

23 February 2026

Execution of strategy continues to reshape the portfolio and deliver earnings growth

Key points

- Revenue: \$1.73 billion in line with the first half record set in 1H25.
- Underlying EBIT(A): \$160.1 million, a 3% increase on 1H25.
- Underlying NPAT(A): \$91.8 million, a 12% increase on 1H25.
- Statutory NPAT: \$70.5 million, an 11% increase on 1H25.
- Underlying EPS: 9.8 cents per share a 12% increase on 1H25.
- EBIT(A) margin strengthened to 9.3%, up from 9.0% in 1H25.
- Adjusted Free Cash Flow: \$33.1 million, on target to meet FY26 guidance.
- Leverage of 0.6x, a result of prudent balance sheet management.
- Interim dividend of 3.25 cents per share, up 8.3% from 1H25.
- Continued improvement in safety systems and respectful workplace initiatives.
- FY26 Revenue and EBIT(A) guidance tightened due to the rising AUD:USD exchange rate.
- FY26 guidance adjusted to:
 - Revenue between \$3.45 billion and \$3.55 billion (previously \$3.45 to \$3.65 billion);
 - EBIT(A) of \$335 million to \$350 million (previously \$335 to \$355 million);
 - Net capital expenditure of circa \$325 million (previously \$340 million);
 - Free cash flow greater than \$170 million (previously greater than \$160 million).

Perenti (ASX: PRN) has delivered a solid first half result, remaining on track to deliver another strong full year result. Consistent with prior years and as outlined at the FY25 results call in August 2025, earnings in FY26 are expected to be weighted to the second half of the year.

The Board and Management remain confident in Perenti's outlook, supported by improving market conditions, disciplined capital allocation, further strengthening of the balance sheet, and a strong pipeline of opportunities across the Group's diversified portfolio.

Market conditions across Contract Mining and Drilling Services continue to improve, particularly in North America where tender activity has increased materially during recent years. While growth opportunities are emerging, Perenti remains focused on maintaining a disciplined approach to capital allocation, prioritising sustainable delivery of earnings over headline revenue growth. The Group continues to maintain strong work-in-hand and a growing pipeline of opportunities.

The exploration drilling market showed moderate growth during the period, with further increases in activity expected through the fourth quarter of FY26. Utilisation within the Drilling Services division continued to trend higher in line with market conditions. Margins are expected to improve during the second half and into FY27 as available drilling capacity in the market decreases, and recently mobilised projects in North America shift to steady state operations.

Mark Norwell, Managing Director & CEO of Perenti, said: "Perenti has delivered another consistent first half result and is positioned to deliver a strong FY26. As communicated previously, earnings will be weighted to the second half, consistent with prior periods."

“We are particularly pleased with the improvement in EBIT(A) margin to 9.3% compared to 9.0% in 1H25, partially due to a successful demobilisation from an underperforming underground project in Botswana and a shift towards other higher-performing projects.”

“Similar to prior years, several customers paid invoices in early January 2026, which had a timing impact on half-year free cash flow. After adjusting for these late receipts, normalised free cash flow of \$33 million for 1H26 remains in line with our FY26 guidance expectations.”

“The Board’s confidence in the outlook is reflected in the declaration of an interim dividend of 3.25 cents per share, an increase of 8% on 1H25.”

Safety and Sustainability

The safety of everyone that works for Perenti remains our highest priority, guided by the objective of achieving no physical or psychological life-changing events. During 1H26, the Group continued to strengthen safety frameworks through enhanced frontline leadership training, clear role-based safety expectations, updated critical risk frameworks, including assurance activities and ongoing initiatives to support a safe and respectful workplace culture.

Progress was also made across sustainability initiatives during the period, including publication of the annual Sustainability Report, submission of Modern Slavery Statements for Australia and Canada, and continued advancement of climate-related risk assessment activities in preparation for AASB S2 reporting requirements.

Financial results

Group underlying results – \$ million	1H25	1H26		Change
Revenue	1,730.4	1,728.7	—	—%
EBITDA	322.7	317.0	▼	2%
EBIT(A)	155.1	160.1	▲	3%
EBIT(A) Margin	9.0%	9.3%	▲	3%
NPAT(A)	81.7	91.8	▲	12%
Reported NPAT	63.5	70.5	▲	11%
Free cash flow (normalised) ¹	30.6	33.1	▲	8%
Net Debt	598.1	385.3	▼	36%
Leverage ²	0.9x	0.6x	▼	36%
EPS ³	8.7 cps	9.8 cps	▲	12%
Statutory EPS ⁴	6.0 cps	6.2 cps	▲	4%
Total dividends per share	3.00	3.25	▲	8%

Revenue for the half year was \$1.73 billion, underpinned by the successful transition from an underperforming underground contract in Botswana. Revenue from that project was partially replaced by projects across Australia, North America and Africa at improved earnings margins, contributing to EBIT(A) margin expansion to 9.3% from 9.0% in 1H25.

¹ Normalised FCF accounts for late debtors subsequently received in January and is defined as net cash inflow from operating activities after interest, tax and net of all capital expenditure and investments.

² Leverage is defined as Net Debt / LTM underlying EBITDA.

³ Underlying EPS is Underlying NPAT(A) / Weighted average shares on issue.

⁴ Statutory EPS is Profit attributable to members / Weighted average shares on issue.

EBIT(A) was \$160.1 million, up 3.2% on 1H25, while underlying NPAT(A) increased 12.4% to \$91.8 million. Reported NPAT increased 10.9% to \$70.5 million compared to 1H25.

Normalised free cash flow also rose to \$33.1 million, compared on the same basis to \$30.6 million in 1H25. On an unadjusted basis, free cash flow was \$(17.2) million, reflecting timing of debtor receipts.

Net debt at the end of the reporting period was \$385.3 million, with leverage of 0.6x based on last twelve months' EBITDA. The Board declared an interim dividend of 3.25 cents per share.

Debt repayments were \$135.4 million as a result of the final redemption of the US\$103 million 2025 US144A Senior Unsecured Notes in July 2025. Dividends paid to Perenti shareholders were \$39.9 million and \$7.0 million in dividends to non-controlling interests was also paid.

Upcoming Board Changes

Tim Longstaff has advised that he proposes to resign as a Non-executive Director with effect from 30 April 2026 to focus on his expanded responsibilities as the newly appointed Chair of Aurizon.

Forward Outlook

Work in hand was \$5.8 billion at 31 December 2025. In addition, the team has visibility on a significant pipeline of opportunities totalling \$18.6 billion.

In February 2026, Barmenco USA received a Letter of Intent from Barrick at its Fourmile Project in Nevada, USA for early work readiness activities. This reflects Barrick's continued confidence in Barmenco's technical capability and underground development expertise and represents an important step toward progressing the Fourmile Project. We will continue to work with Barrick toward finalising scope and contractual arrangements, with project commencement likely in FY27.

Guidance for FY26

Due to the recent uplift in AUD:USD exchange rate, the top end of guidance for revenue and EBIT(A) has been reduced. Conversely, free cash flow guidance has improved to greater than \$170m, with capital expenditure guidance reduced to \$325 million.

Perenti's updated FY26 guidance is:

- Revenue between \$3.45 billion and \$3.55 billion;
- EBIT(A) of \$335 million to \$350 million;
- Net capital expenditure of circa \$325 million;
- Free cash flow greater than \$170 million.

Authorised by:
The Perenti Board of Directors

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