions with owners in their capacity as owners:					
Treasury shares allocated on vesting of performance rights (note 20)	-	808	-	(721)	87
Treasury shares purchased for compensation plans (note 20)	-	(2,762)	-	-	(2,762)
Dividends (note 20)	-	-	-	(24,549)	(24,549)
Share-based payments expense (note 28)	-	7,277	-	-	7,277
Transactions subsidiary acquisition (note 32)		1,937		-	1,937
Transfer of lapsed performance rights (note 20)	-	(484)	-	484	-
Balance at 30 June 2025	563,118	(2,774)	(192,396)	324,394	692,342

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers		**2,899,044**	2,709,119
Payments to suppliers and employees		**(2,511,645)**	(2,301,797)
Payments to suppliers and employees for SaaS costs		**(2,618)**	(6,807)
Receipts from joint venture entities		**39**	121
Payments to joint venture entities		**-**	-
Corporate development costs		**(239)**	(8,503)
Interest received		**2,490**	2,379
Interest and other finance costs paid		**(33,103)**	(36,093)
Income taxes paid		**(53,210)**	(24,416)
Net cash from operating activities	7	**300,758**	334,003
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		**4,444**	12,616
Payments for property, plant and equipment	15	**(145,173)**	(178,538)
Payments for intangible assets	16	**(617)**	-
Acquisition of a subsidiary, net of cash acquired	32	**-**	(63,066)
Net cash used in investing activities		**(141,346)**	(228,988)
Cash flows from financing activities			
Purchase of own shares	20	**-**	(2,762)
Proceeds from interest-bearing loans	18	**40,000**	188,733
Repayment of interest-bearing loans	18	**(39,244)**	(123,814)
Repayment of lease liabilities	18	**(63,055)**	(74,765)
Dividends paid	20	**(40,715)**	(24,549)
Net cash used in financing activities		**(103,014)**	(37,157)
Net increase/(decrease) in cash and cash equivalents		**56,398**	67,858
Cash and cash equivalents at the beginning of the financial year		**263,893**	194,578
Effects of exchange rate changes on cash and cash equivalents		**(10,638)**	1,457
Cash and cash equivalents at the end of the financial year	8	**309,653**	263,893

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

A RESULTS

1 OPERATING SEGMENTS

IDENTIFICATION OF REPORTABLE OPERATING SEGMENTS

The Group has identified its reportable segments based on the internal reporting, which is reviewed and used by the Chief Executive Officer (the Chief Operating Decision Maker) in assessing the performance and in determining the allocation of resources between business units.

Management have identified four operating segments; Surface Mining, Underground Mining, International Mining and Civil Infrastructure . The Surface Mining, Underground Mining and International Mining segments have been aggregated into “Mining” due to all segments exhibiting similar economic characteristics regarding the nature of the products and services, production processes, type or class of customers and methods used in rendering their services.

The revenue included in the Unallocated segment relates to revenue from the Homeground accommodation village (see note 11).

The following describes the operations of each reportable segment:

Mining

The Group provides a broad range of mining services, which includes surface and underground mining, civil and rehabilitation services, equipment maintenance, rentals and management.

Civil Infrastructure

The Group’s civil infrastructure division provides design, engineering, construction and maintenance engineering services in Australia.

Financial performance is measured with reference to underlying earnings before interest, tax and customer contract amortisation (EBIT(A)), as included in the internal reporting reviewed by the Chief Executive Officer, and is measured consistently with profit or loss in the consolidated financial statements. Segment underlying EBIT(A) is used to measure financial performance, as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. The financial performance of each reportable segment is set out below:

Consolidated - 2026	Mining $’000	Civil $’000	Unallocated $’000	Total $’000
Revenue				
Revenue from contracts with customers	1,934,445	672,431	12,367	2,619,243
Revenue from contracts with customers - non-cash consideration	-	-	-	-
Total revenue	1,934,445	672,431	12,367	2,619,243
Underlying EBITDA	354,158	41,681	(2,039)	393,800
Depreciation and amortisation expense (excluding customer contracts amortisation)	(196,767)	(4,592)	(2,333)	(203,692)
Underlying EBIT(A)	157,391	37,089	(4,372)	190,108
Finance income	-	234	2,256	2,490
Finance costs	(32,169)	(671)	(263)	(33,103)
Share-based payments expense	-	-	(4,993)	(4,993)
Loss on disposal of subsidiary	-	-	-	-
Acquisition costs	-	-	(239)	(239)
SaaS (Software as a Service) costs	-	-	(2,618)	(2,618)
Amortisation on customer contracts	(36)	(5,818)	-	(5,854)
Profit/(loss) before income tax expense	125,186	30,834	(10,229)	145,791
Segment assets	870,960	438,584	449,925	1,759,469
Segment liabilities	582,443	389,051	47,863	1,019,357
Capital expenditure	208,420	5,541	-	213,961

Consolidated - 2025	Mining $'000	Civil $'000	Unallocated $'000	Total $'000
Revenue				
Revenue from contracts with customers	1,971,020	436,965	19,473	2,427,458
Total revenue	1,971,020	436,965	19,473	2,427,458
Underlying EBITDA	358,678	29,487	(743)	387,422
Depreciation and amortisation expense (excluding customer contracts amortisation)	(210,386)	(4,065)	(1,588)	(216,039)
Underlying EBIT(A)	148,292	25,422	(2,331)	171,383
Finance income	-	46	2,333	2,379
Finance costs	(31,431)	(4,336)	(326)	(36,093)
Earn-out in relation to previous GBF acquisition	-	-	-	-
Corporate development costs	-	-	(8,503)	(8,503)
Share-based payments expense	-	-	(7,199)	(7,199)
SaaS customisation costs	-	-	(6,807)	(6,807)
Impairment of financial assets	-	-	-	-
Amortisation on customer contracts	(87)	(5,818)	-	(5,905)
Profit/(loss) before income tax expense	116,774	15,314	(22,833)	109,255
Segment assets	1,077,012	265,870	417,711	1,760,593
Segment liabilities	733,009	254,318	80,924	1,068,251
Capital expenditure	214,254	3,566	2,948	220,768

	Geographical Revenue from contracts with customers		Geographical Non-current Assets	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Australia	**2,359,320**	2,225,703	**804,456**	820,248
Indonesia	**256,111**	198,126	**98,738**	97,290
Malaysia	**3,812**	3,629	**6,877**	7,827
Others	**-**	-	**-**	-
	2,619,243	2,427,458	**910,071**	925,365

MAJOR CUSTOMERS

The revenue information above is based on the location of customers. Revenue from two customers related to seven projects, individually greater than 10%, amounted to $760.039 million (2025: two customers related to six projects, individually greater than 10%, amounted to $726.021 million), arising from the provision of mining services.

OPERATING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are regularly reviewed by the Chief Executive Officer in making decisions about resource allocation and performance assessment, and for which discrete financial information is available.

Segment results that are reported to the Managing Director and Chief Executive Officer include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise of corporate assets, net foreign exchange differences, finance income, income taxes, share-based payments and acquisition costs. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

2 REVENUE

	Consolidated	
	2026 $'000	2025 $'000
Revenue from contracts with customers	**2,619,243**	2,427,458
	2,619,243	2,427,458

MINING SERVICES REVENUE

The Group generates revenue from the provision of mining services, which includes surface and underground mining, civil and rehabilitation services, equipment maintenance, rentals and management. The activities for each contract were assessed as highly inter-related and, as a result, the Group determined that one performance obligation exists for each of its mining contracts.

The transaction price for each contract is based on agreed contractual rates to which the Group is entitled, and may include a variable pricing element which is discussed below.

Revenue for the services is recognised over time based on the work completed and billed to the customers as the customer receives the benefit. As services are invoiced on a monthly basis based on the actual services provided, or at cost plus margin incurred to date, the Group has used the practical expedient available under AASB 15 Revenue to recognise revenue based on the right to invoice. This is on the basis that the invoiced amount corresponds directly with the value to the customer of the Group's performance completed to date. Amounts billed to customers are not secured and are typically due within five to sixty days from the invoice issuance.

CIVIL INFRASTRUCTURE REVENUE

Contracts for Construction activities are assessed to identify the performance obligations contained in the contract. The total contracted revenue (i.e. contract price) is allocated to each individual performance obligation. The benefits being provided by the Group's construction work transfer to the customer as the work is performed and as such revenue is recognised over the duration of the relevant construction project based on percentage complete. Percentage complete is generally measured according to the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs (input method). Significant judgement is required to estimate total contract costs. If the input method would not be representative of the stage of completion, then it is measured by reference to surveys of work performed (output method). When it is probable that total contract costs will exceed total contract revenue, the unavoidable loss is recognised as an expense immediately. Customers are typically invoiced monthly, and invoices are paid on normal commercial terms.

ACCOMMODATION REVENUE

The Group provides accommodation services through the Homeground Gladstone accommodation village (see note 11). Accommodation revenue is recognised as services are performed over the occupancy term.

SALE OF GOODS

The Group generates revenue from the sale of goods in the course of ordinary activities, which is recognised at a point in time when control has been transferred to the customer, generally being when the goods are delivered and accepted by the customer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of trade discounts.

	Consolidated	
	2026 $'000	2025 $'000
Revenue from mining services	**1,934,445**	1,958,520
Revenue from civil services	**672,431**	436,965
Revenue from accommodation services	**12,367**	19,473
Revenue from sale of goods	**-**	12,500
	2,619,243	2,427,458

FUTURE UNSATISFIED PERFORMANCE OBLIGATIONS

The transaction price expected to be recognised in future years for future unsatisfied performance obligations for construction contracts at 30 June 2026 is $365.076 million (2025: $327.062 million). The average duration of construction contracts is between one to three years, however, some contracts will vary from these typical lengths. Of the unsatisfied performance obligations at 30 June 2026, 93% are expected to be recognised in the next 12 months (2025: 97%).

VARIABLE CONSIDERATION

Certain mining contracts with customers include a variable element which is subject to the Group meeting either certain cost targets or material movement KPIs. Variable consideration is recognised when it is highly probable that a significant reversal of revenue will not occur in a subsequent period.

For Civil contracts the main variable consideration elements are claims (contract modifications) and consideration for optional works and provisional sums, each of which needs to be assessed. Contract modifications are changes to the contract approved by the parties to the contract. When determining whether approval has been granted by the parties to the contract, the Group takes into consideration factors including, but not limited to, contract terms, customary business practices, the status of the negotiation process, the ability to enforce the other party and expert legal opinion.

A contract modification may exist even though the parties to the contract may not have finalised the scope or price (or both) of the modification. Contract modifications may include a claim, which is an amount that the contractor seeks to collect as reimbursement for costs incurred (and/or to be incurred) due to reasons or events that could not be foreseen and are not attributable to the contractor, for more work performed (and/or to be performed) or variations that were not formalised in the contract scope.

As at 30 June 2026, variable consideration amounted to $101.825 million (2025: $18.581 million) which was carried as a contract asset (note 9).

NON-CASH CONSIDERATION

Where customers contribute materials to the Group to facilitate the fulfilment of the contract, and the Group obtains control of the contributed materials, the costs of these materials have been included as revenue, as non-cash consideration received from the customer and the corresponding expense is included in materials and consumables used in the consolidated statement of profit or loss and other comprehensive income.

3 OTHER INCOME

	Consolidated	
	2026 $'000	2025 $'000
Net gain on disposal of plant and equipment	**3,368**	2,529
Other	**1,669**	2,724
	5,037	5,253

OTHER INCOME

For 2026, other income primarily relates to training rebates received.

4 EXPENSES

Profit before income tax from continuing operations includes the following specific expenses:

Depreciation and amortisation expenses

Depreciation and amortisation expenses includes the following:

	Consolidated 2026 $'000	Consolidated 2025 $'000
Depreciation		
Leasehold improvements	**592**	601
Plant and equipment	**134,265**	131,859
Right-of-use assets	**68,456**	83,217
Amortisation		
Software	**379**	362
Customer contracts and brand name	**5,854**	5,905
	209,546	221,944

Other expenses

Other expenses includes the following:

	Consolidated 2026 $'000	Consolidated 2025 $'000
Freight expenses	**33,426**	30,556
Consulting and other professional services	**18,384**	13,987
Recruitment, training and other employee incidentals	**21,188**	21,458
Travel and accommodation expenses	**15,333**	12,666
Insurance expenses	**10,660**	10,561
Expected credit loss (ECL) allowance	**(329)**	-
Administrative and facilities expenses	**22,723**	24,501
Information, communication and technology expenses	**10,966**	11,625
Foreign exchange loss	**1,886**	106
SaaS customisation costs	**2,618**	6,807
Corporate development costs	**239**	8,503
Other expenses	**9,660**	11,104
	146,754	151,874

Employee benefits expense

Employee benefits expense includes the following:

	Consolidated 2026 $'000	Consolidated 2025 $'000
Salaries and Wages (including on-costs)	**909,451**	883,702
Hired Labour	**131,854**	184,197
	1,041,305	1,067,899

The following expenses are also included in Salaries and Wages (including on-costs):

	Consolidated 2026 $'000	Consolidated 2025 $'000
Defined contribution superannuation expense	**69,839**	72,722
Employee shares[1]	**-**	78
	69,839	72,800

1 *Shares awarded to employees with no performance vesting hurdles other than service conditions form part of the total employee benefits expense. The arrangement fully vested in FY25, there are no other employee plans active as at 30 June 2026.*

Net finance costs

Finance costs include interest on lease liabilities and are expensed in the period in which they are incurred. Borrowing costs capitalised are amortised over the term of the facility.

	Consolidated	
	2026 $'000	2025 $'000
Interest income on term deposits	**(2,490)**	(2,379)
Interest expense on lease liabilities	**6,342**	7,953
Interest expense and other facility charges on interest-bearing loans	**24,481**	26,442
Other borrowing costs	**2,280**	1,698
	30,613	33,714

Lease expenses

Lease expenses includes the following:

	Consolidated	
	2026 $'000	2025 $'000
Leases under AASB 16 Leases		
Depreciation of right-of-use assets	**(68,456)**	(83,216)
Equipment and other short-term lease expenses	**(249,600)**	(217,553)
	(318,056)	(300,769)

5 TAX

A) INCOME TAX EXPENSE

	Consolidated	
	2026 $'000	2025 $'000
Income tax expense		
Current tax	**33,710**	51,107
Deferred tax - origination and reversal of temporary differences	**10,946**	(15,796)
Income tax expense	**44,656**	35,311
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	**145,791**	109,255
Tax at the statutory tax rate of 30%	**43,737**	32,777
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	**1,498**	2,183
Non-deductible expenses/(non-assessable income)	**(162)**	648
Foreign tax rate differential	**(1,705)**	(3,429)
Net temporary difference previously unrecognised	**-**	127
Current year losses for which no deferred tax asset was recognised	**(119)**	(71)
Other[1]	**1,407**	3,076
Income tax expense before adjustments for prior periods	**44,656**	35,311
Adjustments recognised for prior periods	**-**	-
Income tax expense	**44,656**	35,311

1 *Including withholding tax on dividends from international subsidiaries.*

B) CURRENT ASSETS AND LIABILITIES - INCOME TAX

	Consolidated	
	2026 $'000	2025 $'000
Income tax receivable/(payable) - Australian operations	**(9,702)**	(37,782)
Income tax receivable/(payable) - International operations	**12,801**	11,783

C) NON-CURRENT ASSETS - DEFERRED TAX

	Consolidated	
	2026 $'000	2025 $'000
Net deferred tax (liability)/asset		
At the beginning of the financial year	**78,263**	9,991
Acquired as part of business combination	**-**	52,476
Income tax (charge)/credit recorded in the income statement	**(10,946)**	15,796
Deferred tax asset	**67,317**	78,263

	Net Deferred tax assets[1]		Net Deferred tax liabilities[1]		Charged/(credited) to the income statement	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Deferred tax asset comprises temporary differences attributable to:						
Inventories	**(1,618)**	(1,961)	**-**	-	**343**	2,699
Property, plant and equipment	**55,746**	45,721	**-**	-	**10,025**	(1,220)
Property, plant and equipment - Right of Use assets	**(76,977)**	(71,714)	**-**	-	**(5,263)**	22,173
Lease liabilities	**28,433**	36,810	**-**	-	**(8,377)**	(7,666)
Provision for project closure	**9,312**	12,134	**-**	-	**(2,822)**	2,407
Contracted reimbursements for project closure costs	**(2,112)**	(2,571)	**-**	-	**459**	-
Contract assets	**(32,118)**	(46,618)	**-**	-	**14,499**	2,949
Other payables	**11,915**	18,302	**-**	-	**(6,387)**	4,861
Employee benefits	**22,919**	22,282	**-**	-	**637**	(2,542)
Other	**(3,066)**	(3,285)	**-**	-	**220**	(3,285)
Adjustment to income statement for net deferred tax assets acquired[2]	**-**	-	**-**	-	**-**	(52,476)
Unused tax losses carried forward	**54,883**	69,163	**-**	-	**(14,280)**	47,896
Total	**67,317**	78,263	**-**	-	**(10,946)**	15,796

1 *As at 30 June 2026 the Group has recognised a deferred tax asset of $54.883m on tax losses of which $3.414m relates to Indonesia. The Indonesian tax losses are forecast to be utilised within the 5-year expiry period.*

2 *$53.610 million in net deferred tax assets and liabilities were acquired as part of a business combination in 2025, see note 32.*

Unrecognised deferred tax asset

Other non-deductible differences	**3,455**	3,538
Unrecognised deferred tax asset	**3,455**	3,538

Income tax

The effective tax rate for the current year is 30.6% (30 June 2025: 32.3%). There was no withholding tax on dividends paid in FY26, the effective tax rate excluding withholding tax on dividends paid in FY25 was 31.3%.

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Additional income tax expenses that arise from the distribution of cash dividends are recognised at the same time that the liability to pay the related dividend is recognised. The Group does not distribute noncash assets as dividends to its shareholders.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits.
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The Indonesian deferred tax asset relating to tax losses is subject to a five year period.

The Group has adopted deferred tax related to assets and liabilities arising from a single transaction (Amendments to AASB 112 Income Taxes) from 1 July 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Group previously accounted for deferred tax on leases and decommissioning liabilities by applying the ‘integrally linked’ approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognised on a net basis. Following the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statement of financial position because the balances qualify for offset under AASB 112. There was also no impact on the opening retained earnings as at 1 July 2022 as a result of the change. The key impact for the Group relates to disclosure of the deferred tax assets and liabilities recognised as noted above.

Tax consolidation

The Company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2003 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Macmahon Holdings Limited. Current income tax expense/benefit, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated group and are recognised as amounts payable to/(receivable from) other entities in the tax consolidated group in conjunction with any tax funding arrangement amounts (refer below). Any difference between these amounts is recognised by the Group as an equity contribution or distribution.

The Group recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the unused tax losses can be utilised. Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

Nature of tax funding arrangements and tax sharing arrangements

The head entity, in conjunction with other members of the tax-consolidated group, has entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. The tax funding arrangements require payments to/(from) the head entity equal to the current tax asset/(liability) assumed by the head entity and any deferred tax loss asset assumed by the head entity, resulting in the head entity recognising an inter-entity payable/(receivable) equal in amount to the tax asset/(liability) assumed. The inter-entity payables/(receivables) are at call.

Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity in conjunction with other members of the tax-consolidated group has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgment is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Pillar Two Global Minimum Top-Up Tax legislation

The Group is monitoring and evaluating the domestic implementation by relevant countries of the Organisation for Economic Co-operation and Development's (OECD) Pillar Two which seeks to apply a 15% global minimum tax. Pillar Two was substantively enacted by Malaysia, Indonesia and Singapore with effect from 1 January 2025 and Australia with effect from 1 January 2024. The Group has evaluated the cash tax implications and other impacts of the Pillar Two Model Rules and does not expect the impact on the Group to be significant.

The Group has adopted the guidance contained in the IASB issued International Tax Reform - Pillar Two Model Rules and applies the mandatory temporary exception to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group is currently evaluating the cash tax implications and other impacts of the Pillar Two Model Rules and does not expect the impact on the Group to be significant.

6 EARNINGS PER SHARE

	Consolidated	
	2026 $'000	2025 $'000
Profit after income tax attributable to the owners of Macmahon Holdings Limited	**101,135**	73,944
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	**2,141,136,854**	2,128,996,880
Adjustments for calculation of diluted earnings per share:		
Effect of performance rights on issue	**34,595,138**	22,180,710
Weighted average number of ordinary shares used in calculating diluted earnings per share	**2,175,731,992**	2,151,177,590
	Cents	Cents
Earnings per share for profit attributable to owners of Macmahon Holdings Limited		
Basic earnings per share	**4.72**	3.47
Diluted earnings per share	**4.65**	3.44

EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to the owners of Macmahon Holdings Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Total diluted earnings per share takes into account the dilutive effect of all outstanding share rights vesting as ordinary shares.

B CASH FLOW INFORMATION

7 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES

	Consolidated	
	2026 $'000	**2025 $'000**
Profit after income tax expense for the year from continuing operations	**101,135**	73,944
Adjustments for:		
Depreciation and amortisation expense	**209,546**	221,944
Net (gain)/loss on disposal of plant and equipment	**(507)**	(2,529)
Share of profit of equity accounted investees, net of tax	**(349)**	(318)
Share based payments expense	**4,993**	7,277
Net foreign exchange loss/(gain)	**1,886**	106
Remeasurement of ECL allowance	**(329)**	-
Other	**2,478**	(967)
Income tax expense	**44,656**	35,311
Income taxes paid	**(53,210)**	(24,416)
Net cash received from equity accounted investees	**39**	121
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	**6,062**	(14,681)
Decrease/(increase) in inventories	**(6,449)**	33
Increase/(decrease) in trade and other payables	**(5,329)**	46,427
Increase/(decrease) in employee benefits	**(3,241)**	1,585
Increase/(decrease) in provisions	**(623)**	(9,834)
Net cash from operating activities	**300,758**	334,003

C WORKING CAPITAL

8 CASH AND CASH EQUIVALENTS

	Consolidated	
	2026 $'000	**2025 $'000**
Cash on hand	**22**	15
Cash at bank	**309,631**	263,878
	309,653	263,893

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

9 TRADE AND OTHER RECEIVABLES

	Consolidated	
	2026 $'000	2025 $'000
Current		
Trade receivables	**26,092**	79,913
Contract assets	**325,441**	278,873
Less: Provision for ECL	**(238)**	(5,730)
	351,295	353,056
Other receivables	**54,543**	91,668
Prepayments	**16,673**	10,657
	422,511	455,381
Non-current		
Contract assets	**9,423**	5,423
Other receivables	**32,580**	6,980
Agency receivables	**31,345**	39,686
	73,348	52,089

TRADE AND OTHER RECEIVABLES

Trade receivables are initially recognised at the fair value of the services provided to the customer and subsequently at amortised cost less expected credit loss allowances (ECL). Other receivables are initially recognised at fair value and subsequently measured at amortised cost less ECL.

Due to the short-term nature of these receivables, their carrying amount approximates their fair value.

Other receivables include:

- Contracted reimbursements for project closure costs of $7.04 million (2025: $8.569 million) relating to the costs recognised as part of the provision for contract closure. Refer to note 14.
- VAT receivable of $8.418 million (2025: $30.729 million) relating to input tax credits collected on goods and services consumed has been classified as current, in part, to the extent that the Group expects to receive this within the next 12 months. A VAT receivable of $12.551 million is classified as non-current as at 30 June 2026 (2025: $6.221 million).

AGENCY RECEIVABLES

The Group entered into a tripartite agreement with a customer and financier regarding certain mining equipment acquired for the mining contract. The tripartite agreement provides the financier with a put option and the customer with a call option over the equipment, whilst the Group acts as an agent between the financier and the customer, to source and maintain the equipment. The feature of the put/call transaction results in control and risk or reward of the equipment not being with the Group. Lease costs paid by the Group in relation to the equipment (including interest) in excess to the receipts from the customer, is recovered from the customer on the earlier of the life of the asset or exercise of the put/call, which is represented by a non-current receivable at the end of the contract.

CONTRACT ASSETS

Contract assets include $315.602 million (2025: $272.564 million) for the Group's right to consideration of mining and civil services rendered but not billed as at 30 June 2026. Contract assets are transferred to trade receivables when the Group issues an invoice to the customer.

Contract assets of $166.745 million (2025: $198.897 million) relating to mining, varies and is dependent on the scale of mining services rendered for the claim period, which is ordinarily a calendar month, immediately preceding the end of the reporting period.

Contract assets of $148.857 million (2025: $73.667 million) for civil services is dependent on the percentage of complete for each project at a point in time. Contract assets for the civil segment represent civil work equal to the gross unbilled amount expected to be collected from customers for contract work performed to date.

The Group is managing a number of complex claims and there are outstanding claims for services provided. These can lead to disputes or arbitrations in respect of claims made under those contracts. The claim process is typical of large civil contracts. The Directors do not believe any of the current claims are likely to result in a significant reversal in the amount of revenue recognised. There is a continuing risk that the Group may have disputes with its clients, suppliers, or other third parties (including payment disputes) and this may have an adverse impact on the Company's financial performance.

The Group is not currently involved in any material arbitration or court litigations.

10 INVENTORIES

	Consolidated	
	2026 $'000	2025 $'000
Inventories	**115,271**	109,456
Less: Allowance for obsolescence	**(4,910)**	(5,285)
Inventories at the lower of cost and net realisable value	**110,361**	104,171

Inventories are measured at the lower of cost and net realisable value. A write-down of $0.374 million to net realisable value that was recognised as an expense during 2026.

The cost of inventories is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs to sell.

ALLOWANCE FOR OBSOLESCENCE

The provision for impairment of inventories assessment requires a degree of estimation and judgment. The level of the provision is assessed by taking into account the recent sales experience, current market conditions, the ageing of inventories and other factors that affect inventory obsolescence, such as usage and consumption patterns.

11 INVESTMENT PROPERTY

	Consolidated	
	2026 $'000	2025 $'000
Balance at 1 July	**51,550**	-
Acquired through business combination	**-**	51,550
Additions	**116**	-
Change in fair value	**-**	-
Balance at 30 June	**51,666**	51,550

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss, unless the fair value adjustment is made during the provisional 12-month period for a business combination if the change identified relates to the pre-acquisition period. Any gain or loss on disposal of the investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is also recognised in profit or loss. Accommodation revenue is recognised as services are performed over the occupancy term.

The Group acquired the Homeground Accommodation Village Gladstone as part of the acquisition of Decmil Group Limited in FY25. The village is used to provide accommodation in the Gladstone area in Queensland, Australia.

Changes in fair values are recognised as gains in profit or loss and included in 'other income'. All gains are unrealised.

AMOUNTS RECOGNISED IN PROFIT OR LOSS

The Group has recognised $12.367 million (2025: $19.473 million) of accommodation revenue for the year ended 30 June 2026 (see note 2). During the year the Group incurred direct expenses of $10.696 million (2025: $12.592 million) of maintenance expenses included in Administrative and facilities expenses and Employee benefits in note 4.

MEASUREMENT OF FAIR VALUES

The fair value of the investment property was determined by an external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement of the investment property has been categorised as a Level 3 fair value based on the inputs to the discounted cashflow valuation technique used. The following table shows the valuation technique used in measuring the fair value of investment property:

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected occupancy rates. The expected net cash flows are discounted using risk adjusted discount rates.	• Occupancy rates • Risk adjusted discount rates • Room rates	The estimated fair value would increase (decrease) if: • The occupancy rate were higher (lower). • The risk-adjusted discount rates were lowered (higher). • The room rates were higher (lower).

12 TRADE AND OTHER PAYABLES

	Consolidated	
	2026 $'000	**2025 $'000**
Current		
Trade payables	**207,635**	226,419
Accrued expenses	**176,023**	175,481
Contract liabilities	**3,565**	11,905
Other payables	**71,697**	52,514
	458,920	466,319
Non-current		
Other payables	**2,477**	3,721
	2,477	3,721

TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 to 60 days of recognition based on the credit terms.

Accrued wages and salaries between the last pay period and 30 June 2026 of $22.546 million (2025: $14.876 million) are included within accrued expenses.

Refer to note 17 for further details on financial instruments.

CONTRACT LIABILITIES

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

13 EMPLOYEE BENEFITS

	Consolidated	
	2026 $'000	**2025 $'000**
Current		
Annual leave	**52,124**	56,666
Long-service leave	**13,645**	12,011
Other employee benefits	**24,365**	22,402
	90,134	91,079
Non-current		
Long-service leave	**4,019**	7,259
	4,019	7,259

WAGES AND SALARIES, ANNUAL LEAVE AND SICK LEAVE

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long-service leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

LONG-SERVICE LEAVE

The liability for long-service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields on high quality corporate bonds at the reporting date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

DEFINED CONTRIBUTION SUPERANNUATION EXPENSE

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in future payments is available. Contributions to a defined contribution plan which are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

TERMINATION BENEFITS

Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

OTHER EMPLOYEE BENEFITS

Other employee benefits include short-term incentive plans (prior years deferred entitlements and current year estimates), site performance bonuses, sick leave accruals, religious holiday allowance for certain international staff and other short-term benefits.

14 PROVISIONS

	Project closure $'000	Other $'000	Total $'000
At 1 July 2025	31,428	4,316	35,744
Arising during the year	11,440	181	11,621
Foreign exchange translation	(1,581)	-	(1,581)
Released during the year	(5,123)	-	(5,123)
Utilised during the year	(5,125)	(2,169)	(7,294)
At 30 June 2026	31,039	2,328	33,367

PROVISIONS

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, if it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax discount rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

PROVISION FOR PROJECT CLOSURE

The provision for project closure requires a degree of estimation and judgement around contractual term and expected redundancy and demobilisation costs. The provision is assessed by taking into account past history of contract closures and likelihood of contract extensions.

D FIXED ASSETS

15 PROPERTY, PLANT AND EQUIPMENT

Set out below are the carrying amounts of property, plant and equipment and right-of-use assets recognised and movements for the period:

	Right-of-use assets				
Consolidated	**Buildings $'000**	**Plant and equipment $'000**	**Leasehold improvements $'000**	**Plant and equipment $'000**	**Total $'000**
At 1 July 2024	**7,054**	**287,117**	**2,977**	**374,764**	**671,912**
Additions through business acquisition	6,538	645	16	9,068	16,267
Additions	5,270	64,716	-	150,782	220,768
Disposals	(176)	(4,596)	-	(5,288)	(10,060)
Depreciation expense	(3,352)	(79,865)	(601)	(131,859)	(215,677)
Transfers	(196)	(64,393)	-	58,087	(6,502)
Exchange differences	-	321	-	3,374	3,695
At 30 June 2025	**15,138**	**203,945**	**2,392**	**458,928**	**680,403**
At 1 July 2025	**15,138**	**203,945**	**2,392**	**458,928**	**680,403**
Additions	2,307	88,469	-	123,185	213,961
Disposals	(802)	126	-	(16,092)	(16,768)
Depreciation expense	(3,328)	(65,128)	(592)	(134,265)	(203,313)
Transfers	(232)	(2,947)	2,219	(10,031)	(10,991)
Exchange differences	-	(88)	-	(8,822)	(8,910)
At 30 June 2026	**13,083**	**224,377**	**4,019**	**412,903**	**654,382**
Cost	29,226	408,283	10,826	1,187,171	1,635,506
Accumulated depreciation and impairment losses	(14,088)	(204,338)	(8,434)	(728,243)	(955,103)
Carrying amount at 30 June 2025	**15,138**	**203,945**	**2,392**	**458,928**	**680,403**
Cost	30,099	471,335	11,261	1,198,962	1,711,657
Accumulated depreciation and impairment losses	(17,016)	(246,958)	(7,242)	(786,059)	(1,057,275)
Carrying amount at 30 June 2026	**13,083**	**224,377**	**4,019**	**412,903**	**654,382**

SECURITY

Leasehold improvements and plant and equipment are subject to a registered charge to secure banking facilities. Refer to note 18.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost may also include transfers from equity of any gain or loss on qualifying cash flow hedges from foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of plant and equipment is the estimated amount for which plant and equipment could be exchanged, on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of plant and equipment is based on external market appraisals from accredited, independent valuation specialists.

When parts of an item of plant and equipment have different useful lives, the items are accounted for as separate items (i.e. major components) of plant and equipment.

DEPRECIATION AND AMORTISATION

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation on buildings, leasehold improvements and minor plant and equipment is calculated on a straight-line basis. Depreciation on major plant and equipment and components is calculated on machine hours worked or straight-line over their estimated useful life. Leased assets are depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term, or the cost of the right-of use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Depreciation methods, useful lives and residual values are reviewed on a regular basis with annual reassessments for major items and adjusted if appropriate.

The expected useful lives for the current and comparative years are as follows:

- Leasehold improvements: Period of the lease
- Plant and equipment: 3-12 years
- Right-of-use assets: Period of the lease

Depreciation on certain components allocated to property, plant and equipment, including tyres, are based on their measure of usage.

The carrying amounts of the Group's assets, other than inventories (see Inventory Accounting Policy) and deferred tax assets (see Income Tax Accounting Policy), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see impairment of non-financial assets below).

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to profits reserve.

SUBSEQUENT COSTS

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation expenses for its property, plant and equipment and finite life intangible assets. The depreciation and amortisation expense will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions, including the continued performance of contracted work, growth rates of the estimated future cash flows and discount rates based on the current cost of capital.

16 INTANGIBLE ASSETS AND GOODWILL

Set out below are the carrying amounts of intangible assets recognised and movements for the period:

Consolidated	Goodwill $'000	Brand name $'000	Customer contracts $'000	Software $'000	Total $'000
Cost					
At 30 June 2024	**8,808**	**-**	**14,155**	**2,852**	**25,815**
Additions	-	-	-	-	-
Acquisition through a business combination	31,507	10,082	15,941	-	57,530
At 30 June 2025	**40,315**	**10,082**	**30,096**	**2,852**	**83,345**
Additions	-	-	-	617	617
Acquisition through a business combination	-	-	-	-	-
At 30 June 2026	**40,315**	**10,082**	**30,096**	**3,469**	**83,962**
Accumulated amortisation and impairment					
At 30 June 2024	**-**	**-**	**(14,039)**	**(1,397)**	**(15,436)**
Amortisation	-	(504)	(5,401)	(362)	(6,267)
At 30 June 2025	**-**	**(504)**	**(19,440)**	**(1,759)**	**(21,703)**
Amortisation	-	(504)	(5,350)	(378)	(6,232)
At 30 June 2026	**-**	**(1,008)**	**(24,790)**	**(2,137)**	**(27,935)**
Net book value					
At 30 June 2025	**40,315**	**9,578**	**10,656**	**1,093**	**61,642**
At 30 June 2026	**40,315**	**9,074**	**5,306**	**1,332**	**56,027**

INTANGIBLE ASSETS

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

GOODWILL

Goodwill is measured at cost, less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

For the purposes of impairment testing, goodwill has been allocated to the Group's cash generating units (CGU) or operating divisions as follows:

	Consolidated	
	2026 $'000	**2025 $'000**
Surface mining	**3,025**	3,025
Underground mining	**7,013**	7,013
Civil (see note 32)	**30,277**	30,277
Total goodwill	**40,315**	40,315

The recoverable amount was determined by calculating the higher of Fair Value less Cost of Disposal (FVLCD) and Value in Use (VIU) for each of the Group's CGUs. The key assumptions in determining the estimated recoverable amount are the discount rate and budgeted EBITDA. The discount rate was a pre-tax measure weighted average cost of capital for the Group of 13.25% (2025: 12.66%). The budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. The cash flow projections included specific estimates for three years and a terminal value thereafter. The terminal value was determined based on management's estimate of the long-term annual EBITDA.

CUSTOMER CONTRACTS

Customer contracts are a separately identifiable intangible asset equal to the present value of future post tax cash flows attributed to the portfolio of incomplete contracts assumed at acquisition date through a business combination.

Customer contracts are carried at cost, less accumulated depreciation and impairment losses. Amortisation of customer contracts is included in depreciation and amortisation expenses in the consolidated statement of profit or loss and other comprehensive income. The expected useful life of customer contracts ranges from two to three years.

BRAND NAME

The Brand name assets relates to the Decmil brand which was acquired by the Group through the business acquisition of Decmil Group Limited in FY25. The brand name has finite useful life of 20 years and is measured at cost less accumulated amortisation and any accumulated impairment losses.

SOFTWARE

Development expenditure is capitalised only if development costs can be measured reliably or the process is technically and commercially feasible, future economic benefits are probable, and the Group intends to, and has sufficient resources to, complete development and to use the asset. The software expenditure capitalised includes the cost of materials, direct labour and overhead costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in profit or loss as incurred.

Capitalised software development expenditure is measured at cost less accumulated amortisation and impairment losses. The amortisation is included in depreciation and amortisation expenses. The expected useful life of software is five years.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation, and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

E RISK

17 FINANCIAL RISK MANAGEMENT

	Consolidated 2026 $'000	2025 $'000
Financial assets		
Cash and cash equivalents	**309,653**	263,893
Trade and other receivables	**413,104**	419,494
	722,757	683,387
Financial liabilities		
Trade and other payables	**422,005**	447,494
Borrowings	**420,738**	426,347
	842,743	873,841

Trade and other receivables excludes prepayments of $16.673 million (2025: $10.657 million), contract closure reimbursements of $7.040 million (2025: $8.569 million), VAT receivable of $20.970 million (2025: $36.649 million), non-financial contract assets of $19.262 million (2025: $11.732 million), and other non-financial assets of $18.809 million (2025: $20.367 million).

Trade and other payables excludes GST and other taxes payable of $39.392 million (2025: $22.545 million).

FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value of cash and cash equivalents, receivables and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

FINANCIAL RISK MANAGEMENT OBJECTIVES

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. This framework is designed to identify, monitor and manage the material risks throughout the Group to ensure risks remain within appropriate limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board of Directors is assisted in its oversight role by the Audit and Risk Committee. Internal audits undertaken are reviews of controls and procedures, the results of which are reported to the Audit and Risk Committee.

The Group has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

This note presents qualitative and quantitative information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

Market Risk

Market risk includes changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than respective functional currencies of entities within the Group, which are primarily the Australian Dollar (AUD), but also the US Dollar (USD), Indonesian Rupiah (IDR), Malaysian Ringgit (MYR), and Singapore Dollar (SGD). The Group is also exposed to foreign currency risk on plant and equipment purchases that are denominated in a currency other than AUD. The currencies giving rise to this risk are primarily USD and IDR.

The contracts for mining and civil services, as well as purchases are primarily denominated in the functional currencies of entities within the Group to minimise the foreign exchange currency risk.

In respect of other monetary assets and liabilities held in currencies other than the AUD, the Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The average exchange rates and reporting date exchange rates applied were as follows:

	Average exchange rates		Reporting date exchange rates	
AUD	**2026**	**2025**	**2026**	**2025**
USD	**0.6790**	0.6477	**0.6887**	0.6531
IDR	**11,448**	10,423	**12,287**	10,583
MYR	**2.7714**	2.8512	**2.8037**	2.7618
SGD	**0.8716**	0.8581	**0.8904**	0.8333

The carrying amount of foreign currency denominated financial assets and financial liabilities at 30 June were as follows:

	Financial assets		Financial liabilities	
Consolidated	**2026 $'000**	**2025 $'000**	**2026 $'000**	**2025 $'000**
USD	**11,943**	1,643	**(597)**	(1,041)
IDR	**469**	133,138	**326**	(89,841)
Other	**1,320**	323	**-**	(86)
	13,732	135,104	**(271)**	(90,968)

The following analysis demonstrates the increase/(decrease) of profit or loss and other comprehensive income at the reporting date, assuming a 10% strengthening and a 10% weakening of the following transaction currencies against the functional currencies of the Group companies where the financial assets and liabilities are recorded. This analysis also assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as 2025.

	Weakened by 10%		Strengthened by 10%	
Consolidated - 2026	**Effect on profit before tax $'000**	**Effect on other comprehensive income $'000**	**Effect on profit before tax $'000**	**Effect on other comprehensive income $'000**
USD	1,049	-	(1,049)	-
IDR	(79)	-	79	-
Other	(132)	-	132	-
	838	-	(838)	-

Consolidated - 2025	Weakened by 10% Effect on profit before tax $'000	Weakened by 10% Effect on other comprehensive income $'000	Strengthened by 10% Effect on profit before tax $'000	Strengthened by 10% Effect on other comprehensive income $'000
USD	47	-	(47)	-
IDR	(4,330)	-	4,330	-
Other	(24)	-	24	-
	(4,307)	-	4,307	-

Interest rate risk

Interest rate risk on variable rate borrowings is managed under the Group's approved Treasury Policy. Under this policy, interest rate exposures are managed by entering fixed rate finances for equipment purchases.

At 30 June, the Group was exposed to variable interest rate risk on financial instruments as follows:

	Consolidated 2026 $'000	Consolidated 2025 $'000
Cash and cash equivalents	**283,240**	235,525
Interest-bearing loans	**(297,860)**	(288,649)
Net exposure to interest rate risk	**(14,620)**	(53,124)

Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the increase/(decrease) to profit or loss and other comprehensive income at 30 June 2026, assuming a change in interest rates of 50 basis points. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Consolidated - 2026	50 basis point increase Effect on profit before taxes $'000	50 basis point decrease Effect on profit before taxes $'000
Cash and cash equivalents	**1,416**	**(1,416)**
Interest-bearing loans	**(1,489)**	**1,489**
	(73)	**73**

Consolidated - 2025	50 basis point increase Effect on profit before taxes $'000	50 basis point decrease Effect on profit before taxes $'000
Cash and cash equivalents	1,178	(1,178)
Interest-bearing loans	(1,443)	1,443
	(265)	265

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade receivables and contract assets from customers.

Cash and cash equivalents

The Group limits its exposure to credit risk for cash and cash equivalents by placing funds with highly rated international banks.

Guarantees

The Group's policy is to provide financial guarantees only to or for subsidiaries. Details of outstanding guarantees are provided in note 21.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the characteristics of each individual customer. The demographics of the Group's customer base, including the default risk of the industries and countries in which customers operate, has less influence on credit risk. For the year ended 30 June 2026, revenue from two customers related to seven projects, individually greater than 10%, amounted to $760.039 million (2025: two customers related to six projects, individually greater than 10%, amounted to $726.021 million), arising from the provision of mining services. Geographically, the primary concentration of credit risk is in Australia and Indonesia.

Under the Group's systems and procedures, each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The exposure to credit risk is monitored on an ongoing basis. The Group's analysis includes external ratings, when available, and in some cases, bank references. Credit risk is minimised by managing payment terms and receiving advance payments.

Exposure to credit risk

The carrying amount of the Group's financial assets represents its maximum credit exposure as follows:

	Consolidated	
	2026 $'000	**2025 $'000**
Cash and cash equivalents	**309,653**	263,893
Trade receivables	**25,854**	74,183
Contract assets	**315,602**	272,564
Other receivables	**40,303**	33,062
Agency receivables	**31,345**	39,686
Credit risk exposure	**722,757**	683,388

Trade and other receivables excludes prepayments of $16.673 million (2025: $10.657 million), contract closure reimbursements of $7.040 million (2025: $8.569 million), VAT receivable of $20.970 million (2025: $36.649 million), non-financial contract assets of $19.262 million (2025: $11.732 million), and other non-financial assets of $18.809 million (2025: $20.367 million).

The profile of trade and other receivables and contract assets by segment is as follows:

	Consolidated	
	2026 $'000	**2025 $'000**
Mining customers	**255,257**	206,699
Civil customers	**156,897**	215,596
Accommodation services customers (Unallocated segment)	**1,188**	2,930
	413,342	425,225
Less: Provision for expected credit losses - Mining	**(236)**	(744)
Less: Provision for expected credit losses - Civil	**(2)**	(58)
Less: Provision for expected credit losses - acquired through business acquisition.	**-**	(4,928)
Total: Provision for expected credit losses	**(238)**	(5,730)
Credit risk exposure	**413,104**	419,495

At 30 June, the exposure to credit risk for trade and other receivables by geographic region was as follows:

Consolidated	Consolidated 2026 $'000	2025 $'000
Australia	**368,442**	390,621
Indonesia	**44,089**	33,602
Other	**811**	1,002
	413,342	425,225

Expected credit loss allowance

	2026		2025	
Consolidated	Gross carrying amount $'000	Loss allowance $'000	Gross carrying amount $'000	Loss allowance $'000
Current (not past due)	397,424	(8)	410,006	(193)
Past due 0 - 30 days	3,926	(14)	7,008	(15)
Past due 31-60 days	3,768	(22)	519	(2)
Over 90 days overdue	8,224	(194)	7,692	(5,520)
	413,342	(238)	425,225	(5,730)

In determining the provision for ECLs, the Group allocates its exposure to a credit risk based on data that is determined to be predictive of the risk of loss (including, but not limited to external credit ratings, audited financial statements and available press information) and applying experienced credit judgement. Loss rates applied to credit risk ratings are sourced from external credit rating agencies.

The following table provides summarised information of the exposure to credit risk on trade receivables as at 30 June 2026:

Credit rating	Credit impaired	Loss rate	Gross carrying amount $'000	Loss allowance $'000
A- to AAA	No	0.000%	10,318	-
BBB- to BBB+	No	0.000%	203	-
BB- to BB+	No	0.175%	7,872	(14)
B+ to B-	No	0.057%	394,949	(224)
C to CCC	Yes	N/A	-	-
D	Yes	N/A	-	-
			413,342	(238)

The movement in the provision for ECLs is as follows:

	Consolidated 2026 $'000	2025 $'000
Opening balance	**5,730**	798
Net remeasurement of provision for ECL	**(329)**	-
Additional provision assumed as part of acquisition	**-**	4,928
Receivables written-off during the year	**-**	-
Loss allowance on trade and other receivables arising during the period	**-**	-
Trade and other receivables provision reversed during the period	**(4,500)**	-
Exchange differences	**(663)**	4
	238	5,730

The Group recognises a provision for ECLs on financial assets measured at amortised cost and contract assets at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment. The Group assumes a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions, such as realising security (if any is held) or the financial asset is more than 90 days past due.

As at 30 June 2026, receivables totalling $34.106 million (2025: nil) had been sold as part the Group's non-recourse receivable factoring arrangement. The receivables were derecognised upon sale as substantially all risks and rewards associated with the receivables passed to the purchaser.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows, and matching the maturity profiles of financial assets and liabilities.

Information about changes in term facilities during the year is disclosed in note 18.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities, and therefore these totals may differ from their carrying amount in the statement of financial position.

The cash flows in the maturity analysis are not expected to occur significantly earlier than contractually disclosed above.

Consolidated - 2026	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Trade payables	(207,635)	-	-	-	(207,635)
Accrued expenses	(176,023)	-	-	-	(176,023)
Other payables	(71,697)	(2,477)	-	-	(74,174)
Borrowings	(68,533)	(40,733)	(319,105)	-	(428,371)
Total non-derivatives	(523,888)	(43,210)	(319,105)	-	(886,203)

Consolidated - 2025	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Trade payables	(226,419)	-	-	-	(226,419)
Accrued expenses	(175,482)	-	-	-	(175,482)
Other payables	(52,513)	(3,721)	-	-	(56,234)
Borrowings	(97,727)	(40,718)	(296,092)	-	(434,537)
Total non-derivatives	(552,141)	(44,439)	(296,092)	-	(892,672)

The cash flows in the maturity analysis are not expected to occur significantly earlier than contractually disclosed above.

F DEBT AND EQUITY

18 BORROWINGS

	Currency	Interest rate (%)	Maturity	Consolidated 2026 $'000	Consolidated 2025 $'000
Current borrowings					
Lease liabilities	AUD, USD	3.31 - 9.09	2026 - 2027	**39,238**	71,395
Interest-bearing loans	AUD, IDR	3.49 - 7.95	2026 - 2027	**22,062**	18,433
				61,300	89,828
Non-current borrowings					
Lease liabilities	AUD, USD	3.31 - 9.09	2027 - 2031	**55,539**	51,307
Interest-bearing loans	AUD, IDR	3.49 - 7.95	2027 - 2029	**303,899**	285,212
				359,438	336,519

The movement in the carrying amount of borrowings is set out below:

	Interest-bearing loans		Lease liabilities	
Consolidated	**2026 $'000**	**2025 $'000**	**2026 $'000**	**2025 $'000**
At 1 July	**303,645**	192,953	**122,702**	148,212
New borrowings	**55,421**	188,733	**43,726**	42,654
Principal repayments	**(39,244)**	(123,814)	**(63,055)**	(74,765)
Disposals	**-**	-	**(782)**	(967)
Business acquisition at acquisition date	**-**	44,853	**-**	7,452
Transfers	**7,750**	-	**(7,750)**	-
Exchange differences	**(1,611)**	920	**(64)**	116
At 30 June	**325,961**	303,645	**94,777**	122,702

Refer to note 17 for further information on financial instruments.

Lease liabilities

The Group leases offices, plant and equipment, and vehicles across the countries in which it operates. Lease contracts are for fixed periods between six months and 10 years and may include extension options. Through FY26 the Group continued to utilise the syndicated asset finance facility for new equipment financing, whilst paying down existing borrowings. As at 30 June 2026, $41.288 million was outstanding under this facility (30 June 2025: $41.581 million).

Interest Bearing Loans

In June 2026, the Group exercised the option to extend the existing syndicated multi-option debt facility of $550.000 million, which now expires in June 2030. The Group has drawn a total of $290.000 million as cash and $3.268 million as bank guarantees as at 30 June 2026 (As at 30 June 2025: $270.000 million as cash and $5.527 million drawn for bank guarantees).

The syndicated multi-option debt facility is subject to both financial and non-financial covenants, including maintaining certain interest cover, leverage and gearing ratios. These ratios are tested for compliance on a semi-annual basis to align with full and half year reporting dates. As at 30 June 2026, Macmahon was in compliance, with no covenant breaches or waivers.

Assets pledged as security

The Group's lease liabilities and specific loans are secured by the relevant assets and in the event of default, the assets revert to the lessor or financier. All remaining assets of the Group are pledged as security under the multi-option facility.

Borrowings

Borrowings are initially recognised at the fair value of the consideration received, net of transaction costs.

They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, borrowings are classified as non-current.

19 EQUITY – ISSUED CAPITAL

	Consolidated			
	2026 Shares	2025 Shares	2026 Shares	2025 Shares
Ordinary shares - fully paid	**2,154,985,818**	2,154,985,818	**563,118**	563,118
Less: Treasury shares	**(12,082,814)**	(21,701,849)	**(9,517)**	(11,794)
Ordinary shares	**2,142,903,004**	2,133,283,969	**553,601**	551,324

	Number of Ordinary Shares	
Consolidated	2026	2025
On issue at 1 July	**2,154,985,818**	2,154,985,818
On issue at 30 June	**2,154,985,818**	2,154,985,818

ORDINARY SHARES

Ordinary shares are classified as equity and entitle the holder to participate in dividends and the proceeds on the winding up of the Parent in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value, and the Parent does not have authorised capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the capital proceeds.

On a show of hands, every member present at a meeting in person or by proxy shall have one vote, and upon a poll each share shall have one vote.

TREASURY SHARES

Ordinary shares purchased on market by the Company are recognised at cost, less incremental costs directly attributable to the ordinary shares purchased

CAPITAL RISK MANAGEMENT

The Group's objective when managing capital is to safeguard its ability to continue as a going concern so that it may provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value-adding relative to the Parent entity's current share price at the time of the investment.

The Group is subject to certain financing arrangement covenants, and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total equity and net debt. Net debt is calculated as 'borrowings' less 'cash and cash equivalents', as shown in the consolidated statement of financial position. Total equity is as shown in the consolidated statement of financial position. At 30 June 2026, the Group was in a net debt position.

The gearing ratio at 30 June is as below:

	Consolidated	
	2026 $'000	2025 $'000
Borrowings	**420,738**	426,347
Less: Cash and cash equivalents	**(309,653)**	(263,893)
Net debt	**111,085**	162,454
Equity	**740,112**	692,342
Gearing ratio	**13.05%**	19.01%

20 EQUITY – RESERVES

	Consolidated	
	2026 $'000	2025 $'000
Reserve for own shares (net of tax)	**(9,517)**	(11,794)
Fair value reserve (net of tax)	**(10,475)**	(10,475)
Foreign currency reserve (net of tax)	**(9,408)**	8,386
Share based payments	**14,598**	11,109
	(14,802)	(2,774)

RESERVE FOR OWN SHARES

The reserve for Company's own shares comprises the cost (net of tax) of the Company's shares held by the trustee of the Group's equity compensation plans which were purchased on-market in anticipation of vesting of share-based payment awards under the equity compensation plans. During the year no shares were purchased by the Company for the non-executive directors' salary sacrifice plan and for the vesting of KMPs long-term incentives (2025: 10,487,155 shares). At 30 June 2026, there were 12,082,814 unallocated shares held in trust (2025: 21,701,849 shares).

FOREIGN CURRENCY RESERVE

The foreign currency reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on the net investments in foreign operations. The foreign currency translation reserve is reclassified to the profit and loss either on sale or cessation of the underlying foreign operation.

SHARE BASED PAYMENTS RESERVE

The share-based payments reserve is used to record the value of share-based payments and performance rights to employees, including KMP, as part of their remuneration, as well as non-employees. Refer to note 28.

FAIR VALUE RESERVE

The fair value reserve comprises of the cumulative net change in the fair value of equity investments designated at FVOCI.

MOVEMENTS IN RESERVES

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Reserves for own shares $'000	Fair value reserve $'000	Foreign currency $'000	Share based payments $'000	Total $'000
Balance at 30 June 2024	**(11,067)**	**(10,475)**	**5,492**	**3,607**	**(12,443)**
Equity investments at FVOCI - net change in value	-	-	-	-	-
Treasury shares purchased for compensation plans	(2,762)	-	-	-	(2,762)
Foreign currency translation	-	-	2,893	-	2,893
Treasury shares allocated on vesting of performance rights	2,035	-	-	(1,227)	808
Transactions subsidiary acquisition	-	-	-	1,937	1,937
Share-based payments expense (note 28)	-	-	-	7,277	7,277
Transfer of expired performance rights to retained earnings	-	-	-	(484)	(484)
Balance at 30 June 2025	**(11,794)**	**(10,475)**	**8,385**	**11,110**	**(2,774)**
Equity investments at FVOCI - net change in value	-	-	-	-	-
Treasury shares purchased for compensation plans	-	-	-	-	-
Foreign currency translation	-	-	(17,793)	-	(17,793)
Treasury shares allocated on vesting of performance rights	2,277	-	-	(742)	1,535
Transactions subsidiary acquisition	-	-	-	-	-
Share-based payments expense (note 28)	-	-	-	4,993	4,993
Transfer of expired performance rights to retained earnings	-	-	-	(763)	(763)
Balance at 30 June 2026	**(9,517)**	**(10,475)**	**(9,408)**	**14,598**	**(14,802)**

DIVIDENDS

The Parent has paid and proposed dividends as set out below:

	2026 $'000	2025 $'000
Cash dividends on ordinary shares declared and paid:		
Final dividend for 2025: 0.95 cents per share (2024: 0.60 cents per share)	**20,356**	12,930
Interim dividend for 2026: 0.95 cents per share (2025: 0.55 cents per share)	**20,360**	11,619
	40,715	24,549
Subsequent to year end - Proposed dividends on ordinary shares:		
Final cash dividend for 2026: 1.25 cents per share (2025: 0.95 cents per share)	**26,937**	20,472
	26,937	20,472
Dividend franking account at 30 June		
Amount of franking credits available to shareholders of the Company for future years	**104,626**	67,486

G UNRECOGNISED ITEMS

21 CONTINGENT LIABILITIES

The following contingent liabilities existed at 30 June 2026:

	Consolidated	
	2026 $'000	2025 $'000
Bank guarantees (syndicated multi-option debt facility)	**3,268**	5,521
Insurance performance bonds	**110,014**	81,219
	113,282	86,740

Bank guarantees and insurance bonds are issued to contract counterparties in the ordinary course of business as security in certain circumstances for the performance by the Group of its contractual obligations. The Group is also called upon to provide guarantees and indemnities to contract counterparties in relation to the performance of contractual and financial obligations. The value of these guarantees and indemnities is indeterminable.

OTHER CONTINGENT LIABILITIES

The Group has the normal contractor's liability in relation to its current and completed contracts (for example, liability relating to design, workmanship and damage), as well as liability for personal injury and property damage during a project. Potential liability may arise from claims, disputes and/or litigation by or against Group companies. The Group is currently managing a number of claims, disputes and litigation processes in relation to its contracts, as well as in relation to personal injury and property damage arising from project delivery.

The Group notes that on 16 December 2022 its subsidiary, TMM Group (Operations) Pty Ltd, commenced proceedings in the Supreme Court of Western Australia against Coburn Resources Pty Ltd (a subsidiary of Strandline Resources Ltd) (see ASX announcement dated 28 December 2022). The proceedings were in connection with variation and extension of time claims under a contract for bulk earthworks, access road construction and drainage work at the Coburn Mineral sands project. TMM sought declarations, damages, costs, interest and return of security totalling approximately $24.4 million (of which $6.5 million had previously been received by TMM from Coburn following a successful adjudication determination). Coburn filed a counterclaim against TMM seeking $7.8 million. On 21 February 2025, Strandline announced that it and Coburn Resources had entered into voluntary administration and that Receivers and Managers have been appointed. Coburn has since entered into a deed of company arrangement and Macmahon has submitted a proof of debt in the administration. Consequently, Macmahon's proceedings have been stayed pending developments in the administration.

On 7 January 2026, a statement of claim in the Federal Court of Australia was filed by an individual, self-represented litigant alleging breaches of the *Corporations Act 2001* (Cth). The claim is unquantified.

The Directors are of the opinion that the disclosure of any further information on this matter would be prejudicial to the interests of the Group.

There were no contingent assets recognised as at 30 June 2026 or 30 June 2025.

22 COMMITMENTS

At 30 June 2026, the Group has contracted capital expenditure commitments, but not provided for in the financial statements, of $50.495 million (2025: $53.430 million).

23 EVENTS AFTER THE REPORTING PERIOD

Dividends

Subsequent to 30 June 2026, the Directors declared a final dividend of 1.25 cents per share.

Homeground Accommodation Village

After 30 June 2026, the Group entered into an agreement for the partial sale of the Homeground accommodation village asset to Allcap Securities (Allcap), the majority owner of Inter-Port Global Consolidated Holdings (IPG).

The initial transaction involves the sale of a 20% interest to Allcap based on the asset's valuation of $51.666 million (see note 11), the Group will retain an 80% interest following this initial sale. The agreement also provides Allcap with an option to acquire a further 30% interest in Homeground. This option is exercisable up to December 2029.

H OTHER INFORMATION/GROUP STRUCTURE

24 INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

		Ownership interest	
Incorporated subsidiaries	Country of incorporation	2026 %	2025 %
Macmahon Contractors Pty Ltd	Australia	**100**	100
Macmahon Mining Services Pty Ltd	Australia	**100**	100
Doorn-Djil Yoordaning Mining and Construction Pty Ltd	Australia	**100**	100
Macmahon Underground Pty Ltd	Australia	**100**	100
Macmahon Contracting International Pte Ltd	Singapore	**100**	100
PT Macmahon Indonesia	Indonesia	**100**	100
Macmahon Constructors Sdn Bhd	Malaysia	**100**	100
TMM Group Pty Ltd*	Australia	**100**	100
TMM Group (Consult) Pty Ltd	Australia	**100**	100
TMM Group (IP) Pty Ltd*	Australia	**100**	100
TMM Group (Operations) Pty Ltd	Australia	**100**	100
Macmahon East Pty Ltd	Australia	**100**	100
Macmahon Maintenance Masters Pty Ltd	Australia	**100**	100
Macmahon (Southern) Pty Ltd[1]	Australia	**100**	100
Macmahon Africa Pty Ltd*	Australia	**100**	100
Macmahon Malaysia Pty Ltd*	Australia	**100**	100
Macmahon Sdn Bhd*	Malaysia	**100**	100
PT Macmahon Contractors Indonesia	Indonesia	**100**	100
Macmahon Singapore Pte Ltd*	Singapore	**100**	100
Macmahon Contractors Nigeria Ltd*	Nigeria	**100**	100
Macmahon Contractors Ghana Limited*	Ghana	**100**	100
Macmahon Botswana (Pty) Ltd*	Botswana	**100**	100
Strong Minds Strong Mines Pty Ltd	Australia	**100**	100
GF Holdings (WA) Pty Ltd	Australia	**100**	100
GBF Mining and Industrial Services Pty Ltd	Australia	**100**	100
GBF North Pty Ltd	Australia	**100**	100
GBF Number 6 Pty Ltd	Australia	**100**	100
PT Macmahon Mining Services	Indonesia	**100**	100
MBMS Contractors Pty Ltd	Australia	**50**	50
Decmil Group Pty Ltd[2]	Australia	**100**	100
Decmil Australia Pty Ltd[2]	Australia	**100**	100
Decmil Engineering Pty Ltd[2]	Australia	**100**	100
Eastcoast Development Engineering Pty Ltd[2]	Australia	**100**	100
Decmil Southern Pty Ltd[2]	Australia	**100**	100
Decmil Maintenance Pty Ltd[2]	Australia	**100**	100
Homeground Villages Pty Ltd[2]	Australia	**100**	100
Homeground Gladstone Pty Ltd[2]	Australia	**100**	100
Interest in trusts			
Macmahon Holdings Limited Employee Share Ownership Plans Trust	Australia	**100**	100
Homeground Gladstone Unit Trust[2]	Australia	**100**	100

* *Entities were dormant for the financial year ended 30 June 2026 and 30 June 2025.*

1 *Macmahon (Southern) Pty Ltd is incorporated and operates in Australia and has a registered branch in South Africa. The Company is dormant.*

2 *Entity acquired through as part of Decmil Group Limited business combination in FY25.*

25 INTERESTS IN JOINT VENTURES

Interest in joint ventures are accounted for using the equity method of accounting. Information relating to joint ventures that are material to the Group are set out below:

		Ownership interest	
Incorporated joint venture	Country of incorporation	2026 %	2025 %
PT Macmahon Labour Services	Indonesia	**49**	49
MAHBYS Fleet Rental Pty Ltd	Australia	**50**	50

	Consolidated	
	2026 $'000	2025 $'000
At 1 July	**1,418**	1,071
Share of profit of equity-accounted investees, net of tax	**349**	318
Exchange differences	**(364)**	29
At 30 June	**1,403**	1,418

JOINT VENTURES

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss, and the share of the movements in equity is recognised in other comprehensive income.

26 RELATED PARTY TRANSACTIONS

PARENT ENTITY

Macmahon Holdings Limited is the ultimate parent entity.

SUBSIDIARIES

Interests in subsidiaries are set out in note 24.

JOINT VENTURES

Interests in joint venture arrangements are set out in note 25.

KEY MANAGEMENT PERSONNEL

Disclosures relating to key management personnel are set out in note 27 and the remuneration report.

TRANSACTION WITH RELATED PARTIES - JOINT VENTURE

The following transactions occurred with related parties:

	Consolidated	
	2026 $'000	2025 $'000
Transactions recognised in profit or loss		
Costs incurred by the Group on behalf of and recharged to the joint venture	**31**	130
Costs incurred by the joint venture on behalf of and recharged to the Group	**-**	-
Receivable from/(payable to) joint venture		
Receivable from/(payable to) joint venture	**1**	10

TERMS AND CONDITIONS

All transactions were made on normal commercial terms and conditions and at market rates.

TRANSACTIONS WITH SIGNIFICANT SHAREHOLDERS - AMNT

AMNT (including its related entities) is a significant shareholder of the Company. The following transactions occurred with AMNT in relation to the provision of mining services for the Batu Hijau mine, which is wholly owned by AMNT:

	Consolidated	
	2026 $'000	**2025 $'000**
Transaction recognised in profit or loss		
Revenue recognised from shareholder	**61,057**	64,388
Receivables/(payables) from significant shareholders		
Trade receivables and contract assets	**1,281**	2,112

TERMS AND CONDITIONS

All transactions were made on normal commercial terms and conditions and at market rates.

27 COMPENSATION OF KEY MANAGEMENT PERSONNEL

Key management personnel compensation for the financial year was as follows:

	Consolidated	
	2026	**2025**
Short-term employee benefits	**5,722,476**	5,595,500
Long-term employee benefits	**217,989**	226,272
Post-employment benefits	**199,022**	203,189
Termination benefits	**-**	229,270
Share-based payments	**1,672,201**	1,115,703
	7,811,688	7,369,934

28 SHARE-BASED PAYMENTS

The Group has the following equity compensation arrangements to remunerate non-executive, executive and employees of the Group:

- Senior Manager Long Term Incentive Plan (LTIP)
- Non-Executive Director Salary Sacrifice Plan (SSP)

28(a) Executives and Senior Management Plans

LTIP Plans

The LTIP provides Executive and senior management with the opportunity to receive fully paid ordinary shares in the Company for no consideration, subject to specified time restrictions, continuous employment and performance conditions being met. Each performance right will entitle participants to receive one fully paid ordinary share at the time of vesting. The LTIP is designed to assist with employee retention, and to incentivise employees to maximise returns and earnings for shareholders. The Board of Directors determines which employees are eligible to participate and the number of performance rights granted.

PERFORMANCE RIGHTS GRANTED UNDER PRIOR YEARS LTI PLANS ARE SET OUT BELOW:

LTIP Performance Rights 2023

	LTIP Performance Rights 2023
	Tranche 1
Performance rights effective on	01/07/2022
Grant date	30/09/2022
Vesting date	01/07/2025
Service period	3 years
Number of performance rights	10,098,439
Remaining number of rights at 30 June 2026	-
Fair value on grant date	$0.0610
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

	LTIP Performance Rights 2023
	Tranche 2
Performance rights effective on	01/07/2022
Grant date	30/09/2022
Vesting date	01/07/2025
Service period	3 years
Number of performance rights	10,098,439
Remaining number of rights at 30 June 2026	-
Fair value on grant date	$0.1250
Vesting performance condition (strategic objectives)	
During FY23	
Safety – Improve TRIFR[1] to <4.4	4%
Business Mix – 12% or more Mining Support of Group Revenue	7%
Business Mix – 27% or more Underground of Group Revenue	7%
During FY24	
People – Improve employee engagement score year-over-year	4%
Business Mix – 15% or more Mining Support of Group Revenue	7%
Business Mix – 28% or more Underground of Group Revenue	7%
During FY25	
Business Mix – 20% or more Mining Support of Group Revenue	7%
Business Mix – 33% or more Underground of Group Revenue	7%

1 TRIFR – Total Recordable Injury Frequency Rate

LTIP Performance Rights 2024

	LTIP Performance Rights 2024
	Tranche 1
Performance rights effective on	01/07/2023
Grant date	12/01/2024
Vesting date	01/07/2026
Service period	3 years
Number of performance rights	13,151,949
Remaining number of rights at 30 June 2026	8,431,833
Fair value on grant date	$0.1260
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

	LTIP Performance Rights 2024
	Tranche 2
Performance rights effective on	01/07/2023
Grant date	12/01/2024
Vesting date	01/07/2026
Service period	3 years
Number of performance rights	13,151,949
Remaining number of rights at 30 June 2026	6,070,919
Fair value on grant date	$0.1840
Vesting performance condition (strategic objectives)	
During FY24	
Safety – Improve TRIFR[1] to =<3.7	4%
Business Mix – >=$237m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$473m Underground of Group Revenue	7%
During FY25	
People – Improve WAM engagement score year-over-year	4%
Business Mix – >=$326m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$622m Underground of Group Revenue	7%
During FY26	
Business Mix – >=$394m Civil Infrastructure of Group Revenue	7%
Business Mix – >=$669m Underground of Group Revenue	7%

1 TRIFR – Total Recordable Injury Frequency Rate

LTIP Performance Rights 2025

	LTIP Performance Rights 2025
	Tranche 1
Performance rights effective on	01/07/2024
Grant date	16/12/2024
Vesting date	01/07/2027
Service period	3 years
Number of performance rights	8,428,534
Remaining number of rights at 30 June 2026	7,155,792
Fair value on grant date	$0.1940
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

	LTIP Performance Rights 2025
	Tranche 2
Performance rights effective on	01/07/2024
Grant date	16/12/2024
Vesting date	01/07/2027
Service period	3 years
Number of performance rights	8,428,538
Remaining number of rights at 30 June 2026	6,297,100
Fair value on grant date	$0.3210
Vesting performance condition (strategic objectives)	
During FY25	
Business Mix – >=38.9% ROACE for Surface Division	6%
Business Mix – >=$582m Civil Infrastructure Revenue	6%
Business Mix – >=$596m Underground Revenue	6%
During FY26	
Business Mix – >=43.0% ROACE for Surface Division	6%
Business Mix – >=$728m Civil Infrastructure Revenue	6%
Business Mix – >=$857m Underground Revenue	6%
During FY27	
Business Mix – >=47.1% ROACE for Surface Division	3%
Business Mix - >=$1,079m Civil Infrastructure Revenue	5%
Business Mix – >=$956m Underground Revenue	6%

PERFORMANCE RIGHTS GRANTED DURING THE CURRENT YEAR ARE SET OUT BELOW:

LTIP Performance Rights 2026

	LTIP Performance Rights 2026
	Tranche 1
Performance rights effective on	01/07/2025
Grant date	26/09/2025
Vesting date	01/07/2028
Service period	3 years
Number of performance rights	11,277,269
Remaining number of rights at 30 June 2026	10,812,327
Fair value on grant date	$0.2490
Vesting performance condition	
Less than 10% CAGR in TSR	0%
10% CAGR in TSR	50%
15% or more CAGR in TSR	100%
Between 10% and 15% CAGR in TSR	Pro-rata between 50% and 100%

	LTIP Performance Rights 2026
	Tranche 2
Performance rights effective on	01/07/2025
Grant date	26/09/2025
Vesting date	01/07/2028
Service period	3 years
Number of performance rights	6,766,361
Remaining number of rights at 30 June 2026	6,487,396
Fair value on grant date	$0.3700
Vesting performance condition	
During FY26	
Less than 8% annual underlying unweighted EPS growth	0%
8% annual underlying unweighted EPS growth	50%
12% or more annual underlying unweighted EPS growth	100%
Between 8% and 12% annual underlying unweighted EPS growth	Pro-rata between 50% and 100%
During FY27	
Less than 8% annual underlying unweighted EPS growth	0%
8% annual underlying unweighted EPS growth	50%
12% or more annual underlying unweighted EPS growth	100%
Between 8% and 12% annual underlying unweighted EPS growth	Pro-rata between 50% and 100%
During FY28	
Less than 8% annual underlying unweighted EPS growth	0%
8% annual underlying unweighted EPS growth	50%
12% or more annual underlying unweighted EPS growth	100%
Between 8% and 12% annual underlying unweighted EPS growth	Pro-rata between 50% and 100%

	LTIP Performance Rights 2026
	Tranche 3
Performance rights effective on	01/07/2025
Grant date	26/09/2025
Vesting date	01/07/2028
Service period	3 years
Number of performance rights	4,510,907
Remaining number of rights at 30 June 2026	4,324,931
Fair value on grant date	$0.3700
Vesting performance condition	
Employed as at 30 June 2028	100%

The following inputs were used in the measurement of the fair values at grant date of the 2026 LTIP performance rights:

	LTIP Performance Rights 2026		
	Tranche 1	Tranche 2	Tranche 3
Fair value at grant date	$0.2490	$0.3700	$0.3700
Share price at grant date	$0.4150	$0.4150	$0.4150
Exercise price	Nil	Nil	Nil
Expected volatility (weighted average volatility)	50.00%	50.00%	50.00%
Option life (expected weighted average life)	3 years	3 years	3 years
Dividend yield	4.20%	4.20%	4.20%
Risk-free interest rate (based on government bonds)	3.58%	3.58%	3.58%
Valuation model	Monte-Carlo Simulation	Monte-Carlo Simulation	Monte-Carlo Simulation

Expected volatility is estimated taking into account historic average share price volatility.

NON-EXECUTIVE DIRECTOR (NED) SALARY SACRIFICE PLAN (SSP)

The SSP provides Non-Executive Directors with the option to sacrifice a portion of their salary in return for a fixed number of rights over ordinary but restricted shares, which will vest equally within 8 months and 14 months from grant date. Once vested, the shares will be held on trust on behalf of the recipients but will be subject to certain restrictions, which limit the recipients' ability to sell the shares. Trading restrictions will generally end on the earliest of ceasing to be a NED, the date a change of control occurs or 15 years after the date the relevant NED share rights were granted.

The following assumptions were applied in the measurement of the fair values of NED share rights using the Black-Scholes option pricing model:

	NED Share Rights 2025		NED Share Rights 2026	
	Tranche 1	Tranche 2	Tranche 1	Tranche 2
Share rights effective on	01/07/2024	01/07/2024	01/07/2025	01/07/2025
Grant date	01/07/2024	01/07/2024	01/07/2025	01/07/2025
Vesting date	19/02/2025	20/08/2025	18/02/2026	19/08/2026
Service period	8 months	14 months	8 months	14 months
Tranche and number of share rights	329,935	329,935	328,150	328,150
Remaining number of share rights at 30 June 2026	-	-	-	192,250
Share price at grant date	$0.270	$0.270	$0.310	$0.310
Discount for lack of marketability	30%	30%	30%	30%
Implied fair value of restricted shares	$0.189	$0.189	$0.217	$0.217
Exercise price	$0.286	$0.286	$0.288	$0.288
Risk-free interest rate	3.84%	3.84%	3.34%	3.34%
Volatility factor	50%	50%	50%	50%
Dividend yield	2.00%	4.00%	2.10%	4.20%
Implied discount to share price at grant date	97%	95%	95%	93%
Fair value at grant date	$0.007	$0.015	$0.014	$0.023

INFORMATION ABOUT PERFORMANCE RIGHTS AND SHARE RIGHTS OUTSTANDING AT YEAR END

The following unvested unlisted performance rights were outstanding at year end:

	LTIP Performance Rights		SSP Share Rights	
	2026 Number	2025 Number	2026 Number	2025 Number
Balance at start of year	**41,334,316**	47,785,984	**329,935**	500,526
Granted during the year	**22,554,537**	16,857,072	**656,300**	659,870
Vested during the year	**(8,702,582)**	(5,197,709)	**(522,185)**	(830,461)
Forfeited during the year	**(5,605,973)**	(18,111,031)	**(271,800)**	-
Balance at end of year	**49,580,298**	41,334,316	**192,250**	329,935

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by referencing the fair value of the equity instruments at the date at which they were granted. The fair value is determined by using the Binomial, Black-Scholes or Monte Carlo model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities with the next annual reporting period, but may impact profit or loss and equity.

Share-based payments

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial, Monte Carlo or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest, and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

If any performance rights have been forfeited for failure to complete a service period, the costs of the performance rights are trued up, i.e. amounts previously expensed are no longer incurred and accordingly reversed in the current year. This policy is applied irrespective of whether the employee resigns voluntarily or is dismissed by the Company.

29 REMUNERATION OF AUDITORS

The auditor of Macmahon Holdings Limited is KPMG Australia. Amounts paid or payable for services provided by KPMG and other non-KPMG audit firms are as follows:

	Consolidated	
	2026 $	2025 $
Group auditors		
Audit and review services - KPMG		
Audit or review of the financial statements - Australia	**808,335**	823,860
Audit or review of the financial statements - Controlled entities	**148,472**	151,306
	956,807	975,166
Other Audit and review services - KPMG		
Audit or review of *AASB S2* Climate related disclosures - Australia	**87,975**	-
Other assurance services - Australia	**52,365**	49,616
	140,340	49,616
Other services - KPMG		
Taxation services - Australia	**84,834**	149,875
Taxation services - Network firms	**10,394**	10,848
Other advisory services - Australia	**-**	67,347
	95,228	228,070
	1,192,375	1,252,852
Subsidiary auditors		
Audit and review services		
Audit of the financial statements - Foo Kon Tan LLP	**23,404**	23,307
	23,404	23,307
	1,215,779	1,276,159

30 DEED OF CROSS GUARANTEE

Pursuant to *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 (the Instrument)*, the wholly-owned subsidiaries listed below are relieved from the *Corporations Act 2001* (Cth) (the Act) requirements for preparation, audit and lodgement of their financial statements and Directors' report.

It is a condition of the Instrument that the Parent and each of its subsidiaries (Extended Closed Group) below enter into a Deed of Cross Guarantee (Deed). The effect of the Deed is that the Parent guarantees to each creditor, payment in full of any debt in the event of winding up of any of the subsidiaries under certain provisions of the Act. If a winding up occurs under other provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given the same guarantees in the event that the Company is wound up.

The following entities are party to the Deed under which each member guarantees the debts of the others:

- Macmahon Contractors Pty Ltd
- Macmahon Underground Pty Ltd
- Macmahon Mining Services Pty Ltd
- TMM Group Pty Ltd
- TMM Group (Operations) Pty Ltd
- GF Holdings (WA) Pty Ltd
- GBF North Pty Ltd
- GBF Mining and Industrial Services Pty Ltd
- Decmil Group Pty Ltd[1]
- Decmil Australia Pty Ltd[1]
- Decmil Southern Pty Ltd[1]

Note 1: Decmil entities were added to the Deed on 16 December 2024.

Set out below is a consolidated statement of profit or loss and other comprehensive income, summary of movements in consolidated retained earnings and consolidated statement of financial position, comprising the Company and its controlled entities which are a party to the Deed, after eliminating transactions between parties to the Deed:

Statement of Profit or Loss and Other Comprehensive Income

	Consolidated	
	2026 $'000	2025 $'000
Revenue	**2,307,457**	2,205,253
Other income	**5,718**	15,548
Materials and consumables used	**(434,351)**	(389,432)
Employee benefits expense	**(931,517)**	(977,413)
Subcontractor costs	**(299,835)**	(216,492)
Depreciation and amortisation expense	**(185,030)**	(197,934)
Equipment and other operating lease expenses	**(206,570)**	(185,863)
Net finance costs	**(31,353)**	(33,147)
Other expenses	**(108,631)**	(123,994)
Profit before income tax expense	**115,888**	96,526
Income tax expense	**(40,030)**	(23,077)
Profit after income tax expense	**75,858**	73,449

Statement of Financial Position

	Consolidated	
	2026 $'000	**2025 $'000**
ASSETS		
Current assets		
Cash and cash equivalents	**238,184**	181,939
Trade and other receivables	**355,238**	384,823
Inventories	**107,057**	102,786
Total current assets	**700,479**	669,548
Non-current assets		
Trade and other receivables	**83,972**	60,877
Other financial assets	**61,456**	61,456
Property, plant and equipment	**575,702**	587,576
Intangible assets and goodwill	**56,026**	61,621
Deferred tax asset	**56,742**	63,021
Total non-current assets	**833,898**	834,551
Total assets	**1,534,377**	1,504,099
LIABILITIES		
Current liabilities		
Trade and other payables	**399,510**	381,301
Borrowings	**54,832**	70,987
Income tax payable	**9,702**	37,782
Employee benefits	**84,484**	87,006
Provisions	**19,350**	25,601
Total current liabilities	**567,878**	602,677
Non-current liabilities		
Trade and other payables	**2,477**	3,698
Borrowings	**359,229**	333,267
Employee benefits	**3,636**	3,574
Deferred tax liabilities	**-**	-
Total non-current liabilities	**365,342**	340,539
Total liabilities	**933,220**	943,216
NET ASSETS	**601,157**	560,883
EQUITY		
Issued capital	**563,130**	563,130
Reserves	**(5,394)**	(11,159)
Net accumulated losses	**43,421**	8,912
TOTAL EQUITY	**601,157**	560,883

31 PARENT ENTITY INFORMATION

Set out below is the supplementary financial information of the Parent as follows:

Statement of Profit or Loss and Other Comprehensive Income

	2026 $'000	2025 $'000
Profit/(Loss) after income taxes of the Parent	**46,235**	11,592
Total comprehensive profit/(loss) of the Parent	**46,235**	11,592

Statement of Financial Position

	Consolidated	
	2026 $'000	2025 $'000
Current assets	**1,517,239**	1,401,762
Total assets	**1,890,795**	1,775,317
Current liabilities	**(993,604)**	(908,791)
Total liabilities	**(1,284,291)**	(1,179,478)
Equity		
Issued capital	**563,118**	563,118
Share-based payments reserve	**12,660**	9,173
Reserve for own shares	**(9,517)**	(11,794)
Accumulated losses	**(472,334)**	(472,334)
Retained profits	**512,577**	507,676
Total equity	**606,504**	595,839

GUARANTEES ENTERED INTO BY THE PARENT ENTITY IN RELATION TO THE DEBTS OF ITS SUBSIDIARIES

The Parent has entered into a Deed with the effect that the Parent guarantees the debt of members of the Extended Closed Group. Further details of the Deed and the Extended Closed Group are disclosed in note 30.

MATERIAL ACCOUNTING POLICIES

The accounting policies of the Parent are consistent with those of the Group.

32 BUSINESS COMBINATION

ACQUISITION OF DECMIL GROUP LIMITED

On 15 August 2024, the Group acquired 100 percent of the issued ordinary shares and redeemable convertible preference shares in Decmil Group Limited (Decmil).

The acquisition included inputs i.e. identifiable assets and liabilities acquired (contract assets/liabilities, and investment property, borrowings, a brand name and customer relationships), production processes and an organised workforce. The Group has determined that together the acquired inputs and processes significantly contribute to the ability to create revenue. The Group has concluded that the acquired set is a business and thus has been accounted as a business combination.

The acquisition provides an established foundation to accelerate the Group's civil infrastructure growth, which aligns with its strategic focus to diversify earnings.

For the ten and a half months ending 30 June 2025, Decmil contributed revenue of $456.438 million and profit before tax of $21.547 million to the Group's results in FY25. The acquisition has been effectively consolidated from 1 July 2024.

Consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred.

	$'000
Cash	103,977
Replacement share-based payment awards (i)	1,938
	105,915

(i) Replacement share-based payment awards

In accordance with the terms of the acquisition agreement, the Group exchanged shares (replacement awards) in lieu of Decmil's existing management performance rights (the acquiree's awards). The details of the acquiree's awards and replacement awards were as follows:

	Acquiree's awards	Replacement awards
Terms and conditions	Grant date: 17 November 2023	Vesting dates: 1 January 2025 1 July 2025 1 January 2026 1 July 2026
	17,706,174 performance rights	22,486,841 shares
	Vesting date: 15 November 2028	Service condition
	Service and market conditions	
Fair value at date of acquisition	$4.905 million	$6.521 million

The consideration for the business combination includes $1.938 million transferred to employees of Decmil when the acquiree's awards were substituted by the replacement awards, which relates to past service provided between the acquiree's awards grant date and the acquisition date. The balance of $4.584 million will be recognised as a post-acquisition share-based payment, of which $3.741 million have been recognised in the 12 months ending 30 June 2025.

Acquisition related costs

The Group incurred acquisition costs of $7.623 million on legal fees and due diligence costs. These costs have been included in "Other expenses".

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	$'000
Cash and cash equivalents	40,911
Trade and Other receivables	55,652
Expected credit loss provision	(4,928)
Investment Property	51,551
Property, plant and equipment	16,267
Customer relationship and backlog	15,941
Brand name	10,082
Deferred Tax asset	60,310
Trade and Other payables	(100,676)
Borrowings	(44,853)
Lease liabilities	(7,452)
Employee benefits	(7,984)
Other Provisions	(2,483)
Deferred tax liability	(6,700)
	75,638

Measurement of fair values

The valuation techniques for measuring the fair value of material assets acquired and liabilities assumed were as follows:

Assets acquired/Liabilities assumed	Valuation technique
Investment property	Discounted cash flows: the valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.
Property, plant and equipment	Market comparison technique and cost technique: The valuation model considers market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Customer relationship and backlog	Multi-period excess earning method: The valuation method considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.
Brand name	Relief-from-royalty method: The valuation method considers the discounted estimated royalty payments that are expected to be avoided as a result of the brand being owned.
Borrowings	Discounted cash flows: The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.
Deferred Tax asset	Unused tax losses: The deferred tax asset has been recognised in respect of unused tax losses and unused tax credits to the extent that is probably that future taxable profits will be available against which the unused tax losses and unused tax credits can be utilised.

The Trade and Other receivables includes Trade receivables of $26.593 million and $22.054 million of Contract assets, all of which expected to be collectable at the date of acquisition.

The above amounts have been measured on a provisional basis. If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Goodwill arising from the acquisition has been recognised as follows:

	$'000
Consideration transferred	105,915
Fair value of identifiable net assets	75,638
	30,277

The goodwill recognised is attributable to the expected synergies and other benefits from combining the assets and activities of Decmil with those of the Group.

Business combinations

The Group accounts for business combinations using the acquisitions method when control is transferred to the Group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable assets acquired and liabilities assumed. Any gain on acquisition is recognised in profit or loss immediately. Goodwill is recognised when the fair value of the purchase consideration exceeds the fair value of identifiable assets.

33 OTHER MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. The accounting policies are consistent with those disclosed in the prior period financial statements, except for the impact of new and amended standards and interpretations, effective 1 July 2025. The adoption of these standards and interpretations did not result in any significant changes to the Group's accounting policies.

The Group has not elected to early adopt any new or amended standards or interpretations that are issued but not yet effective.

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT EFFECTIVE FOR THE GROUP AT 30 JUNE 2026 OR EARLY ADOPTED

A number of new standards, amendments of standards and interpretations are effective for annual periods beginning from 1 July 2026 and earlier application is permitted, however, the Group has not early adopted these standards in preparing these consolidated financial statements.

The Group has reviewed these standards and interpretations and has determined that none of these new or amended standards and interpretations will significantly affect the Group's accounting policies, financial position or performance.

BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* (Cth) as appropriate for for-profit orientated entities. These financial statements also comply with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB).

The consolidated financial statements provide comparative information in respect of the previous period. For consistency with the current year's presentation, where required, comparative information has been reclassified.

The financial statements have been prepared under the historical cost basis, except for contingent consideration and certain other financial assets and financial liabilities, which are measured at fair value.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are included in the respective notes to the financial statements:

- **Note 2** - revenue recognition: estimate of variable consideration and percentage completion of performance obligations
- **Note 5** - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised

PARENT ENTITY INFORMATION

In accordance with the *Corporations Act 2001* (Cth), these financial statements present the results of the Group only. Supplementary information about the Parent entity is disclosed in note 31.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Macmahon Holdings Limited as of 30 June 2026 and the results of all subsidiaries for the year then ended. Macmahon Holdings Limited and its subsidiaries together are referred to in these financial statements as "the Group".

Subsidiaries

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Entities are deconsolidated from the date that control ceases.

Interest in equity accounted investees

The Group's interests in equity-accounted investees comprise interests in joint ventures

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method and are initially recognised at cost, including transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss, and other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

FOREIGN CURRENCY TRANSLATION

The financial statements are presented in Australian dollars, which is Macmahon Holdings Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at the reporting date exchange rates of monetary assets, and liabilities denominated in foreign currencies are recognised in the profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. Monetary assets and liabilities denominated in foreign currency at the reporting date are translated to the functional currency at the exchange rate at that date. The income and expenses of foreign operations are translated into Australian dollars at the average exchange rates for the period. Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are recognised to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve in equity.

During the year, the functional currency of PT Macmahon Indonesia was changed from USD to IDR. This change reflects the shift in the entity's primary economic environment, with most revenue, operating costs, funding and cash retentions now denominated in IDR as new mining projects have ramped up. The change has been applied prospectively in accordance with AASB 121 The Effects of Changes in Foreign Exchange Rates.

CURRENT AND NON-CURRENT CLASSIFICATION

Assets and liabilities are presented in the statement of financial position based on current and noncurrent classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period subject to compliance with covenants within 12 months after the reporting date.

Deferred tax assets and liabilities are always classified as non-current.

GOODS AND SERVICES TAX (GST), VALUE ADDED TAX (VAT) AND OTHER SIMILAR TAXES

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

Tropicana Gold Mine, Western Australia

Consolidated Entity Disclosure Statement

AS AT 30 JUNE 2026

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Incorporated subsidiaries	Country of incorporation	Body corporate, partnership or trust	Australian or Foreign tax resident	Jurisdiction for Foreign tax resident	Ownership interest 2026 %	Ownership interest 2025 %
Macmahon Holdings Limited	Australia	Body corporate	Australia	N/A	100	100
Macmahon Contractors Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
Macmahon Mining Services Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
Doorn-Djil Yoordaning Mining and Construction Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
Macmahon Underground Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
Macmahon Contracting International Pte Ltd	Singapore	Body corporate	Foreign	Singapore	100	100
PT Macmahon Indonesia	Indonesia	Body corporate	Foreign	Indonesia	100	100
Macmahon Constructors Sdn Bhd	Malaysia	Body corporate	Foreign	Malaysia	100	100
TMM Group Pty Ltd*	Australia	Body corporate	Australia	N/A	100	100
TMM Group (Consult) Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
TMM Group (IP) Pty Ltd*	Australia	Body corporate	Australia	N/A	100	100
TMM Group (Operations) Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
Macmahon East Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
Macmahon Maintenance Masters Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
Macmahon (Southern) Pty Ltd[1]	Australia	Body corporate	Australia	N/A	100	100
Macmahon Africa Pty Ltd*	Australia	Body corporate	Australia	N/A	100	100
Macmahon Malaysia Pty Ltd*	Australia	Body corporate	Australia	N/A	100	100
Macmahon Sdn Bhd*	Malaysia	Body corporate	Foreign	Malaysia	100	100
PT Macmahon Contractors Indonesia	Indonesia	Body corporate	Foreign	Indonesia	100	100
Macmahon Singapore Pte Ltd*	Singapore	Body corporate	Foreign	Singapore	100	100
Macmahon Contractors Nigeria Ltd*	Nigeria	Body corporate	Foreign	Nigeria	100	100
Macmahon Contractors Ghana Limited*	Ghana	Body corporate	Foreign	Ghana	100	100
Macmahon Botswana (Pty) Ltd*	Botswana	Body corporate	Foreign	Botswana	100	100
Strong Minds Strong Mines Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
GF Holdings (WA) Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
GBF Mining and Industrial Services Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
GBF North Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
GBF Number 6 Pty Ltd	Australia	Body corporate	Australia	N/A	100	100
PT Macmahon Mining Services	Indonesia	Body corporate	Foreign	Indonesia	100	100
MBMS Contractors Pty Ltd	Australia	Body corporate	Australia	N/A	50	50
Decmil Group Pty Ltd[2]	Australia	Body corporate	Australia	N/A	100	100
Decmil Australia Pty Ltd[2]	Australia	Body corporate	Australia	N/A	100	100
Decmil Engineering Pty Ltd[2]	Australia	Body corporate	Australia	N/A	100	100
Eastcoast Development Engineering Pty Ltd[2]	Australia	Body corporate	Australia	N/A	100	100
Decmil Southern Pty Ltd[2]	Australia	Body corporate	Australia	N/A	100	100
Decmil Maintenance Pty Ltd[2]	Australia	Body corporate	Australia	N/A	100	100
Homeground Villages Pty Ltd[2]	Australia	Body corporate	Australia	N/A	100	100
Homeground Gladstone Pty Ltd[2]	Australia	Body corporate	Australia	N/A	100	100
Interest in trusts						
Macmahon Holdings Limited Employee Share Ownership Plans Trust	Australia	Trust	Australia	N/A	100	100
Homeground Gladstone Unit Trust[2]	Australia	Trust	Australia	N/A	100	100

* *Entities were dormant for the financial year ended 30 June 2026 and 30 June 2025.*

1 *Macmahon (Southern) Pty Ltd is incorporated and operates in Australia and has a registered branch in South Africa. The company is dormant.*

2 *Entity acquired through as part of Decmil Group Limited business combination in FY25.*

Boston Shaker Gold Project, Western Australia

Directors' Declaration

In the Directors' opinion:

The consolidated financial statements and notes, and the Remuneration Report in the Directors' Report, comply with and are made in accordance with the *Corporations Act 2001* (Cth), the Accounting Standards, the Corporations Regulation 2001 and other mandatory professional reporting requirements

- The consolidated financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 33.
- The consolidated entity disclosure statement on page 203 at the end of the financial year is true and correct.
- The consolidated financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026, and of its performance for the financial year ended on that date, and comply with Australian Accounting Standards and the Corporations Regulations 2001.
- There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable. At the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee (pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785) described in note 30 to the financial statements.

The Directors have been given the declarations from the Chief Executive Officer and the Chief Financial Officer for the financial year ended 30 June 2026 as required by section 295A of the *Corporations Act 2001* (Cth).

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001* (Cth).

On behalf of the Directors

Gregory R Evans

GREG EVANS
Chair
18 August 2026

KPMG

Independent Auditor's Report

To the shareholders of Macmahon Holdings Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Macmahon Holdings Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2026 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2026;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2026;
- Notes, including material accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to our audit of the Financial Report of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

KPMG

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

<table>
<tr><th colspan="2">Revenue recognition ($2,619 million)</th></tr>
<tr><td colspan="2">Refer to Note 2 to the Financial Report</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>The majority of the Group's revenue arises from rendering mining services ($1,934 million) and civil services ($672 million).

Revenue recognition was a key audit matter due to the:

• Complexity and judgements involved in applying the requirements of AASB15 Revenue from Contracts with Customers;

• Quantum of revenue earned during the year;

• Large number of customer contracts with numerous estimation events that may occur over the course of the contract's life. This results in complex and judgemental revenue recognition.

Therefore, significant audit effort is required to gather sufficient audit evidence for revenue recognition.

We focused on the following judgements the Group applied in determining revenue recognition for mining services and civil services, as applicable:

• The Group's determination of contractual entitlement and assessment of the probability of customer approval of changes in scope and/or price;

• The Group's consideration of the enforceability or approval of the modification of the terms of a contract may include evidence that is written, oral, or implied by customary business practice and may include involvement</td><td>Our procedures included:

– Evaluating the Group's revenue recognition policies and revenue recognition on key contracts with customers against the requirements of the accounting standard;

– Understanding the Group's process and key controls for accounting for revenue across different contracts, considering the terms in the customer contracts;

– Testing key controls over revenue recognition, including customer approval of monthly progress claims and review and approval of revenue and cost forecasts.

– Checking satisfaction of the performance obligation for a statistical sample of revenue transactions, by inspecting documentation such as customer approved progress claims;

– Testing a sample of unbilled revenue by checking satisfaction of the performance obligation to underlying documentation;

– Testing a sample of revenue recognised close to year end to the underlying progress claims to check revenue recognition in the correct period;

– For key contracts where variable consideration is recognised, evaluating the Group's evidence for these amounts, such as contract documents, correspondence with customers and subsequent approval of variable consideration;

– For key contracts where revenue is recognised on a percentage of completion</td></tr>
</table>

from the Group's legal, time and costs experts; • The Group's determination of modification requires a degree of judgement and can drive different accounting treatments, increasing the risk of inappropriately recognising revenue; • Estimating total expected costs at initiation of the customer contract, which have a high level of estimation uncertainty; and • Revisions to total expected costs for certain events or conditions that occur during the performance of the contract or are expected to occur to complete the customer contract, which is difficult to estimate.	basis, we assessed the total expected cost estimates by (1) obtaining an understanding of the activities required to complete the customer contract from the Group's contract teams, (2) analysing the costs of those activities compared to recent project costs trends and prices, (3) testing a sample of expenditure to underlying documentation, and (4) using our knowledge of the contract characteristics to challenge the completeness of costs and activities; – Evaluating the Group's assessment of when contract modifications for variations and claims are considered enforceable and recoverable by examining supporting documentation such as underlying records, legal agreements, customer correspondence, historical recovery patterns and external legal opinions. - Evaluating the Group's disclosures against our understanding obtained from our testing and the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in Macmahon Holdings Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and specified sustainability disclosure within the Sustainability Report and our respective assurance conclusions.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

KPMG

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Macmahon Holdings Limited for the year ended 30 June 2026, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 127 to 146 of the Directors' report for the year ended 30 June 2026.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Derek Meates
Partner
Perth
18 August 2026


MINING ALLIANCE
MACMAHON

Summary of Consolidated Results

Profit and loss ($'m)	2026	2025	2024	2023	2022
Revenue from continuing operations	**2,619.2**	2,427.5	2,031.3	1,906.2	1,698.0
Underlying EBITDA	**393.8**	387.4	351.7	308.7	291.4
Depreciation and amortisation (excluding customer contracts)	**(203.7)**	(216.0)	(211.4)	(192.0)	(190.6)
Underlying EBIT	**190.1**	171.4	140.3	116.6	100.8
Other exclusions from underlying items[1]	**(13.7)**	(28.4)	(38.6)	(9.9)	(35.6)
Reported EBIT	**176.4**	143.0	101.7	106.7	65.1
Net interest	**(30.6)**	(33.7)	(26.8)	(24.3)	(19.0)
Profit/(loss) before income taxes	**145.8**	109.3	74.9	82.4	46.1
Income tax expense	**(44.7)**	(35.3)	(21.7)	(24.7)	(18.7)
Profit/(loss) after taxes from continuing operations	**101.1**	73.9	53.2	57.7	27.4
Minority interests	**-**	-	-	-	-
Profit/(loss) after taxes attributed to Macmahon	**101.1**	73.9	53.2	57.7	27.4
Other exclusions from underlying items (net of tax)[1]	**13.7**	28.4	38.6	9.9	35.6
Underlying net profit/(loss) after taxes attributed to Macmahon	**114.8**	102.4	91.9	67.6	63.0
Balance sheet ($'m)					
Plant and equipment	**654.4**	680.4	671.9	720.1	672.6
Total assets	**1,759.5**	1,760.6	1,451.3	1,464.7	1,338.3
Net assets	**740.1**	692.3	633.5	608.8	559.5
Equity attributable to the Group	**740.1**	692.3	633.5	608.8	559.9
Net debt/(net cash)	**111.1**	162.5	146.6	201.9	215.5
Cash flow ($'m)					
Underlying EBITDA	**393.8**	387.4	351.7	308.7	291.4
Net interest paid	**(30.6)**	(33.7)	(23.2)	(23.6)	(19.1)
Income tax (paid)/refund	**(53.2)**	(24.4)	(2.6)	(12.0)	(17.5)
Decrease/(increase) in working capital, provisions and other non-cash items	**(9.1)**	4.7	(55.1)	(6.3)	(26.9)
Net operating cash flows, including joint venture	**300.8**	334.0	270.8	266.9	227.9
Investing and financing cash flows (net)	**(244.3)**	(266.2)	(293.5)	(248.3)	(216.0)
Effect of exchange rates on cash	**(10.6)**	1.5	(0.9)	1.7	4.0
Cash at beginning of financial year	**263.9**	194.6	218.2	198.0	182.1
Closing cash and cash equivalents	**309.7**	263.9	194.6	218.2	198.0

Due to rounding, numbers presented may not add.

1 *Other exclusions from underlying items consist of:*

- *2023 to 2026 exclusions from underlying items consists of acquisition costs, share-based payment expenses, SaaS costs, impairment of financial assets and amortisation on customer contracts recognised on acquisitions.*
- *2022 consists of earn-out in relation to previous acquisition, acquisition costs, share-based payment expenses, SaaS costs, impairment of asset disposal group and amortisation on customer contracts recognised on acquisitions.*

	2026	2025	2024	2023	2022
People and safety					
Workforce	**10,004**	10,220	9,676	8,368	7,848
LTIFR	**0.2**	0.4	0.3	0.1	0.2
TRIFR	**2.0**	3.0	3.6	3.9	4.8
Order book					
Work in hand ($b)	**5.9**	5.4	4.6	5.1	5.0
New contracts and extension ($b)	**3.1**	3.2	1.5	2.0	1.7
Revenue growth (%)	**7.9**	19.5	6.6	12.3	25.6
Reported NPAT/Revenue (%)	**3.9**	3.0	2.6	3.0	1.6
Underlying NPAT/Revenue (%)[1]	**4.4**	4.2	4.5	3.5	3.7
EBIT interest cover (x)	**5.8**	4.2	3.8	4.4	3.4
Reported basic EPS from continuing operations (cents)	**4.72**	3.47	2.53	2.75	1.30
Underlying basic EPS from continuing operations (cents)	**5.36**	4.81	4.36	3.22	3.00
Balance sheet ratios					
Gearing ratio	**13.1**	19.0	18.8	24.9	27.8
Reported return on average capital employed (ROACE) (%)	**20.5**	17.1	12.5	13.3	9.0
Underlying ROACE (%)[1]	**22.0**	20.5	17.2	14.5	13.9
Reported return on equity (ROE) (%)	**14.1**	11.2	8.6	9.9	5.0
Underlying ROE (%)[1]	**16.0**	15.4	14.8	11.6	11.5
Reported return on assets (ROA) (%)	**5.7**	4.6	3.7	4.1	2.2
Underlying ROA (%)[1]	**6.5**	6.4	6.3	4.8	5.1
Net tangible assets (NTA) per share ($)	**0.32**	0.29	0.29	0.28	0.25
Cash flow ratios ($'m)					
Net operating cash flow per share (cents)	**14.0**	15.5	12.6	12.4	10.6
Shareholders					
Shares on issue ('m) at 30 June	**2,155.0**	2,155.0	2,155.0	2,155.0	2,155.0
Share price at 30 June (cents)	**95.5**	31.0	29.0	15.5	13.5
Dividends declared (cents)[2]	**2.20**	1.50	1.05	0.75	0.65
Percentage franked (%)	**100.0**	100.0	-	-	-
Market capitalisation ($'m)	**2,058.0**	668.0	624.9	334.0	290.9
Enterprise value (EV)	**2,169.1**	830.5	771.5	535.9	506.4
Price/NTA ($)	**3.0**	1.1	1.0	0.6	0.5

1 *Underlying items are adjusted for other exclusions as per footnote 1 on page 212.*

2 *Subsequent to 30 June 2026, the Board approved the payment of a final dividend of 1.25 cents per share for the year ended 30 June 2026. During FY26, the Board also approved an interim dividend of 0.95 cents per share, which was paid in April 2026.*

The Summary of Consolidated Results uses non-IFRS financial information, such as underlying EBIT(A) and EBITDA, to measure the financial performance of the Group. Non-IFRS measures of financial performance are unaudited.

ASX Additional Information

Additional information required by the Australian Securities Exchange and not disclosed elsewhere in this report is set out below. The information was current as at 11 August 2026.

NUMBER AND DISTRIBUTION OF EQUITY SECURITIES

The Company has a single class of equity securities on issue, being fully paid ordinary shares. The distribution schedule of the Company's ordinary shares is detailed below.

1 - 1,000	791	0.02%
1,001 - 5,000	2,028	0.25%
5,001 - 10,000	981	0.35%
10,001 - 100,000	2,073	3.32%
100,001 Over	378	96.06%
Total	**6,251**	**100%**

There were 398 holders of less than a marketable parcel of shares (511 shares or fewer) based on the closing price on 11 August 2026 ($0.98) of Macmahon shares listed on the ASX.

SUBSTANTIAL HOLDERS

The following shareholders have declared a relevant interest in the number of voting shares at the date of giving a substantial shareholder notice under Part 6C.1 of the *Corporations Act 2001* (Cth).

Holders giving notice	Number of ordinary shares in which interest is held
Amman Mineral Contractors (Singapore) Pte Ltd	**954,064,924**
Paradice Investment Management Pty Ltd	**162,033,558**

There may be differences between this information and the list of the top 20 largest shareholders due to differences between registered holder details, the nature of a holder's relevant interest in voting shares, or movements of less than 1 percent which do not require disclosure.

VOTING RIGHTS

The voting rights attaching to fully paid ordinary shares are detailed below:

Each holder present at a general meeting (whether in person, online, by proxy or by representative) is entitled to one vote on a show of hands, or on a poll, one vote for each share, subject to any voting restrictions that may apply.

ON-MARKET SHARE BUY-BACK

The Company is not currently conducting an on-market buy-back of its shares listed on the ASX.

RESTRICTED SECURITIES AND VOLUNTARILY ESCROWED SECURITIES

There are no securities issued by the Company which are restricted securities.

EQUITY SECURITY HOLDERS

The 20 largest shareholders of ordinary shares on the Company's register as at 11 August 2026 were:

Rank	Name	Shares	%
1	Amman Mineral Contractors (Singapore) Pte Ltd	954,064,924	44.27
2	HSBC Custody Nominees (Australia) Limited	321,267,247	14.91
3	Citicorp Nominees Pty Limited	316,818,588	14.70
4	J P Morgan Nominees Australia Pty Limited	190,419,881	8.84
5	HSBC Custody Nominees (Australia) Limited (Ntcomnwlth Super Corp A/C)	33,465,877	1.55
6	BNP Paribas Noms Pty Ltd	19,677,057	0.91
7	UBS Nominees Pty Ltd	15,174,410	0.70
8	Mr Nicholas Barry Debenham	14,290,000	0.66
9	BNP Paribas Nominees Pty Ltd (Agency Lending A/C)	14,282,294	0.66
10	CPU Share Plans Pty Ltd	12,082,814	0.56
11	Precision Opportunities Fund Ltd	12,000,000	0.56
12	Mr Amarjit Singh and Mrs Jaswant Kaur	6,200,000	0.29
13	Mr Paulus Gerardus Brouwer and Mr Remy Paulus Brouwer	5,600,000	0.26
14	BNP Paribas Noms Pty Ltd (Global Markets)	4,869,717	0.23
15	Thorney International Pty Ltd	3,574,952	0.17
16	BNP Paribas Nominees Pty Ltd <Ib Au Noms Retailclient>	3,509,565	0.16
17	Certane Ct Pty Ltd	3,501,316	0.16
18	Mr Keith Harold Hickox	3,000,000	0.14
19	Researched Investments Pty Ltd	3,000,000	0.14
20	Warbont Nominees Pty Ltd	2,892,714	0.13
Top 20 Holders		**1,939,691,356**	**90.01**
Remaining Holders Balance		**215,294,462**	**9.99**
Total Shares on Issue		**2,154,985,818**	**100.00**

Corporate Directory

DIRECTORS

GREG EVANS
Independent, Non-Executive Chair

MICHAEL FINNEGAN
Managing Director and Chief Executive Officer

DHARMA CHANDRAN
Independent, Non-Executive Director

DAVID GIBBS
Non-Independent, Non-Executive Director

SUZAN PERVAN
Independent, Non-Executive Director

TOM QUINN
Independent, Non-Executive Director

ARIEF SIDARTO
Non-Independent, Non-Executive Director

GRAHAME WHITE
Independent, Non-Executive Director

CHIEF FINANCIAL OFFICER

URSULA LUMMIS

COMPANY SECRETARY

MAHA CHAAR

REGISTERED OFFICE AND BUSINESS ADDRESS

15 Hudswell Road
Perth Airport WA 6105 Australia

Phone: +61 8 9232 1000

POSTAL ADDRESS

PO Box 198
Cannington WA 6987 Australia

SHARE REGISTRY

Computershare Investor Services Pty Limited

Level 17, 221 St Georges Terrace
Perth WA 6000 Australia

GPO Box 2975
Melbourne VIC 3001 Australia

Phone: 1300 850 505 (within Australia)

Phone: +61 3 9415 4000 (outside Australia)

www.computershare.com.au

web.queries@computershare.com.au

STOCK EXCHANGE LISTING

Macmahon Holdings Limited fully paid ordinary shares are listed on the Australian Securities Exchange with an ASX code of “MAH”.

AUDITOR

KPMG

235 St Georges Terrace
Perth WA 6000 WA

INCORPORATION

Macmahon Holdings Limited is incorporated and domiciled in Australia as a public company limited by shares.

ACN 007 634 406

ABN 93 007 634 406

KEY DATES (SUBJECT TO CHANGE)

Annual General Meeting 2026 – 23 October 2026 (further details to be announced)

Release of FY27 Half Year Results – February 2027

Release of FY27 Full Year Results – August 2027

Glossary

AMNT	PT Amman Mineral Nusa Tenggara
EBIT	Earnings before net interest expense and tax expense
EBIT(A)	Earnings before net interest expense, tax expense and customer contract amortisation
EBITDA	Earnings before net interest expense, tax expense, depreciation and amortisation
EV	Enterprise value, being market capitalisation plus net debt
Gearing ratio	Net debt/equity plus net debt
LTIFR	Lost time injury frequency rate
TRIFR	Total recordable injury frequency rate
NPAT	Net profit after tax
NTA	Net tangible assets
ROACE	Return on average capital employed – EBIT(A)/average capital employed, where capital employed is total assets excluding cash less current liabilities excluding current debt
ROE	Return on equity – Underlying NPAT/average net assets
ROA	Return on assets – Underlying NPAT/average assets

Note: Refer to Summary of Consolidated Results for reconciliation to underlying results.

Boston Shaker Gold Project, Western Australia

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