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ASX Release

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FY26 Preliminary Results and Turbine Sale Update

Highlights:

All dollar references in this announcement are to US Dollars unless otherwise stated.

- **FY26 marked a significant financial and strategic reset for EWC,** with the Company ending the year with no external borrowings and as announced on 2 June 2026 having executed the $350 million sale of its gas and steam turbines to Hallador Energy Company (Nasdaq: HNRG) ("**Turbine Sale Agreement"**) (capitalised terms herein refer to Turbine Sale Agreement and as summarised in the Announcement of 2 June 2026).
- **Statutory loss attributable to EWC shareholders of $452.3 million,** primarily reflecting non-cash impairment of the Power Plant assets following the Turbine Sale;
- **Estimated net proceeds from the Turbine Sale of approximately $329.9 million,** subject to adjustments that may arise following the Conformity Assessment. The Company's potential exposure to Restoration Costs is disclosed as a contingent liability.
- **Approximately $207.9 million of estimated Turbine Sale net proceeds was not recognised in net assets at 30 June 2026** under applicable Accounting Standards
- Reported Net Tangible Assets ("NTA") of **7.52 US cents per share,** with illustrative pro forma NTA of approximately **12.92 US cents per share** after including the estimated Turbine Sale proceeds not recognised at year end
- **$70.5 million reversal of the previous impairment of the Pagbilao LNG Hub**
- **Turbine deconstruction remains on schedule,** with Delivery (as defined in the Turbine Sale Agreement) anticipated during September 2026
- Strategic review continues, with **capital not required to meet the Group's near- and medium-term funding requirements potentially available for return to shareholders**

Energy World Corporation Limited (ASX: EWC) ("EWC" or the "Company") is pleased to provide its preliminary financial results for the year ended 30 June 2026 ("FY26").

FY26 was a year of significant change for EWC. During the year, the Company completed the conversion of related-party debt to equity, resulting in EWC having no external borrowings, and entered into a binding agreement to sell its gas and steam turbines to Hallador Energy Company ("Hallador") for $350 million.

The Company is now focused on completing the Turbine Sale, progressing the strategic review of its remaining asset portfolio and determining the optimal allocation of capital following receipt of the transaction proceeds.

FY26 financial results

The Group recorded a statutory loss attributable to EWC shareholders of $452.3 million for FY26, compared with a profit of $346.1 million in FY25.

The FY26 result primarily reflects non-cash impairment charges associated with the Company's asset portfolio, principally the full impairment of the remaining Power Plant assets following the decision to sell the turbines. The prior-year result included a $377.9 million gain on derecognition of financial liabilities arising from the Company's debt restructuring.

At 30 June 2026, the Group had net assets of $289.2 million, net current assets of $88.3 million and no external borrowings.

The timing and final amount of Turbine Sale proceeds remain subject to achievement of contractual milestones, including Delivery of the Turbines, and to applicable adjustment mechanisms, including potential adjustments arising from the Conformity Assessment. As disclosed in the accompanying Preliminary Financial Report, these matters indicate a material uncertainty that casts significant doubt on the Group's ability to continue as a going concern.

Having considered this and the legally binding Turbine Sale Agreement; progress towards satisfaction of the remaining contractual milestones; and as outlined in the Appendix 4E and Preliminary Financial Report, the expected timing and amount of staged proceeds from the Turbine Sale; the Group having no external borrowings at 30 June 2026; forecast operating and corporate expenditure; potential project development expenditure, including the Board's discretion as to the timing and amount of such expenditure; and the Board's discretion as to the timing and amount of any future capital management initiatives, including any return of surplus capital to shareholders, the Directors have a reasonable expectation that the Group will have sufficient financial resources to meet its obligations as they fall due for at least 12 months from approval of the financial statements and consider the going concern basis of preparation appropriate.

Turbine Sale and pro forma financial position

As reported in the Appendix 4E and Preliminary Financial Report released today, Net Tangible Assets ('NTA') per ordinary security decreased to 7.52 cents at 30 June 2026 (30 June 2025: 9.68 cents).

As a consequence of the Turbine Sale, and as required by applicable Accounting Standards, the Turbines have been classified as assets held for sale and are measured at the lower of their carrying amount and fair value less costs to sell. At 30 June 2026, the Turbines are therefore recognised at their carrying amount of approximately $129.8 million (i.e. cost).

In addition, a receivable asset has been recognised in respect of the first $35.0 million available to fund payments associated with the Turbine Sale, net of amounts drawn prior to year end, a contract debtor of $27.2 million is recorded. This is offset by a corresponding contract liability of $35.0 million, which has a negative effect on NTA.

Accordingly, only $129.8 million in respect of the Turbines is reflected in Net Assets at 30 June 2026. As shown in the table below, based on the contracted Sale Price and assuming Completion occurs, less currently estimated transaction costs, and before any adjustment that may arise following completion of the Conformity Assessment, estimated net proceeds from the Turbine Sale are approximately $329.9 million.

On this basis, approximately $207.9 million of the estimated net proceeds is not recognised as an asset at 30 June 2026.

For illustrative purposes, if this unrecognised amount were included in Net Assets, the Company's pro forma NTA per ordinary security would be approximately 12.92 US cents, compared with reported NTA of 7.52 US cents. This pro forma amount is presented for illustrative purposes only and does not represent an amount recognised in accordance with applicable Accounting Standards.

	Pro Forma		As reported
	$'000	**$'000**	**$'000**
Contract Price		350,000	
Costs to 30 June 2026	(7,830)		
Estimated Costs to Completion	(12,230)		
Less: Total Project Costs		**(20,060)**	
Estimated Net Proceeds		**329,940**	
Recorded at 30 June 2026 (with reference to Appendix 4E released today)			
Contract Debtors	27,170		
Asset Held for Sale	129,819		
Contract Liability	(35,000)		
Less: Total Included in Total Assets per Appendix 4e		**(121,989)**	
Pro Forma potential net proceeds receivable		**207,951**	
Reported Net Assets		**289,215**	**289,215**
Pro Forma Net Assets		**497,166**	
Less: Right-of-use assets		(1,374)	(1,374)
Add: Lease liabilities		1,975	1,975
Net tangible assets		**497,767**	**289,816**
Shares		3,853,389,705	3,853,389,705
Pro Forma NTA per share (US cents)		**12.92**	**7.52**

Pagbilao LNG Hub

During FY26, the Company progressed work to assess the Pagbilao LNG Hub as a standalone LNG terminal independent of the adjoining Power Plant.

This included development of a standalone business plan and preliminary engagement with potential third-party customers. Based on this work and management's assessment of the Hub's recoverable amount, the Company determined that the circumstances underlying a previous impairment had changed and reversed $70.5 million of that impairment.

The Pagbilao LNG Hub therefore has a carrying value of $201.1 million at 30 June 2026.

The Company has commenced engagement with potential partners and customers, with several non-disclosure agreements signed. These opportunities continue to be evaluated as part of EWC's broader strategic review.

Turbine Sale update

Gas turbine deconstruction and heavy-lift preparation at Pagbilao, August 2026

Site works supporting turbine loading and shipment preparations at Pagbilao, August 2026

As announced on 10 August 2026, the scheduled Delivery date under the Turbine Sale Agreement was extended from 31 August to 4 September 2026 to provide additional operational flexibility and accommodate vessel scheduling.

Deconstruction of the turbines at Pagbilao is progressing on schedule. A turbine and a generator have been moved to a hard stand near the slipway where they have started undergoing preservation treatments before their ocean journey. The other turbine and generator will be moved this week.

The Company has, however, been advised that the arrival of the vessel is delayed by up to two weeks. This will delay loading and Delivery (as defined in the Turbine Sale Agreement). Shipping is being arranged by the Buyer so a delay in vessel arrival will not expose the Company to Liquidated Damages.

Despite the delay, the Company continues to anticipate Delivery to occur during September 2026, which would then, with the Bills of Lading placed into escrow, trigger a payment to the Company of $50 million. We are advised that the shippers remain confident that the broader schedule for delivery of the equipment to Siemens in the US can be maintained.

EWC will continue to keep shareholders informed of material developments as the transaction progresses.

Capital management

The Company continues to review the optimal development strategy for its capital projects.

The Directors currently expect that proceeds from the Turbine Sale will provide sufficient funding for those projects ultimately approved by the Board without the need for external capital. The timing and amount of expenditure on those projects remain subject to Board approval.

Capital not required to meet the Group's near- and medium-term funding requirements may be returned to shareholders. The form, amount and timing of any such return would be determined by the Board having regard to the Company's financial position, strategic priorities and funding requirements and, where required, would be subject to shareholder approval.

Annual General Meeting (AGM)

The Company advises that its Annual General Meeting will be held on 17 November 2026 and the closing date for receipt of nominations from persons wishing to be considered for election as a director, is 26 September 2026.

Chairman's comments

EWC Executive Chairman, Alan Jowell, said:

"FY26 was a year of significant financial and strategic change for Energy World Corporation. We ended the year with no external borrowings, agreed the $350 million sale of the Company's turbines and advanced our assessment of the Pagbilao LNG Hub as a standalone infrastructure opportunity.

"The statutory result reflects significant non-cash impairments arising from this reset of the Company's asset base, while the majority of the expected economic benefit from the Turbine Sale is not yet reflected in the 30 June balance sheet.

"Our immediate priority is to complete the Turbine Sale. In parallel, we are progressing the strategic review of our remaining assets and will take a disciplined approach to capital allocation, including consideration of returning capital that is not required for the Company's near- and medium-term funding needs."

Further details are contained in the Company's accompanying Appendix 4E and Preliminary Financial Report for the year ended 30 June 2026. The preliminary financial statements are currently in the process of being audited.

Authorised for release by the Board of Energy World Corporation Ltd.

For more information, please contact:

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