



GR ENGINEERING SERVICES LIMITED

ANNUAL FINANCIAL REPORT

30 June 2026

ABN 12 121 542 738



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CALENDAR

Final Dividend:

Ex-dividend Date	31 August 2026
Record Date	1 September 2026
Payment Date	23 September 2026
Annual General Meeting	26 November 2026



CORPORATE DIRECTORY

GR ENGINEERING SERVICES LIMITED

ACN 121 542 738

ABN 12 121 542 738

DIRECTORS

Phillip Lockyer (Non-Executive Chairman)

Tony Patrizi (Managing Director)

Peter Hood (Non-Executive Director)

Joe Totaro (Non-Executive Director)

Deb Morrow (Non-Executive Director)

COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Omesh Motiwalla

REGISTERED OFFICE

71 Daly Street

ASCOT WA 6104

PRINCIPAL PLACE OF BUSINESS

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ASX CODE

GNG

AUDITOR

Deloitte Touche Tohmatsu

Tower 2, Brookfield Place, 123 St Georges Terrace

PERTH WA 6000

SOLICITORS TO THE COMPANY

Zafra Legal

Level 10, 105 St Georges Terrace

PERTH WA 6000

SHARE REGISTRY

Computershare Investor Services Pty Limited

Level 17, 221 St Georges Terrace

PERTH WA 6000



DIRECTORS' REPORT

Your Directors present their report together with the financial statements of GR Engineering Services Limited ("the Group" or "consolidated entity") for the financial year ended 1 July 2025 to 30 June 2026 (FY26) and the independent auditor's report thereon.

The names of the consolidated entity's Directors in office during FY26 and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

DIRECTORS

Phillip (Phil) LOCKYER (Non-Executive Chairman)
Tony Marco PATRIZI (Managing Director)
Peter John HOOD (Non-Executive Director)
Giuseppe (Joe) TOTARO (Non-Executive Director)
Deborah (Deb) MORROW (Non-Executive Director)

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Omesh MOTIWALLA

PRINCIPAL ACTIVITIES

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

DIVIDENDS PAID DURING THE YEAR

- Fully franked dividend of 12.0 cents per share paid on 25 September 2025.
- Fully franked dividend of 12.0 cents per share paid on 25 March 2026.
- Subsequent to 30 June 2026, a fully franked dividend of 13.0 cents per share was recommended by the Directors to be paid on 23 September 2026.
- The Group has a Dividend Reinvestment Plan (DRP) which enables all shareholders to elect to have all or some of their dividend reinvested in additional Group shares. The DRP is applicable to the FY26 final dividend. The Directors have determined that a 2.5% discount will apply to the allocation price.

REVIEW OF OPERATIONS

During the year under review, the consolidated entity achieved revenue of \$493.2 million (FY25: \$479.0 million) and earnings before interest, tax, depreciation and amortisation (EBITDA) of \$63.1 million (FY25: \$57.2 million).

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

The Group achieved a stronger revenue and earnings result in the second half of FY26 (revenue: \$275.2 million, EBITDA: \$35.3 Million) compared to the results in the first half of FY26 (revenue: \$218.0 million, EBITDA: \$27.8 million). This is largely due to higher project execution and new contract awards across the Group during the second half of FY26. The FY26 EBITDA margin % is consistent with the HY26 EBITDA margin %.

The Group's contracted and near-term pipeline across the business is strong and continuing to grow. Based on the pipeline and the high levels of study work, the Group's medium to long term visibility for project work remains high.



DIRECTORS' REPORT

The Group's mineral processing and energy order book for works currently being undertaken and which will continue into FY27 include:

Mineral Processing

GRES' contracted order book for design and construction works includes:

- **Yitirrti (Sulphur Springs) Copper-Silver-Zinc Project** - \$275 million EPC Contract with Venturix Sulphur Springs Pty Ltd, a wholly owned subsidiary of Develop Global Limited, for the design, procurement, construction, installation and commissioning of the 1.5 Mtpa Yitirrti (Sulphur Springs) Copper-Silver-Zinc Project in Western Australia. The EPC contract was executed in August 2026.
- **Davyhurst Expansion Project** - \$233 million EPC Contract with Ora Banda Mining Limited for the design, procurement, construction, installation and commissioning of a 3.0 Mtpa Process Plant as part of the Davyhurst Expansion Project. The EPC Contract was executed in June 2026.
- **Yandi Eastern Front-End Facility Upgrade** - \$230 million EPC Contract with BHP Iron Ore Pty Ltd, as agent for the participants in the Yandi joint venture, and forms part of the broader Ministers North Project located in the Pilbara region of Western Australia. GRES' scope of work consists of a brownfield upgrade of the Yandi Eastern primary crushing circuit, including a new 20 Mtpa two stage crushing plant to feed Ministers North ore into the existing Yandi operations. The EPC contract was executed in July 2026.
- **Laverton Processing Plant** - \$110 million EPC Contract with Brightstar Resources Limited for the design, procurement, construction, installation and commissioning of a 1.5 Mtpa gold processing facility in the Eastern Goldfields region of Western Australia. The EPC contract was executed in May 2026.
- **Sorby Hills Silver-Lead Project** - \$109 million EPC Contract with Boab Metals Limited for the disassembly, refurbishment and relocation of the existing DeGrussa processing facility to Sorby Hills, where it will be re-designed, re-constructed and commissioned to suit Boab Metals' requirements. The EPC contract was executed in May 2026.
- **King of the Hills Operations Upgrade** - \$155 million EPC Contract with a wholly owned subsidiary of Vault Minerals Limited for the Stage 1 and Stage 2 Upgrade for the King of the Hills Operations in Western Australia. Stage 1 works were completed in March 2026 on schedule. Stage 2 works are ongoing and will be completed in the second quarter of FY27.
- **Eloise Copper Expansion Project** - \$78 million EPC Contract with a wholly owned subsidiary of AIC Mines Limited for the design, procurement, construction, installation and commissioning in relation to the expansion of the Eloise copper processing facility in northern Queensland. This project was awarded in June 2025.
- **Northparkes Operations Coarse Particle Flotation Project** - \$68 million EPC Contract with Northparkes Mining Services Pty Ltd, a subsidiary of Evolution Mining Limited. The design and installation for the upgrade of the existing flotation circuit is expected to provide an increase in copper recovery and will improve energy efficiency. The EPC contract was executed in April 2026.
- **Lake Way SO4 Upgrade Project** - \$38 million EPC Contract with Sev.en Investments for the upgrade of the Lake Way SO4 Project in Western Australia. Works are nearing completion.
- **Bellevue Paste Plant** - \$35 million EPC Contract with Bellevue Gold Limited for the design and construction of a paste plant for the Bellevue Gold Project. The EPC contract was executed in March 2026.

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



DIRECTORS' REPORT

Process Controls - Mipac and Paradigm

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

During FY26, the business continued to deliver control systems, automation and digital solutions for key repeat clients such as First Quantum Minerals, Glencore Technology, BHP, Rio Tinto, Anglo American, Ok Tedi Mining, HudBay Minerals and other smaller conglomerates. The contracted pipeline for the process controls business has increased based on recent contract awards.

Studies

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

At 30 June 2026, GRES was engaged on 28 studies across a broad range of commodities for projects in Australia and abroad.

Energy - GR Production Services

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

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

In the Northern Territory, GRPS continued to provide maintenance services for the Blacktip gas field production facilities, both onshore and offshore. GRPS also maintained its support to the Ichthys LNG upstream and downstream facilities, supplying production and technical personnel to INPEX and assisting with maintenance shutdown planning and execution support. On 4 May 2026, GRPS was awarded a 5 year contract by Sturt Plateau Compression Facility Sub Pty Ltd as trustee for the Sturt Plateau Compression Facility Sub Trust for the provision of operations and maintenance services to the Sturt Plateau Compression Facility located in the Beetaloo Basin, Northern Territory. The estimated contract value over the 5 year period is \$57 million and includes an option to extend the agreement for a further 3 years.

In Western Australia, GRPS provides maintenance services to Mitsui E&P Australia at the Waitsia Gas Plant, supporting the facility's maintenance activities, and continued to increase its support for Chevron's Wheatstone and Gorgon projects.



DIRECTORS' REPORT

Safety

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

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

The Group's Total Reportable Injury Frequency Rate (TRIFR) for FY26 was 2.81 (FY25: 4.74). Disappointingly, one Lost Time Injury (LTI) occurred during FY26.

FY27 Outlook

The Group has a strong order book and has been building its contracted and near term pipeline for FY27 and FY28. The Group expects FY27 revenue to be in the range of \$825 million to \$850 million. ¹

FINANCIAL POSITION

At 30 June 2026, the Group's cash position was \$87.9 million (30 June 2025: \$71.0 million) with no external debt. During FY26, the Group settled \$40.5 million in dividends (FY25: \$33.4 million). The strong cash generation, nil external borrowings, low capital intensity and accurate project delivery all contributed to the maintenance of a robust and stable balance sheet.

DIVIDENDS

The Board has resolved to declare a final FY26 dividend of 13 cents per share, fully franked. The ex-dividend date for this dividend will be 31 August 2026, the Record Date is 1 September 2026 and the Payment Date is 23 September 2026.

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

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

None noted.

FUTURE DEVELOPMENTS

Information regarding likely developments in the operations of the consolidated entity in future financial years is referred to in the Review of Operations section in this Directors' Report.

1. Forecast revenue has been determined based on non-IFRS measures, only considers forecast revenue for FY27, applies the same assumptions, qualifications and methodology as in previous year revenue forecasts and assumes similar revenue from studies, minor works and other new work for the relevant period with no change in market conditions.



DIRECTORS' REPORT

EVENTS AFTER BALANCE SHEET DATE

On 23 July 2026, GRES executed an EPC contract with BHP Iron Ore Pty Ltd, as agent for the participants in the Yandi joint venture. This project forms part of the broader Ministers North Project located in the Pilbara region of Western Australia. GRES' scope of work consists of a brownfield upgrade of the Yandi Eastern primary crushing circuit, including a new 20 Mtpa two stage crushing plant to feed Ministers North ore into the existing Yandi operations. The contract value is \$230 million.

On 17 August 2026, GRES executed an EPC contract with Venturex Sulphur Springs Pty Ltd, a wholly owned subsidiary of Develop Global Limited, for the design, procurement, construction, installation and commissioning of the 1.5 Mtpa Yitirti (Sulphur Springs) Copper-Silver-Zinc Project in Western Australia. The contract value is \$275 million.

On 19 August 2026, the Board resolved to declare a final FY26 dividend of 13 cents per share, fully franked. The ex-dividend date for this dividend will be 31 August 2026, the Record Date is 1 September 2026 and the Payment Date will be 23 September 2026.

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

On 24 August 2026, the Group announced that it was undertaking an institutional placement for approximately \$100 million (the Placement) and a Share Purchase Plan to raise up to \$10 million (the SPP). The proceeds of the Placement and the SPP will be used to fund working capital for recent and new contract awards, provide funding flexibility for future acquisition opportunities and fund the build-out of internal IT infrastructure and resourcing.

BOARD OF DIRECTORS

Phillip (Phil) LOCKYER - Non-Executive Chairman
Dip Met, Assoc Min Eng, M.Min Econs

Phil Lockyer is a Mining Engineer and Metallurgist who has over 50 years' experience in the mineral industry, with a focus on gold and nickel in both underground and open pit operations. He was employed by WMC Resources Limited for 20 years and as General Manager for Western Australia was responsible for WMC's nickel division and gold operations. Mr Lockyer also held the position of Director Operations for Dominion Mining Limited and Resolute Limited. He holds a Diploma of Metallurgy from the Ballarat School of Mines, an Associateship of Mining Engineering from the Western Australian School of Mines and a Masters of Mineral Economics from Curtin University.

Phil Lockyer has formerly served on the Boards of Swick Mining Services Limited, Perilya Limited, Focus Minerals Limited and CGA Mining Limited. He is currently a Non-Executive Director of RTG Mining Inc.

- Interests in ordinary shares in the Group - 50,000
- Interests in other securities in the Group - None
- Special Responsibilities:
 - Non-Executive Chairman
 - Member of the Audit and Risk Committee
 - Member of the Remuneration and Nominations Committee
- Directorships in other listed entities in the last 3 years:
 - RTG Mining Inc. (ASX:RTG) 2013 - Present



DIRECTORS' REPORT

Tony Marco PATRIZI – Managing Director
BE (Mech Eng)

Tony co-founded the Group. Tony is a Mechanical Engineer with over 40 years' experience in the mining and minerals processing industries as a company director, operations manager, project manager and maintenance engineer. Tony was previously the operations manager of JR Engineering which had over 300 personnel and provided workshop, maintenance, engineering and construction services to mining and mineral processing projects in Western Australia and interstate.

- Interests in ordinary shares in the Group – 9,795,000
- Interests in other securities in the Group - None
- Directorships in other listed entities in the last 3 years - None

Peter John HOOD AO – Non-Executive Director
BE(Chem), MAusIMM, FIChemE, FAICD

Peter is a professional Chemical Engineer with over 50 years' experience in the development of projects in the resources and chemical industries. He began his career in operational roles with WMC Ltd and then was Chief Executive Officer of Coogee Chemicals Pty Ltd and Coogee Resources Ltd from 1998 to 2009. He is a graduate of the Harvard Business School Advanced Management Programme and is currently a Non-Executive Director of Cue Energy Resources Ltd. He has been Vice-Chairman of the Australian Petroleum Production and Exploration Association Limited (APPEA), Chairman of the APPEA Health Safety and Operations Committee, and is a past President of the Western Australian and Australian Chambers of Commerce and Industry. In 2020, Mr Hood was recognised as an Officer of the Order of Australia (AO) for distinguished service to business and commerce at the state, national and international level, and to the resources sector.

Peter was initially appointed as a Non-Executive Director of the Group on 10 February 2011.

- Interests in ordinary shares in Group – 300,000
- Interests in other securities in Group - None
- Special Responsibilities:
 - Chairman of the Remuneration and Nominations Committee
 - Member of the Audit and Risk Committee
- Directorships in other listed entities in the last 3 years:
 - De Grey Mining Limited (ASX:DEG) November 2018 - May 2025
 - Matrix Composites & Engineering Limited (ASX:MCE) 2011 - July 2026
 - Cue Energy Resources Limited (ASX:CUE) February 2018 - Present



DIRECTORS' REPORT

Giuseppe (Joe) TOTARO – Non-Executive Director
BCom, CPA

Joe is a Certified Practicing Accountant (CPA) with over 40 years' experience in commercial and public practice specialising in mining and mining services. Joe is a co-founder of the Group and was formerly the Chief Financial Officer and Company Secretary of the Group.

Joe was appointed as a Non-Executive Director of the Group on 1 July 2019.

- Interests in ordinary shares in the Group – 5,000,000
- Interests in other securities in the Group - None
- Special Responsibilities:
 - Chairman of the Audit and Risk Committee
 - Member of the Remuneration and Nominations Committee
- Directorships in other listed entities in the last 3 years:
 - Tasma Limited (ASX:TEA) April 2024 - Present

Deborah (Deb) MORROW - Non-Executive Director
BBus, GAICD

Deb is a highly regarded corporate leader with over 30 years' experience leading large-scale global projects and through a range of senior corporate and sustainability roles across the energy and mining sectors.

Deb had a 24 year career with Woodside Energy Ltd and was a senior executive at OZ Minerals Ltd, prior to its acquisition by BHP Group Limited in 2023. Deb is the Executive Director of Miner's Promise, Chairperson of Holyoake.

Deb was appointed as a Non-Executive Director of the Group on 18 April 2024.

- Interests in ordinary shares in the Group – None
- Interests in other securities in the Group - None
- Special Responsibilities:
 - Member of the Audit and Risk Committee
 - Member of the Remuneration and Nominations Committee
- Directorships in other listed entities in the last 3 years:
 - Agrimin Ltd (ASX:AMN) September 2023 - February 2025

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Omesh MOTIWALLA (BCom, FCA)

Omesh is a Fellow of Chartered Accountants Australia and New Zealand (FCA) and is an experienced Chief Financial Officer & Company Secretary. Omesh has over 25 years of corporate and financial advisory experience in commerce and in the Big 4 accounting firms. Omesh's experience includes consulting and managing numerous mergers and acquisitions involving private and publicly listed companies in the mining, oil and gas and related services sectors. Omesh was previously a Corporate Finance Partner at Deloitte Touche Tohmatsu in Australia until December 2017. Deloitte Touche Tohmatsu are the auditors of the consolidated entity, and Omesh was a partner of the firm when previous audits have been undertaken.

Omesh was appointed as Chief Financial Officer & Company Secretary of the Group on 16 April 2019.



DIRECTORS' REPORT

MEETINGS OF DIRECTORS

The number of Meetings of the Board of Directors held during the year ended 30 June 2026 and the number attended by each director are as follows:

	FULL MEETINGS OF DIRECTORS	
	Eligible	Attended
Phil Lockyer	9	9
Tony Patrizi	9	9
Joe Totaro	9	9
Peter Hood	9	9
Deb Morrow	9	9

Meetings of the Audit & Risk Committee were held on 20 August 2025 and 18 February 2026. Both meetings were attended by Joe Totaro, Peter Hood, Phil Lockyer and Deb Morrow. A meeting of the Remuneration and Nominations Committee was held on 24 September 2025. This meeting was attended by Peter Hood, Joe Totaro, Phil Lockyer and Deb Morrow.

OPTIONS

As at the date of this report, there were no unissued ordinary shares of the Group under option.

PERFORMANCE RIGHTS

As at the date of this report, the unissued ordinary shares of the Group which are the subject of unvested Performance Rights are as follows:

Vesting Date	No. Performance Rights	Expiry Date	Exercise price
28 August 2026	1,956,750	28 August 2026	-
3 October 2026	20,000	28 August 2026	-
10 November 2026	30,000	3 October 2026	-
13 March 2027	130,000	13 March 2027	-
22 July 2027	60,000	22 July 2027	-
30 October 2027	28,000	30 October 2027	-
30 November 2027	105,000	30 November 2027	-
29 February 2028	35,000	29 February 2028	-
17 March 2028	76,500	17 March 2028	-
9 June 2028	20,000	9 June 2028	-
26 August 2028	35,000	26 August 2028	-
9 September 2028	67,500	9 September 2028	-
31 October 2028	296,500	31 October 2028	-
27 November 2028	45,000	27 November 2028	-
8 December 2028	786,000	8 December 2028	-
8 April 2029	42,500	8 April 2029	-

The Performance Rights holders do not have any right to participate in any issues of shares or other interests in the consolidated entity or any other entity.

During the financial year ended 30 June 2026, 2,489,025 ordinary shares were issued due to the vesting of Performance Rights.



DIRECTORS' REPORT

RISK MANAGEMENT

The Group has risk management policies and procedures in place to provide early identification of business risks and to monitor the mitigation of those risks across all aspects of the business. These include risk assessment in the project negotiation and delivery phase, treasury management risk and credit risk. The Group also identifies and tracks appropriate mitigation actions for identified risks. The Audit and Risk Committee, a Board sub-committee, oversees risk.

Material risks that could adversely affect the Group are identified below. The risks are not listed in order of significance, nor are they all-encompassing; rather they reflect the most significant risks that the business is exposed to at a consolidated level.

Work Health and Safety (WHS)

The nature of the Group's work means our people are at risk of incidents which have the potential to cause physical and psychological harm.

Controls / mitigation strategies

The Group is founded on a strong belief in our core values. These values drive the Group to constantly improve its working environment. The Group is committed to a target of zero injuries and are certified to ISO 45001 OH&S and ISO 9001 Quality Management Systems. The Group deploys specialist WHS personnel onto each project implementation team in addition to regular oversight by the corporate WHS management group. The business actively monitors employee and subcontractor qualifications to ensure that they meet or exceed requirements. The Group encourages employees and subcontractors to report all incidents, accidents and near miss occurrences within the workplace and all reported incidents are investigated. Potential psychosocial hazards in the workplace have been identified and are being managed and actively mitigated.

Economic Cycle

The Group's financial performance is influenced by the level of engineering, construction, operations and maintenance activity in the mining and energy sectors, which are impacted by factors outside of the Group's control. These factors include movement in commodity prices, exchange rates and interest rates, the availability of funding and government policy.

Controls / mitigation strategies

The Group mitigates this risk by its diversified service offering which includes its design and construction business in the mining sector, operations and maintenance business in the energy sector and its process controls business. The business further mitigates this risk through the diversification of its customer, commodity and geographical base.

The Group maintains sufficient working capital to mitigate the risk of sustained negative economic periods.

Project Delivery

The Group derives the majority of its revenue at any given time from a concentrated number of contracts which may be delayed, terminated or incur unforeseen costs in performance which may not be recoverable. In particular, unsuccessful fixed price contracts may have a material and onerous impact on the business if they are not managed correctly.

Controls / mitigation strategies

The Group has a proven successful track record of project delivery across multiple commodities and geographies since the formation of the company in 2006. The management team are experienced in project tendering, estimating, negotiation and delivery. The Group has robust management and reporting systems and conducts regular business and project reviews to provide early warnings and implement corrective actions, as required. Lessons learnt on previous projects are documented and shared which assists with a process of continuous improvement.



DIRECTORS' REPORT

Recruitment and Retention

The Group's growth and profitability may be impacted by the loss of key management or operational personnel or due to the inability to recruit and retain skilled and experienced staff.

Controls / mitigation strategies

The Group recognises that its people are its most significant asset. This statement is embedded in the Group's core values. The business has a strong and positive culture that has existed since the inception of the business. This combined with stable leadership has assisted the Group in achieving a high level of employee retention. The business has many long term and loyal employees and a low turnover rate. The business actively manages programs designed to develop talent and embraces a diverse and inclusive culture.

Litigation

The business regularly executes customer and supplier contracts. There is an inherent risk of contractual issues that could result in financial loss.

Controls / mitigation strategies

The Group has an experienced commercial team that works closely with operational leaders in the review and negotiation of contracts. External legal counsel is also used in the review process, where required. The Group has established contract management processes in place. Industry standard contract documents are used, where possible. Counter-party risk is assessed by senior management for all projects.

The Group typically undertakes business with pre-qualified suppliers operating under purchase order terms and conditions or negotiated contracts. The business has long term relationships with a large number of these suppliers.

Cyber Security and Data Protection

Targeted cyber attacks or unauthorised access to the Group's IT systems pose a number of risks to the business including reputational damage, financial loss, operational disruption and breaches of regulatory compliance obligations.

Controls / mitigation strategies

The Group has developed IT policies, procedures and practices including IT systems, IT security and social media. The Group has invested, and continues to invest, in systems, tools and infrastructure to protect our assets. Cyber security scenario exercises have been performed by senior management and an external review has been performed. The Audit & Risk Committee is briefed on cyber security on a regular basis.

INDEMNIFYING OFFICERS OR AUDITORS

During the financial year, the consolidated entity paid insurance premiums relating to contracts insuring the directors and company secretary against liability which may arise in connection with them acting as Director or Company Secretary, to the extent permitted under the Corporations Act. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

LEGAL PROCEEDINGS

No person has applied for leave of court to bring proceedings on behalf of the consolidated entity or intervene in any proceedings to which the consolidated entity is a party for the purpose of taking responsibility on behalf of the consolidated entity for all or any part of those proceedings.



DIRECTORS' REPORT

NON AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the year is consistent with the general standard of independence imposed by the Corporations Act 2001.

Non-audit services were reviewed by the Board to ensure they do not compromise the objectivity of the Auditor and to ensure the nature of services provided is not inconsistent with the principals of auditor independence as set out in APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

During the year ended 30 June 2026, fees amounting to \$119,647 were paid to Deloitte Touche Tohmatsu for non-audit services including taxation advice.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration for the year ended 30 June 2026 can be found at page 22 of this financial report.

ENVIRONMENTAL SOCIAL AND GOVERNANCE FRAMEWORK

The business has a strong and demonstrated commitment to Environmental, Social and Governance (ESG) matters. In this section, the Group outlines its actions to date and summarises its current policies and procedures supporting its commitment to ESG.

Environmental

The Group maintains a proactive assessment towards potential environmental impacts. The Group meets its commitments to the protection of the environment and sustainability by incorporating sound environmental protection principles into its design and endeavours that its projects are executed in an environmentally responsible way.

Environmental management plans are completed for all design and construction projects using methods that comply with high standards of environmental protection practice. This process involves working closely with its clients and adhering to their environmental management plans.

It is of paramount importance to management and the Board of Directors that as well as operating within its own environmental policies, the consolidated entity observes all relevant licences in good standing. The consolidated entity has not been made aware of any areas of non-compliance in this regard. In conjunction with the Group's clients, Environmental Management Plans are completed for all design and construction projects using methods that comply with high standards of environmental protection practice and all relevant legislation.

Social

The Group is proud to be a long term partner of the following organisations:

- Starlight Children's Foundation WA (Starlight) – the Group has been a Star Partner with Starlight since 2012 and has made a lasting positive impact to sick kids, families and communities through its involvement in the Starlight Express Rooms located in Perth Children's Hospital. The Group has aligned fundraising to the success of GRES achieving safety business objectives by committing a daily donation to Starlight for each LTI free day achieved in accordance with its safety policies. This innovative programme rewards safe workplace culture and celebrates the importance of incident free safety in our offices and work sites.
- Ronald McDonald House WA (RMHC WA) – The Group has been a proud partner of RMHC WA since 2016. RMHC WA provides quality supported accommodation, 365 days a year, for Western Australian families with seriously ill children requiring medical treatment in Perth. The Group sponsors multiple rooms at the Nedlands facility.

Recurring contributions are also provided to multiple not for profit organisations including the Royal Flying Doctor Services, Epilepsy WA and MSWA Ride.

The Group regularly partners with its customers on social ventures, particularly in relation to initiatives involving the local communities in which their customers operate.



DIRECTORS' REPORT

With respect to employees, the Group recognises that its people are its most significant asset. The Group has a strong and positive culture that has existed since the business's inception. The Group is proactive with regards to training and advancing its personnel through all aspects of the business.

The business seeks to employ the best available staff from diverse backgrounds. The Group respects and values the competitive advantage of diversity (which includes but is not limited to gender, age, ethnicity and cultural background), and the benefit of its integration throughout the business in order to enrich the Group's perspective and improve corporate performance and shareholder value.

The Group is committed to the ideal of equal employment opportunity and to providing a workplace that is free of harassment and discrimination and to respecting the rights of its employees and contractors. The business ensures a safe workplace and maintains proper occupational health and safety practices commensurate with the nature of the business and its activities. The Group provides competitive remuneration packages and has granted performance rights to key personnel across the business. These performance rights vest over a three year period and align the team with the success of the business.

Governance

The Group is a publicly listed company and complies with the ASX Council's 4th Edition Corporate Governance Principles and Recommendations. The Board of Directors comprises five directors, noting the majority of the Board, including the Chairman are non-executive directors. The Managing Director and CFO's short term incentives include ESG metrics.

The Group has a Corporate Governance Manual which sets out the main principles adopted by the Board of Directors in order to implement and maintain a culture of good corporate governance. The Group's Corporate Governance Manual includes the following governance policies:

- Code of Conduct.
- Continuous Disclosure Policy.
- Diversity Policy.
- Share Trading Policy.
- Whistle-Blower Policy.
- Anti-Bribery and Anti-Collusion Policy.

Each year, the Group lodges its annual Modern Slavery Statement to the Australian Border Force in compliance with the Modern Slavery Act. The Group regards the risk of modern slavery to its supply chain and operations to be low.



DIRECTORS' REPORT

REMUNERATION REPORT – AUDITED

The remuneration report details the amount and nature of the remuneration for the consolidated entity's key management personnel.

Directors

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

Executives

- Omesh Motiwalla (Chief Financial Officer & Company Secretary)

Unless otherwise stated the named persons held their current position for the whole financial year and since the end of the financial year. At the consolidated entity's 2025 Annual General Meeting, 99.2% of eligible shareholders voted in favour of the remuneration report. No specific comments were made regarding the remuneration report at the meeting.

REMUNERATION POLICY

The consolidated entity's remuneration policy has been designed to attract and retain high calibre key employees whose personal interests are aligned with success and growth of the consolidated entity and therefore shareholders. This will be achieved by:

- Staying abreast of labour market forces thereby ensuring remuneration offered by the consolidated entity is competitive and remains so through a process of annual review.
- Devising performance based remuneration programmes.
- Utilising the consolidated entity's Equity Incentive Plan.

NON-EXECUTIVE DIRECTORS

The consolidated entity's policy is to remunerate non-executive directors according to market rates and to reflect the time dedicated to their position and special responsibilities involved.

The consolidated entity's Constitution provides that the Directors shall be paid out of the funds of the consolidated entity by way of remuneration for services such sums as may from time to time be determined by the consolidated entity in General Meeting, to be divided among the Directors in such proportions as they shall from time to time agree or in default of agreement, equally.

Directors are encouraged to hold shares in the consolidated entity to align their personal objectives with the growth and profitability of the consolidated entity.

EXECUTIVE DIRECTORS

Executive Directors' pay and reward is comprised of a competitive base salary. To the extent that executive directors are shareholders in the consolidated entity, their personal objectives are aligned with the performance of the consolidated entity.



DIRECTORS' REPORT

SENIOR EXECUTIVES

Executives' remuneration is comprised of a competitive base salary, performance bonuses and share based incentive payments (at the discretion of the board). The Managing Director, Tony Patrizi is also eligible to participate in the Group's Equity Incentive Plan.

All executive remuneration packages are reviewed annually to ensure they remain competitive and reflect performance. Remuneration paid to directors and executives is valued at cost to the consolidated entity. Performance Rights are valued using the Black Scholes and Monte Carlo methods.

EMPLOYMENT DETAILS OF MEMBERS OF KEY MANAGEMENT PERSONNEL

Name	Title	Contract Details	Non Salary Cash Incentives	Shares/ Units	Options/ Rights	Fixed Salary	Total
Phillip Lockyer	Non-Executive Chairman	By rotation and re-election	-	-	-	100%	100%
Tony Patrizi	Managing Director	Termination: 3 months notice by the consolidated entity or employee	-	-	-	100%	100%
Peter Hood	Non-Executive Director	By rotation and re-election	-	-	-	100%	100%
Joe Totaro	Non-Executive Director	By rotation and re-election	-	-	-	100%	100%
Deb Morrow	Non-Executive Director	By rotation and re-election	-	-	-	100%	100%
Omesh Motiwalla	Company Secretary / Chief Financial Officer	Termination: 3 months notice by the consolidated entity or employee	-	-	5.7%	94.3%	100%

The terms and conditions upon which key employees are employed are set out in contracts of employment. These contracts provide for minimum notice periods prior to termination and, in some cases restrictive covenants upon termination.

The consolidated entity can terminate the contract at any time in the case of serious misconduct and termination payments may be paid in lieu of notice period.



ANNUAL FINANCIAL REPORT

DIRECTORS' REPORT

REMUNERATION DETAILS FOR THE YEAR ENDED 30 JUNE 2026 - BOARD OF DIRECTORS

	Short Term Benefits			Sub Total	Post Employment Benefits	Equity Based Payments		Total	Performance Based
	Cash Salary & Fees	Non Cash Payments *	Other **			Equity	Options		
	\$	\$	\$	\$	\$	\$	\$	\$	%
NON-EXECUTIVE CHAIRMAN									
Phillip Lockyer									
2026	112,320	-	-	112,320	13,479	-	-	125,799	0.0%
2025	102,894	-	-	102,894	11,833	-	-	114,727	0.0%
EXECUTIVE DIRECTOR									
Tony Patrizi									
2026	718,752	10,148	218,753	947,653	30,000	-	-	977,653	19.3%
2025	651,566	11,126	176,666	839,358	29,932	-	-	869,290	21.9%
NON-EXECUTIVE DIRECTORS									
Peter Hood									
2026	90,477	-	-	90,477	5,319	-	-	95,796	0.0%
2025	76,068	-	-	76,068	8,748	-	-	84,816	0.0%
Joe Totaro									
2026	85,532	-	-	85,532	10,264	-	-	95,796	0.0%
2025	76,068	-	-	76,068	8,748	-	-	84,816	0.0%
Deb Morrow									
2026	85,532	-	-	85,532	10,264	-	-	95,796	0.0%
2025	76,068	-	-	76,068	8,748	-	-	84,816	0.0%
TOTAL DIRECTORS									
2026	1,092,613	10,148	218,753	1,321,514	69,326	-	-	1,390,840	13.6%
2025	982,664	11,126	176,666	1,170,456	68,009	-	-	1,238,465	15.3%

* "Non-Cash payments" refer to reportable fringe benefits (fuel for personal vehicles)

** "Other" amounts relate to performance based bonus payments, as approved by the board, annual leave and long service leave expenses

REMUNERATION DETAILS FOR THE YEAR ENDED 30 JUNE 2026 - EXECUTIVES

	Short Term Benefits			Sub Total	Post Employment Benefits	Equity Based Payments		Total	Performance Based
	Cash Salary & Fees	Non Cash Payments *	Other **			Equity	Options		
	\$	\$	\$	\$	\$	\$	\$	\$	%
SENIOR EXECUTIVES									
Omesh Motiwalla – Chief Financial Officer & Company Secretary									
2026	478,884	5,026	82,462	566,372	30,000	36,325	-	632,697	17.2%
2025	419,176	4,487	68,451	492,114	29,932	33,380	-	555,426	15.7%
GRAND TOTAL - DIRECTORS AND EXECUTIVES									
2026	1,571,497	15,174	301,215	1,887,886	99,326	36,325	-	2,023,537	14.7%
2025	1,401,840	15,613	245,117	1,662,570	97,941	33,380	-	1,793,891	15.5%

* "Non-Cash payments" refer to reportable fringe benefits (fuel for personal vehicles)

** "Other" amounts relate to performance based bonus payments, as approved by the board and annual leave and long service leave expenses



DIRECTORS' REPORT

LONG TERM INCENTIVES

Equity Incentive Plan

The Group's 2025 Equity Incentive Plan (**Plan**) was adopted by the Board on 21 November 2025. In accordance with the Listing Rules of the Australian Securities Exchange (ASX), shareholder approval of the Plan was obtained at the consolidated entity's Annual General Meeting held on 21 November 2025. Under the ASX Listing Rules and Corporations Act 2001 (Cth), the issue of securities under the Plan to directors will be subject to separate shareholder approval. Eligible participants in the Plan include those defined in ASIC Class Order 14/1000 (CO) or as determined by the Board to be eligible to participate in the Plan from time to time.

The Plan is designed to align the interests of executives and employees with the interests of shareholders by providing an opportunity to receive an equity interest in the consolidated entity and therefore direct participation in the benefits of future consolidated entity performance over the medium to long term.

This is achieved by awarding Performance Rights (PR), with each PR being a right to acquire one fully paid ordinary share of the consolidated entity and vesting upon the satisfaction of certain performance conditions.

Securities issued under the Plan will be subject to vesting criteria as determined by the Board and have a term of 3 years (or such term as otherwise agreed by the Board).

During the year ended 30 June 2026, a total of 1,322,500 Performance Rights were issued in accordance with the terms and conditions of the Plan. A total of 3,733,750 Performance Rights were on issue as at 30 June 2026.

Grant Date	Vesting Date	Expiry Date	Exercise Price	Number	Fair Value
28 Aug 2023	28 Aug 2026	28 Aug 2026	Nil	1,956,750	\$1.474
3 Oct 2023	28 Aug 2026	28 Aug 2026	Nil	20,000	\$1.560
9 Feb 2024	10 Nov 2026	10 Nov 2026	Nil	30,000	\$1.733
14 Mar 2024	13 Mar 2027	13 Mar 2027	Nil	130,000	\$1.632
22 Jul 2024	22 Jul 2027	22 Jul 2027	Nil	60,000	\$1.459
30 Oct 2024	30 Oct 2027	30 Oct 2027	Nil	28,000	\$1.531
30 Nov 2024	30 Nov 2027	30 Nov 2027	Nil	105,000	\$1.661
17 Mar 2025	17 Mar 2028	17 Mar 2028	Nil	76,500	\$2.006
9 Jun 2025	9 Jun 2028	9 Jun 2028	Nil	20,000	\$2.013
9 Jun 2025	29 Feb 2028	29 Feb 2028	Nil	35,000	\$2.074
26 Aug 2025	26 Aug 2028	26 Aug 2028	Nil	35,000	\$3.048
9 Sep 2025	9 Sep 2028	9 Sep 2028	Nil	67,500	\$2.962
31 Oct 2025	31 Oct 2028	31 Oct 2028	Nil	296,500	\$2.631
27 Nov 2025	27 Nov 2028	27 Nov 2028	Nil	45,000	\$3.019
8 Dec 2025	8 Dec 2028	8 Dec 2028	Nil	786,000	\$3.077
8 Apr 2026	8 Apr 2029	8 Apr 2029	Nil	42,500	\$2.976

During FY26, no performance rights were issued to key management.

The following share-based payment compensation relates to Performance Rights issued to directors and senior management:

Name	Grant Date	Vesting Date	Number of Shares Issued on Vesting Date	Exercise Price \$	Quantity	Fair Value \$	% of Compensation for the Year Consisting of Performance Rights
Omesh Motiwalla	28 Aug 2023	28 Aug 2026		Nil	80,000	\$1.4740	5.7%



DIRECTORS' REPORT

RELATIONSHIP BETWEEN COMPANY PERFORMANCE AND REMUNERATION POLICY

The table below sets out summary information about the consolidated entity's earnings and movements in shareholder wealth for the 5 years to 30 June 2026:

	2022	2023	2024	2025	2026
Revenue (\$000's)	651,669	551,361	424,064	479,020	493,164
Net profit before tax (\$000's)	50,305	39,740	46,099	51,107	57,581
Net profit after tax (\$000's)	34,720	27,491	31,180	34,209	39,033
Share price at year end	\$1.94	\$2.14	\$2.15	\$3.25	\$5.31
Dividend (\$000's)	25,773	30,698	31,341	33,430	40,466
EPS (cents)	21.55	17.02	18.92	20.46	23.10
Diluted EPS (cents)	20.85	16.43	18.38	19.86	22.67

Tony Patrizi, an Executive Director and four key employees hold significant shareholdings in the consolidated entity. As a result the performance of the consolidated entity and the personal and financial interest of its executive and management team are aligned.

The Plan has been adopted by the consolidated entity and will be implemented as the Remuneration and Nomination Committee identify the need to remunerate either existing or future employees, key employees, executives or executive directors on a performance basis.

SHAREHOLDING

The number of shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2026	Balance at the start of the year	Received as part of remuneration	Additions / other	Disposals / other	Balance at the end of the year
Ordinary shares					
Phillip Lockyer	50,000	-	-	-	50,000
Tony Patrizi	9,795,000	-	-	-	9,795,000
Peter Hood	500,000	-	-	(200,000)	300,000
Joe Totaro	8,000,000	-	-	(3,000,000)	5,000,000
Deb Morrow	-	-	-	-	-
Omesh Motiwalla	100,000	-	-	(20,000)	80,000
	18,445,000	-	-	(3,220,000)	15,225,000

2025	Balance at the start of the year	Received as part of remuneration	Additions / other	Disposals / other	Balance at the end of the year
Ordinary shares					
Phillip Lockyer	50,000	-	-	-	50,000
Tony Patrizi	9,795,000	-	-	-	9,795,000
Peter Hood	500,000	-	-	-	500,000
Joe Totaro	8,000,000	-	-	-	8,000,000
Deb Morrow	-	-	-	-	-
Omesh Motiwalla	170,000	-	-	(70,000)	100,000
	18,515,000	-	-	(70,000)	18,445,000



DIRECTORS' REPORT

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

During the year ended 30 June 2026, the consolidated entity leased office space at 71 Daly Street, Ascot WA from Ashguard Pty Ltd. Tony Patrizi, a director of the consolidated entity, had a non-controlling interest in Ashguard Pty Ltd. The total amount invoiced by Ashguard Pty Ltd in the year ended 30 June 2026 amounted to \$927,834 including GST (2025: \$995,444). The balance payable at 30 June 2026 is \$67,909 (2025: \$5,624).

During the year ended 30 June 2026 the consolidated entity procured items from Mak Industrial Water Solutions Limited, a company in which Peter Hood is Chairman. The total amount invoiced by Mak Industrial Water Solutions Limited in the year ended 30 June 2026 amounted to \$15,486 including GST (2025: nil). The balance payable at 30 June 2026 is nil (2025: nil).

In previous years the consolidated entity provided engineering services for Agrimin Limited, a company in which Deb Morrow was Managing Director and Chief Executive Officer during the financial year. The total amount invoiced to Agrimin Limited in the year ended 30 June 2026 was nil (2025: \$7,975). The balance outstanding at 30 June 2026 is nil (2025: nil).

The terms and conditions of the transactions and the associated agreements to which they relate (where applicable) that have been set out above are at arm's length and on normal commercial terms.

This marks the end of the remuneration report.

CORPORATE GOVERNANCE

The Directors of the consolidated entity are committed to the highest standards of corporate governance in all elements of the business of the consolidated entity including internal control, ethics, risk functions, policies and internal and external audit.

The consolidated entity's Board of Directors has adopted a comprehensive corporate governance policy and manual based on ASX guidelines. The Board continually seeks to review and develop additional structures to be implemented as the consolidated entity's activities develop in size, nature and scope.

Please refer to the Corporate Governance Statement contained in this report.

This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in blue ink, appearing to be 'TP', written over a horizontal line.

Tony Patrizi
Managing Director

Date: 24 August 2026



AUDITOR'S INDEPENDENCE DECLARATION



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

24 August 2026

Dear Directors,

GR Engineering Services Limited

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

As lead audit partner for the audit of the financial report of GR Engineering Services Limited for the year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Pieter Janse van Nieuwenhuizen
Partner
Chartered Accountants



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Consolidated 2026 \$	2025 \$
Revenue	5	493,163,782	479,020,483
Interest income	6	2,690,294	3,133,270
Other income	6	1,620,382	1,791,442
Expenses			
Employee benefits expense	7	(183,901,694)	(180,302,332)
Depreciation and amortisation expense	7	(7,547,150)	(7,910,087)
Share based payments		(2,571,771)	(2,506,992)
Finance costs	7	(658,976)	(1,350,306)
Direct materials and subcontractor costs		(224,812,160)	(224,161,786)
Accountancy & audit fees		(836,828)	(917,906)
Marketing		(304,983)	(388,492)
Expected credit losses, write-offs and reversals	10	(1,516,096)	(186,240)
Occupancy		(679,426)	(637,140)
Administration		(17,064,237)	(14,477,345)
Profit before income tax expense		<u>57,581,137</u>	<u>51,106,569</u>
Income tax expense	8	<u>(18,548,436)</u>	<u>(16,897,877)</u>
Profit after income tax expense for the year attributable to the owners of GR Engineering Services Limited	21	<u>39,032,701</u>	<u>34,208,692</u>
Other comprehensive income for the year, net of income tax			
Items that will not be reclassified subsequently to profit or loss:			
Fair value gain/(loss) on financial assets		5,400,161	(527,679)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		(541,346)	(237,034)
Other comprehensive income for the year, net of income tax		<u>4,858,815</u>	<u>(764,713)</u>
Total comprehensive income for the year attributable to the owners of GR Engineering Services Limited		<u>43,891,516</u>	<u>33,443,979</u>
Profit attributable to owners of the parent		<u>39,032,701</u>	<u>34,208,692</u>
Total comprehensive income attributable to the owners of the parent		<u>43,891,516</u>	<u>33,443,979</u>
		Cents	Cents
Basic earnings per share	30	23.10	20.46
Diluted earnings per share	30	22.67	19.86



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Notes	Consolidated 2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents	9	87,936,702	70,959,192
Trade and other receivables	10	91,536,232	49,520,185
Contract assets	10	20,310,679	14,471,225
Inventories	11	68,324	69,951
Prepayments		2,491,431	2,798,508
Total current assets		<u>202,343,368</u>	<u>137,819,061</u>
Non-current assets			
Property, plant and equipment	12	7,003,605	6,418,350
Right of use assets	12	9,882,627	8,970,972
Trade and other receivables	10	3,513,434	5,063,027
Financial assets	13	9,267,980	1,565,183
Intangible assets	14	25,907,427	27,540,262
Deferred tax	8	3,858,334	5,129,059
Total non-current assets		<u>59,433,407</u>	<u>54,686,853</u>
Total assets		<u>261,776,775</u>	<u>192,505,914</u>
Liabilities			
Current liabilities			
Trade and other payables	15	78,149,953	46,374,284
Lease liabilities	16	2,988,476	2,481,088
Current tax liability		5,078,585	5,240,596
Provisions	17	24,025,946	22,372,552
Contract liabilities	18	65,371,690	39,012,678
Total current liabilities		<u>175,614,650</u>	<u>115,481,198</u>
Non-current liabilities			
Lease liabilities	16	7,169,645	6,695,812
Provisions	17	2,395,932	1,481,104
Total non-current liabilities		<u>9,565,577</u>	<u>8,176,916</u>
Total liabilities		<u>185,180,227</u>	<u>123,658,114</u>
Net assets		<u>76,596,548</u>	<u>68,847,800</u>
Equity			
Issued capital	19	53,128,967	47,638,103
Reserves	20	7,631,810	3,944,257
Retained profits	21	15,835,771	17,265,440
Total equity		<u>76,596,548</u>	<u>68,847,800</u>



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Consolidated 2026 \$	2025 \$
Cash flows from operating activities			
Receipts from customers		515,997,013	529,608,257
Payments to suppliers and employees		(435,866,486)	(474,442,699)
Income tax paid		(20,159,320)	(20,088,287)
Interest received		2,690,294	3,133,270
Net cash flows provided by operating activities	9	<u>62,661,501</u>	<u>38,210,541</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(3,241,502)	(2,366,599)
Proceeds from sale of property, plant and equipment		236,986	43,562
Payments for acquisition of financial assets		-	(1,500,000)
Proceeds from sale of financial assets		10,152	801,550
Net cash flows used in investing activities		<u>(2,994,364)</u>	<u>(3,021,487)</u>
Cash flows from financing activities			
Payment of lease liabilities		(3,252,452)	(3,907,725)
Dividends paid	22	(38,714,539)	(33,429,694)
Interest paid		(658,976)	(1,350,306)
Net cash flows used in financing activities		<u>(42,625,967)</u>	<u>(38,687,725)</u>
Net increase in cash and cash equivalents		17,041,170	(3,498,671)
Cash and cash equivalents at beginning of period		70,959,192	74,645,675
Effects of exchange rate changes of balances of cash held in foreign currencies		(63,660)	(187,812)
Cash and cash equivalents at end of period	9	<u>87,936,702</u>	<u>70,959,192</u>



ANNUAL FINANCIAL REPORT

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	Issued capital	Performance Rights Reserve	Foreign Currency Translation Reserve	Investment Revaluation Reserve	Retained Earnings	Total
	\$	\$	\$	\$	\$	\$
Balance as at 30 June 2024	46,979,443	2,913,435	61,617	(516,364)	16,888,392	66,326,523
Profit for the period	-	-	-	-	34,208,692	34,208,692
Other comprehensive income for the period	-	-	(237,034)	(527,679)	-	(764,713)
Total comprehensive income for the period	-	-	(237,034)	(527,679)	34,208,692	33,443,979
Dividends	-	-	-	-	(33,429,694)	(33,429,694)
Issue of shares	658,660	(658,660)	-	-	-	-
Share based payments	-	2,506,992	-	-	-	2,506,992
Realised gain on Investments in equities transferred to retained earnings	-	-	-	401,950	(401,950)	-
Balance as at 30 June 2025	47,638,103	4,761,767	(175,417)	(642,093)	17,265,440	68,847,800
Profit for the period	-	-	-	-	39,032,701	39,032,701
Other comprehensive income for the period	-	-	(541,346)	5,400,161	-	4,858,815
Total comprehensive income for the period	-	-	(541,346)	5,400,161	39,032,701	43,891,516
Dividends	-	-	-	-	(40,466,022)	(40,466,022)
Issue of shares	5,490,864	(3,739,381)	-	-	-	1,751,483
Share based payments	-	2,571,771	-	-	-	2,571,771
Realised gain/(loss) on Investments in equities transferred to retained earnings	-	-	-	(3,652)	3,652	-
Balance as at 30 June 2026	53,128,967	3,594,157	(716,763)	4,754,416	15,835,771	76,596,548



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 1. General information

The financial report covers GR Engineering Services Limited as a consolidated entity consisting of GR Engineering Services Limited and the entities it controlled during the year. The financial report is presented in Australian dollars, which is GR Engineering Services Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

GR Engineering Services Limited is a listed public company limited by shares, incorporated and domiciled in Australia. The registered office and principal place of business of GR Engineering Services Limited is located at 71 Daly Street, Ascot, Western Australia.

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 19 August 2026. The directors have the power to amend and reissue the financial report.

Note 2. Material accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for the current annual reporting period beginning 1 July 2025.

The following new and revised Standards and Interpretations effective for the current reporting period that are relevant to the consolidated entity include:

- AASB 2023-5 *Lack of exchangeability*
- AASB 2026-1 *Disclosures about uncertainties in the financial statements*

The adoption of these standards and interpretations did not have a material impact on the consolidated entity.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 2. Material accounting policies (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

The Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective and have not been adopted by the consolidated entity for the year ended 30 June 2026 are detailed below. Only those that may have an impact on the consolidated entity have been listed.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
• AASB 2024-2 Classification and measurement of financial instruments	1 January 2026	30 June 2027
• AASB 2024-3 Annual improvements Volume 11	1 January 2026	30 June 2027
• AASB 18 Presentation and Disclosure in Financial Statements	1 January 2027	30 June 2028
• AASB 2014-10 Sale or contribution of assets between an Investor and its associate or joint venture	1 January 2028	30 June 2029

Management are currently undertaking an assessment of the impact of recently issued or amended standards and interpretations on the consolidated entity.

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the consolidated entity. For the purposes of preparing the consolidated financial statements, the consolidated entity is a for-profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the company and the consolidated entity comply with International Financial Reporting Standards ('IFRS').

Basis of preparation

Historical cost convention

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

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 2. Material accounting policies (continued)

Principles of consolidation

The consolidated financial statements incorporate the financial statements of the consolidated entity and entities (including structured entities) controlled by the consolidated entity and its subsidiaries. Control is achieved when the consolidated entity:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The consolidated entity reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the consolidated entity has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The consolidated entity considers all relevant facts and circumstances in assessing whether or not the consolidated entity's voting rights in an investee are sufficient to give it power, including:

- the size of the consolidated entity's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the consolidated entity, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the consolidated entity has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the consolidated entity obtains control over the subsidiary and ceases when the consolidated entity loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the consolidated entity gains control until the date when the consolidated entity ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the consolidated entity and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the consolidated entity and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the consolidated entity's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the consolidated entity are eliminated in full on consolidation.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the consolidated entity.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 2. Material accounting policies (continued)

Foreign currency translation

The financial report is presented in Australian dollars, which is GR Engineering Services 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 financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in 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. The revenues and expenses of foreign operations are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The functional currency of GR Engineering Services (UK) Limited is Great British pounds. The functional currency of GR Engineering Services (Greece) is Euro. The functional currency of GR Engineering Services Turkey is Turkish Lira. The functional currency of GR Engineering Services (Papua New Guinea) is Papua New Guinea Kina. The functional currency of other foreign subsidiaries of the consolidated entity is United States dollars.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Revenue recognition

Revenue is recognised for the two segments: Mineral Processing and Oil & Gas.

Mineral Processing

The Mineral Processing segment includes Engineering, Procurement & Construction (EPC) contracts and Engineering, Procurement & Construction Management (EPCM) Contracts.

In these contracts, the consolidated entity provides services comprising design and construction of minerals processing facilities and associated infrastructure for complete greenfields or brownfields projects including plant modifications, upgrades and expansions, plant evaluation and condition reports, plant operations and maintenance support and optimisation, plant relocation, refurbishment and recommissioning, and provision of owners representatives and teams for project management and delivery. Project management services also include project studies (concept through to bankable feasibility), engineering and procurement, construction and commissioning, asset management plans and system development, operations and technical support (audits, reviews and consulting), and infrastructure development.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 2. Material accounting policies (continued)

EPC and EPCM contracts generally contain a single performance obligation because the activities are highly integrated with each other to represent the combined output for which the customer has contracted, and therefore are not distinct from one another. Additionally, whilst some of the services could be provided to the customer individually, this is not the business practice as customers engage the consolidated entity to provide a start to end service.

The consolidated entity enters into fixed sum contracts or guaranteed maximum price contracts. In some cases, variable consideration is present in the contract in the form of, for example, bonus payments or penalties based on performance, or variations. Where variable consideration is present in a contract, the constraint of estimates of variable consideration is applied as necessary by assessing the historical performance of the consolidated entity on similar contracts and consideration of factors that are outside the consolidated entity's influence. Revenue for EPC and EPCM contracts is recognised over time because the performance creates and enhances an asset controlled by the customer as the work is performed. The asset is specific to the customer as it cannot be sold elsewhere or have another use, and the consolidated entity is entitled to payment for work performed. In recognising revenue over time, the consolidated entity measures the satisfaction of progress using cost as an input as cost faithfully depicts the transfer of value to the customer.

In addition to the above, the consolidated entity enters into contracts for the sale of assets, where revenue is recognised over time because the performance creates and enhances an asset controlled by the customer, as the work is performed. The asset is specific to the customer, as it cannot be sold elsewhere or have an alternative use, and the consolidated entity is entitled to payment for work performed. In recognising revenue over time, the consolidated entity measures the satisfaction of progress using cost as an input, as cost faithfully depicts the transfer of value to the customer. Customers are typically billed through monthly progress claims or milestone billings in accordance with contractual terms. Payment terms vary by contract but are generally aligned to the achievement of contractual milestones or progress of work performed. Variable consideration, including incentives, bonuses, liquidated damages and contract variations, is included in the transaction price only to the extent that it is highly probable that a significant reversal of revenue recognised will not occur. Where revenue recognised exceeds the amount billed to customers, a contract asset is recognised. Where billings or cash receipts exceed revenue recognised, a contract liability is recognised. The Group's contracts do not typically contain significant financing components

Oil & Gas

Oil and Gas contracts comprise the delivery of operations and maintenance, wellsites, engineering and production assurance services to the customer base. Under these contracts, the services provided is the provision of labour as well as the procurement of equipment for the customer on an as needs basis. These arrangements can be long or short term and are generally structured as an overarching master agreement, with individual work orders made by the customer. Each work order will specify the services to be performed. The combination of the master agreement and each work order forms the contract.

Each work order is deemed to be a contract and each work order is generally considered to be one performance obligation. These contracts do not have a fixed fee and the customer is charged based on the number of labour hours incurred, multiplied by agreed rates contained in the master agreement. Equipment may also be provided to customers which is charged on a recoverable basis as and when the equipment is procured and provided to the customer.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 2. Material accounting policies (continued)

Revenue for contracts in this segment is recognised over time as the customer simultaneously receives and consumes the benefits of the services being provided as they are performed. The consolidated entity will bill the client on a monthly basis based on hours incurred multiplied by the agreed rates or on a cost plus basis. This will also include any recoverable expenditure incurred for equipment provided in respect of that period. Therefore, the consolidated entity has a right to consideration from its customers in an amount that corresponds directly with the value to the customer of the consolidated entity's performance completed to date and hence the consolidated entity has decided to adopt the practical expedient of recognising revenue on a billings basis.

Tender costs

Tender costs are expensed as they are not incremental costs to obtaining the contract.

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Contract fulfilment costs

Significant costs incurred prior to the commencement of a contract may arise for example due to mobilisation and site setup costs. These activities are costs incurred to fulfil a contract. Where these costs are expected to be recovered, they are capitalised and amortised over the course of the contract consistent with the transfer of a service to the customer. Where the costs, or a portion of these costs, are reimbursed by the customer, the amount received is recognised as deferred revenue and allocated to the performance obligations within the contract and recognised as revenue over the course of the contract.

Income tax

GR Engineering Services Limited and its wholly owned Australian resident entities formed a tax-consolidated group under Australian taxation law and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is GR Engineering Services Limited.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The consolidated entity's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is provided for on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 2. Material accounting policies (continued)

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the consolidated entity may make the following irrevocable election/designation at initial recognition of a financial asset:

- the consolidated entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the consolidated entity may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest method

Interest income on financial assets carried at amortised cost is recognised in profit or loss and is included in the "Other income" line item (note 6).

(ii) Equity instruments designated as at fair value through other comprehensive income (FVTOCI)

On initial recognition, the consolidated entity may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the consolidated entity manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 2. Material accounting policies (continued)

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with AASB 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

The consolidated entity has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of AASB 9 (see note 13).

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- Property, plant and equipment - over 2.5 to 20 years

Leases

The lease liabilities are presented in borrowings in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The consolidated entity applies the short-term lease recognition exemption (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered low value (i.e. below \$5,000). Lease payments on short-term leases and leases of low-value assets recognised as an expense in profit or loss on a straight-line basis over the lease term.

Impairment of property, plant and equipment and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 2. Material accounting policies (continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the consolidated entity, liabilities incurred by the consolidated entity to the former owners of the acquiree and the equity interest issued by the consolidated entity in exchange for control of the acquiree. Acquisition related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112 *Income Taxes* and AASB 119 *Employee Benefits* respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the consolidated entity in a business combination includes a deferred consideration arrangement, the deferred consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the deferred consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the deferred consideration that do not qualify as measurement period adjustments depends on how the deferred consideration is classified. Deferred consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other deferred consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 2. Material accounting policies (continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the consolidated entity reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the consolidated entity's cash-generating units (or consolidated entity of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangibles

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Revenue recognition, contract assets and liabilities

Where the outcome of a mineral processing contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer. Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is highly probable will be recoverable.

Contingency allowances are included in forecast costs to complete for significant contracts. These allowances reflect management's assessment of project-specific delivery risks, including productivity, procurement, subcontractor performance and potential scope execution risks. While the ultimate outcome of these matters may differ from current estimates, management does not consider that reasonably possible changes in contingency assumptions would result in a material adjustment to the carrying value of contract assets and contract liabilities within the next financial year. A 10% increase in contingency allowances at 30 June 2026 would reduce revenue and profit before tax by approximately \$1.2 million, while a 10% decrease in contingency costs would increase revenue and profit before tax by approximately \$1.2 million.

A provision is made for the difference between the expected cost of fulfilling a contract and the expected unearned portion of the transaction price where the forecast costs are greater than the forecast revenue. The provision is recognised in full in the period in which loss-making contracts are identified under AASB 137.

Warranties

Because the consolidated entity predominantly undertakes projects on an Engineering, Procurement & Construction turnkey design and construction contract basis, all the risk associated with cost, time, plant performance and plant warranty (defects period) rests with the consolidated entity. As such the consolidated entity is responsible for the total "make-good" of any defects of underperformance.

The consolidated entity includes a project completion and close out provision (liability) in design and construction project cost forecast reports of 3% of the project costs, or such other amount as assessed by management having regard to specific project requirements.

Lease term

Management has exercised their judgement in the determination of the lease term. Management have considered extension options under their lease agreements and if it is reasonably certain that these options will be exercised, an extended lease term will be assumed.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 4. Operating segments

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

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

Segment revenues and results

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

Segment revenue

	2026	2025
	\$	\$
Mineral processing	394,944,532	383,085,615
Oil and gas	98,219,250	95,934,868
Total revenue	<u>493,163,782</u>	<u>479,020,483</u>

Segment profit before tax

	2026	2025
	\$	\$
Mineral processing	49,251,315	42,960,906
Oil and gas	8,329,822	8,145,663
Total profit before tax	<u>57,581,137</u>	<u>51,106,569</u>

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2024: nil).

Segment assets and liabilities

Segment assets

	2026	2025
	\$	\$
Mineral processing	215,006,919	156,232,854
Oil and gas	37,501,876	34,707,877
Corporate	9,267,980	1,565,183
Total assets	<u>261,776,775</u>	<u>192,505,914</u>

Depreciation and amortisation

	2026	2025
	\$	\$
Mineral processing	5,469,230	5,819,525
Oil and gas	2,077,920	2,090,562
Total depreciation and amortisation	<u>7,547,150</u>	<u>7,910,087</u>

Segment liabilities

	2026	2025
	\$	\$
Mineral processing	170,655,147	109,927,675
Oil and gas	14,525,080	13,730,439
Total liabilities	<u>185,180,227</u>	<u>123,658,114</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 4. Operating segments (continued)

Geographical information

The following table shows the revenue from external customers of the consolidated entity summarised by location.

Revenue

	2026	2025
	\$	\$
Australia	425,888,794	385,240,974
Overseas	67,274,988	93,779,509
Total revenue	<u>493,163,782</u>	<u>479,020,483</u>

Non-current assets

	2026	2025
	\$	\$
Australia	55,573,671	49,965,023
Overseas	3,859,736	4,721,830
Total non-current assets	<u>59,433,407</u>	<u>54,686,853</u>

Information about major customers

During the financial year, 2 customers individually provided more than 10% of total revenue each for the consolidated entity (2025: 2 customers).

Note 5. Revenue

	Consolidated	
	2026	2025
	\$	\$
Rendering of services - mineral processing - over time	394,944,532	383,085,615
Rendering of services - oil & gas - over time	98,219,250	95,934,868
Total revenue	<u>493,163,782</u>	<u>479,020,483</u>

Note 6. Other income

	Consolidated	
	2026	2025
	\$	\$
Interest income	<u>2,690,294</u>	<u>3,133,270</u>
<i>Other income</i>		
Net foreign exchange (loss)/gain	(225,051)	321,549
Net gain on disposal of property, plant and equipment	243,913	43,562
Subsidies and grants	112	1,973
Other gains	1,601,408	1,424,358
Total other income	<u>1,620,382</u>	<u>1,791,442</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 7. Expenses

	Consolidated	
	2026	2025
	\$	\$
Profit before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Interest and leasing charges on leases	658,976	1,350,306
<i>Employee benefits</i>		
Employee benefits expense excluding superannuation	164,396,304	162,976,297
Defined contribution superannuation expense	17,103,074	15,458,674
Workers compensation expense	2,402,316	1,867,361
Total employee benefits	183,901,694	180,302,332
<i>Depreciation and amortisation</i>		
Depreciation of property plant and equipment	2,587,054	3,062,688
Depreciation of right of use assets	3,310,393	3,243,489
Total depreciation	5,897,447	6,306,177
Amortisation of intangible assets	1,649,703	1,603,910
Total depreciation and amortisation	7,547,150	7,910,087



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 8. Income tax expense

Major components of income tax expense for the years ended 30 June 2025 and 2026 are:

Income tax recognised in the Consolidated statement of profit or loss

	Consolidated	
	2026	2025
	\$	\$
<i>Current income tax</i>		
Current income tax charge	19,993,035	19,057,987
Other current income tax charges	-	-
Adjustments in respect of current income tax of previous years	(401,483)	(46,119)
<i>Deferred income tax</i>		
Relating to origination and reversal of temporary differences	(1,569,630)	(1,974,066)
Adjustments in respect of previous deferred income tax	526,514	(139,925)
Income tax expense reported in statement of profit or loss	<u>18,548,436</u>	<u>16,897,877</u>

Income tax recognised in other comprehensive income

Investments in equity instruments at fair value through other comprehensive income	2,312,789	(53,884)
	<u>2,312,789</u>	<u>(53,884)</u>

A reconciliation of income tax expense applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the consolidated entity's effective income tax rate for the years ended 30 June 2025 and 2026 is as follows:

Accounting profit before income tax	57,581,137	51,106,569
At the statutory income tax rate of 30% (2025: 30%)	17,274,341	15,331,971
Add:		
Non-deductible expenses	823,913	808,257
Adjustments in respect of previous year current income tax	7,299	(186,044)
Recognition of prior year capital losses	(120,585)	-
Foreign income tax offsets not used	117,777	
Foreign losses not recognised	426,835	890,982
Impact to tax expense arising from foreign tax rate differential	18,856	52,711
At effective income tax rate of 32.2% (2025: 33.1%)	<u>18,548,436</u>	<u>16,897,877</u>
Income tax expense reported in statement of profit or loss	<u>18,548,436</u>	<u>16,897,877</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 8. Income tax expense (continued)

	Consolidated	
	2026	2025
	\$	\$
Deferred income tax		
Deferred income tax at 30 June relates to the following:		
<i>Deferred income tax assets</i>		
Accrued employee entitlements	1,597,553	1,508,878
Accrued superannuation	561,703	949,709
Accrued audit fees	21,600	21,600
Accrued expenses	100,447	130,447
Provision for long service leave	1,041,468	1,312,814
Provision for warranty	2,999,823	2,695,306
Provision for doubtful debts	104,403	145,563
Provisions - other	90,417	77,739
Shares in listed entity	-	823,238
Plant and equipment	-	85,721
Right of use asset	55,494	107,206
Foreign losses	146,917	204,124
Deferred revenue	673,496	605,657
Business related costs	705	-
Capital losses	119,489	-
	<u>7,513,515</u>	<u>8,668,002</u>
<i>Deferred income tax liabilities</i>		
Customer relationships	(1,874,740)	(2,294,200)
Right of use asset	-	(104,781)
Plant and equipment	(121,522)	(897,924)
Unrealised foreign exchange gain/(loss)	(81,052)	(122,935)
Work in progress	(88,316)	(119,103)
Shares	(1,489,551)	-
	<u>(3,655,181)</u>	<u>(3,538,943)</u>
Net deferred tax asset	<u>3,858,334</u>	<u>5,129,059</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 9. Current assets - cash and cash equivalents

	Consolidated	
	2026	2025
	\$	\$
Cash on hand	57,223	60,333
Cash at bank	87,879,479	70,898,859
	<u>87,936,702</u>	<u>70,959,192</u>

The fair value of cash and cash equivalents is \$87,936,702 (2025: \$70,959,192).

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

Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the consolidated entity, and earn interest at the respective short-term deposit rates.

Reconciliation from the net profit after tax to the net cash flow from operating activities

	Consolidated	
	2026	2025
	\$	\$
Net profit after tax	39,032,701	34,208,692
<i>Adjustments for:</i>		
Depreciation and amortisation	7,547,151	7,910,087
(Profit)/loss on sale of assets	(243,913)	(43,562)
Share based payments	2,571,771	2,506,992
Net foreign exchange (gain)/loss	81,590	(404,227)
Interest expense	658,976	1,350,306
Doubtful debt expense	1,516,096	186,240
Write off of property, plant and equipment	-	(67,239)
Tax expense	19,591,553	16,897,877
<i>Changes in assets and liabilities</i>		
Decrease/(increase) in trade and other receivables	(41,168,275)	31,717,196
Decrease/(increase) in inventories	1,627	14,930
Decrease/(increase) in deferred tax assets/liabilities	(1,043,117)	-
(Decrease)/increase in trade and other payables	34,366,254	(29,123,986)
(Decrease)/increase in provisions	2,601,626	(355,483)
(Decrease)/increase in contract liabilities	17,306,781	(6,498,994)
Tax payments	(20,159,320)	(20,088,288)
Net cash from operating activities	<u>62,661,501</u>	<u>38,210,541</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 9. Current assets - cash and cash equivalents (continued)

Non-cash transactions

During the year ended 30 June 2026 and year ended 30 June 2025, the following non-cash investing and financing activities occurred, which are not reflected in the consolidated statement of cash flows.

Reconciliation of liabilities arising from cash flows from financing activities

	Consolidated	
	2026	2025
	\$	\$
Opening balance - leases	9,176,900	8,892,109
New non-cash leases	4,235,874	4,192,516
Interest expense - leases	658,976	665,616
Repayments	(3,913,629)	(4,573,341)
Closing balance - leases	<u>10,158,121</u>	<u>9,176,900</u>

Note 10. Trade and other receivables

Current assets – trade and other receivables

	2026	Consolidated 2025	2024
	\$	\$	\$
Trade receivables			
Trade receivables	87,490,554	45,112,453	67,018,936
Less: Loss allowance	(706,757)	(485,209)	(324,042)
	<u>86,783,797</u>	<u>44,627,244</u>	<u>66,694,894</u>
Other receivables			
Term deposits held for security	342,189	1,594,258	
Loan receivable	1,549,593	1,599,854	
Other receivables	2,860,653	1,698,829	
	<u>4,752,435</u>	<u>4,892,941</u>	
	<u>91,536,232</u>	<u>49,520,185</u>	
Contract assets			
Contract assets - oil and maintenance contracts	14,582,073	12,834,050	10,314,977
Contract assets - mineral processing contracts	6,269,979	175,961	6,510,156
Contract assets - contracts for sale of assets	922,392	1,461,214	6,457,168
Less: Loss allowance	(1,463,765)	-	-
	<u>20,310,679</u>	<u>14,471,225</u>	<u>23,282,301</u>

Trade receivables are non-interest bearing and are normally settled on 30 to 90 day terms.

Contract assets are balances owing from customer contracts. For mineral processing contracts this arises if the revenue recognised exceeds the milestone payments. For information on contracts in progress, refer to note 18.

During the current year, the Group separately presented contract assets and trade and other receivables in the statement of financial position to provide more relevant information regarding balances arising from contracts with customers. Previously, these balances were presented together within trade and other receivables. Accordingly, the comparative information has been reclassified. This reclassification had no impact on total current assets, net assets, profit after tax or cash flows.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 10. Trade and other receivables (continued)

Expected credit losses of receivables

Movements in the loss allowance of receivables are as follows:

	Consolidated	
	2026	2025
	\$	\$
Opening balance	485,209	324,042
Expected credit loss provision	1,516,096	186,240
Amounts written off	(116,318)	(25,073)
Amounts recovered	285,535	-
Closing balance	<u>2,170,522</u>	<u>485,209</u>

The consolidated entity measures the loss allowance for trade receivables and contract assets at an amount equal to lifetime expected credit loss. The consolidated entity recognises a loss allowance of 100% against all receivables over 120 days past due because historical experience has indicated that these receivables are generally not recoverable. In certain circumstances, arrangements are agreed to with customers for commercial reasons, which would extend this time period. Expected losses on assets aged under 120 days are immaterial.

In determining the recoverability of a trade receivable, the consolidated entity used the expected credit loss model as per AASB 9. The expected credit loss model requires the consolidated entity to account for expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit default to have occurred before credit losses are recognised.

Net increase in loss allowance arising from new amounts recognised is \$1,516,096 (2025: \$186,240).

The ageing of the contract assets and trade receivables are as follows:

	Consolidated	
	2026	2025
	\$	\$
0 to 3 months overdue	106,014,537	57,204,775
3 to 6 months overdue	249,433	634,295
Over 6 months overdue	830,506	1,259,399
	<u>107,094,476</u>	<u>59,098,469</u>

In determining the recoverability of a trade receivable, the consolidated entity considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

Non-current assets – trade and other receivables

	Consolidated	
	2026	2025
	\$	\$
Loan receivable	<u>3,513,434</u>	<u>5,063,027</u>
	<u>3,513,434</u>	<u>5,063,027</u>

The loan receivable is repaid monthly based on a contracted repayment schedule. The loan carries a fixed interest rate at 9% per annum. The consolidated entity has a security interest over the plant, equipment and design documentation relating to a specific asset that was designed and constructed by the consolidated entity.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 11. Current assets - inventories

	Consolidated	
	2026	2025
	\$	\$
Consumables - at cost	68,324	69,951
	<u>68,324</u>	<u>69,951</u>

Note 12. Non-current assets - property, plant and equipment

	Consolidated	
	2026	2025
	\$	\$
Plant and equipment - at cost	29,050,699	26,713,902
Less: Accumulated depreciation	(22,047,094)	(20,295,552)
	<u>7,003,605</u>	<u>6,418,350</u>
Right of use assets	20,193,965	16,351,486
Less: Accumulated depreciation	(10,311,338)	(7,380,514)
	<u>9,882,627</u>	<u>8,970,972</u>
	<u>16,886,232</u>	<u>15,389,322</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Right of use assets	Plant & Equipment	Total
	\$	\$	\$
Balance at 30 June 2024	8,606,258	7,054,924	15,661,182
Additions	4,192,516	1,909,040	6,101,556
Disposals, Write off of assets	-	(67,239)	(67,239)
Transfers in/(out)	(584,313)	584,313	-
Depreciation expense	(3,243,489)	(3,062,688)	(6,306,177)
Balance at 30 June 2025	<u>8,970,972</u>	<u>6,418,350</u>	<u>15,389,322</u>
Additions	4,235,874	3,241,502	7,477,376
Disposals, Write off of assets	-	(83,019)	(83,019)
Transfers in/(out)	(13,826)	13,826	-
Depreciation expense	(3,310,393)	(2,587,054)	(5,897,447)
Balance at 30 June 2026	<u>9,882,627</u>	<u>7,003,605</u>	<u>16,886,232</u>

Right of use assets

The consolidated entity has property leases which are recorded as right of use assets. The average term of these property leases as at 30 June 2026 is 4.4 years (2025: 4.5 years). These right of use assets do not have an option to purchase at the end of the lease term. The consolidated entity has other right of use assets relating to motor vehicles and office equipment, these have an option to purchase at the end of the lease term and are secured over the leased assets. The average term of these leases as at 30 June 2026 is 5.8 years (2025: 5.8 years).

	Consolidated	
	2026	2025
	\$	\$
Depreciation expense on right-of-use assets	3,310,393	3,243,489
Interest expense on lease liabilities	658,976	665,616
Expense relating to short-term and low value leases	679,426	637,140

At 30 June 2026 the consolidated entity is committed to \$20,667 for short term and low value property leases (2025: \$19,160).



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 13. Financial assets

Financial assets held at fair value through other comprehensive income

	Consolidated	
	2026	2025
	\$	\$
Shares in listed entities	9,267,980	1,565,183

Shares and options in listed entities are measured at fair value at the end of the reporting period, using quoted market share prices. Refer to note 23 for movement during the year.

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

Note 14. Intangible assets

	Consolidated	
	2026	2025
	\$	\$
Goodwill acquired on acquisition of subsidiary	18,188,485	18,330,696
Customer assets acquired on acquisition of subsidiary	6,448,168	7,892,033
Intellectual property assets	1,270,774	1,317,533
	<u>25,907,427</u>	<u>27,540,262</u>

Movement in intangible assets

	Consolidated	
	2026	2025
	\$	\$
<u>Goodwill</u>		
Balance at beginning of year	18,330,696	18,273,867
Additional goodwill acquired	-	-
Translation differences related to goodwill held in foreign currencies	(142,211)	56,829
Balance at end of year	<u>18,188,485</u>	<u>18,330,696</u>
<u>Customer assets</u>		
Balance at beginning of year	7,892,033	9,249,829
Additional customer assets acquired	-	-
Translation differences related to customer assets held in foreign currencies	(45,483)	25,422
Amortisation	(1,398,382)	(1,383,218)
Balance at end of year	<u>6,448,168</u>	<u>7,892,033</u>
<u>Intellectual property assets</u>		
Balance at beginning of year	1,317,533	1,265,474
Additional intellectual property assets acquired	204,562	272,751
Amortisation	(251,321)	(220,692)
Balance at end of year	<u>1,270,774</u>	<u>1,317,533</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 14. Intangible assets (continued)

Intangible customer assets were acquired by the consolidated entity in relation to the existing contracts and relationships from its acquisition of its subsidiaries, GR Engineering Services Inc. (formerly known as Hanlon Engineering and Associates Inc.), Mipac Holdings Pty Ltd and Paradigm Engineers Pty Ltd. These intangible customer assets are amortised over a period of 7 to 15 years. Intangible intellectual property assets were acquired in the transaction with Mipac Holdings Pty Ltd, relating to software products. These intellectual property assets will be amortised over a period of 15 years.

The consolidated entity tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

Value in Use Assumptions and Key Estimates

Sales and Earnings Growth

The five year cash flow estimates used in the goodwill impairment assessment was based on the Board approved budgets for the year ending 30 June 2026. The business has assumed a nominal growth assumption of 2% per annum.

Discount Rate

A discount rate of 10% (FY25: 10%) which includes a risk margin was applied to the cashflows for the purposes of goodwill impairment assessment.

Sensitivity Analysis

The business simulated scenarios to sensitise future cash flows including the net future cash flow impacts of a delay in contract awards. In this scenario, there is still significant headroom in the value in use model. There is no reasonably possible change in the assumptions that would lead to an impairment.

Goodwill arising from the acquisition of GR Engineering Services Inc., Mipac Holdings Pty Ltd and Paradigm Engineers Pty Ltd has been allocated to the mineral processing segment and is monitored at that level. The directors have performed an annual impairment test with recoverable amount of the cash generating unit being determined based on a value in use calculation. No indicators of impairment were noted and no impairment required.

Note 15. Current liabilities - trade and other payables

	Consolidated	
	2026	2025
	\$	\$
Trade payables	50,660,090	29,438,281
Accrued expenses	15,621,055	9,398,799
GST payable	3,645,634	1,143,653
Other payables	8,223,174	6,393,551
	<u>78,149,953</u>	<u>46,374,284</u>

Refer to note 23 for further information on financial instruments.

Trade payables are non-interest bearing and are normally settled on 30 day terms.

The net of GST payable and GST receivable is remitted to the appropriate tax body on a monthly basis.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 16. Lease liabilities

Current liabilities - lease liabilities

	Consolidated	
	2026	2025
	\$	\$
Lease liability - motor vehicles and office equipment	232,040	76,370
Lease liability - office premises	2,756,436	2,404,718
	<u>2,988,476</u>	<u>2,481,088</u>

Non-current liabilities - lease liabilities

	Consolidated	
	2026	2025
	\$	\$
Lease liability - motor vehicles and office equipment	97,613	161,866
Lease liability - office premises	7,072,032	6,533,946
	<u>7,169,645</u>	<u>6,695,812</u>

Refer to note 23 for further information on financial instruments.

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	Consolidated	
	2026	2025
	\$	\$
Lease liability	329,653	238,236
	<u>329,653</u>	<u>238,236</u>

Assets pledged as security

The lease liabilities relating to motor vehicles and office equipment are effectively secured as the rights to the leased assets, recognised in the statement of financial position, revert to the lessor in the event of default. Property lease liabilities are not secured.

Lease liabilities - maturity analysis

	Consolidated	
	2026	2025
	\$	\$
Year 1 - current liability	3,895,772	3,310,047
Year 2 - non-current liability	3,030,625	3,202,028
Year 3 - non-current liability	1,588,748	2,303,837
Year 4 - non-current liability	620,624	883,451
Year 5 - non-current liability	666,904	-
Year 6 - non-current liability	714,804	-
	<u>10,517,477</u>	<u>9,699,363</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 17. Provisions

Current liabilities - provisions

	Consolidated	
	2026	2025
	\$	\$
Annual leave	9,888,607	8,418,766
Long service leave	4,137,929	4,969,432
Warranty and defects liability	9,999,410	8,984,354
	<u>24,025,946</u>	<u>22,372,552</u>

Movement in provisions

	Consolidated	
	2026	2025
	\$	\$
<i>Provision for annual leave</i>		
Balance at beginning of year	8,418,766	8,389,136
Additional provisions recognised	8,635,367	7,851,377
Amounts used	(7,165,526)	(7,821,747)
Balance at end of year	<u>9,888,607</u>	<u>8,418,766</u>

Provision for warranty and defects liability

Balance at beginning of year	8,984,354	10,392,564
Additional provisions/(reduction in provisions) recognised	5,555,056	2,523,929
Amounts used	(4,540,000)	(3,932,139)
Balance at end of year	<u>9,999,410</u>	<u>8,984,354</u>

Non-current liabilities - provisions

	Consolidated	
	2026	2025
	\$	\$
Long service leave	<u>2,395,932</u>	<u>1,481,104</u>

Movement in provisions

	Consolidated	
	2026	2025
	\$	\$
<i>Provision for long service leave</i>		
Balance at beginning of year	6,450,536	5,427,439
Additional provisions recognised	838,475	1,754,579
Amounts used	(755,150)	(731,482)
Balance at end of year	<u>6,533,861</u>	<u>6,450,536</u>

Provision for long service leave - reconciled as follows:

Long service leave - current	4,137,929	4,969,432
Long service leave - non-current	<u>2,395,932</u>	<u>1,481,104</u>
	<u>6,533,861</u>	<u>6,450,536</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 18. Contract liabilities

	2026 \$	Consolidated 2025 \$	2024 \$
Contract liabilities - current liabilities	<u>65,371,690</u>	<u>39,012,678</u>	<u>45,511,672</u>

Contracts in progress

	2026 \$	Consolidated 2025 \$
Progress billings - mineral processing	671,339,972	478,433,767
Construction costs to date plus recognised profits - mineral processing	<u>(612,238,261)</u>	<u>(439,597,050)</u>
	<u>59,101,711</u>	<u>38,836,717</u>

Contract liabilities relating to construction contracts are balances due to customers under construction contracts. These arise if a particular milestone payment exceeds the revenue recognised to date under the cost-to-cost method.

Revenue recognised in the current reporting period relating to contract liabilities on the balance sheet at 30 June 2025 was \$39,012,678 (30 June 2024: \$45,511,672). There was nil revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

Note 19. Equity - issued capital

	Consolidated 2026 Shares	Consolidated 2025 Shares	Consolidated 2026 \$	Consolidated 2025 \$
<i>Ordinary shares - fully paid</i>				
Opening balance	167,353,472	166,908,472	47,638,103	46,979,443
Additional shares issued:				
Exercise of performance rights	2,489,025	445,000	3,739,381	658,660
Issue of shares - dividend reinvestment plan	<u>445,869</u>	<u>-</u>	<u>1,751,483</u>	<u>-</u>
Ordinary shares - fully paid	<u>170,288,366</u>	<u>167,353,472</u>	<u>53,128,967</u>	<u>47,638,103</u>

Ordinary shares

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

Performance rights

As at 30 June 2026, the consolidated entity had on issue a total of 3,733,750 performance rights (as at 30 June 2025: 5,195,775):

Number of performance rights	Grant date	Expiry date	Exercise price
1,956,750	28/08/2023	28/08/2026	Nil
20,000	3/10/2023	28/08/2026	Nil
30,000	9/02/2024	3/10/2026	Nil
130,000	14/03/2024	13/03/2027	Nil
60,000	22/07/2024	22/07/2027	Nil
28,000	30/10/2024	30/10/2027	Nil
105,000	30/11/2024	30/11/2027	Nil
35,000	17/03/2025	29/02/2028	Nil
76,500	9/06/2025	17/03/2028	Nil
20,000	9/06/2025	9/06/2028	Nil
35,000	26/08/2025	26/08/2028	Nil
67,500	9/09/2025	9/09/2028	Nil
296,500	31/10/2025	31/10/2028	Nil
45,000	27/11/2025	27/11/2028	Nil
786,000	8/12/2025	8/12/2028	Nil
42,500	8/04/2026	8/04/2029	Nil



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 20. Equity - reserves

	Consolidated	
	2026	2025
	\$	\$
Foreign currency reserve	(716,763)	(175,417)
Performance rights reserve	3,594,157	4,761,767
Investment revaluation reserve	4,754,416	(642,093)
	<u>7,631,810</u>	<u>3,944,257</u>

	Consolidated	
	2026	2025
	\$	\$
<u>Foreign currency reserve</u>		
Balance at beginning of year	(175,417)	61,617
Additional amounts recognised	(541,346)	(237,034)
Balance at end of year	<u>(716,763)</u>	<u>(175,417)</u>

The above foreign currency reserve represents foreign exchange differences resulting from translation of foreign currency amounts held in subsidiaries of the consolidated entity.

	Consolidated	
	2026	2025
	\$	\$
<u>Performance rights reserve</u>		
Balance at beginning of year	4,761,767	2,913,435
Additional amounts recognised	2,571,771	2,506,992
Amount exercised	(3,739,381)	(658,660)
Balance at end of year	<u>3,594,157</u>	<u>4,761,767</u>

The above performance rights reserve relates to performance rights granted and vested by the consolidated entity to its employees under its equity incentive plan.

	Consolidated	
	2026	2025
	\$	\$
<u>Investment revaluation reserve</u>		
Balance at beginning of year	(642,093)	(516,364)
Gain/(loss) realised on sale of investment	(3,652)	401,950
Movement in fair value	5,400,161	(527,679)
Balance at end of year	<u>4,754,416</u>	<u>(642,093)</u>

The above investment revaluation reserve relates to the revaluation of shares held in listed entities to fair value at the end of the reporting period. The fair value is determined using the quoted share price at 30 June 2026.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 21. Equity - retained profits

	Consolidated	
	2026	2025
	\$	\$
Retained profits at the beginning of the financial year	17,265,440	16,888,392
Transfer from investment revaluation reserve	3,652	(401,950)
Profit after income tax expense for the year	39,032,701	34,208,692
Payment of dividends	(40,466,022)	(33,429,694)
Retained profits at the end of the financial year	<u>15,835,771</u>	<u>17,265,440</u>

Note 22. Equity - dividends

	Consolidated	
	2026	2025
	\$	\$
<i>Dividends</i>		
Year ended 30 June 2025		
Dividend paid 20 September 2024 (fully franked at 30% tax rate):		
10 cents per ordinary share		16,700,847
Dividend paid 25 March 2025 (fully franked at 30% tax rate):		
10 cents per ordinary share		16,728,847
Year ended 30 June 2026		
Dividend paid 25 September 2025 (fully franked at 30% tax rate):		
12 cents per ordinary share	20,091,340	
Dividend paid 25 March 2026 (fully franked at 30% tax rate):		
12 cents per ordinary share	20,374,682	
	<u>40,466,022</u>	<u>33,429,694</u>

On 19 August 2026, the consolidated entity declared a fully franked dividend of 13.0 cents per share, an aggregate of \$22,137,488. The Record Date of the dividend is 1 September 2026 and the proposed payment date is 23 September 2026.

GR Engineering has a Dividend Reinvestment Plan (DRP) which enables all shareholders to elect to have all or some of their dividend reinvested in additional GR Engineering shares. The DRP is applicable to the FY26 final dividend. The Directors have determined that a 2.5% discount will apply to the allocation price. The total FY25 dividend includes \$1.8 million settled through the issuance of shares under the dividend reinvestment plan.

Franking credits

	Consolidated	
	2026	2025
	\$	\$
Franking (debits)/credits available for subsequent financial years based on a tax rate of 30%	<u>11,079,659</u>	<u>8,987,188</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 23. Financial instruments

Financial risk management objectives

The consolidated entity is exposed to risks in relation to its financial instruments. These risks include market risk (consisting of foreign currency risk and interest rate risk), credit risk, liquidity risk and equity risk.

A summary of the consolidated entity's financial instruments are as follows:

	Consolidated	
	2026	2025
	\$	\$
Financial assets		
Cash and cash equivalents - amortised cost	87,936,702	70,959,192
Trade and other receivables current asset - amortised cost	91,536,232	49,520,185
Trade and other receivables non current asset - amortised cost	3,513,434	5,063,027
Equity instruments - fair value through other comprehensive income	9,267,980	1,565,183
Total financial assets	<u>192,254,348</u>	<u>127,107,587</u>
Financial liabilities		
Trade and other payables - amortised cost	74,504,319	45,230,631
Lease liabilities - amortised cost	10,158,121	9,176,900
Total financial liabilities	<u>84,662,440</u>	<u>54,407,531</u>

Capital risk management

The consolidated entity manages its capital to ensure the ability to continue as a going concern while maximising the return to stakeholders. The capital structure of the consolidated entity consists of equity in the form of issued capital, reserves and retained earnings, and debt in the form of borrowings. The consolidated entity is not subject to any externally imposed capital requirements.

Market risk

Foreign currency risk

The consolidated entity and the parent entity undertakes certain transactions denominated in foreign currency and are exposed to foreign currency risk through foreign exchange rate fluctuations.

The carrying amounts in Australian dollars (AUD) of the consolidated entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Assets		Liabilities	
	2026	2025	2026	2025
	AUD \$	AUD \$	AUD \$	AUD \$
United States Dollars	6,395,675	12,309,242	(6,071,591)	(3,806,433)
Great British Pounds	1,324	12,590	(281)	(6,164)
Euro	1,611	15,861	(7,534)	(8,166)
Canadian Dollars	1,385,961	1,833,976	(10,191)	(22,773)
Papua New Guinea Kina	2,811,664	4,634,032	(114,253)	(567,363)
Indonesian Rupiah	102,433	143,415	(1,220)	(2,832)
	<u>10,698,668</u>	<u>18,949,116</u>	<u>(6,205,070)</u>	<u>(4,413,731)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 23. Financial instruments (continued)

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The consolidated entity holds balances in United States Dollars, these balances are translated into Australian dollars at the prevailing exchange rate at 30 June 2026 of AUD \$1 = USD \$0.69 (2025: AUD \$1 = USD \$0.65).

The consolidated entity holds balances in Great British Pounds, these balances are translated into Australian dollars at the prevailing exchange rate at 30 June 2026 of AUD \$1 = GBP £0.52 (2025: AUD \$1 = GBP £0.48).

The consolidated entity holds balances in Euro, these balances are translated into Australian dollars at the prevailing exchange rate at 30 June 2026 of AUD \$1 = EUR €0.60 (2025: AUD \$1 = EUR €0.56).

The consolidated entity holds balances in Papua New Guinea Kina, these balances are translated into Australian dollars at the prevailing exchange rate at 30 June 2026 of AUD \$1 = PGK 2.99 (2025: AUD \$1 = PGK 2.66).

The consolidated entity holds balances in Indonesian Rupiah, these balances are translated into Australian dollars at the prevailing exchange rate at 30 June 2026 of AUD \$1 = IDR 12,298.60 (2025: AUD \$1 = IDR 10,592.70).

The consolidated entity holds balances in Canadian Dollars, these balances are translated into Australian dollars at the prevailing exchange rate at 30 June 2026 of AUD \$1 = CAD \$0.98 (2025: AUD \$1 = CAD \$0.89).

The following table details the consolidated entity's sensitivity to a 10% increase and decrease in the value of the Australian dollar against the currencies in which monetary assets are held:

	Effect of 10% increase in exchange rate		Effect of 10% decrease in exchange rate	
	Effect on profit before tax \$	Effect on equity \$	Effect on profit before tax \$	Effect on equity \$
Consolidated - 2026				
United States Dollars	(29,462)	(49,725)	36,009	60,775
Great British Pounds	(95)	(28,076)	116	34,315
Euro	538	(63)	(658)	77
Canadian Dollars	(125,070)	(125,070)	152,863	152,863
Papua New Guinea Kina	(245,219)	(233,351)	299,712	285,207
Indonesian Rupiah	(9,201)	(9,201)	11,246	11,246
	<u>(408,509)</u>	<u>(445,486)</u>	<u>499,288</u>	<u>544,483</u>
	Effect of 10% increase in exchange rate		Effect of 10% decrease in exchange rate	
	Effect on profit before tax \$	Effect on equity \$	Effect on profit before tax \$	Effect on equity \$
Consolidated - 2025				
United States Dollars	(791,688)	(778,820)	921,895	906,167
Great British Pounds	(584)	(70,460)	715	86,119
Euro	(694)	(1,341)	862	1,653
Canadian Dollars	(157,026)	(157,026)	210,569	210,569
Papua New Guinea Kina	(369,697)	(370,722)	451,852	453,105
Indonesian Rupiah	(12,550)	(12,550)	15,902	15,902
	<u>(1,332,239)</u>	<u>(1,390,919)</u>	<u>1,601,795</u>	<u>1,673,515</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 23. Financial instruments (continued)

Interest rate risk

The board has considered the consolidated entity's exposure to interest rate risk by analysing the effect on profit and equity of an interest rate increase or decrease of one quarter of a percentage point (0.25%) in the following table.

	Effect of increase in interest rate		Effect of decrease in interest rate	
	Effect on profit before tax \$	Effect on equity \$	Effect on profit before tax \$	Effect on equity \$
Consolidated - 2026				
Interest revenue	141,402	141,402	(141,402)	(141,402)
Interest expense	(2,021)	(2,021)	2,017	2,017
	<u>139,381</u>	<u>139,381</u>	<u>(139,385)</u>	<u>(139,385)</u>
	Effect of increase in interest rate		Effect of decrease in interest rate	
	Effect on profit before tax \$	Effect on equity \$	Effect on profit before tax \$	Effect on equity \$
Consolidated - 2025				
Interest revenue	150,829	150,829	(150,829)	(150,829)
Interest expense	(2,084)	(2,084)	2,081	2,081
	<u>148,745</u>	<u>148,745</u>	<u>(148,748)</u>	<u>(148,748)</u>

Equity price risk

The consolidated entity is exposed to equity price risks arising from equity investments.

The sensitivity analysis below has been determined based on the exposure of the consolidated entity to a 5% increase or decrease in equity prices at the end of the reporting year :

- other comprehensive income for the year ended 30 June 2026 would increase by \$463,399 (2025: \$78,259) as a result of an increase of 5% in equity prices, and decrease by \$463,399 (2025: \$78,259) as a result of a decrease of 5% in equity prices.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the consolidated entity. The consolidated entity has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The consolidated entity uses independent rating agencies, publicly available financial information and other trading records to rate its major customers. Legally binding contracts are entered into to determine payment terms in relation to major projects.

The consolidated entity does not have significant credit risk exposure to any single counterparty or group of counterparties.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the consolidated entity's short-, medium- and long-term funding and liquidity management requirements. The consolidated entity manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 23. Financial instruments (continued)

Liquidity and interest rate risk tables

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument 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.

Consolidated - 2026	Weighted average interest rate %	Remaining contractual maturities			Total \$
		Less than 6 months \$	6 to 12 months \$	Over 12 months \$	
Non-derivatives					
<i>Non-interest bearing</i>					
Trade and other payables	-	74,504,319	-	-	74,504,319
<i>Interest-bearing - fixed rate</i>					
Lease liability	6.06%	2,097,799	890,677	7,169,645	10,158,121
Total non-derivatives		76,602,118	890,677	7,169,645	84,662,440

Consolidated - 2025	Weighted average interest rate %	Remaining contractual maturities			Total \$
		Less than 6 months \$	6 to 12 months \$	Over 12 months \$	
Non-derivatives					
<i>Non-interest bearing</i>					
Trade and other payables	-	45,230,631	-	-	45,230,631
<i>Interest-bearing - fixed rate</i>					
Lease liability	5.55%	2,246,066	235,022	6,695,812	9,176,900
Total non-derivatives		47,476,697	235,022	6,695,812	54,407,531

Fair value of financial instruments

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

Consolidated	2026		2025	
	Carrying amount \$	Fair value \$	Carrying amount \$	Fair value \$
Assets				
Cash at bank	87,936,702	87,936,702	70,959,192	70,959,192
Trade receivables - current	91,536,232	91,536,232	49,520,185	49,520,185
Trade receivables - non current	3,513,434	3,513,434	5,063,027	5,063,027
Equity instruments	9,267,980	9,267,980	1,565,183	1,565,183
	192,254,348	192,254,348	127,107,587	127,107,587
Liabilities				
Trade payables	74,504,319	74,504,319	45,230,631	45,230,631
Lease liability	10,158,121	10,158,121	9,176,900	9,176,900
	84,662,440	84,662,440	54,407,531	54,407,531

Comparative information has been updated to exclude GST payable from financial liabilities disclosed in Note 23, consistent with the current year presentation.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 23. Financial instruments (continued)

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial assets and liabilities of the consolidated entity are classified into these categories below:

Fair value hierarchy - 2026

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Financial assets</i>				
Trade receivables	-	91,536,232	-	91,536,232
Equity instruments	9,267,980	-	-	9,267,980
	<u>9,267,980</u>	<u>91,536,232</u>	<u>-</u>	<u>100,804,212</u>
<i>Financial liabilities</i>				
Trade payables	-	74,504,319	-	74,504,319
	<u>-</u>	<u>74,504,319</u>	<u>-</u>	<u>74,504,319</u>

Fair value hierarchy - 2025

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Financial assets</i>				
Trade receivables	-	49,520,185	-	49,520,185
Equity instruments	1,565,183	-	-	1,565,183
	<u>1,565,183</u>	<u>49,520,185</u>	<u>-</u>	<u>51,085,368</u>
<i>Financial liabilities</i>				
Trade payables	-	46,374,284	-	46,374,284
	<u>-</u>	<u>46,374,284</u>	<u>-</u>	<u>46,374,284</u>

The fair values of the financial assets and financial liabilities included in the level 2 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 1 fair value measurements:

	Consolidated	
	2026 \$	2025 \$
<i>Equity instruments</i>		
Opening balance	1,565,183	1,448,296
Additions	-	1,500,000
Disposals	(10,152)	(801,550)
Net revaluations in other comprehensive income	7,712,949	(581,563)
Gain in profit and loss	-	-
Closing balance	<u>9,267,980</u>	<u>1,565,183</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 24. Key management personnel disclosures

Directors

The following persons were directors of GR Engineering Services Limited during the financial year:

Executive director

Tony Patrizi	Managing Director
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Non-executive directors

Phil Lockyer	Non-Executive Chairman
Peter Hood	Non-Executive Director
Joe Totaro	Non-Executive Director
Deb Morrow	Non-Executive Director

Other key management personnel

The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Executives

Omesh Motiwalla	Chief Financial Officer and Company Secretary
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Remuneration of key management personnel

Information on remuneration of key management personnel is set out in the Remuneration Report in the Directors Report.

The aggregate compensation made to key management personnel of the consolidated entity is set out below:

	Consolidated	
	2026	2025
	\$	\$
Short term benefits	1,586,671	1,417,453
Post employment benefits	99,326	97,941
Share based payments	36,325	33,380
Other	301,215	245,117
	<u>2,023,537</u>	<u>1,793,891</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the company, and its network firms:

	Consolidated	
	2026	2025
	\$	\$
<i>Audit services - Deloitte Touche Tohmatsu</i>		
Audit or review of the financial statements of the consolidated entity	310,000	300,000
Audit or review of the financial statements of subsidiaries	-	13,515
<i>Other services - Deloitte Touche Tohmatsu</i>		
Tax compliance - consolidated entity	119,647	317,123
Other services - consolidated entity	-	-
	<u>429,647</u>	<u>630,638</u>
During the financial year the following fees were paid or payable for services provided by other auditors:		
Audit or review of the financial statements of subsidiaries	<u>82,069</u>	<u>14,713</u>

Note 26. Contingent liabilities

The consolidated entity has bank guarantees in place as at 30 June 2026 of \$10,043,752 (2025: \$4,547,799) under its multi-option facility with National Australia Bank.

The consolidated entity's standby multi-option facility with National Australia Bank has a limit of \$60,000,000. The facilities are secured by a fixed and floating charge over all the assets of the consolidated entity. The consolidated entity provides bank guarantees under this facility to support project performance in favour of certain clients. The amount of these bank guarantees at 30 June 2026 is \$9,074,533 (2025: \$3,632,878).

The consolidated entity has a bank guarantee facility with National Australia Bank to provide guarantees for the security of rental properties to the value of \$969,219 (2025: \$914,922). The amount of bank guarantees issued under this facility at 30 June 2026 is \$969,219 (2025: \$914,922).

The consolidated entity has a bank guarantee facility with HSBC to provide guarantees to support project performance in favour of certain clients. The amount of these bank guarantees at 30 June 2026 is USD \$243,696 (AUD \$353,670) (2025: USD \$763,716 (AUD \$1,168,829)).

The consolidated entity has a \$45 million insurance bond facility with Berkshire Hathaway Specialist Insurance Company and an additional \$45 million insurance bond facility with Allianz Australia Insurance Limited. These facilities are utilised to provide retention and off site materials bonds in connection with certain projects. The amount of insurance bonds issued under the Berkshire Hathaway Specialist Insurance Company facility at 30 June 2026 is \$20,173,145 (2025: \$9,343,338). The amount of insurance bonds issued under the Allianz Australia Insurance Limited facility at 30 June 2026 is \$33,299,112 (2025: \$16,137,896).

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 27. Related party transactions

During the year ended 30 June 2026, the consolidated entity leased office space at 71 Daly Street, Ascot WA from Ashguard Pty Ltd. Tony Patrizi, a director of the consolidated entity, had a non-controlling interest in Ashguard Pty Ltd. The total amount invoiced by Ashguard Pty Ltd in the year ended 30 June 2026 amounted to \$927,834 including GST (2025: \$995,444). The balance payable at 30 June 2026 is \$67,909 (2025: \$5,624).

During the year ended 30 June 2026 the consolidated entity procured items from Mak Industrial Water Solutions Limited, a company in which Peter Hood is Chairman. The total amount invoiced by Mak Industrial Water Solutions Limited in the year ended 30 June 2026 amounted to \$15,486 including GST (2025: nil). The balance payable at 30 June 2026 is nil (2025: nil).

In previous years the consolidated entity provided engineering services for Agrimin Limited, a company in which Deb Morrow was Managing Director and Chief Executive Officer during the financial year. The total amount invoiced to Agrimin Limited in the year ended 30 June 2026 was nil (2025: \$7,975). The balance outstanding at 30 June 2026 is nil (2025: nil).

The terms of these arrangements are at arm's length and at normal commercial terms.

Other than transactions with parties related to key management personnel mentioned above and in the remuneration report, there have been no other transactions with parties related to the consolidated entity in the financial year ending 30 June 2026.

Note 28. Parent entity information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2026 \$	2025 \$
Profit/(loss) after income tax	35,569,084	32,932,966
Total comprehensive income	40,969,245	32,405,287

Statement of financial position

	Parent	
	2026 \$	2025 \$
Total current assets	168,445,947	105,625,769
Total assets	191,201,018	124,797,139
Total current liabilities	153,889,502	90,698,191
Total liabilities	156,498,823	94,921,421
Equity		
Issued capital	53,128,967	47,638,103
Performance rights reserve	3,594,157	4,761,767
Investment revaluation reserve	4,754,416	(642,093)
Retained profits	(26,775,345)	(21,882,059)
Total equity	34,702,195	29,875,718

The contingent liabilities of the parent entity are the same as those of the consolidated entity, as set out in note 26.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 29. Events after the reporting period

On 23 July 2026, GRES executed an EPC contract with BHP Iron Ore Pty Ltd, as agent for the participants in the Yandi joint venture. This project forms part of the broader Ministers North Project located in the Pilbara region of Western Australia. GRES' scope of work consists of a brownfield upgrade of the Yandi Eastern primary crushing circuit, including a new 20 Mtpa two stage crushing plant to feed Ministers North ore into the existing Yandi operations. The contract value is \$230 million.

On 17 August 2026, GRES executed an EPC contract with Venturex Sulphur Springs Pty Ltd, a wholly owned subsidiary of Develop Global Limited, for the design, procurement, construction, installation and commissioning of the 1.5 Mtpa Yitirrti (Sulphur Springs) Copper-Silver-Zinc Project in Western Australia. The contract value is \$275 million.

On 19 August 2026, the consolidated entity declared a fully franked dividend of 13.0 cents per share, an aggregate of \$22,137,488. The Record Date of the dividend is 1 September 2026 and the proposed payment date is 23 September 2026.

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

On 24 August 2026, the Group announced that it was undertaking an institutional placement for approximately \$100 million (the Placement) and a Share Purchase Plan to raise up to \$10 million (the SPP). The proceeds of the Placement and the SPP will be used to fund working capital for recent and new contract awards, provide funding flexibility for future acquisition opportunities and fund the build-out of internal IT infrastructure and resourcing.

Note 30. Earnings per share

	Consolidated	
	2026	2025
	\$	\$
Profit after income tax attributable to the owners of GR Engineering Services Limited	39,032,701	34,208,692
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	168,961,497	167,166,143
Adjustments for calculation of diluted earnings per share:		
Weighted average number of employee performance rights issued	3,220,694	5,064,216
Weighted average number of ordinary shares used in calculating diluted earnings per share	172,182,191	172,230,359
	Cents	Cents
Basic earnings per share	23.10	20.46
Diluted earnings per share	22.67	19.86

Note 31. Share-based payments

An Equity Incentive Plan was adopted by the consolidated entity on 28 March 2012, and was updated on 21 November 2025. At the discretion of the Board, all eligible employees of the consolidated entity or eligible consultants may participate in the Plan. Non-executive directors are not eligible to participate in the Plan.

The Plan is designed to align the interests of executives and employees with the interests of shareholders by providing an opportunity to receive an equity interest in the consolidated entity and therefore direct participation in the benefits of future consolidated entity performance over the medium to long term.

The consolidated entity has issued a total of 13,948,275 performance rights to employees and long term contractors under the Plan. Each right entitles the employee to acquire one fully paid share in the consolidated entity for nil consideration, subject to the employees meeting a service term of three years from the date of grant. During the financial year ending 30 June 2026 1,322,500 performance rights were issued under the Plan (2025: 422,000).



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 31. Share-based payments (continued)

During the financial year 2,489,025 performance rights vested (2025: 455,000). A total of 3,943,445 performance rights have lapsed due to resignations of entitled employees and employees who have received cash in lieu of shares since the date of issue of the first tranche of rights. Of this total 295,500 have lapsed in the financial year ending 30 June 2026 (2025: 258,000).

A summary of performance rights on issue as at 30 June 2026 follows:

	Tranche 35	Tranche 36	Tranche 39	Tranche 41
Number issued	2,358,750	20,000	30,000	130,000
Number lapsed	(402,000)	-	-	-
Grant date	28 Aug 2023	3 Oct 2023	9 Feb 2024	14 Mar 2024
Exercise price	Nil	Nil	Nil	Nil
Vesting date	28 Aug 2026	28 Aug 2026	10 Nov 2026	13 Mar 2027
Expiry date	28 Aug 2026	28 Aug 2026	10 Nov 2026	13 Mar 2027
Vesting period (years)	3	3	2.75	3
Vesting conditions	Nil	Nil	Nil	Nil
Fair value	\$1.474	\$1.560	\$1.733	\$1.632
	Tranche 42	Tranche 43	Tranche 45	Tranche 46
Number issued	60,000	28,000	125,000	134,000
Number lapsed	-	-	(20,000)	(57,500)
Grant date	22 Jul 2024	30 Oct 2024	30 Nov 2024	17 Mar 2025
Exercise price	Nil	Nil	Nil	Nil
Vesting date	22 Jul 2027	30 Oct 2027	30 Nov 2027	17 Mar 2028
Expiry date	22 Jul 2027	30 Oct 2027	30 Nov 2027	17 Mar 2028
Vesting period (years)	3	3	3	3
Vesting conditions	Nil	Nil	Nil	Nil
Fair value	\$1.459	\$1.531	\$1.661	\$2.006
	Tranche 47	Tranche 48	Tranche 49	Tranche 50
Number issued	20,000	35,000	35,000	74,500
Number lapsed	-	-	-	(7,000)
Grant date	9 Jun 2025	9 Jun 2025	26 Aug 2025	9 Sep 2025
Exercise price	Nil	Nil	Nil	Nil
Vesting date	9 Jun 2028	29 Feb 2028	26 Aug 2028	9 Sep 2028
Expiry date	9 Jun 2028	29 Feb 2028	26 Aug 2028	9 Sep 2028
Vesting period (years)	3	2.74	3	3
Vesting conditions	Nil	Nil	Nil	Nil
Fair value	\$2.013	\$2.074	\$3.048	\$2.962
	Tranche 51	Tranche 52	Tranche 53	Tranche 54
Number issued	296,500	45,000	829,000	42,500
Number lapsed	-	-	(43,000)	-
Grant date	31 Oct 2025	27 Nov 2025	8 Dec 2025	8 Apr 2026
Exercise price	Nil	Nil	Nil	Nil
Vesting date	31 Oct 2028	27 Nov 2028	8 Dec 2028	8 Apr 2029
Expiry date	31 Oct 2028	27 Nov 2028	8 Dec 2028	8 Apr 2029
Vesting period (years)	3	3	3	3
Vesting conditions	Nil	Nil	Nil	Nil
Fair value	\$2.631	\$3.019	\$3.077	\$2.976



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 31. Share-based payments (continued)

The fair value of performance rights granted during the year was calculated using a Black-Scholes pricing model applying inputs as follows:

	Tranche 35	Tranche 36	Tranche 39	Tranche 41
Grant date share price	\$2.050	\$2.170	\$2.410	\$2.270
Exercise price	-	-	-	-
Expected volatility	50%	50%	50%	50%
Term (years)	3	3	2.75	3
Dividend yield	11%	11%	11%	11%
Risk free interest rate	3.86%	4.08%	3.69%	3.68%

	Tranche 42	Tranche 43	Tranche 45	Tranche 46
Grant date share price	\$2.030	\$2.130	\$2.310	\$2.790
Exercise price	-	-	-	-
Expected volatility	50%	50%	50%	50%
Term (years)	3	3	3	3
Dividend yield	11%	11%	11%	11%
Risk free interest rate	4.00%	3.96%	3.91%	3.76%

	Tranche 47	Tranche 48	Tranche 49	Tranche 50
Grant date share price	\$2.800	\$2.800	\$4.240	\$4.120
Exercise price	-	-	-	-
Expected volatility	50%	50%	50%	50%
Term (years)	3	2.74	3	3
Dividend yield	11%	11%	11%	11%
Risk free interest rate	3.36%	3.36%	3.38%	3.41%

	Tranche 51	Tranche 52	Tranche 53	Tranche 54
Grant date share price	\$3.660	\$4.200	\$4.280	\$4.140
Exercise price	-	-	-	-
Expected volatility	50%	50%	50%	50%
Term (years)	3	3	3	3
Dividend yield	11%	11%	11%	11%
Risk free interest rate	3.60%	3.84%	4.04%	4.55%

Movement in performance rights

	2026		2025	
Consolidated	Number of performance rights	Weighted average exercise price	Number of performance rights	Weighted average exercise price
Balance at beginning of year	5,195,775	-	5,476,775	-
Granted during the year	1,322,500	-	422,000	-
Vested during the year	(2,489,025)	-	(445,000)	-
Forfeited during the year	(295,500)	-	(258,000)	-
Balance at end of year	3,733,750	-	5,195,775	-

The weighted average fair value of performance rights granted at 30 June 2026 is \$2.01. The weighted average exercise price of these performance rights at 30 June 2026 is nil. The weighted average remaining contractual life of performance rights outstanding at 30 June 2026 is 388 days.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

Note 32. Subsidiaries

The consolidated financial statements incorporate the following subsidiaries at the end of the reporting period.

Name of subsidiary	Country of incorporation	Equity holding	
		2026	2025
GR Engineering Services (Indonesia) Pty Limited °	Australia	100%	100%
GR Engineering Services (Argentina) Pty Limited °	Australia	100%	100%
PT GR Engineering Services Indonesia * °	Indonesia	100%	100%
GR Engineering Services (Africa) °	Mauritius	100%	100%
GR Engineering Services (UK) Limited	United Kingdom	100%	100%
GR Engineering Services (Ghana) Limited ** °	Ghana	100%	100%
GR Engineering Services (Mali) ** °	Mali	100%	100%
GR Engineering Services (Côte d'Ivoire) ** °	Côte d'Ivoire	100%	100%
GR Engineering Services (Tengrela) °	Côte d'Ivoire	100%	100%
GR Engineering Services (Greece) *** °	Greece	100%	100%
GR Engineering Services (Tanzania) Limited °	Tanzania	100%	100%
GR Engineering Services Turkey Limited °	Turkey	100%	100%
GR Production Services Pty Ltd	Australia	100%	100%
GR Engineering Services Americas Inc. °	USA	100%	100%
GR Engineering Services Inc. +	USA	100%	100%
GR Engineering Services (Papua New Guinea) Limited	Papua New Guinea	100%	100%
Mipac Pty Ltd	Australia	100%	100%
Mipac Holdings Pty Ltd	Australia	100%	100%
Mipac Process Automation Canada Limited	Canada	100%	100%
Mipac Peru S.A.	Peru	100%	100%
GR Production Services (Timor-Leste) Pty Ltd **	Australia	100%	100%
Aptiix Pty Ltd **	Australia	100%	100%
Paradigm Engineers Pty Ltd ^	Australia	100%	100%
Mipac Inc.	USA	100%	100%

* PT GR Engineering Services Indonesia is 90% owned by GR Engineering Services Limited and 10% owned by GR Engineering Services (Indonesia) Pty Limited.

** GR Engineering Services (Ghana) Limited, GR Engineering Services (Côte d'Ivoire) and GR Engineering Services (Mali) are 100% owned by GR Engineering Services (Africa).

*** GR Engineering Services (Greece) is 100% owned by GR Engineering Services (UK) Limited.

+ GR Engineering Services Inc. is 100% owned by GR Engineering Services Americas Inc.

** Subsidiary is 100% owned by GR Production Services Pty Ltd

^ Paradigm Engineers Pty Ltd is 100% owned by Mipac Holdings Pty Ltd

° Subsidiary is dormant

A deed of cross guarantee is in place between GR Engineering Services Limited, GR Production Services Pty Ltd, Mipac Holdings Pty Ltd and Mipac Pty Ltd. The remaining subsidiaries do not contribute a material amount to the financial position of the consolidated entity for the year ending 30 June 2026, so disclosure of separate financial information for subsidiaries is not deemed necessary.



ANNUAL FINANCIAL REPORT

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AS AT 30 JUNE 2026

Entity name	Entity type	Place of incorporation	% of share capital held	Australian resident under Australian domestic tax law?	Foreign tax residency under domestic law of foreign country
PT GR Engineering Services Indonesia *	Company	Indonesia	100%	Yes	Indonesia
GR Engineering Services (Africa) *	Company	Mauritius	100%	Yes	Mauritius
GR Engineering Services (UK) Limited *	Company	United Kingdom	100%	Yes	United Kingdom
GR Engineering Services (Ghana) Limited *	Company	Ghana	100%	Yes	Ghana
GR Engineering Services (Mali) *	Company	Mali	100%	Yes	Mali
GR Engineering Services (Côte d'Ivoire) *	Company	Côte d'Ivoire	100%	Yes	Côte d'Ivoire
GR Engineering Services (Tengrela) *	Company	Côte d'Ivoire	100%	Yes	Côte d'Ivoire
GR Engineering Services (Greece) *	Company	Greece	100%	Yes	Greece
GR Engineering Services (Tanzania) Limited *	Company	Tanzania	100%	Yes	Tanzania
GR Engineering Services Turkey Limited *	Company	Turkey	100%	Yes	Turkey
GR Engineering Services Americas Inc.	Company	USA	100%	No	USA
GR Engineering Services Inc.	Company	USA	100%	No	USA
GR Engineering Services (Papua New Guinea) Limited	Company	Papua New Guinea	100%	Yes	Papua New Guinea
Mipac Process Automation Canada Limited	Company	Canada	100%	Yes	Canada
Mipac Peru S.A.	Company	Peru	100%	Yes	Peru
Mipac Inc.	Company	USA	100%	No	USA

* Subsidiary is dormant

Section 295(3A)(iv) of the Corporations Act 2001 requires the Company to assess whether each entity is a tax resident of Australia and/or a foreign jurisdiction under the domestic tax laws of each country. Where an entity is shown as a resident of both Australia and a foreign jurisdiction, the entity is either dormant or effectively only subject to tax in the foreign jurisdiction because either there is a double tax agreement (DTA) in place between Australia and the foreign country and the DTA allocates taxing rights to the foreign jurisdiction or GR Engineering is considered to have a "permanent establishment" (PE) in that foreign country and therefore any profits derived by the PE from active foreign business activities are non-taxable in Australia.



DIRECTORS' DECLARATION

The directors declare that:

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

(b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 2 to the financial statements;

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

(d) the directors have been given the declarations required by s.295A of the Corporations Act 2001; and

(e) in the directors' opinion, the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in blue ink, appearing to be 'AP', with a long horizontal stroke extending to the right.

Name: Tony Patrizi
Managing Director
Date: 24 August 2026



INDEPENDENT AUDITOR'S REPORT



Deloitte Touche Tohmatsu
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Independent Auditor's Report to the Members of GR Engineering Services Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of GR Engineering Services Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

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 for the current period. These matters were 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 these matters.

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INDEPENDENT AUDITOR'S REPORT

Deloitte.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Recognition of revenue As disclosed in Note 5, revenue recognised for the year ended 30 June 2026 relating to both mineral processing and oil and gas contracts was \$493.2 million. As disclosed in Note 3, revenue and costs are recognised by reference to the stage of completion of the contract activity for certain mineral processing contracts. The recognition of revenue for these mineral processing contracts requires significant management judgement, including: • Determining the stage of completion; • Estimating total contract revenue and contract cost including the estimation of cost contingencies; • Determining contractual entitlement and assessing the probability of customer approval of variations and acceptance of claims; and • Estimating the project completion date.	Our procedures included, but were not limited to: Evaluating management's processes and controls in respect of the recognition of contract revenue. As part of this, we evaluated the design and implementation of the relevant controls including: • The estimation, review and monitoring of total contract revenue and contract costs; and • The monthly review of the contract balances related to mineral processing contracts. For a sample of contracts selected for testing, the following procedures were performed: • Obtained a detailed understanding of the contract terms and conditions to evaluate whether the individual characteristics of each contract were reflected in management's estimate of forecast costs and revenue; • Tested a sample of costs incurred to date and agreed these to supporting documentation; • Assessed the current programme status against the original budgeted programme; • Evaluated the forecast costs to complete through discussion and challenge of project managers and finance personnel; • Tested the contractual entitlement, variations and claims recognised within total contract revenue through agreement to supporting documentation and by reference to the underlying contract; • Evaluated significant exposures to liquidated damages for late delivery of contract works, if any; and • Evaluated contract performance over the course of the year to reflect on year-end revenue recognition judgements. We also assessed the appropriateness of the disclosures in Notes 3 and 5 to the financial statements.



INDEPENDENT AUDITOR'S REPORT



Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, Corporate Governance Statement and Additional ASX Information, which we obtained prior to the date of this auditor's report, and also includes the additional information which will be included in the Group's annual report for the year ended 30 June 2026 (but does not include the financial report and our auditor's report thereon), which is expected to be made available to us after the date of the auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, 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. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the additional information which will be included in the Group's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action.

Responsibilities of the Directors for the Financial Report

The directors are responsible:

- For the preparation of 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 in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of 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 is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 this financial report.



INDEPENDENT AUDITOR'S REPORT



As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the **Group** to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



INDEPENDENT AUDITOR'S REPORT

Deloitte.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 21 of the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of GR Engineering Services Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

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 responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink, appearing to read 'Pieter Janse Van Nieuwenhuizen', written over a light blue horizontal line.

Pieter Janse Van Nieuwenhuizen

Partner

Chartered Accountants

Perth, 24 August 2026



CORPORATE GOVERNANCE STATEMENT

Approach to Corporate Governance

GR Engineering Services Ltd ABN 12 121 542 738 (**Company**) has established a corporate governance framework, the key features of which are set out in this statement. In establishing its corporate governance framework, the Company has referred to the recommendations set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition (**Principles & Recommendations**).

The Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices do not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

The following governance-related documents can be found on the Company's website at www.gres.com.au, under the section marked "Corporate Governance":

Charters

Board

Audit and Risk Committee

Remuneration and Nomination Committee

Policies and Procedures

Process for Performance Evaluations

Policy and Procedure for the Selection and (Re)Appointment of Directors

Induction Program

Diversity Policy

Code of Conduct

Policy on Continuous Disclosure

Compliance Procedures

Shareholder Communication and Investor Relations Policy

Securities Trading Policy

Whistleblower Protection Policy

Anti-Bribery & Collusion Policy

Human Rights and Modern Slavery

Policy and Procedure for Directors

Risk Management Policy

Selection, Appointment and Rotation of External Auditors

Equity Incentive Plan Rules

The Company reports below on whether it has followed each of the recommendations during the 2025/2026 financial year (**Reporting Period**). The information in this statement is current at 19 August 2026. This statement was approved by a resolution of the Board on 19 August 2026.

Cross-references to the Company's Annual Financial Report in this statement are references to the Company's Annual Financial Report for the year ended 30 June 2026, which is, or will be, disclosed on the Company's website www.gres.com.au, under the section marked "News".



CORPORATE GOVERNANCE STATEMENT

Principle 1 – Lay solid foundations for management and oversight

Recommendation 1.1

The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management and has documented this in its *Board Charter*.

Recommendation 1.2

The Company undertakes appropriate checks before appointing a person or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

The checks which are undertaken, and the information provided to shareholders are set out in the Company's *Policy and Procedure for the Selection and (Re) Appointment of Directors*.

Recommendation 1.3

The Company has a written agreement with each director and senior executive setting out the terms of their appointment. The material terms of any employment, service or consultancy agreement the Company, or any of its child entities, has entered into with its Managing Director, any of its directors, and any other person or entity who is related party of the Managing Director or any of its directors has been disclosed in accordance with ASX Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule).

Recommendation 1.4

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board as outlined in the Company's Board Charter.

Recommendation 1.5

The Company has a Diversity Policy, which includes requirements for the Remuneration and Nomination Committee to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them. The Company's Diversity Policy is disclosed on the Company's website in the Corporate Governance Manual.

The following measurable objective for achieving gender diversity has been set by the Remuneration and Nomination Committee in accordance with the Diversity Policy:

"Subject to the identification of suitable qualified candidates, to increase the percentage of professional and senior executive positions occupied by women to 25% by 30 June 2028."

The Board continues to work towards meeting this objective and continues to foster a workplace environment and recruitment policies designed to achieve greater female participation in the Company's workforce.

The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation are set out in the following table. "Senior executive" for these purposes means a person who is a Key Management Employee, a General Manager or a member of Management:

	Proportion of women
Whole organisation	122 out of 970 (12.58%) (12.2% as at 30 June 2025)
Senior executive positions	5 out of 42 (11.9%) (19.1% as at 30 June 2025)
Board	1 out of 5 (20%) (20% as at 30 June 2025)



CORPORATE GOVERNANCE STATEMENT

Recommendation 1.6

The Chair is responsible for evaluation of the Board and, when deemed appropriate, Board committees and individual directors. The Chair is also responsible for evaluating the Managing Director.

The Chair evaluates the performance of the Managing Director and other Board members through a series of discussions held throughout the year. These discussions include an assessment of the Company's state of affairs, the risks facing the Company and its economic objectives. The Chair evaluates the extent to which each director has contributed to the efficient utilisation of resources, the identification of risk and the achievement of economic objectives. During these discussions the Chair also elicits confidential feedback from each Director on their view of the interpersonal dynamics between Board members and the quality of the Board's decision making.

During the Reporting Period the Chair evaluated the performance of all Directors, including the Managing Director, in accordance with the above process.

Recommendation 1.7

The Managing Director is responsible for evaluating the performance of senior executives in accordance with the process disclosed in the Company's *Process for Performance Evaluations*.

During the Reporting Period the Managing Director conducted performance evaluations of Senior Executives. Where these evaluations resulted in the identification of areas where the Senior Executive's technical or interpersonal skills could be strengthened, appropriate training or remedial action was formulated and agreed.

Principle 2 – Structure the board to add value

Recommendation 2.1

The Board has established a Remuneration and Nomination Committee comprising Peter Hood (Chair), Phillip Lockyer, Joe Totaro and Deb Morrow. All members of the Remuneration and Nomination Committee are non-executive directors and all members are independent directors. Accordingly, the Remuneration and Nomination Committee is structured in accordance with Recommendation 2.1.

The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of the Remuneration and Nomination Committee and is disclosed on the Company's website.

Recommendation 2.2

The Board includes 3 qualified engineers, 1 qualified accountant and 1 director with a strong track record in sustainability and safety. The matrix of skills held by the Board is weighted towards those skills which are required to identify, assess, quantify and manage those risks which are most relevant to and prevalent in the Company's business and the industry in which it operates.

The majority of the Company's directors hold, or have held, positions on the boards of other publicly listed companies and all have extensive experience in the management of organisations across a range of industries.

When necessary, the Board engages the services of external experts and consultants to augment its capacity to consider and assess matters which fall outside the domain of its collective expertise.



CORPORATE GOVERNANCE STATEMENT

Recommendation 2.3

The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the Principles & Recommendations. The independent directors of the Company are Phillip Lockyer, Peter Hood, Joe Totaro and Deb Morrow.

The length of service of each director is set out in the Directors' Report of the Company's Annual Financial Report.

Recommendation 2.4

The Board has a majority of directors who are independent.

The Board is comprised of 5 directors, 4 of whom are or are deemed to be independent. The one non-independent director is Tony Patrizi. Tony Patrizi is a founding shareholder of the Company. Tony Patrizi has a thorough knowledge of the Company's business and extensive experience in managing the risks it faces. His continued presence on the Board is therefore highly valued.

The Board is of a size commensurate with the size and nature of the Company.

Recommendation 2.5

The Chair of the Board is Phillip Lockyer. Phil Lockyer is an independent director and is not the Chief Executive Officer.

Recommendation 2.6

The Company has an induction program for new directors and senior executives. The goal of the program is to assist new directors to participate fully and actively in Board decision-making at the earliest opportunity and to assist senior executives to participate fully and actively in management decision-making at the earliest opportunity. The Company's *Induction Program* is disclosed on the Company's website.

The Remuneration and Nomination Committee regularly reviews whether the directors as a group have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and the Board committees effectively using a Board skills matrix. Where any gaps are identified, the Remuneration and Nomination Committee considers what training or development should be undertaken to fill those gaps. In particular, the Remuneration and Nomination Committee ensures that any director who does not have specialist accounting skills or knowledge has a sufficient understanding of accounting matters to fulfil his or her responsibilities in relation to the Company's financial statements. Directors also receive ongoing briefings from the Company Secretary and Chief Financial Officer on developments in accounting standards.

Principle 3 – Act ethically and responsibly

Recommendation 3.1

The Company has established a Core Value policy, which is disclosed on the Company's website.

Recommendation 3.2

The Company has established a Code of Conduct for its directors, senior executives and employees, which is disclosed on the Company's website.

Recommendation 3.3

The Company has established a Whistleblower policy and any material incidents reported under this policy are communicated to the directors, as applicable.



CORPORATE GOVERNANCE STATEMENT

Recommendation 3.4

The Company has established an anti-bribery and corruption policy and any material incidents reported under this policy are communicated to the directors, as applicable.

Principle 4 – Safeguard integrity in corporate reporting

Recommendation 4.1

The Board has established an Audit and Risk Committee. The members of the Audit and Risk Committee are Joe Totaro (Chairman), Phillip Lockyer, Peter Hood and Deb Morrow. All members of the Audit and Risk Committee are independent non-executive directors and the Audit and Risk Committee is chaired by Mr Totaro who is not also Chairman of the Board. Accordingly, the Audit and Risk Committee is structured in compliance with Recommendation 4.1.

Joe Totaro (*B.Comm, CPA*) is a Certified Practicing Accountant (CPA) with over 30 years' experience in commercial and public practice specialising in mining and mining services. Joe is a co-founder of GR Engineering and was formerly the Chief Financial Officer and Company Secretary of GR Engineering. Joe Totaro is currently the Non-Executive Chairman of Tasmea Limited.

Peter Hood (*BE (Chem), MAustIMM, FIChemE, FAICD, AO*) is a Chemical Engineer and was formerly the Chief Executive Officer of Coogee Chemicals and Coogee Resources. He was Chairman of the International Chamber of Commerce National Committee of Australia. Peter is a Past President of the Australian Chamber of Commerce and Industry and the Chamber of Commerce and Industry Western Australia. Peter is currently the Lead Independent Director of Cue Energy Resources Limited.

Phillip Lockyer (*BAppSc (Mech Eng)*) is a Mining Engineer and metallurgist who has over 50 years experience in the mineral industry, with a focus on gold and nickel in both underground and open pit operations. He has formerly served on the Boards of Perilya Limited, Focus Minerals Limited, Swick Mining Services Limited and CGA Mining Limited. He is currently a Non-Executive Director of RTG Mining Inc.

Deb Morrow (*BBUS, GAICD*) is a highly regarded corporate leader with over 25 years experience leading large scale projects and had had a range of senior corporate and sustainability roles across the energy and mining sectors. Deb had a 24 year career with Woodside Energy Ltd and was a senior executive at OZ Minerals Ltd, prior to its acquisition by BHP Group Ltd in 2023. Deb is currently an Executive Director of Miner's Promise and the Chairperson of Holyoake.

The Board has adopted an Audit and Risk Committee Charter which describes the Audit and Risk Committee's role, composition, functions and responsibilities, which is disclosed on the Company's website.

Recommendation 4.2

Before the Board approved the Company financial statements for the half year ended 31 December 2025 and the full-year ended 30 June 2026, it received from the Managing Director and the Chief Financial Officer a declaration that, in their opinion, the financial records of the Company for the relevant financial period have been properly maintained and that the financial statements for the relevant financial period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and the consolidated entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.



CORPORATE GOVERNANCE STATEMENT

Recommendation 4.3

Under section 250RA of the Corporations Act, the Company's auditor is required to attend the Company's annual general meeting at which the audit report is considered, and to be represented by a person who is a suitably qualified member of the audit team that conducted the audit and is in a position to answer questions about the audit. Each year, the Company writes to the Company's auditor to inform them of the date of the Company's annual general meeting.

In accordance with section 250S of the Corporations Act, at the Company's annual general meeting where the Company's auditor or their representative is at the meeting, the Chair allows a reasonable opportunity for the members as a whole at the meeting to ask the auditor (or its representative) questions relevant to the conduct of the audit; the preparation and content of the auditor's report; the accounting policies adopted by the Company in relation to the preparation of the financial statements; and the independence of the auditor in relation to the conduct of the audit. The Chair also allows a reasonable opportunity for the auditor (or their representative) to answer written questions submitted to the auditor under section 250PA of the Corporations Act.

A representative of the Company's auditor, Deloitte Touche Tohmatsu attended the Company's annual general meeting held on 21 November 2025.

Principle 5 – Make timely and balanced disclosure

Recommendation 5.1

The Company has established written policies and procedures for complying with its continuous disclosure obligations under the ASX Listing Rules. A summary of the Company's *Policy on Continuous Disclosure and Compliance Procedures* are disclosed on the Company's website at www.gres.com.au.

Recommendation 5.2

The board of directors receives copies of all material market announcements promptly after they have been made.

Recommendation 5.3

The Company releases a copy of presentation materials, where there is new and substantive information, on the ASX Markets Platform ahead of the presentation.

Principle 6 – Respect the rights of security holders

Recommendation 6.1

The Company provides information about itself and its governance to investors via its website at www.gres.com.au as set out in its *Shareholder Communication and Investor Relations Policy*.

Recommendation 6.2

The Company has designed and implemented an investor relations program to facilitate effective two-way communication with investors. The program is set out in the Company's *Shareholder Communication and Investor Relations Policy*.

Recommendation 6.3

The Company has in place a *Shareholder Communication and Investor Relations Policy* which outlines the policies and processes that it has in place to facilitate and encourage participation at meetings of shareholders.



CORPORATE GOVERNANCE STATEMENT

Recommendation 6.4

The Company ensures that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

Recommendation 6.5

Shareholders are given the option to receive communications from, and send communications to, the Company and its share registry electronically. This is facilitated through the Company's website which provides access to the Company's and its share registry's full range of contact details, including email address.

Principle 7 – Recognise and manage risk

Recommendation 7.1

As noted above, the Board has established a combined Audit and Risk Committee. The Audit and Risk Committee is structured in accordance with Recommendation 7.1. Please refer to the disclosure above in relation to Recommendation 4.1 in relation to the Audit and Risk Committee.

Recommendation 7.2

The Audit and Risk Committee reviews the Company's risk management framework annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the Company faces and to ensure that the Company is operating within the risk appetite set by the Board.

Recommendation 7.3

The Company does not have an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's *Risk Management Policy*.

Recommendation 7.4

The Company provides engineering and construction services to the mining industry and operations and maintenance services to the oil and gas industry, including producers of coal seam gas. These activities expose the Company, directly and indirectly to environmental, social and economic sustainability risks, which may materially impact the Company's ability to create or preserve value for shareholders over the short, medium or long term.

In relation to the provision of goods and services, these risks are mitigated by virtue of the Company entering a project's life cycle at a stage where all environmental, social and economic requirements of the relevant jurisdiction have been met by the client. The Company does not provide goods and services in circumstances where this is not the case and to that extent, the Company is in a position to continue its business activities in an environmentally, socially and economically sustainable manner.

In relation to the Company's suppliers, the Company takes due care to ensure that the goods and services required for the conduct of its business are sourced from entities which act fairly and responsibly within the environments, societies and economies in which they operate thereby mitigating sustainability risks in relation to these factors.

The Company aims to operate in a socially sustainable way by engaging with the local communities and wherever possible providing employment and training opportunities to members of the local community. In doing so, the Company operates within the framework of local norms and customs and endeavours to ensure that its clients do likewise. The Company will not participate in any activity where it is likely to receive either directly or indirectly, economic benefit through the exploitation of others.



CORPORATE GOVERNANCE STATEMENT

Principle 8 – Remunerate fairly and responsibly

Recommendation 8.1

As noted above in relation to Recommendation 2.1, the Board has established a Remuneration and Nomination Committee. The Remuneration and Nomination Committee is structured in compliance with Recommendation 8.1. Please refer to the disclosure above in relation to Recommendation 2.1 in relation to the Remuneration and Nomination Committee.

Recommendation 8.2

Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms part of the Directors' Report in the Company's Annual Financial Report. This disclosure includes a summary of the Company's policies regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of the performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements.

Under the terms of the GR Engineering Services Limited Equity Incentive Plan (**Plan**), if in the opinion of the Board a participant acts fraudulently or dishonestly or wilfully breaches his or her duties to the Company, the Board may in its absolute discretion determine that all unvested or unexercised performance rights or share appreciation rights held by the participant will lapse.

In addition to the provisions under the Plan, the Board has adopted a clawback policy in relation to any cash bonuses or shares issued pursuant to the Plan. Under this policy the Board reserves the right to take action to reduce, recoup or otherwise adjust the employees performance based remuneration in circumstances where in the opinion of the Board, an employee has acted fraudulently or dishonestly or has wilfully breached his or her duties to the Company.

Recommendation 8.3

The Company's Remuneration Committee Charter includes a statement of the Company's policy on prohibiting participants in the Plan entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Plan.

ADDITIONAL ASX INFORMATION

The shareholder information set out below was applicable as at 28 July 2026:

- the twenty largest shareholders held 66.08% of the Ordinary Shares; and
- there were 5,647 ordinary shareholders.

Distribution of securities

Analysis of number of equity security holders by size of holding:

Range	Total	Units	% of shares issued
1 - 1,000	1,817	838,197	0.49%
1,001 - 5,000	1,923	5,432,644	3.19%
5,001 - 10,000	776	6,128,758	3.60%
10,001 - 100,000	1,044	29,282,177	17.20%
100,001 - 1,000,000	66	14,967,049	8.79%
1,000,001 - 9,999,999,999	21	113,639,541	66.73%
	5,647	170,288,366	100.00%

The number of shareholders holding less than a marketable parcel of ordinary shares is 135.

Equity security holders

Top 20 Shareholders as at 28 July 2026

Name	Number of shares held	% of shares issued
1. Citicorp Nominees Pty Ltd	13,134,626	7.71%
2. Mr David Joseph Sala Tenna + Ms Jane Frances Sala Tenna	12,325,000	7.24%
3. Joley Pty Ltd	10,057,720	5.91%
4. Paksian Pty Ltd	9,798,578	5.75%
5. Kingarth Pty Ltd	9,795,000	5.75%
6. HSBC Custody Nominees (Australia) Limited	9,053,638	5.32%
7. Ms Beverley June Schier	8,100,000	4.76%
8. Ledgking Pty Ltd	6,175,000	3.63%
9. Polly Pty Ltd	5,500,000	3.23%
10. Quintal Pty Ltd	5,247,000	3.08%
11. Mr Giuseppe Totaro	5,000,000	2.94%
12. Mr Stephen Paul Kendrick	3,491,000	2.05%
13. BNP Paribas Nominees Pty Ltd	2,703,358	1.59%
14. J P Morgan Nominees Australia Pty Ltd	2,618,219	1.54%
15. BNP Paribas Noms (NZ) Ltd	2,320,238	1.36%
16. Sistar Pty Ltd	1,952,280	1.15%
17. RHC Investments Pty Ltd	1,653,171	0.97%
18. Ms Barbara Ann Woodhouse	1,300,000	0.76%
19. Morgan Stanley Australia Securities (Nominee) Pty Ltd	1,188,098	0.70%
20. Warbont Nominees Pty Ltd	1,116,011	0.66%
	112,528,937	66.08%

Substantial shareholders

Name	Number of shares held	% of shares issued
1. Mr David Joseph Sala Tenna + Ms Jane Frances Sala Tenna	12,325,000	7.24%
2. Joley Pty Ltd	10,057,720	5.91%
3. Paksian Pty Ltd	9,798,578	5.75%
4. Kingarth Pty Ltd	9,795,000	5.75%

ADDITIONAL ASX INFORMATION

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

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.

Options over ordinary shares

There are no voting rights attached to Options over the consolidated entity's shares.

Performance rights

There are no voting rights attached to Performance Rights over the consolidated entity's shares.

Options on issue

There are no options on issue.

Performance rights

The following performance rights are on issue:

<i>Number</i>	<i>Vesting date</i>
1,976,750	28 Aug 2026
30,000	10 Nov 2026
130,000	13 Mar 2027
60,000	22 Jul 2027
28,000	30 Oct 2027
105,000	30 Nov 2027
76,500	17 Mar 2028
20,000	9 Jun 2028
35,000	29 Feb 2028
35,000	26 Aug 2028
67,500	9 Sep 2028
296,500	31 Oct 2028
45,000	27 Nov 2028
786,000	8 Dec 2028
42,500	8 Apr 2029

Company secretary

Mr Omesh Motiwalla

Registered office

71 Daly Street
ASCOT WA 6104

Principal place of business

71 Daly Street
ASCOT WA 6104
Telephone: (61 8) 6272 6000 Facsimile: (61 8) 6272 6001

Share registry

Computershare Investor Services Pty Limited
Level 17, 221 St Georges Terrace
PERTH WA 6000

On-market buyback

The consolidated entity has no current on-market buy back scheme.

Restricted securities

There are no securities subject to any voluntary escrow or any transfer restrictions.

Appendix 4E

Preliminary Final Report to the Australian Securities Exchange

GR Engineering Services Limited

ABN 12 121 542 738

For the Year Ended 30 June 2026
(corresponding period year ended 30 June 2025)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	<i>\$'000</i>	<i>Percentage Increase/ (decrease) From 30/6/25</i>
Revenue from ordinary activities	493,164	2.95%
Profit from ordinary activities after tax attributable to members	39,033	14.10%
Net profit for the year attributable to members	39,033	14.10%

DIVIDENDS

	<i>2026 cents per share</i>	<i>2025 cents per share</i>
Interim dividend	12.00 (fully franked)	10.00 (fully franked)
Final dividend	13.00 (fully franked)	12.00 (fully franked)

A fully franked final dividend of 13.00 cents per share was resolved to be paid, with an ex-dividend date of 31 August 2026 and a record date for determining entitlements to the dividend of 1 September 2026. The payment date of the final dividend is 23 September 2026.

GR Engineering has a Dividend Reinvestment Plan (DRP) which enables all shareholders to elect to have all or some of their dividend reinvested in additional GR Engineering shares. The DRP is applicable to the FY26 final dividend. The Directors have determined that a 2.5% discount will apply to the allocation price. The last date for lodgement of election notices to participate in the DRP for the 2026 final dividend is 5pm AWST on 2 September 2026.

NET TANGIBLE ASSET BACKING

	<i>30 June 2026</i>	<i>30 June 2025</i>
Net tangible asset backing per ordinary security *	29.77 cents	24.68 cents

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

The Annual Financial Report dated 24 August 2026 forms part of and should be read in conjunction with this Preliminary Final Report (Appendix 4E).

This report is based on accounts which have been audited. The audit report is included in the Annual Financial Report.