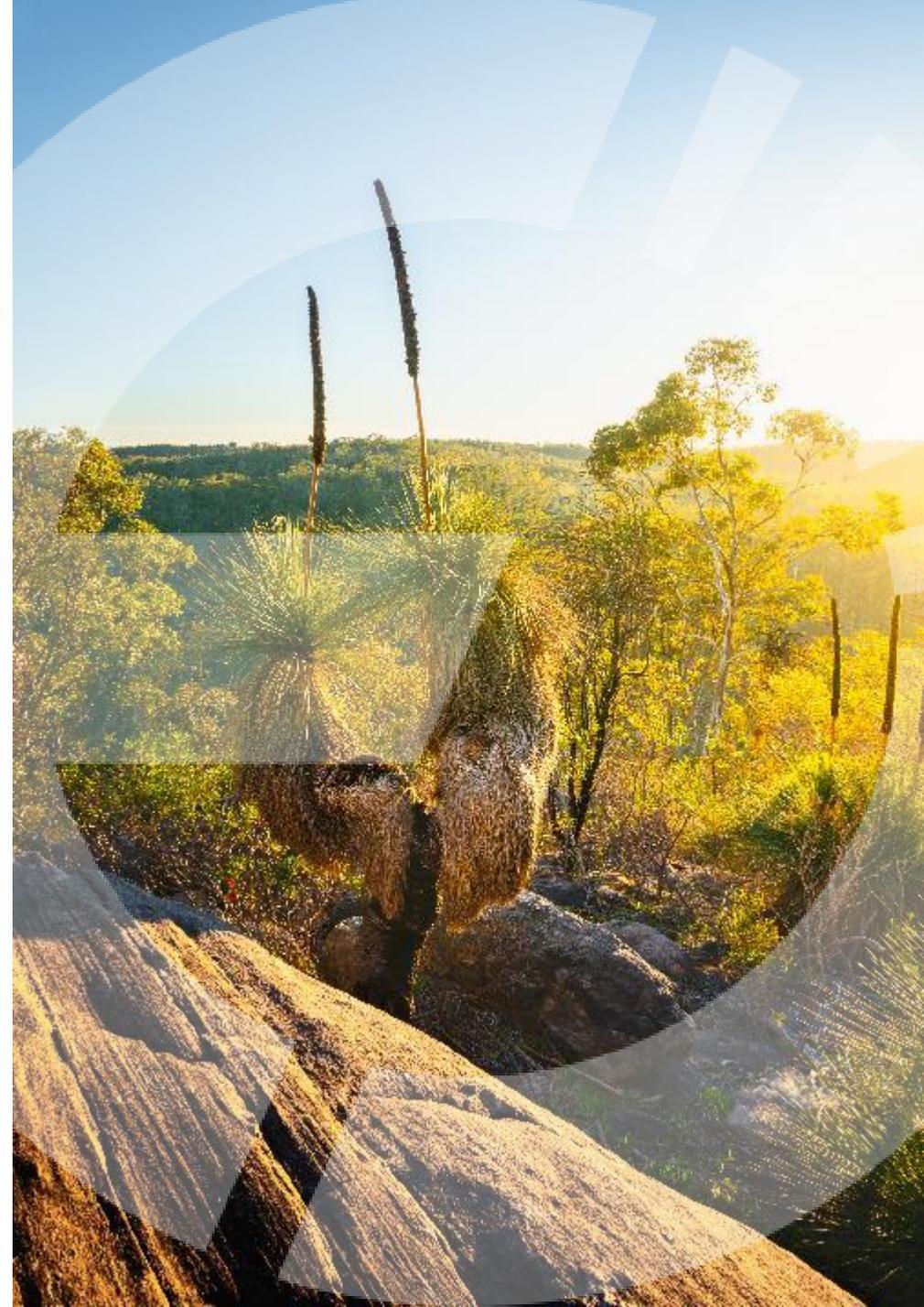




# The Environmental Group Limited

*Engineering a Sustainable Future*

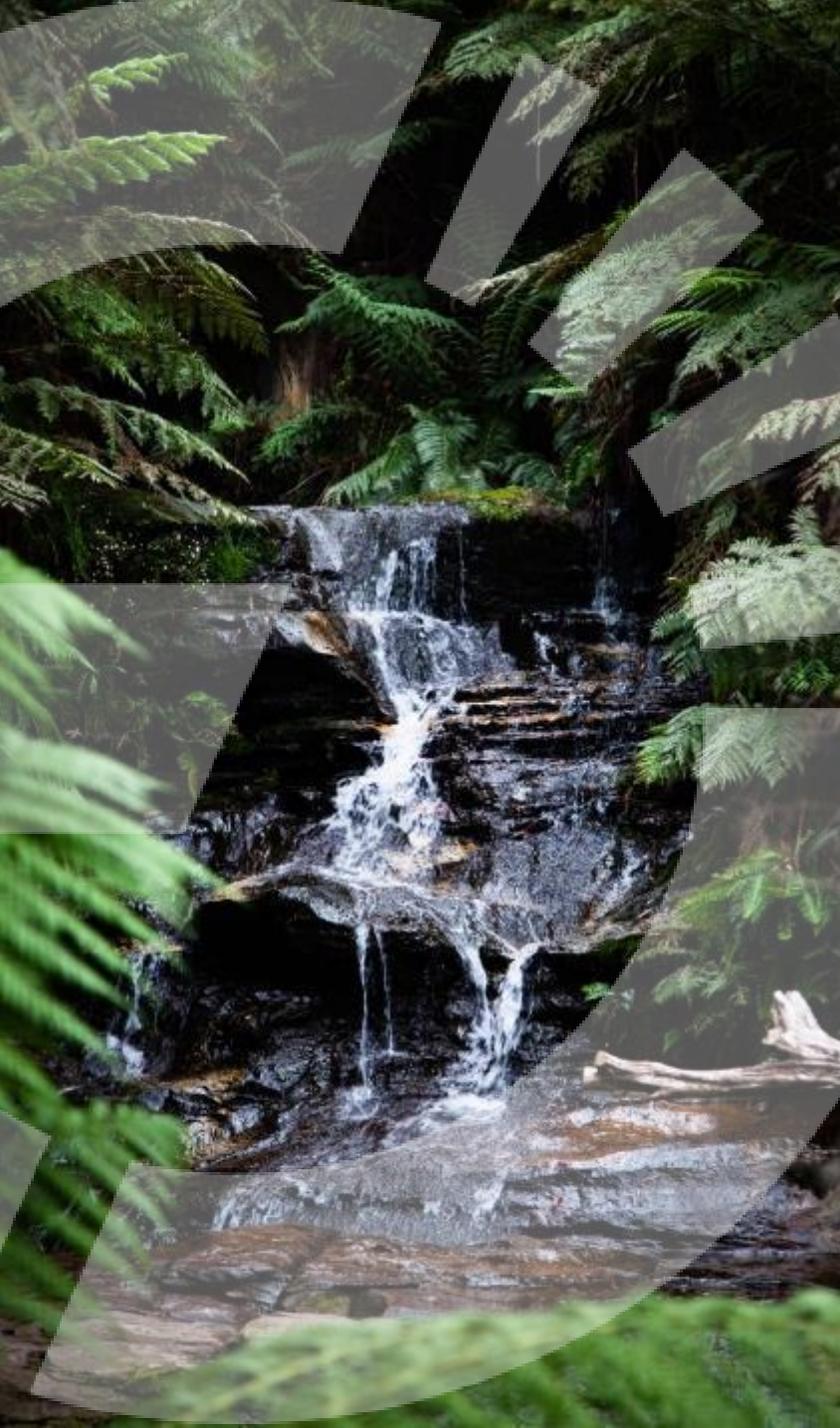
1H FY26 Financial Results Presentation  
February 2026



# Disclaimer

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# Agenda

01 Results highlights

02 Operating units

03 Outlook

04 Questions



**01**

# Results highlights

# 1H FY26 Results Highlights



**\$58.9M**

Revenue up 8.6% on prior comparable period (pcp)



**\$4.9M**

Underlying<sup>1</sup> EBITDA up 25.9% on pcp



**\$2.9M**

Underlying<sup>1</sup> EBIT up 16.5% on pcp



**\$17.4M**

Gross profit up 21.7% from pcp



**54.3%**

Revenue is recurring, largely service and maintenance



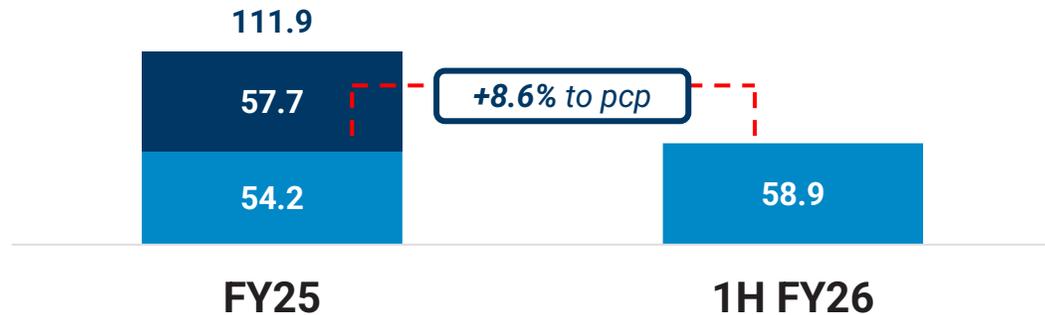
**205,049**

Hours worked with zero LTI's

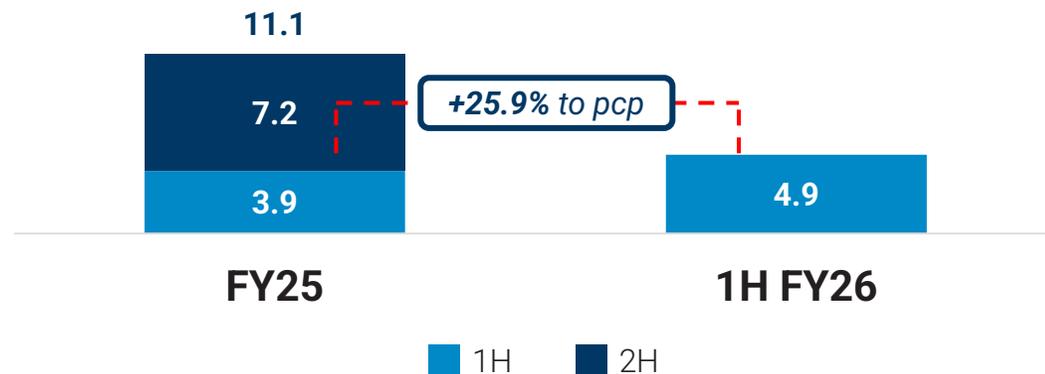
<sup>1</sup> Underlying EBITDA excludes one-off costs associated with ERP implementation, relocation and other normalisations. Please refer to Appendix A for a reconciliation of underlying and statutory figures.

# 1H FY26 Results Highlights

## Revenue, \$m



## EBITDA, \$m



■ 1H ■ 2H

## 1H FY26 results commentary

- Revenue up 8.6% to \$58.9M, demonstrating continued growth during a period of business transition and ERP upgrades.
- EBITDA up 25.9% to \$4.9M – reinforces the strength of the underlying business.
- EGL’s balance sheet position remains strong, with net assets of \$45.6M (30 June 2025: \$45.8M).
- Upgraded company-wide ERP system will deliver improved data capabilities that will support future business initiatives, while generating operational efficiencies by consolidating three legacy systems into a single, unified solution.
- Relocation of multiple business units which will deliver long-term operational efficiencies.
- Very strong growth in EGL Energy and EGL Waste:
  - EGL Energy revenue up 39.8% to \$34.1M and EBITDA up 32.6% to \$4.1M.
  - EGL Waste revenue up to \$2.3M from \$0.6M on pcp.
- Development of a rapid on-site PFAS testing device capable of delivering results within one hour, providing customers with immediate insights into PFAS levels within their facilities or assets.

# Underlying Results by Division

	1H FY26	Underlying EBITDA Margin 1H FY26	1H FY25	Underlying EBITDA Margin 1H FY25	pcp
<b>Revenue</b>					
EGL Energy	\$34.1M		\$24.4M		\$9.7M
EGL Baltec	\$13.8M		\$19.8M		(\$5.9M)
EGL Clean Air	\$9.3M		\$9.6M		(\$0.3M)
EGL Waste	\$2.3M		\$0.6M		\$1.7M
Corporate/Intersegment Eliminations	(\$0.6M)		(\$0.1M)		(\$0.5M)
<b>Total Group</b>	<b>\$58.9M</b>		<b>\$54.2M</b>		<b>\$4.7M</b>
<b>Underlying EBITDA</b>					
EGL Energy	\$4.1M	11.9%	\$3.1M	12.5%	\$1.0M
EGL Baltec	\$1.5M	11.0%	\$1.8M	9.4%	(\$0.3M)
EGL Clean Air	\$0.4M	4.1%	\$0.8M	8.2%	(\$0.4M)
EGL Waste	\$0.7m	32.6%	\$0.1M	10.4%	\$0.6M
Corporate	(\$1.8M)		(\$1.9M)		\$0.1M
<b>Total Group</b>	<b>\$4.9M</b>	<b>8.3%</b>	<b>\$3.9M</b>	<b>7.2%</b>	<b>\$1.0M</b>
Depreciation and amortisation	(\$2.0M)		(\$1.4M)		(\$0.6M)
<b>Underlying EBIT</b>	<b>\$2.9M</b>		<b>\$2.5M</b>		<b>\$0.4M</b>
Interest income	0.0		0.0		0.0
Interest expense	(\$0.7M)		(\$0.3M)		(\$0.4M)
<b>Underlying profit/(loss) before tax</b>	<b>\$2.2M</b>		<b>\$2.2M</b>		<b>0.0</b>
Tax benefit/(expense)	\$0.2M		(\$0.6M)		\$0.8M
<b>Underlying net profit after tax</b>	<b>\$2.4M</b>		<b>\$1.6M</b>		<b>\$0.8M</b>
Significant items	(\$2.7M)		(\$0.2M)		(\$2.5M)
<b>Net profit after tax and significant items</b>	<b>(\$0.3M)</b>		<b>\$1.4M</b>		<b>(\$1.7M)</b>

Refer to Appendix A for reconciliation of Underlying EBITDA to Statutory Results.



# 1H FY26 Results Highlights

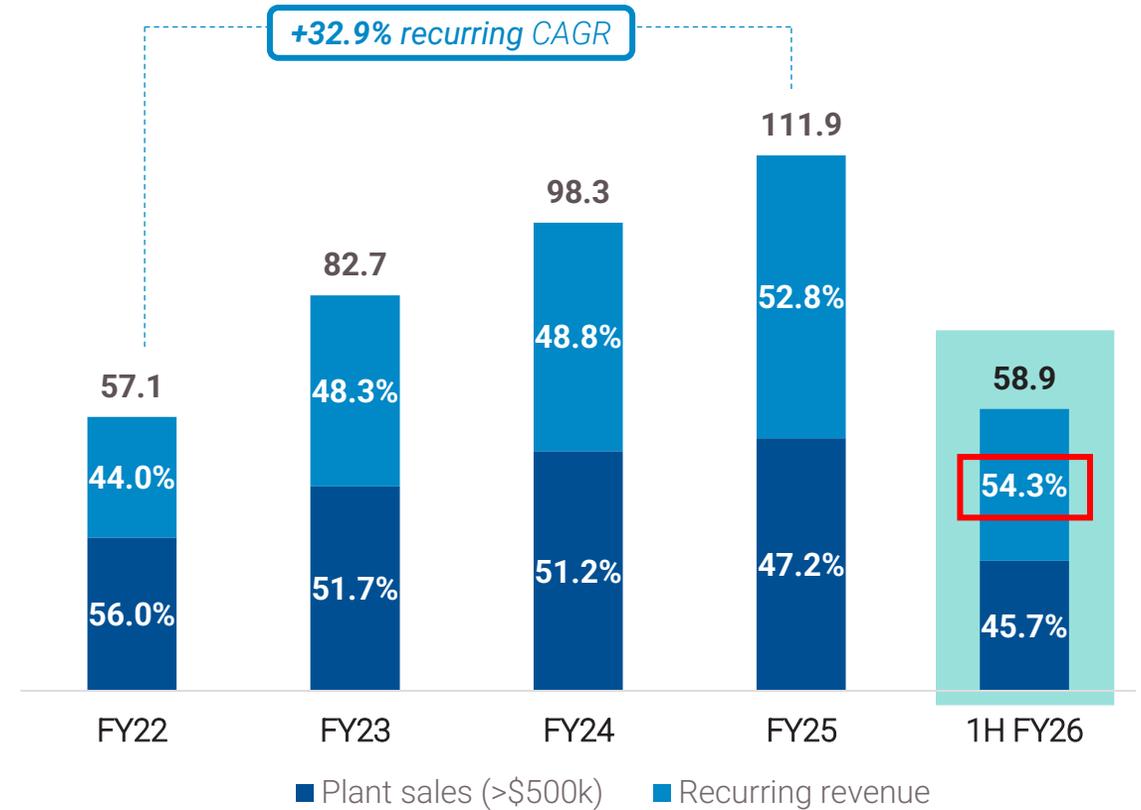
## Majority of EGL's revenue is contracted

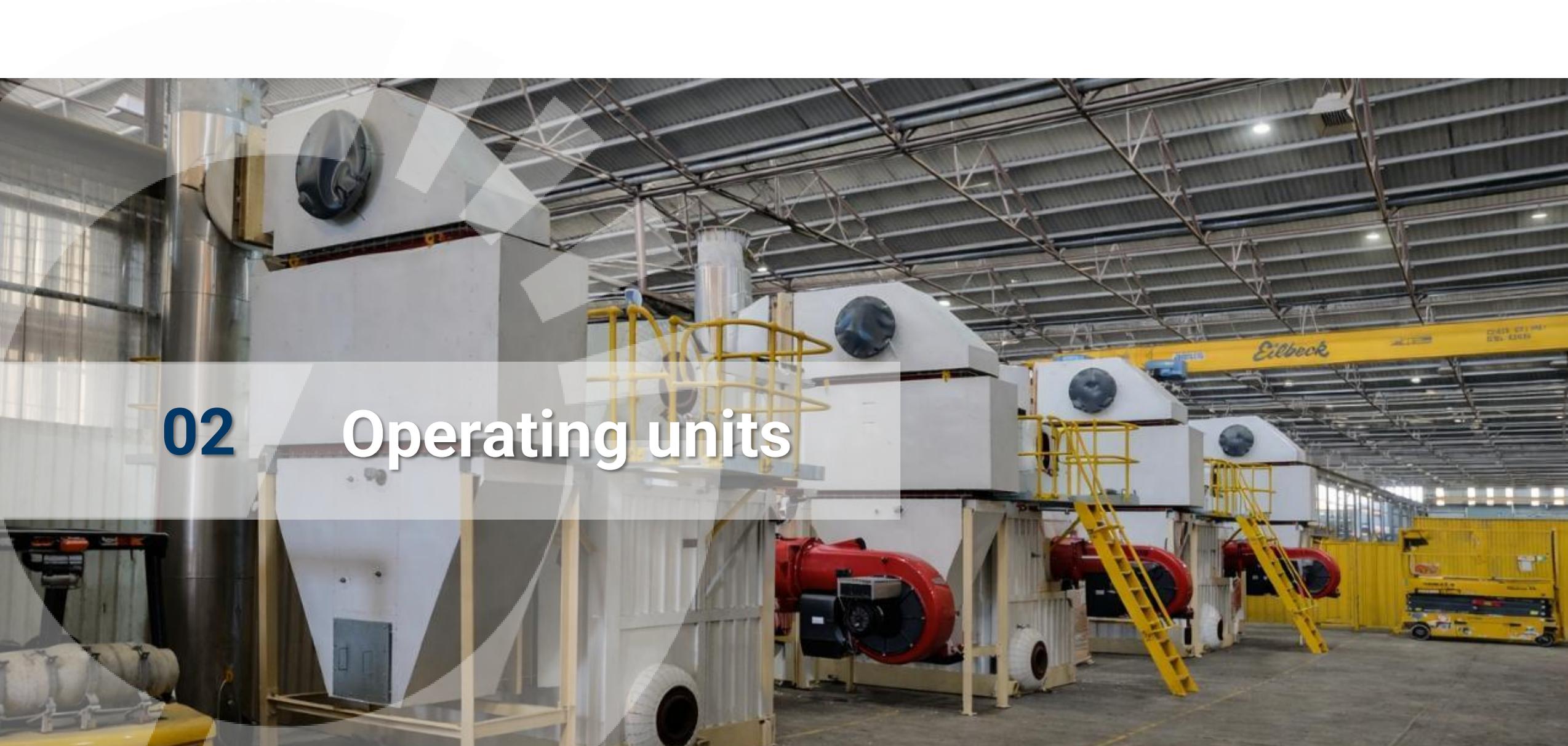
- 54.3% of EGL's revenue is recurring in nature.
- Includes maintenance service contracts, routine servicing, ad-hoc repairs, spare parts, and water processing service charges.

## EGL's recurring revenue base has been growing

- EGL's recurring revenue base has steadily expanded over time.
- Strategic acquisitions have been a key driver of this growth.
- Recurring revenue is expected to continue to grow as additional plants enter operation, generating ongoing demand for service and spare parts.

## EGL revenue mix over time



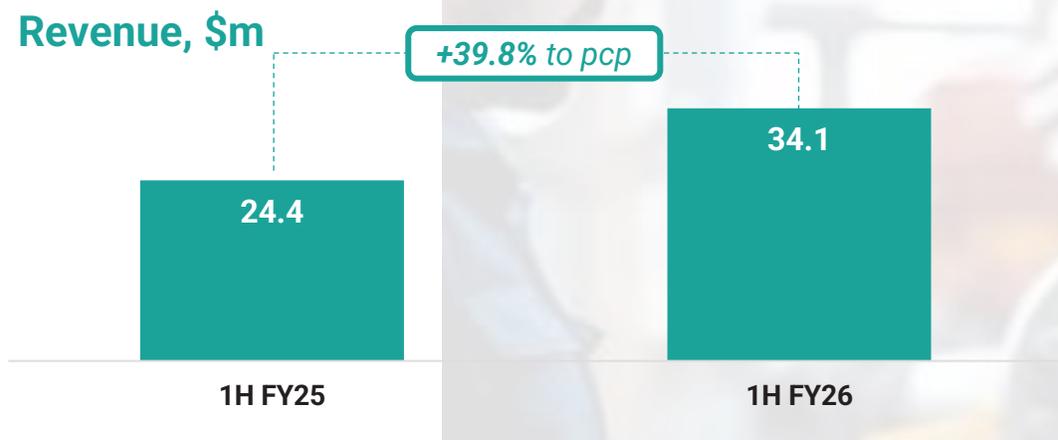


## 02 Operating units

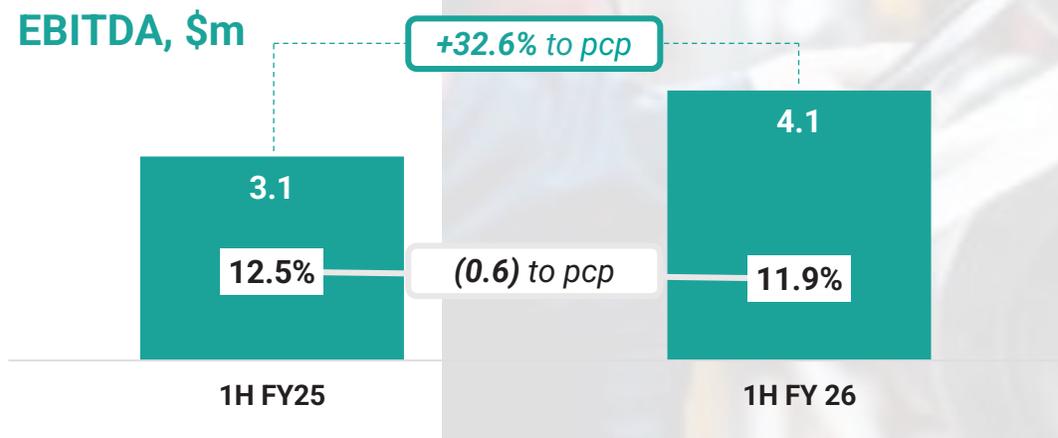
## 1H FY26 results commentary

- EGL Energy delivered an outstanding half-year result.
- Core recurring revenue source with approximately 14,000 boiler services completed each year, contributing ~69% of recurring revenue.
- Advanced Boilers has continued its strong performance as part of the EGL Group, providing multiple cross-sold services to other business units, including manufacturing PFAS plants, fabricating components, and supplying control panels.
- EGL Energy experienced temporary inefficiencies from relocating three Tomlinson sites and two Advanced Boiler sites. Despite this, the division delivered a strong financial performance demonstrating continued growth.
- During the half, EGL agreed to distribute the Gestra product range for the Australian boiler industry, specifically for boiler level controls and valves providing another revenue stream for the group.

### Revenue, \$m



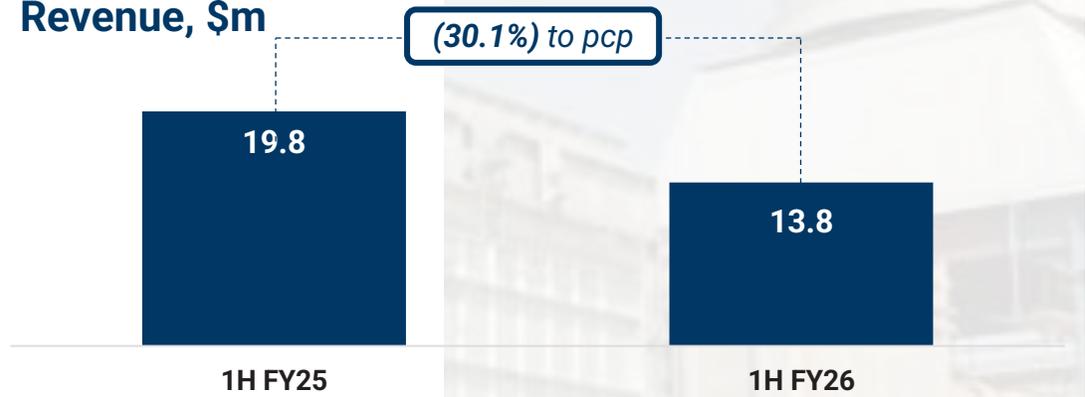
### EBITDA, \$m



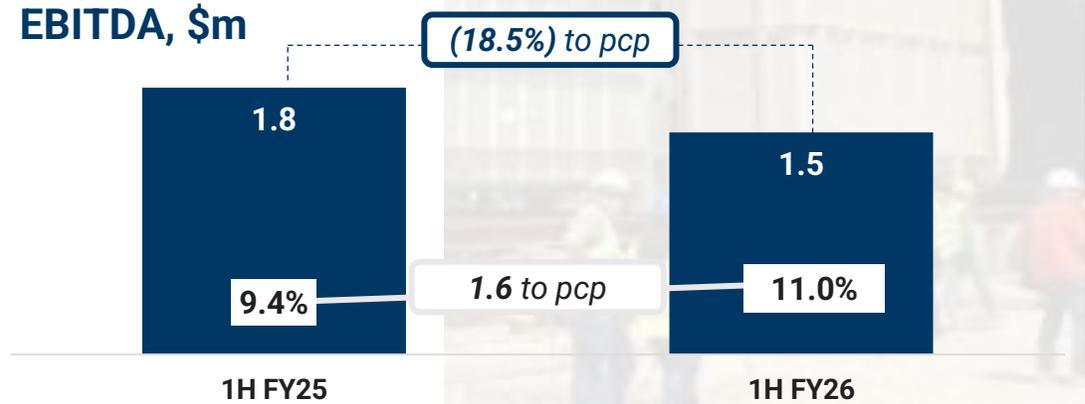
## 1H FY26 results commentary

- Coming off the back of a record pcp, project timing contributed to the revenue reduction in the half.
- Several projects were secured in the second quarter with engineering now completed.
- These projects now move into fabrication, which are expected to be delivered in 2H FY26.
- The pipeline of work in the gas turbine enhancement industry remains very strong.
- The Pelican Point job was delivered on time and on budget, albeit at a comparatively lower margin than similar Baltec jobs, as it was undertaken on a cost-plus basis, removing any downside risk on such a large job.

### Revenue, \$m



### EBITDA, \$m

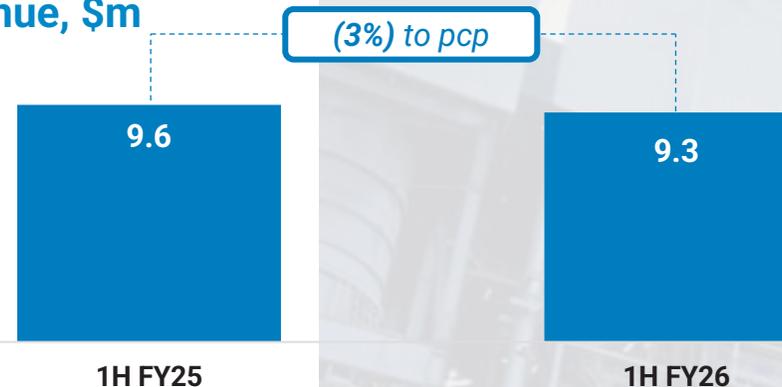


# EGL Clean Air

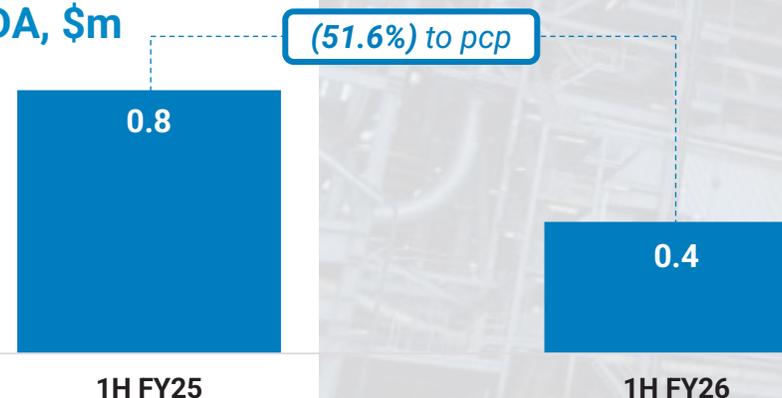
## 1H FY26 results commentary

- EGL Clean Air saw changed and improved market conditions through the course of 1H FY26.
- Site consolidation and restructuring has been implemented to prepare the business for future growth.
- EGL received an order for the engineering portion of a new lithium plant. We anticipate the full supply agreement for this project will be awarded in the coming months.
- Both Airtight and TAPC have won significant work in recent months, which are expected to be delivered in 2H FY26.
- The introduction of dry fogging systems into our product portfolio has resulted in several successful trials followed by customer purchases.

### Revenue, \$m



### EBITDA, \$m

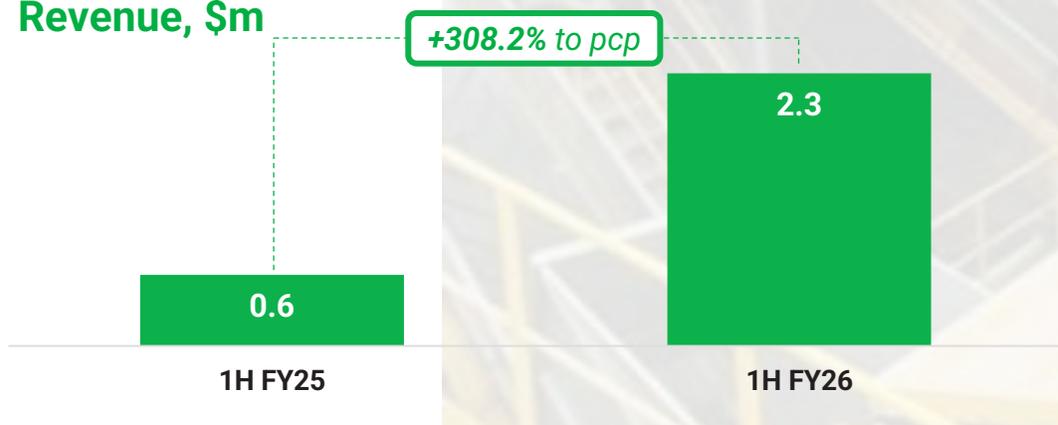


# EGL Waste Services

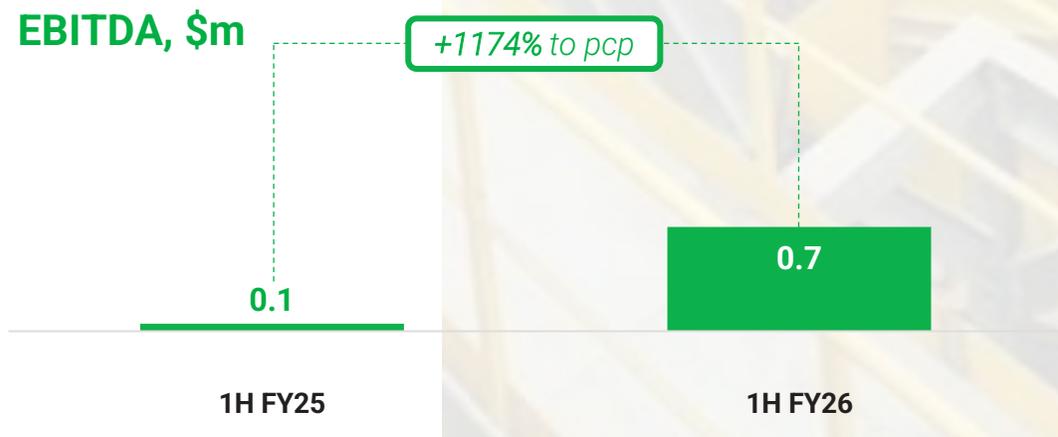
## 1H FY26 results commentary

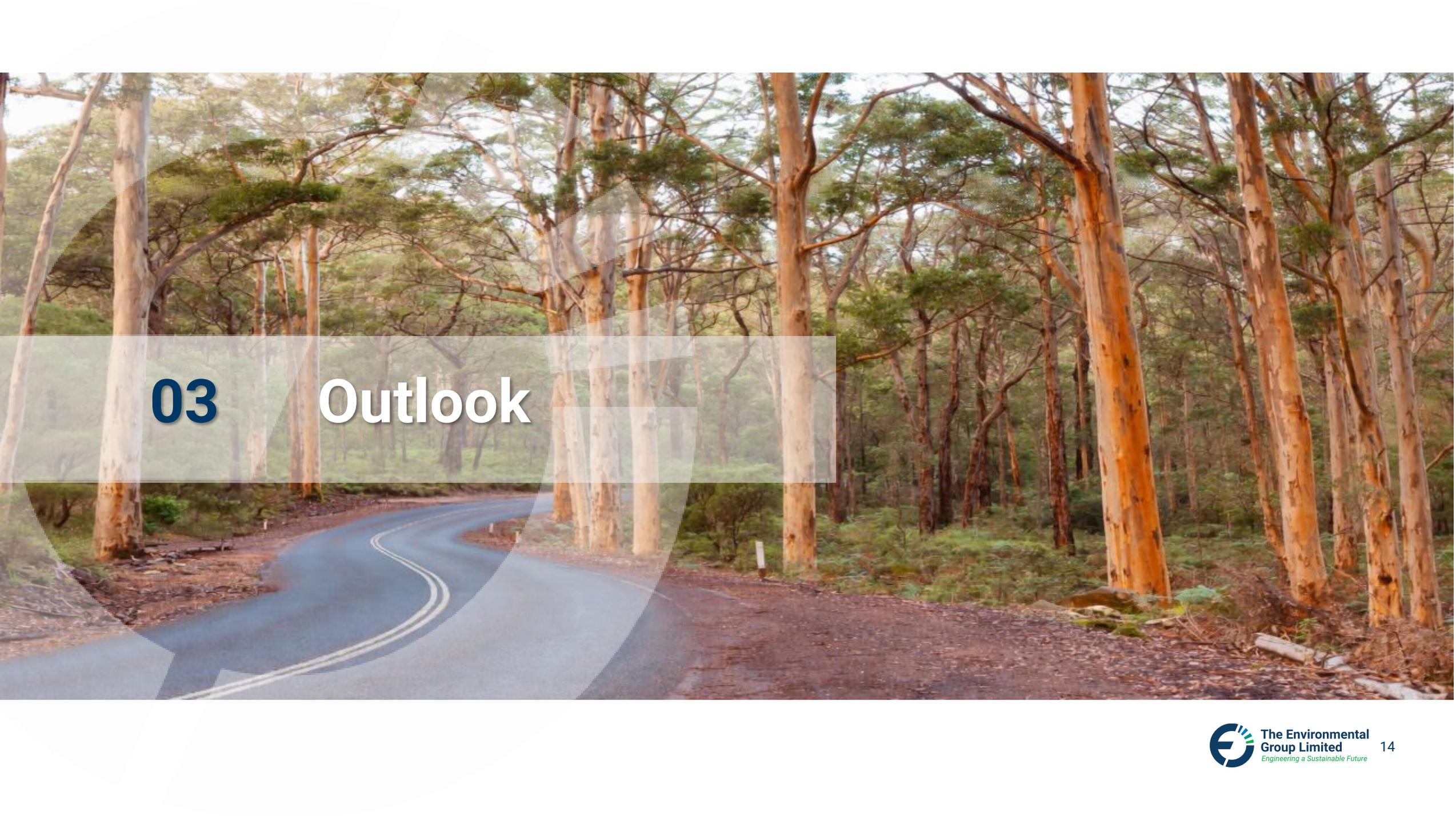
- EGL's PFAS Extraction Technology has achieved a major milestone with the construction and installation of a large-scale PFAS plant, which is currently in the process of being commissioned.
- EGL also have several additional PFAS units priced in the market, which would be deployed across waste facilities, landfills, councils, and water authorities.
- Recently acquired a state-of-the-art trial vessel, now installed at Victoria University, to enhance our PFAS testing and validation capabilities of biosolids, organics and soils.
- EGL Waste has significantly strengthened its capabilities through the addition of Dashton Engineering, enhancing our capability to undertake small waste plant upgrades, perform repairs, and manage ongoing plant-maintenance contracts.
- Currently awaiting the award of a major Construction & Demolition (C&D) facility in New South Wales, while construction of a Queensland plant is scheduled to commence in February 2026.

### Revenue, \$m



### EBITDA, \$m





**03**

# Outlook

# FY26 Outlook

- EGL confirms its guidance of increased earnings of 15% to 20% on FY25 normalised EBITDA.
- EGL expects its growth initiatives and recent investment in ERP implementation and operational consolidation to deliver improved earnings and profitability going forward, despite temporary implementation inefficiencies during the period.
- The outlook for FY26 is strong with a good second half expected in line with our trading bias.
- Recurring revenue streams are expected to continue strengthening in FY26.
- EGL management will seek to continue growing organically and via disciplined execution of strategic acquisitions.





**04**

# Questions

# Appendix A

## Reconciliation of Statutory (4D) to underlying results

1H FY26 (\$M)	Statutory 4D	Significant Items	Underlying Results
Revenue	58.9		58.9
Costs of sales	(41.5)		(41.5)
Gross profit	17.4		17.4
Employee expenses	(8.5)	0.3	(8.2)
Professional fees	(0.9)		(0.9)
Travel expenses	(1.2)		(1.2)
Marketing expenses	(0.2)		(0.2)
Occupancy expenses	(0.5)		(0.5)
Other expenses	(3.9)	2.4	(1.5)
<b>Operating EBITDA</b>	<b>2.2</b>	<b>2.7</b>	<b>4.9</b>
Depreciation and amortisation	(2.0)		(2.0)
<b>EBIT</b>	<b>0.2</b>	<b>2.7</b>	<b>2.9</b>
Interest income	0.0		0.0
Interest expense	(0.7)		(0.7)
<b>Profit/(loss) before tax</b>	<b>(0.5)</b>	<b>2.7</b>	<b>2.2</b>
Tax expense	0.2		0.2
<b>Profit/(loss) after tax</b>	<b>(0.3)</b>	<b>2.7</b>	<b>2.4</b>
<b>Earnings per share (EPS)</b>	<b>(0.0007)</b>		<b>0.0063</b>

Significant Items Reconciliation	\$M
ERP	1.1
Relocation/moving expense	0.8
Other abnormal costs	0.3
Redundancy	0.2
FX	0.2
Performance rights	0.1
<b>Total</b>	<b>2.7</b>



**The Environmental  
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