

ASX ANNOUNCEMENT

24 April 2023

DURATEC UPGRADES FY23 GUIDANCE

Australian engineering, construction, and remediation contractor Duratec Limited (**Duratec** or the **Company**) (ASX: DUR) announces an upgrade of guidance for revenue and normalised EBITDA for FY23. The revised revenue range is now expected to be between \$465m and \$495m and normalised EBITDA \$36m to \$39m, up from of \$420m to \$460m and \$32m to \$35m (respectively) announced to the ASX on 28 February 2023.

The Company's 2H FY23 performance has been stronger than previously forecast, as a direct result of the Company's ability to convert key project awards to delivery in better-than-expected timeframes and a strong growth and profit contribution from Wilson's Pipe Fabrication. As such there has been a significant improvement to the 2H FY23 result, which is now reflected in the upgraded guidance.

In FY22, the Company reported revenue of \$310m and normalised EBITDA of \$19.3m.

The Company's current orderbook remains strong at \$495m, tenders of \$748m and pipeline, comprising tenders and identified opportunities, is \$2.6bn. The Company's cash generation remains effective and in line with the Company's expectations.

Duratec Managing Director, Phil Harcourt, said "We are very pleased to be delivering a strong result for FY23 and outperforming initial expectations through a combination of contributing factors. These include the recent approval of contract variation claims, commencement of recently secured projects, increased productivity and reduction in risk allowance on a number of projects and a stronger than anticipated contribution from Wilson's Pipe Fabrication. WPF is now expected to achieve revenue of ~\$30m and a gross margin in the high 20%'s for FY23, of which Duratec receives an 8-month contribution from date of acquisition. We continue to focus on maintaining and growing our order book, through the continually sourcing of identified opportunity and tendering at the required level to support the Company's growth into the future."

Authorised for release to ASX by the Board of Duratec Limited.

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DIRECTORS

Phil Harcourt - Managing Director
Chris Oates - Executive Director
Martin Brydon - Non-Executive Chairman
Gavin Miller - Non-Executive Director
Dennis Wilkins - Company Secretary

About Duratec Limited

Duratec Limited (ASX: DUR) is a leading Australian contractor providing assessment, protection, remediation, and refurbishment services to a broad range of assets and infrastructure. The Company's multi-disciplined capabilities combine engineering experience with project delivery expertise and use a range of in-house assessment technologies, including 3D capture and modelling technology with predictive analysis tools. Headquartered in Wangara, Western Australia, Duratec has fifteen branches around the country in capital cities and regional centres, delivering services across multiple sectors including Defence, Commercial Buildings & Facades, Infrastructure (Water, Transport & Marine), Mining & Industrial, Power and Energy.

Please visit www.duratec.com.au for further information.

This release contains certain forward-looking statements and forecasts, including in relation to possible or assumed future performance, costs, dividends, rates, prices, revenue, potential growth of Duratec Limited, industry growth or other trend projections. Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of Duratec Limited. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements, depending on a variety of factors.

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