

MATRIX HALF YEAR 2026 FINANCIAL RESULTS

27 FEBRUARY 2025

OVERVIEW

- Revenue \$26.9m for 1H FY26 (1H FY25 \$39.4m) driven by Subsea Buoyancy project timing, strong uplift secured for 2H.
- Underlying EBITDA loss \$4.1m¹ (1H FY25: \$3.2m).
- Reported Net Loss After Tax \$9.4m (1H FY25: \$1.0m).
- Operating cash inflow of \$1.4m (1H FY25: 4.7m cash outflow), with cash on hand at 31 Dec 25 of \$18.0m (30 Jun 25: \$18.3m).
- Secured revenue for delivery in FY26 now increased to \$80m with further opportunities to add to FY26 production.
- Second half secured work of over \$50m with improved margins expected to deliver positive EBITDA for 2H and the full year FY26.
- Strong Subsea project pipeline, with Advanced Materials offering diversification and growth opportunities across Energy, Mining and Defence.

Matrix Composites & Engineering Ltd (ASX: MCE, "Matrix" or the "Company") announces its results for the six months ended 31 December 2025 (1H FY26). The result reflects the timing of secured work during the period, with FY26 secured work of \$80m strongly weighted to the second half and positioning the Company for growth in annual revenue and positive EBITDA.

Matrix reported revenue of \$26.9 million for 1H FY26 (1H FY25: \$39.4 million), with the timing of Subsea contracts delivering lower revenue compared to the prior corresponding period. This translated through to an underlying EBITDA loss of \$4.1 million (1H FY25: \$3.2 million).

The production phase on major projects for this year commenced in November, resulting in revenue and profitability being significantly weighted to the second half of FY26. With several new project awards recently added to the Subsea order book, secured revenue for FY26 is already at \$80 million for the full year.

As a result, a significant step up in activity in the second half is driving expected revenue ahead of FY25, with a further increase for the Company's SURF (Subsea Umbilicals, Risers, and Flowlines) business. Matrix continues to build on its significant market presence in the SURF sector since meaningfully entering the market in 2022.

Matrix Chief Executive Officer Aaron Begley commented:

"Matrix's first half result reflects a strong weighting of production for contracted work to the second half of FY26. While this impacted revenue and earnings for the first half of the year, we are set for revenue to more than double in the second half, positioning us well to deliver revenue growth from FY25, and positive EBITDA for FY26.

"With continuing activity in our Subsea quotation pipeline, mainly on the SURF front, we see momentum supporting future growth. Furthermore, expanded opportunities are emerging within

¹ Underlying EBITDA 1H FY26 excludes FX loss \$0.3m (1H FY25: \$0.5m gain) and non-cash Convertible Note Fair Value adjustment gain of \$0.1m (1H FY25: \$2.0m).

our Advanced Materials business, including leveraging our strategic location in the fast growing Henderson Defence precinct of Western Australia.”

Subsea work continued to be the key revenue driver, comprising over 90% of Matrix's total revenue. Over three quarters of the Company's revenue comprised production and supply of SURF products to international offshore projects, where Matrix is strengthening its market position building out its SURF product and technology suite.

Advanced Materials is generating activity across the Energy, Mining and Defence sectors, with Coating Technologies providing ongoing sustainment revenue, together comprising close to 10% of Group revenue for the half year.

Matrix reported a statutory Net Loss After Tax of \$9.4 million (1H FY25 \$1.0 million profit, 2H FY25 \$3.2 million loss).

Operating cash flow for the half was \$1.4 million, compared to a net outflow of \$4.7 million in 1H FY25, impacted by contract payment timing and movements in working capital. Cash on hand at 31 December 2025 was steady at \$18.0 million, compared to \$18.3 million at 30 June 2025.

Matrix fully redeemed its \$7.5 million Convertible Note in December 2025, refinancing with a National Australia Bank debt facility, comprising a \$7.5 million term loan, plus working capital and Bank Guarantees support. The new debt facilities delivered improved size and pricing compared to the Convertible Note, and provide Matrix with increased capacity and flexibility to fund new project awards in the pipeline.

Outlook

Production activity at the Matrix Henderson facility has ramped up with major Subsea projects now underway. Several new awards recently announced across both the SURF and drilling riser buoyancy markets have added to activity for the half year.

With \$80 million of revenue secured for FY26, the Company is set for a significantly improved second half to deliver year on year revenue growth for the full year, up on the \$74.8 million for FY25, and an EBITDA positive full year.

The Company continues to build its presence and product offering in the SURF market, where further projects are being pursued for additional FY26 and FY27 production. Around \$300 million of competitive quotations have been submitted and are yet to be awarded. The Company also continues to be active in pursuing new work in the drilling sector where there has been a surge in recent quotation work. The quotation pipeline has around \$120 million of outstanding quotes in addition to the \$9m in drilling awards received in February.

Matrix is also exploring further opportunities for its Advanced Materials business across Energy, Mining and Defence. The Company is strategically located in the rapidly growing engineering and defence hub in Henderson Western Australia, where the federal government has committed \$12 billion to build a significant defence precinct in Henderson to support AUKUS sustainment and ship building. Matrix's site, at the heart of the precinct, is very well positioned to utilise its significant 35,000m² footprint to pursue opportunities within emerging defence initiatives.

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This announcement was authorised for release by the Managing Director and CEO of Matrix.

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ABOUT MATRIX COMPOSITES & ENGINEERING

Matrix Composites & Engineering specialises in the design, engineering, and manufacture of composite and advanced material technology solutions for the oil and gas, civil and infrastructure, resources, defence, and transportation industries. With more than 20 years-experience, Matrix has gained a reputation as an industry leader and has become a major exporter of Australian goods and services with customers located all over the world. From its award-winning head office in Australia and offices in the United States, and a global network, Matrix is uniquely positioned to deliver complete turnkey solutions offerings with localised customer support.

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