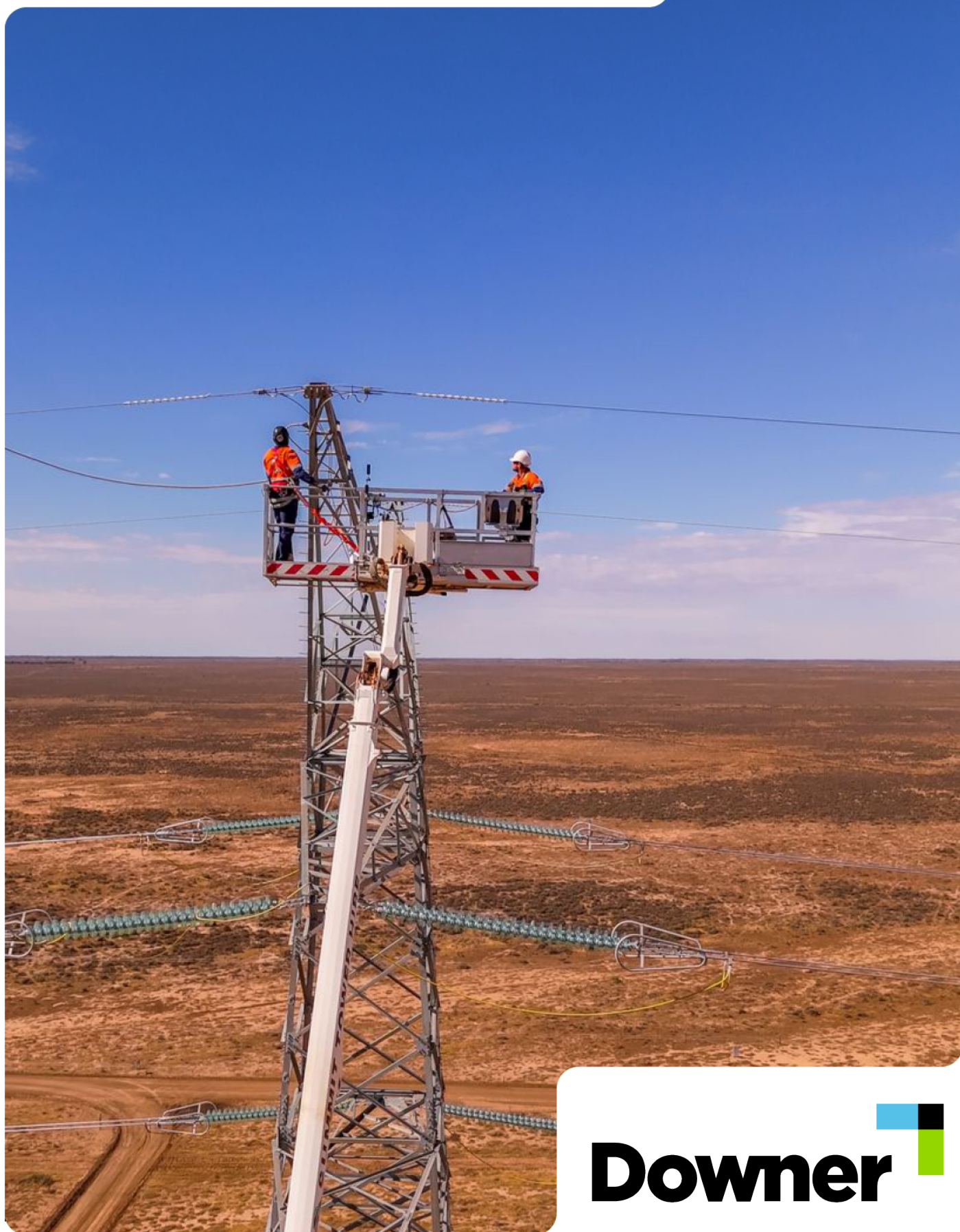


Half Year Report 2026



Downer 

ACKNOWLEDGEMENT OF COUNTRY

Downer acknowledges Aboriginal and Torres Strait Islander peoples as the First Australians and the Traditional Custodians across Australia.

We acknowledge and pay our respects to the Elders of the past, present and future in maintaining the culture, Country and their spiritual connection to the land.

WHAKATAUKI

Ko te whānau, ko te manaaki, ko te kairangatira, ko te ngākau pono ngā tikanga tuku iho hei korowai mo tatou. Ko te Kauri i whakawhiwhi haumarū, ko te Rimu i whakawhiwhi taonga, ko te Tōtara i whakawhiwhi whanaungatanga, ko te Kahikatea i whakawhiwhi whakaaro matakite.

Ngā pou e wha i aumangea ai te whakatauki 'Mā te whanaungatanga ka angitū'.
Hui e! Taiki e!

We are held together by our closely held values of family and relationships, care and respect, excellence and integrity. The Kauri connects us to Safety, the Rimu connects us to Delivery, the Tōtara connects us to Relationships and the Kahikatea connects us to Thought Leadership.

These are our four Pillars upon which we build 'Relationships creating success'. United and ready to move forward!

Important notice and disclaimer

The information in this report has been prepared by Downer EDI Limited ABN 97 003 872 848 (Downer or the Company).

This report may contain statements that are, or may be deemed to be, forward-looking statements. Such statements can generally be identified by the use of words such as "likely", "looking-forward", "expect", "predict", "will", "may", "intend", "seek", "would", "continue", "plan", "objective", "estimate", "potential", "anticipate", "believe", "risk", "aim", "forecast", "assumption", "projection", "target", "goal", "outlook", "guidance" and similar expressions. Indications of plans, strategies, management and company objectives, potential transactions, sales and financial performance are also forward-looking statements. Such statements are not guarantees of future performance, and involve known and unknown risks, uncertainties, assumptions, contingencies and other factors, many of which are outside the control of the Company. No representation is made or will be made that any forward-looking statements will be achieved or will prove to be correct.

Readers are cautioned not to place undue reliance on forward-looking statements particularly in the light of the current economic climate and the significant volatility and uncertainty, as well as the significant uncertainty in climate metrics and modelling, and the Company assumes no obligation to update such statements. Past performance information in this report is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Forward-looking statements and statements regarding other information contained in this report may also be made – verbally and in writing – by members of the Company's management in connection with this report. Such statements are also subject to the same limitations, uncertainties and assumptions which are set out in this report.

Certain financial data included in this report is 'non-IFRS financial information'. The Company believes that this non-IFRS financial information provides useful insight in measuring the financial performance and condition of Downer. Readers are cautioned not to place undue reliance on any non-IFRS financial information included in this report. These measures have not been subject to audit or review.

Third party reliance

The information contained, and the views expressed, in this report may include information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness, or reliability of the information or any assumptions underlying it. This report should not be relied upon as recommendation or forecast by Downer.

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Directors' Report

for the half year ended 31 December 2025

The Directors of Downer EDI Limited submit the condensed consolidated financial report of the Company for the half-year ended 31 December 2025.

In compliance with the provisions of the *Corporations Act 2001* (Cth), the Directors' Report is set out below.

Board of Directors

The names of the Directors of the company during or since the end of the half-year are:

Mark Menhinnitt (Chairman, Independent Non-executive Director)

Peter Tompkins (Managing Director and Chief Executive Officer)

Peter Barker (Independent Non-executive Director)

Sheridan Broadbent (Independent Non-executive Director)

Teresa Handicott (Independent Non-executive Director) retired 11 November 2025

Dr Adelle Howse (Independent Non-executive Director)

Steven MacDonald (Independent Non-executive Director)

Kerry Gleeson (Independent Non-executive Director) appointed 1 September 2025

Annette Carey (Independent Non-executive Director) appointed 1 November 2025

Operating and Financial Review

Principal activities

Downer EDI Limited (Downer) is a leading provider of integrated services across Australia and New Zealand, delivering and maintaining essential infrastructure that enables communities to thrive.

The demand for our services is shaped by investment in the energy transition, defence capability, government services and infrastructure expansion necessary to support population growth, and local industry revitalisation.

The sectors where we operate include roads, rail, ports and airports, power, gas, water, telecommunications, energy networks, health, education, defence, and other government sectors.

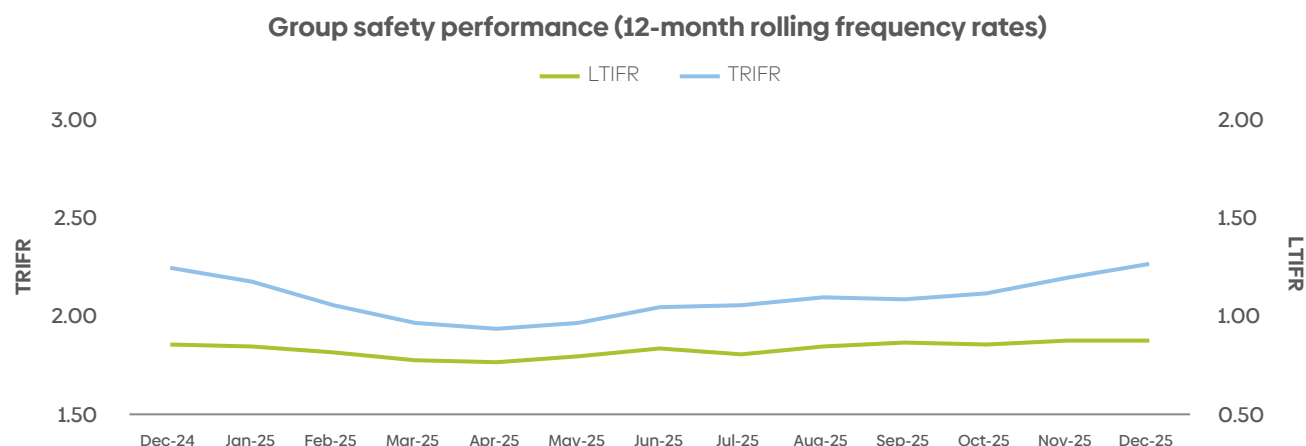
These sectors are served by Downer's Transport, Energy & Utilities and Facilities segments.

Health, Safety and Wellbeing

Downer is steadfastly committed to the protection of our people, communities, and the environment. Safety and preventing serious and fatal incidents remain our top priority.

Downer operates in sectors involving high-risk activities, and we remain committed to continually improving our systems and processes, with a strong focus on critical control effectiveness. Building on the momentum gained through FY25, we are focused on embedding our Health, Safety and Wellbeing strategy across the business, with priority areas including leadership accountability, critical risk management, and service delivery partner engagement. Underpinning our approach is the recognition that sustained safety performance is achieved through visible leadership, clear accountability, operational discipline, a positive workplace culture, and effective critical controls.

At 31 December 2025, Downer's Lost Time Injury Frequency Rate (**LTIFR**) increased to 0.87 from 0.85 per million hours worked¹, and our Total Recordable Injury Frequency Rate (**TRIFR**) increased to 2.26 from 2.24 per million hours worked, compared to 31 December 2024. There has been a significant focus on critical risk controls, strengthening of our safety culture, worker engagement and subcontractor oversight.



For further information refer to our 2025 Sustainability Report.

In January 2026, a member of Downer's Roads team in New Zealand passed away following a workplace incident involving a vehicle. While this occurred outside the 1H26 reporting period, Downer acknowledges this tragic loss and extends its sincerest condolences to the team member's family and colleagues.

Sustainability

Downer's Purpose is 'Enabling communities to thrive', which articulates the positive impact that Downer's services have on millions of people each day. Our Purpose underscores the importance of sustainable operations for our people, partners, shareholders, customers, and the communities where we operate. We are conscious of the impact our activities have on individuals, communities and the environment.

Safety and Sustainability are foundational pillars of our strategy. To Downer, sustainability means working to reduce our impact on the environment; as well as prioritising the safety of our people, building trusted relationships and having a diverse and inclusive workforce. This, combined with our financial performance, contributes to the creation of shareholder value.

We are strategically positioned to leverage our market presence, capabilities and sustainability commitment to help support our customers in achieving their sustainability objectives, including the energy transition. Further details can be found in our 2025 Sustainability Report.

Downer EDI Limited is a climate reporting entity for the purposes of the Financial Markets Conduct Act 2013 (NZ). Our 2025 Annual Report contains Downer EDI Limited's second climate-related disclosures that comply with the External Reporting Board Aotearoa New Zealand (XRB) Climate Standards 1, 2 and 3 (NZ CS) for that period. These disclosures inform stakeholders about Downer's governance of climate-related risks and opportunities, scenario analysis and our climate-related plans including metrics and targets.

Our sustainability commitments are outlined in policies available at www.downergroup.com.

¹ Lost time injuries (LTI) are defined as injuries that cause the injured person (employee or contractor) to be unfit to perform any work duties for one whole day or shift, or more, after the shift on which the injury occurred, and any injury that results, directly or indirectly, in the death of the person. The LTIFR is the number of LTI per million hours worked. Total Recordable Injuries (TRI) are the number of LTI plus medically treated injuries (MTI) for employees and contractors. TRIFR is the number of TRI per million hours worked. LTIFR and TRIFR have been calculated on a 12-month rolling period.

Group financial performance

The financial result for the six months to 31 December 2025 demonstrates ongoing momentum across the business, with delivery of bottom line improvement driven by stronger contract delivery, a disciplined focus on high-quality revenue, effective cost management and cash backed earnings. Strategic wins have expanded work-in-hand and positioned the business for medium-term growth. Ongoing improvement programs are enhancing margins and reducing cost-to-serve. Supported by a strong balance sheet, the Group retains the capacity to invest and pursue strategic growth opportunities.

\$'m	Statutory			Underlying ³ (excl. ISI)			Pro forma ⁴ (excl. divestments and AHFS)		
	1H26	1H25	Change	1H26	1H25	Change	1H26	1H25	Change
Revenue ¹	4,860.7	5,221.2	(6.9) %	4,918.8	5,505.7	(10.7) %	4,855.8	5,104.6	(4.9) %
EBIT	175.5	133.4	31.6 %	217.7	194.1	12.2 %	210.3	175.4	19.9 %
EBITA ²	184.9	150.1	23.2 %	227.1	204.3	11.2 %	219.7	185.6	18.4 %
EBITA ² %	3.8 %	2.9 %	0.9 pp	4.6 %	3.7 %	0.9 pp	4.5 %	3.6 %	0.9 pp
NPATA ²	104.6	87.2	20.0 %	136.1	127.2	7.0 %	130.0	109.9	18.3 %
NPAT	98.0	75.5	29.8 %	129.5	120.1	7.8 %	123.4	102.8	20.0 %

1. Revenue includes revenue and other income. Total revenue for underlying and pro forma is a non-statutory disclosure and also includes notional revenue from joint ventures and other alliances not proportionately consolidated.
2. Downer calculates EBITA and NPATA by adjusting EBIT and NPAT to add back acquired intangible assets amortisation expense.
3. The underlying result is a non-IFRS measure that is used by management to assess the performance of the business and includes the contribution of divested businesses and assets held for sale. Non-IFRS measures have not been subject to audit or review.
4. Pro forma reflects the statutory results adjusted for individually significant items (ISI) (refer to Note B4 of the Financial report) and excludes the revenue and EBITA contribution relating to completed divestments and assets held for sale to provide a like for like comparison between reporting periods. The pro forma result is a non-IFRS measure that is used by management to assess the performance of the business. Non-IFRS measures have not been subject to audit or review.

Building performance momentum

Highlights for the six months ended 31 December 2025 include:

- Statutory NPAT grew 30% to \$98.0 million.
- Underlying NPATA grew by 7.0% to \$136.1 million.
- Underlying EBITA increased 11.2% on 1H25 to \$227.1 million.
- Underlying EBITA margin increased to 4.6% compared to 3.7% in 1H25.
- Interim dividend of 12.9 cents per share increased by 19% compared to 1H25 and will be 100% franked (1H25: 75%) with the payout ratio increased to 65% compared to 60% in 1H25.
- Normalised¹ cash conversion of 90.5% exceeded our target of greater than 90%.
- Leverage ratio (net debt to EBITDA) improved to 0.8x from 0.9x at June 2025.
- Underlying EPS increased 10% to 18.7 cents per share.
- Work-in-hand increased 8.9% to \$38.2 billion, driven by strategic wins.

Commentary on Group earnings, work-in-hand, revenue and segment performance are discussed below.

Earnings

In line with Downer's business transformation program, we have strategically prioritised the quality of earnings and tightened tendering risk guardrails to align the business with its core competencies aiming to achieve sustainable and acceptable risk return outcomes. In 1H26 Downer also completed certain previously identified underperforming contracts

¹ Normalised underlying cash conversion has been adjusted to remove the cash outflows associated with FY25 and 1H26 ISI (not in underlying EBITDA) totalling \$13.9m (1H25 equivalent of \$43.8m). Cash conversion is calculated as operating cash flow excluding tax and interest, divided by underlying EBITDA.

including the low margin projects in water and a power maintenance contract which has not been renewed. Further, our portfolio simplification program has improved margin in the period following the divestment of non-core businesses typically with low margin revenue or a risk profile not aligned with our risk appetite.

Earnings improvement was achieved across all segments resulting in a 11.2% increase in underlying EBITA to \$227.1 million, up 18.4% on a pro forma basis; and a 7.0% increase in underlying NPATA to \$136.1 million, or up 18.3% on a pro forma basis.

This increase in earnings was primarily supported by the ongoing Energy & Utilities business turnaround and a strong performance in the Facilities business following the divestment of lower margin cleaning and catering businesses, together with the continuing benefits of the cost out program and the completion, renegotiation and performance improvement of underperforming contracts.

- **Energy & Utilities:** Driven by improved Power Projects business performance in Australia from the delivery of transmission lines and substations, offset by lower NBN volumes and reset of the Telecommunications business following consolidation of Australian providers, as well as the impact of the demobilisation and transfer of Victorian Power Maintenance Contract in July 2025. Efficiencies were also realised from operating model changes, as well as the closure of underperforming sites in the prior year. Margin enhancements were also driven by a back to basics focus on disciplined cost management and project delivery.
- **Transport:** Profitability was uplifted by improved contract delivery and disciplined cost management. Strong progress was made in the period on delivery of the Queensland Train Manufacturing Project (QTMP). Enhanced contract delivery and solid project performance within New Zealand was observed despite lower activity levels in some areas. Australian Road Services volumes remain impacted by soft Australian Transport agency spend.
- **Facilities:** Earnings growth driven by ongoing strong performance across Government & Integrated Facilities Management (IFM) and Defence Estate Maintenance businesses. This was as a result of performance improvement programs driving increased profitability on Defence contracts, supported by transformation program initiatives, including service delivery model enhancements.
- **Corporate:** ongoing cost reductions in overheads leading to a more efficient operating model, particularly in technology and shared services support, and reduction in insurance costs were partially offset by cost inflation.

Work-in-hand

Work-in-hand increased 8.9% to \$38.2 billion at 31 December 2025 driven by a number of strategic contract awards positioning for future growth. These awards included the \$3.05 billion Australian Defence Property and Asset Services (PAS) contract, \$750m Chevron maintenance and support contract, Urban Utilities water and wastewater contract, \$220m Defence Professional Service contract, and a number of new contract wins, extensions and renewals across Power Projects, Energy and Industrial, Telco, Housing and Rail.

As a result, Energy & Utilities and Facilities work-in-hand has increased by 21.6% and 20.2% respectively. Our Transport work-in-hand declined by 3.5% during the half reflecting the delivery of large contracts (for example QTMP, CRL, Auckland Airport) and the timing of award of preferred positions, which are not yet included in total work-in-hand (namely the NZD\$870 million New Zealand State Highway Contracts). Our work-in-hand is diversified by industry, is approximately 90% government related and comprises approximately 90% services.

Revenue

Pro forma revenue of \$4.9 billion, adjusted for divestments and held for sale assets and including revenue from joint ventures and associates, decreased by 4.9%. On a statutory basis, which includes the reduction in revenue due to divestments made during the period, total revenue at \$4.9 billion decreased 6.9%. Revenue was negatively impacted by \$41 million due to translation of New Zealand Dollar (NZD) denominated revenue that depreciated against the Australian Dollar (AUD) in the period. Additional factors impacting revenue for the period include:

- **Transport:** Transport experienced softer revenue performance down 4.0% on a pro forma basis in the half. NZ Road Services continued to deliver good contract performance albeit from lower activity levels, with a number of larger projects nearing completion (e.g. City Rail Link (CRL)). Australian Road Services volumes continue to be impacted by reduced Transport Agency spend. Hawkins disciplined project selection through the repositioning of Hawkins' risk appetite has reduced its revenue contribution. This was partially offset by growth in Rail & Transit Services (ex Keolis Downer) through the strong delivery on the Queensland Train Manufacturing Project (QTMP) as well as growth within the Specialised Pavement Products, and Pavement Maintenance businesses within Transport and Infrastructure.
- **Energy & Utilities:** Energy & Utilities experienced lower revenue in the first half down 11.5% on a pro forma basis. Good growth was experienced within the Power Projects business driven by transmission line and substation projects

supporting the energy transition. However this was more than offset by weaker demand for Telecommunication services in Australia, transition from the completion of existing water projects and mobilisation of a number of new water projects which are expected to ramp up in future periods, as well as the impact of exited underperforming and loss-making contracts and sites that completed in the prior year.

- Facilities: The increase in pro forma revenue of 2.4% was driven by increased volumes within Government & Integrated Facilities Management (IFM) from the mobilisation and ramp up of the Homes NSW public housing portfolio (RAPM) and the facilities maintenance services for Department of Home Affairs. The business also experienced strong volumes in Defence Estate Maintenance for the half.

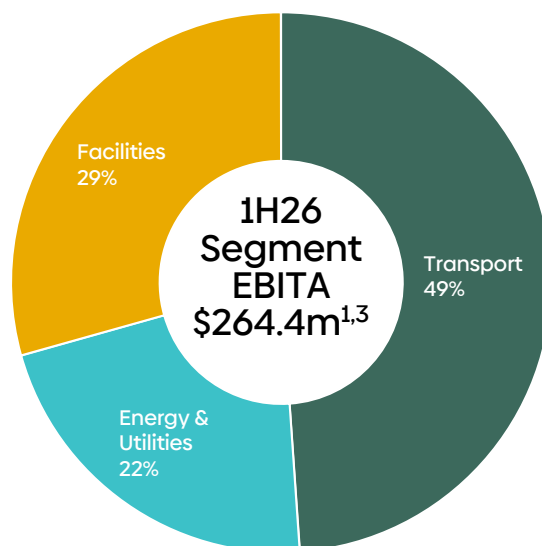
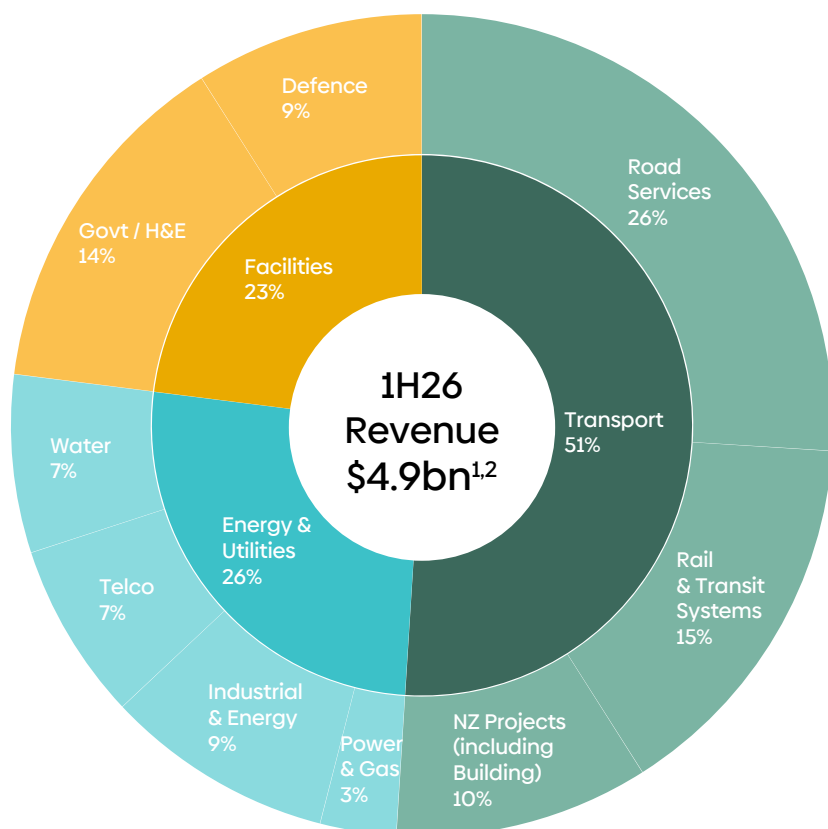
Underlying EBITA and reconciliation to Statutory NPAT

\$'m	Reporting segment	1H26	1H25	Change
Transport	Transport	132.6	128.8	3.0 %
Energy & Utilities	Energy & Utilities	61.8	52.6	17.5 %
Facilities	Facilities	77.4	72.2	7.2 %
Corporate	Unallocated	(44.7)	(49.3)	9.3 %
Group underlying¹ EBITA²		227.1	204.3	11.2 %
Underlying amortisation of acquired intangibles (pre-tax)		(9.4)	(10.2)	7.8 %
Underlying¹ EBIT		217.7	194.1	12.2 %
Net interest expense		(34.2)	(40.4)	15.3 %
Tax expense		(54.0)	(33.6)	(60.7)%
Underlying¹ NPAT		129.5	120.1	7.8 %
Underlying amortisation of acquired intangibles (post tax)		6.6	7.1	(7.0)%
Underlying¹ NPATA²		136.1	127.2	7.0 %
Total individually significant items ³		(42.2)	(54.2)	22.1 %
Tax effect on individually significant items		10.7	14.2	(24.6)%
Statutory NPATA²		104.6	87.2	20.0 %
Statutory amortisation of acquired intangibles (post tax) ³		(6.6)	(11.7)	(43.6)%
Statutory NPAT		98.0	75.5	29.8 %

1. The underlying result is a non-IFRS measure that is used by management to assess the performance of the business and includes the contribution of divested businesses and assets held for sale. Non-IFRS measures have not been subject to audit or review.
2. Downer calculates EBITA and NPATA by adjusting EBIT and NPAT to add back acquired intangible assets amortisation expense.
3. 1H25 result in Note B4 of the Financial Report included \$6.5 million (\$4.6 million post tax) of accelerated amortisation of acquired intangible assets within the 1H25 individually significant items of \$60.7 million.

Segment financial performance

Segment contribution to pro forma revenue and EBITA



1. Pro forma reflects the statutory results adjusted for individually significant items (ISI) (refer to Note B4 of the Financial report) and excludes the revenue and EBITA contribution relating to completed divestments and assets held for sale to provide a like for like comparison between reporting periods. The pro forma result is a non-IFRS measure that is used by management to assess the performance of the business. Non-IFRS measures have not been subject to audit or review. The 1H26 Group pro forma EBITA \$219.7 million is equal to segment EBITA of \$264.4 million less Unallocated of \$44.7 million.
2. Revenue is a non-statutory disclosure and includes revenue, other income and notional revenue from joint ventures, other alliances not proportionately consolidated.
3. Downer calculates EBITA by adjusting EBIT and NPAT to add back acquired intangible assets amortisation expense.

Transport

	Underlying			Pro forma ¹		
	1H26	1H25	Change	1H26	1H25	Change
Revenue	2,457.9	2,745.3	(10.5) %	2,453.9	2,555.5	(4.0) %
EBITA	132.6	128.8	3.0 %	129.3	115.0	12.4 %
EBITA %	5.4 %	4.7 %	0.7 pp	5.3 %	4.5 %	0.8 pp

1. Pro forma reflects the statutory results adjusted for individually significant items (ISI) (refer to Note B4 of the Financial report) and excludes the revenue and EBITA contribution relating to completed divestments and assets held for sale to provide a like for like comparison between reporting periods. The pro forma result is a non-IFRS measure that is used by management to assess the performance of the business. Non-IFRS measures have not been subject to audit or review.

Transport underlying EBITA benefited from the strategic reset and initiatives delivered over the past two years, including the tightening of tendering risk guardrails, continued focus and improvement of contract delivery disciplines, targeted project selection and operating model changes including cost management initiatives. This has resulted in margin uplifts in 1H26, with underlying EBITA increasing 3.0% to \$132.6 million.

On an underlying basis, revenue is lower than the prior comparative period due to softer activity levels and divestments, including the disposal of Keolis Downer in the current period. Strong delivery continued on projects, including the Queensland Train Manufacturing Program (QTMP) and the Auckland Airport Domestic Jet Terminal, however this was more than offset by lower contributions from New Zealand projects (as projects such as CRL approach completion), the timing of opportunities particularly within New Zealand, disciplined project selection for the Hawkins business which resulted in reduced revenue as well as softer conditions within New Zealand and Australia Road Services in some areas.

On 1 July 2025, an agreement was reached with Keolis Australia Pty Ltd to divest the Group's 49% interest in Keolis Downer Pty Ltd (Keolis Downer). The sale was completed on 1 December 2025. The Group has reported a net pre-tax profit of \$1.3 million in relation to this divestment. Refer to Divestments and exit costs during the reporting period and Note E2 below. The Keolis Downer underlying EBITA contribution to Transport segment decreased during the period, from \$14.4 million to \$3.4 million. Transport pro forma Revenue and EBITA is comparable to the underlying Revenue and EBITA, after adjusting for the contribution of the Keolis Downer investment.

Energy & Utilities

	Underlying			Pro forma ¹		
	1H26	1H25	Change	1H26	1H25	Change
Revenue	1,322.6	1,578.8	(16.2) %	1,293.7	1,462.2	(11.5) %
EBITA	61.8	52.6	17.5 %	57.5	48.7	18.1 %
EBITA %	4.7 %	3.3 %	1.4 pp	4.4 %	3.3 %	1.1 pp

1. Pro forma reflects the statutory results adjusted for individually significant items (ISI) (refer to Note B4 of the Financial report) and excludes the revenue and EBITA contribution relating to completed divestments and assets held for sale to provide a like for like comparison between reporting periods. The pro forma result is a non-IFRS measure that is used by management to assess the performance of the business. Non-IFRS measures have not been subject to audit or review.

The turnaround of the Energy & Utilities business continued in 1H26 with further uplift in profitability following the renewed focus on project delivery, particularly in Power and Water, and disciplined cost management across the business.

Underlying EBITA increased by \$9.2 million or 17.5% on 1H25, mainly as a result of operating model changes with a back to basics focus on project delivery and disciplined cost management. EBITA benefitted from strong activity levels and contribution across the Power Projects portfolio, the exit from low margin contracts and underperforming sites and overhead reduction from operating model changes.

Underlying revenues were impacted as a result of a demobilisation and exit agreement of a power maintenance contract (as outlined in Note E2 Disposal of businesses). Revenues contributed from the demobilised customer contract were \$116.6 million for 1H25 and \$28.9 million for 1H26.

Pro forma revenues were down 11.5%, impacted by expected lower activity levels within the Telecommunications sector following the consolidation of Australian providers and as NBN build out contracts are approaching completion, and lower revenues within Energy & Industrial mainly due to the exit of low margin sites in 2025 following a strategic review. Water revenue has been impacted by the roll off of existing projects, replaced by new projects in ramp up, including Urban Utilities awarded in September 2025, where volumes are expected to increase in future periods.

Looking ahead, we are also investing in modernising technology and standardising our work management platforms and core business processes in Australia and New Zealand to drive enhanced productivity and efficiency.

Facilities

	Underlying			Pro forma ¹		
	1H26	1H25	Change	1H26	1H25	Change
Revenue	1,113.7	1,126.0	(1.1) %	1,107.5	1,082.0	2.4 %
EBITA	77.4	72.2	7.2 %	77.6	70.9	9.4 %
EBITA %	6.9 %	6.4 %	0.5 pp	7.0 %	6.6 %	0.4 pp

1. Pro forma reflects the statutory results adjusted for individually significant items (ISI) (refer to Note B4 of the Financial report) and excludes the revenue and EBITA contribution relating to completed divestments and assets held for sale to provide a like for like comparison between reporting periods. The pro forma result is a non-IFRS measure that is used by management to assess the performance of the business. Non-IFRS measures have not been subject to audit or review.

The Facilities business is establishing a track record of consistently delivering strong performance, with underlying and pro forma margin continuing to improve due to the implementation of performance improvement programs designed to reduce the cost to serve and enhance service delivery.

On a pro forma basis, revenue growth continued due to strong operational volumes across Government/IFM and Defence Estate Maintenance businesses. On an underlying basis, the revenue decline was impacted by the divestment of the Cleaning New Zealand business.

The Estate Maintenance and Operation Services (EMOS) Australian Defence Base Services tender was awarded in September 2025 and commenced operations on 1 February 2026 under the Property and Asset Services (PAS) contract. The project margin will reset lower in 2H26 following the transition from EMOS.

Facilities completed the divestment of the Cleaning New Zealand business on 31 July 2025, resulting in a pre-tax loss of \$2.0 million. This finalises the portfolio simplification program's divestment of lower margin businesses, including Catering, Cleaning and Laundries businesses, with the business focused on value creation in core markets.

Group statutory earnings

Reconciliation of the 1H26 pro forma and underlying result to the statutory result:

\$'m	EBIT	Amortisation of acquired intangibles	EBITA	Net finance costs	Tax expense	NPATA	Amortisation of acquired intangibles (post-tax)	NPAT
Pro forma result	210.3	9.4	219.7	(34.2)	(55.5)	130.0	(6.6)	123.4
Net divestment and AHFS contribution	7.4	–	7.4	–	(1.3)	6.1	–	6.1
Underlying result	217.7	9.4	227.1	(34.2)	(56.8)	136.1	(6.6)	129.5
Net loss on divestments and exit costs	(5.9)	–	(5.9)	–	(0.8)	(6.7)	–	(6.7)
Transformation and restructure costs	(16.1)	–	(16.1)	–	5.6	(10.5)	–	(10.5)
Regulatory reviews and legal matters	(6.3)	–	(6.3)	–	1.8	(4.5)	–	(4.5)
Impairment, asset write-downs and other	(13.9)	–	(13.9)	–	4.1	(9.8)	–	(9.8)
Total individually significant items¹	(42.2)	–	(42.2)	–	10.7	(31.5)	–	(31.5)
Statutory result	175.5	9.4	184.9	(34.2)	(46.1)	104.6	(6.6)	98.0

1. Refer to Note B4 in the Financial Report for further details.

Statutory earnings before interest and tax (EBIT) of \$175.5 million, up 31.6%, and statutory NPAT of \$98.0 million, an increase of 29.8%, compared to the prior period of \$133.4 million and \$75.5 million respectively.

Statutory EBITA of \$184.9 million for the period, including individually significant items (ISI) of \$42.2 million loss before interest and tax for the period, reflects a 23.2% improvement on \$150.1 million in 1H25.

Divestments and exit costs

During the period, the Group finalised a number of divestments as part of its program of portfolio simplification. The following divestment and exit costs were recognised in relation to the transactions. Refer to Note E2 for further details on the individual transactions.

The net loss on divestments and exit costs includes:

- \$5.9 million net pre-tax loss (including disposal costs) across the divestments, inclusive of:
 - \$6.3 million loss on exit of an Australian cleaning and catering contract within Facilities as part of portfolio simplification strategy to exit single service line Cleaning and Catering businesses.
 - \$2.0 million loss on sale of the New Zealand Cleaning businesses as part of the ongoing strategy to simplify the Facilities business and focus on core markets.
 - \$1.3 million net gain on disposal of the remaining 49% interest in Keolis Downer to the Keolis Group. The net gain on disposal is inclusive of a \$23.9 million dividend recognised prior to completion.
 - \$1.1 million net gain from the transfer and demobilisation of the Power Maintenance Contract which completed in July 2025 within Energy & Utilities involving transfer of employees, assets and sites.

Transformation and restructure costs

Transformation and restructure costs represent costs incurred in relation to Downer's Transformation program to restructure its operating model and to identify opportunities for overhead savings from improved alignment and role clarity between the Corporate and Business Unit organisation structures. The material elements of the costs associated with the transformation and restructure are as follows:

- Redundancy and severance costs associated with ongoing review of the Group operating model
- Transformation program implementation costs including external advisor costs
- IT transformation costs, impacting workforce management, project management, ERP systems and modernising IT infrastructure. These programs' objectives include an uplift in capability and/or cost savings.

Regulatory reviews and legal matters

Regulatory review and legal matters costs were incurred in relation to Downer's defence against actions filed against the Company, including shareholder class actions filed in early 2023 and the action filed by the Australian Competition and Consumer Commission (ACCC) in December 2024. These costs also relate to regulatory reviews, undertakings related business conduct reviews and investigations, and costs associated with defending and settling historical long dated warranty claims associated with businesses no longer in operation.

The shareholder class action and ACCC claim have been disclosed as contingent liabilities in Note C4.

Impairment, asset write-downs and other

Impairment and other asset write-downs relate to:

- A Rail site in the Transport segment totalling \$10.0 million including remediation works;
- Accelerated amortisation and write-downs in relation to IT assets and discontinuation of IT development programs, where the ongoing usage has been reviewed as part of the Technology Simplification programs to reduce complexity and identify cost savings; and
- Impairment of right of use assets where office space has been consolidated as part of the Group's transformation program.

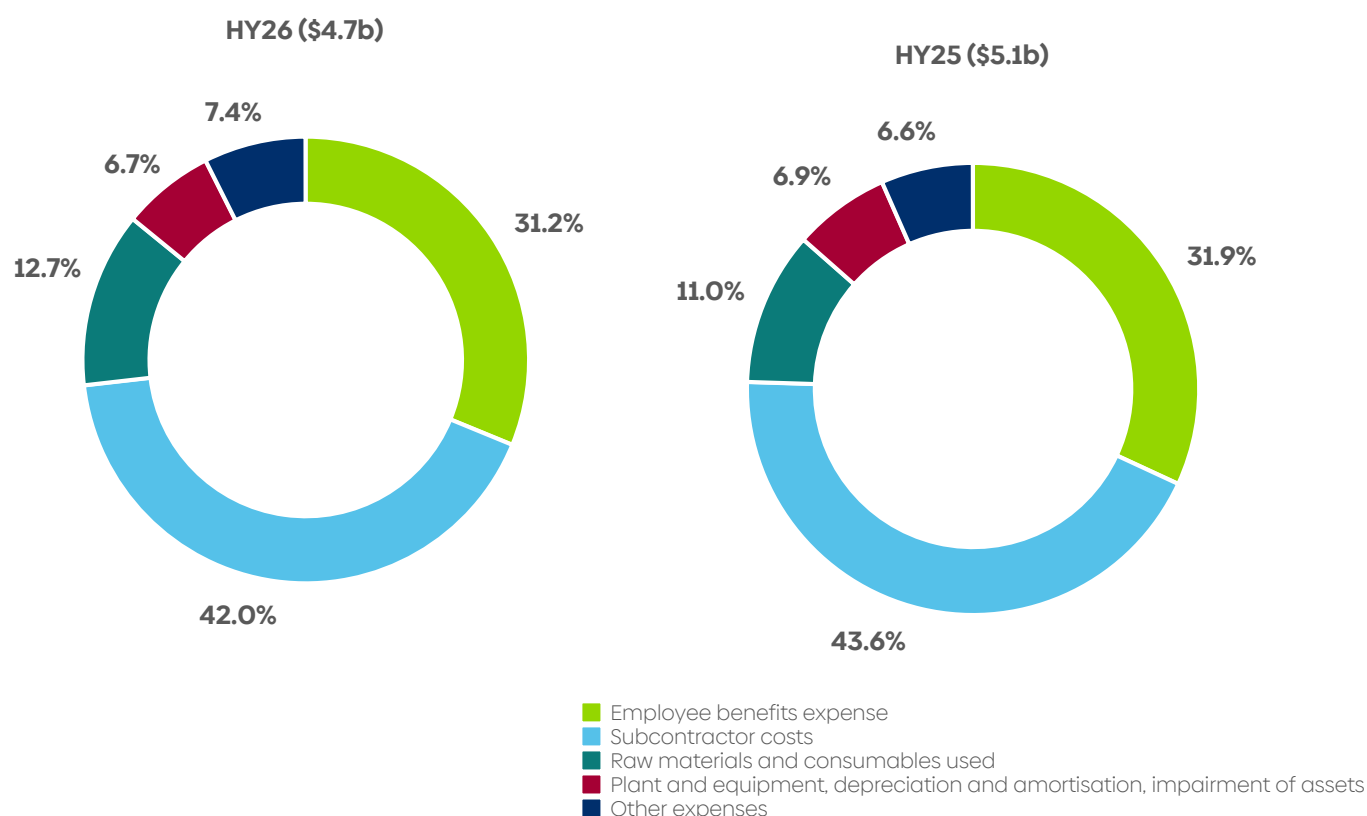
Tax

The underlying effective tax rate of 29.4% is lower than the statutory corporate tax rate of 30.0% primarily due to the impact of non-taxable distributions and franked dividends from joint ventures and associates, and profits earned in jurisdictions with lower corporate tax rates such as New Zealand (28%).

Expenses

Total expenses of \$4.7 billion decreased by 8.1% compared to \$5.1 billion in the prior corresponding period (pcp). Included in total expenses is \$66.1 million¹ of ISIs (\$60.7 million in the pcp). Excluding the impact of ISIs, total expenses decreased 8.3% (from \$5.0 billion to \$4.6 billion), greater than the fall in revenue for the period, further improving margins.

Downer's cost base (including ISI) by expense type:



Employee benefits expenses decreased by 9.9%, or \$160.8 million, to \$1.5 billion and represents 31.2% of Downer's cost base (31.9% in the prior period). The decrease in labour expenses reflects the impact of divestments of labour intensive businesses and the benefit from the cost out program.

Subcontractor costs decreased by 11.6%, or \$257.3 million, to \$2.0 billion, and represents 42.0% of Downer's cost base (43.6% in the prior period). Subcontractor use has reduced in the Transport segment following the nearing completion of a number of projects within the Hawkins and Infrastructure projects business and the Energy & Utilities segment following the exit of a number of lower margin projects. This subcontractor usage was partially offset by increased subcontractor use on the QTMP project.

Raw materials and consumables costs increased by 5.7%, or \$32.2 million, to \$0.6 billion and represents 12.7% of Downer's cost base (11.0% in the prior period). This change reflects the nature of work undertaken as well as overall project mix.

Plant and equipment costs decreased by 8.9% or \$16.2 million to \$0.2 billion, as a result of both the project mix, as well as lower Transport market activity. Lower project costs were also noted within the Energy & Utilities segment from the demobilisation and transfer of the Victorian Power Maintenance Contract in July 2025. Total depreciation and amortisation decreased by 13.3%, or \$21.7 million, to \$0.1 billion reflecting reduction in leased fleet and sites from cost savings programs that also reduced interest expense.

Impairment of non-current assets expense of \$7.7 million primarily relates to impairment of a Rail site in the Transport segment. Refer to Note B4 of the Financial Report for additional information.

¹ Total ISI before tax of \$42.2 million includes Other income of \$23.9 million.

Cash flow

Operating cash flow

Normalised cash conversion at 90.5% in the period was above the Group's target, reflecting outperformance in cash collection and demonstrated on-going delivery of cash back profits.

Operating cash flow of \$226.8 million up 3.0% on pcp, due principally to an increase in cash generated from operations including distributions from joint ventures, partially offset by an increase in tax payments in the half. Underlying cash conversion (operating cash flow excluding interest and tax over underlying EBITDA) was 86.6% (1H25: 81.9%). Normalised cash conversion, adjusting for payments associated with FY25 and 1H26 ISIs (together \$13.9 million), equates to 90.5%. The strong normalised cash conversion has been achieved through maintaining a disciplined focus on cash collections and the resolution of outstanding contractual variations and claims.

Net finance costs decreased by \$6.2 million, or 15.3% on prior comparative period, to \$34.2 million reflecting a reduction in net debt and lease liability balances driven by operating cash flows and prudent capital management.

Investing cash flow

Total investing cash inflow of \$18.3 million includes \$76.9 million of proceeds from the disposal of businesses during the period, net of cash disposed. Refer to note E2 for details.

Net capex increased from \$44.7 million to \$52.5 million. Gross capex of \$55.9 million reflected targeted capital and intangible asset expenditure (capex), focused on supporting new projects, efficiency enhancing assets, including plant and equipment refresh and new work management system in Facilities. Net capex was impacted by a reduction in disposal proceeds from equipment sales.

Free cash flow decreased by 6.5% from \$112.5 million in 1H25 to \$105.2 million in 1H26. This was largely driven by a \$6.7 million increase in operating cash flows, as well as an \$11.8 million reduction (or 15.8% decrease) in lease payments as the Group has rationalised its leased fleet and site footprint following divestments and labour reductions as part of cost out programs across the business. This was partially offset by \$18.2 million in short term advances made to Joint Venture entities and in Corporate and higher net capex of \$7.8 million mainly due to lower levels of proceeds from the disposal of plant and equipment.

Debt and bonding

The Group has continued to improve leverage to build capacity to invest and to pursue strategic growth opportunities, with reduced net debt to Underlying EBITDA (which includes lease liabilities) of 0.8x at 31 December 2025, an improvement from 1.3x at 31 December 2024.

At 31 December 2025, the Group had liquidity of \$2.3 billion comprising cash balances of \$683.4 million and undrawn committed debt facilities of \$1,625.0 million. Net debt (excluding lease liabilities and including Deferred Finance Costs and Derivative Marked to Market (MTM)) reduced from \$447.5 million at 31 December 2024 to \$242.3 million at 31 December 2025.

During the period, Private Placement Notes of 100.0 million United States Dollars and 30.0 million Australian Dollars were repaid at maturity in July 2025 with available group liquidity. A \$400.0 million bridge facility remains in place for the upcoming AUD MTN refinancing in FY26.

Fitch Ratings (Fitch) affirmed the Group's issuer rating as BBB in May 2025, and was re-affirmed as BBB in February 2026. Downer notes it has maintained and increased its underlying EBITDA margin above the minimum requirement of 5% at 31 December 2025.

The Group's performance bonding facilities totalled \$1,877.8 million at 31 December 2025 with \$701.8 million undrawn. During the 6 months to 31 December 2025, surplus limits were rationalised resulting in a \$25.0 million reduction of total bonding facility limits and related cost savings in fees. There is sufficient capacity to support the existing pipeline and the ongoing operations of the Group.

Dividends

The Downer Board resolved to pay an Interim dividend of 12.9 cents per share, 100% franked, payable on 2 April 2026 to shareholders on the register at 4 March 2026.

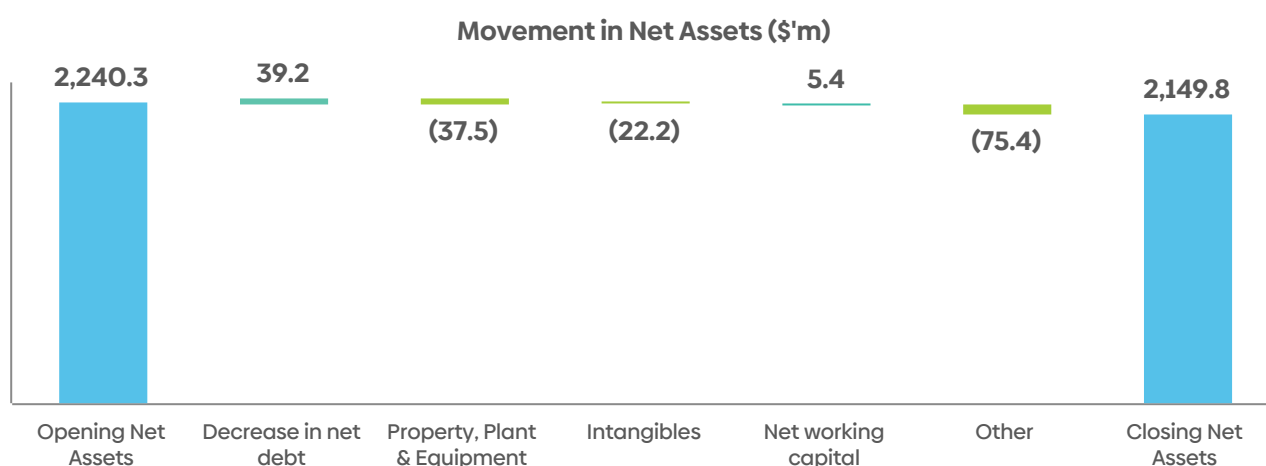
The Interim dividend for 1H26 of 12.9 cents per share represented a payout ratio of 65%.

The Company's Dividend Reinvestment Plan remains suspended.

The Board also determined to continue to pay a fully imputed dividend on the ROADS security, which having been reset on 15 June 2025 has a yield of 7.27% per annum payable quarterly in arrears, with the next payment due on 16 March 2026. As this dividend is fully imputed (the New Zealand equivalent of being fully franked), the actual cash yield paid by Downer will be 5.23% per annum until the next reset date.

Balance sheet

Since 30 June 2025, the net assets of the Group reduced by \$90.5 million.



Net debt, calculated as borrowings (excluding lease liabilities) less cash and cash equivalents, decreased by \$39.2 million driven by cash generated by operations and cash proceeds collected from divestments (net divestment proceeds of \$76.9 million).

Property, plant and equipment (PP&E) decreased by \$37.5 million to \$749.3 million, largely attributable to the depreciation expense of \$56.0 million, impairment expense of \$6.7 million and foreign exchange translation differences of \$13.4 million. These were partially offset by net capital expenditure of \$45.3 million.

Intangibles declined by \$22.2 million to \$2.0 billion, driven by amortisation expense of \$25.4 million, primarily from customer contract intangibles and software and system development assets, partially offset by investment in work management systems in Facilities.

Net working capital, which includes current trade receivables and contract assets, in addition to current trade payables and contract liabilities, increased by \$5.4 million.

Other assets and liabilities decreased by \$75.4 million mainly due to the completion of the Keolis Downer divestment and transfer and demobilisation of the Power Maintenance Contract (refer note E2). The total decrease in held for sale assets and liabilities was \$63.7 million.

Total equity decreased by \$90.5 million, largely as a result of the share buy back where 8,430,236 shares were acquired on market at a cost of \$64.4 million, foreign currency translation differences of \$29.4 million and dividends paid during the period of \$99.3 million, offset by the \$98.0 million statutory profit generated by the group during 1H26.

Outlook

1H26 performance was in line with our expectations.

Our focus continues to be building a high quality order book with adherence to our risk guard rails and operating discipline.

For FY26, on an underlying basis, we are targeting:¹

- revenue to be slightly lower than FY25 pro forma revenue²
- earnings and EBITA margin improvement
- NPATA of \$295 million to \$315 million, assuming no material change in economic conditions or market demand, and no material weather disruptions.

¹ Forward looking statements are to be read in conjunction with the important notice and disclaimer in the 1H26 Results Presentation, dated 19 February 2026.

² FY25 pro forma revenue of \$10.348bn, amended to reflect the disposal of the E&U customer contract completed in 1H26.

Subsequent events

At the date of this report, there is no other matter or circumstance that has arisen since the end of the financial period, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

Auditor's independence declaration

The auditor's independence declaration, as required under section 307C of the *Corporations Act 2001* (Cth), is set out on page 18.

Signed in accordance with a resolution of the Directors made pursuant to section 306(3) of the *Corporations Act 2001* (Cth).

On behalf of the Directors.



Mark Menhinnitt
Chair

Sydney, 19 February 2026

Auditor's Independence Declaration

for the half-year ended 31 December 2025



Auditor's Independence Declaration

As lead auditor of Downer EDI Limited's financial report for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review of the financial report; and
- b) no contraventions of any applicable code of professional conduct in relation to the review of the financial report.

A handwritten signature in black ink that reads 'Reilly'.

Jane Reilly
Partner
PricewaterhouseCoopers

Sydney
19 February 2026

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Independent Auditor's Review Report

for the half-year ended 31 December 2025



Independent auditor's review report to the members of Downer EDI Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Downer EDI Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the Condensed Consolidated Statement of Financial Position as at 31 December 2025, the Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows, Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Downer EDI Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity (ASRE 2410). Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year financial report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the

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Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A stylized, handwritten signature in dark ink, appearing to read 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A stylized, handwritten signature in dark ink, appearing to read 'Reilly'.

Jane Reilly
Partner

Sydney
19 February 2026

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 31 December 2025

		Dec 2025 \$'m	Dec 2024 \$'m
	Note		
Revenue	B2	4,828.0	5,196.2
Other income	B2	32.7	25.0
Total revenue and other income		4,860.7	5,221.2
Employee benefits expense		(1,465.8)	(1,626.6)
Subcontractor costs		(1,969.9)	(2,227.2)
Raw materials and consumables used		(596.7)	(564.5)
Plant and equipment costs		(165.3)	(181.5)
Depreciation on leased assets		(60.4)	(70.8)
Other depreciation and amortisation		(81.4)	(92.7)
Impairment of non-current assets		(7.7)	(4.9)
Other expenses from ordinary activities		(344.9)	(337.0)
Total expenses		(4,692.1)	(5,105.2)
Share of net profit of joint ventures and associates	E1	6.9	17.4
Earnings before interest and tax		175.5	133.4
Finance income		6.8	7.0
Lease finance costs		(11.6)	(13.5)
Other finance costs		(29.4)	(33.9)
Net finance costs		(34.2)	(40.4)
Profit before income tax		141.3	93.0
Income tax expense		(43.3)	(17.5)
Profit after income tax		98.0	75.5
Profit for the period is attributable to:			
– Members of the parent entity		93.4	69.3
– Non-controlling interest		4.6	6.2
Profit for the period		98.0	75.5
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
– Actuarial movement on net defined benefit plan obligations		(2.4)	–
– Income tax effect of actuarial movement on defined benefit plan obligations		0.7	–
– Change in fair value of unquoted equity investments		0.2	0.5
Items that may be reclassified subsequently to profit or loss:			
– Exchange differences arising on translation of foreign operations		(29.4)	(7.4)
– Net (loss)/gain on foreign currency forward contracts taken to equity		(2.5)	2.9
– Net gain/(loss) on cross currency and interest rate swaps taken to equity		8.6	(3.4)
– Income tax effect of items above		(1.8)	0.1
Other comprehensive loss for the period (net of tax)		(26.6)	(7.3)
Total comprehensive income for the period (net of tax)		71.4	68.2
Total comprehensive income for the period (net of tax) is attributable to:			
– Members of the parent entity		66.8	62.0
– Non-controlling interest		4.6	6.2
Total comprehensive income for the period (net of tax)		71.4	68.2
Earnings per share (cents)			
Basic earnings per share	B5	14.0	10.3
Diluted earnings per share ⁽ⁱ⁾	B5	14.0	10.3

(i) At 31 December 2025 and 2024, the Redeemable Optionally Adjustable Distributing Securities (ROADS) were deemed anti-dilutive and consequently, diluted EPS remained at 14.0 cents per share (Dec 2024: 10.3 cents per share).

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes on pages 26 to 47.

Condensed Consolidated Statement of Financial Position

as at 31 December 2025

	Note	Dec 2025 \$'m	Jun 2025 \$'m
ASSETS			
Current assets			
Cash and cash equivalents		683.4	833.8
Trade receivables and contract assets	C1	1,766.3	1,802.7
Other financial assets	F2	11.4	30.5
Inventories		195.2	201.0
Prepayments and other assets		92.0	77.0
Assets classified as held for sale		-	117.6
Total current assets		2,748.3	3,062.6
Non-current assets			
Trade receivables and contract assets	C1	162.1	155.2
Equity accounted investments	E1	17.9	15.0
Property, plant and equipment		749.3	786.8
Right-of-use assets		313.5	362.5
Intangible assets	C3	2,008.6	2,030.8
Other financial assets	F2	24.4	22.8
Deferred tax assets		44.6	27.4
Prepayments and other assets		12.9	15.9
Total non-current assets		3,333.3	3,416.4
Total assets		6,081.6	6,479.0
LIABILITIES			
Current liabilities			
Trade payables and contract liabilities	C2	2,026.5	2,059.1
Borrowings	D1	501.1	683.2
Lease liabilities		100.4	112.8
Other financial liabilities	F2	7.8	8.2
Current tax liabilities		51.9	47.5
Employee benefits provision		259.2	280.4
Other provisions		139.4	117.3
Liabilities associated with assets classified as held for sale		-	53.9
Total current liabilities		3,086.3	3,362.4
Non-current liabilities			
Trade payables and contract liabilities	C2	49.8	44.2
Borrowings	D1	394.3	401.8
Lease liabilities		299.7	339.2
Other financial liabilities	F2	26.2	19.4
Deferred tax liabilities		17.2	15.7
Employee benefits provision		23.1	24.4
Other provisions		35.2	31.6
Total non-current liabilities		845.5	876.3
Total liabilities		3,931.8	4,238.7
Net assets		2,149.8	2,240.3
EQUITY			
Issued capital	D3	2,401.9	2,465.8
Reserves	D4	(23.2)	2.1
Accumulated losses		(407.5)	(406.2)
Equity attributable to the parent interests		1,971.2	2,061.7
Non-controlling interest		178.6	178.6
Total equity		2,149.8	2,240.3

The condensed consolidated statement of financial position should be read in conjunction with the accompanying notes on pages 26 to 47.

Condensed Consolidated Statement of Changes in Equity

for the half-year ended 31 December 2025

Dec 2025 \$'m	Note	Issued Capital	Reserves	Accumulated losses	Total attributable to owners of the parent	Non- controlling interest	Total
Balance at 1 July 2025		2,465.8	2.1	(406.2)	2,061.7	178.6	2,240.3
Profit after income tax		–	–	93.4	93.4	4.6	98.0
Other comprehensive loss for the period (net of tax)		–	(26.6)	–	(26.6)	–	(26.6)
Total comprehensive income/(loss) for the year		–	(26.6)	93.4	66.8	4.6	71.4
Vested executive incentive share transactions		0.5	(0.5)	–	–	–	–
Share-based employee benefits expense		–	1.7	–	1.7	–	1.7
Income tax relating to share-based transactions during the year		–	0.1	–	0.1	–	0.1
Group on-market share buy-back		(64.4)	–	–	(64.4)	–	(64.4)
Payment of dividends ⁽ⁱ⁾	D5	–	–	(94.7)	(94.7)	(4.6)	(99.3)
Balance at 31 December 2025		2,401.9	(23.2)	(407.5)	1,971.2	178.6	2,149.8

(i) Relates to the 2025 final dividend and \$4.6 million ROADS dividends paid during the financial period.

Dec 2024 \$'m		Issued Capital	Reserves	Accumulated losses	Total attributable to owners of the parent	Non- controlling interest	Total
Balance at 1 July 2024		2,463.9	13.4	(396.5)	2,080.8	178.6	2,259.4
Profit after income tax		–	–	69.3	69.3	6.2	75.5
Other comprehensive loss for the year (net of tax)		–	(7.3)	–	(7.3)	–	(7.3)
Total comprehensive income/(loss) for the year		–	(7.3)	69.3	62.0	6.2	68.2
Vested executive incentive share transactions		0.2	(0.2)	–	–	–	–
Share-based employee benefits expense		–	2.3	–	2.3	–	2.3
Income tax relating to share-based transactions during the year		–	0.1	–	0.1	–	0.1
Payment of dividends ⁽ⁱⁱ⁾		–	–	(73.9)	(73.9)	(6.2)	(80.1)
Balance at 31 December 2024		2,464.1	8.3	(401.1)	2,071.3	178.6	2,249.9

(ii) Relates to the 2024 final dividend and \$6.2 million ROADS dividends paid during the financial period.

The condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes on pages 26 to 47.

Condensed Consolidated Statement of Cash Flows

for the half-year ended 31 December 2025

	Note	Dec 2025 \$'m	Dec 2024 \$'m
Cash flows from operating activities			
Receipts from customers		5,396.2	6,028.2
Payments to suppliers and employees		(5,116.5)	(5,758.5)
Distributions received		31.8	23.2
Net cash generated by operating cash flow before interest and tax		311.5	292.9
Interest received		6.9	6.6
Interest paid on lease liabilities		(11.6)	(13.5)
Interest and other costs of finance paid		(26.1)	(32.0)
Income tax paid		(53.9)	(33.9)
Net cash generated by operating activities		226.8	220.1
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		3.4	14.1
Payments for property, plant and equipment		(48.0)	(54.9)
Payments for intangible assets		(7.9)	(3.9)
Net proceeds and deferred consideration from sale of business (net of cash disposed)	E2	76.9	(2.7)
Receipts from investments		1.0	0.8
Net advances (to)/from equity accounted investments		(7.1)	11.1
Net cash generated from/(used in) investing activities		18.3	(35.5)
Cash flows from financing activities			
Group on-market share buy-back	D3	(64.4)	–
Proceeds from borrowings		163.4	1,682.0
Repayments of borrowings		(322.2)	(1,905.6)
Payment of principal of lease liabilities		(63.0)	(74.8)
Dividends paid		(99.3)	(80.1)
Net cash used in financing activities		(385.5)	(378.5)
Net decrease in cash and cash equivalents		(140.4)	(193.9)
Cash and cash equivalents at the beginning of the period		833.8	837.6
Effect of exchange rate changes		(10.0)	(3.9)
Cash and cash equivalents at the end of the period		683.4	639.8

The condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes on pages 26 to 47.

Notes to the condensed consolidated financial statements

for the half-year ended 31 December 2025

A_About this report

Statement of compliance

These general purpose financial statements (Financial Report) for the half-year reporting period 31 December 2025 of Downer EDI Limited (ABN 97 003 872 848) have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001 (Cth)*. The condensed consolidated half-year financial statements comprise the Parent company and its controlled entities (together the Group).

The Financial Report does not include all the information required for an annual financial report and should be read in conjunction with the 2025 Annual Report.

Accounting policies are selected and applied in a manner that ensures the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. The accounting policies and methods of computation applied in the Financial Report are consistent with those of the previous financial year and corresponding interim period.

Amounts in the Financial Report are presented in Australian dollars unless otherwise noted and has been prepared on a historical cost basis, except for revaluation of certain financial instruments.

The Financial Report was authorised for issue by the Board of Directors.

Rounding of amounts

Downer is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' Report and condensed consolidated financial statements. Unless otherwise expressly stated, amounts have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars in accordance with that Instrument. Amounts shown as \$- represent amounts less than \$50,000 which have been rounded down. In some instances, totals may not add due to rounding.

Going Concern

As at 31 December 2025, the Group has net current liabilities of \$338.0 million (Jun 2025: net current liabilities \$299.8 million) largely as a result of \$501.1 million of facilities maturing within 12 months. The Group generated positive cash flows from operations of \$226.8 million during the six months ending 31 December 2025. The Group has sufficient unutilised facilities that can be drawn, should it be required. Based on the unutilised facilities and cash flow forecast for the next 12 months, the Group will be able to pay its debts as and when they become due and payable. Accordingly, the financial statements have been prepared on a going concern basis.

Accounting estimates and judgements

Significant judgement, estimates and assumptions about future events are made by management when applying accounting policies and preparing the Financial Report which are consistent with those described in the 2025 Annual Report.

B_Business performance

B1 Segment information	B4 Individually significant items
B2 Revenue	B5 Earnings per share
B3 Employee benefits expense	B6 Subsequent events

B1. Segment information

Identification of reportable segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker in order to effectively allocate Group resources and assess performance.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Group CEO in assessing performance and in determining the allocation of resources. The Group CEO is identified as the Chief Operating Decision Maker. The operating segments are identified by the Group based on the nature of the services provided. Financial information about each of these segments and additional information on operating businesses within each segment is reported to the Group CEO on a regular basis.

In determining the information to disclose for each segment the Group has implemented the July 2024 IFRIC Agenda Decision on Operating Segments and notes no change in disclosure, with the Group not including each item of expense presented in the condensed consolidated statement of profit and loss as these are not reviewed by the Group CEO for assessing performance of segments and are not expected to influence decisions of users of the financial statements.

The reportable segments are based on a combination of operating businesses determined by the similarity of the services provided, the sources of the Group's major risks that could therefore have the greatest effect on the rates of return and their quantitative contribution to the Group's results.

The reportable segments identified within the Group are outlined as follows:

Segment	Segment description
Transport	Comprises the Group's road services businesses across Australia and New Zealand, rail businesses in Australia and projects businesses in New Zealand. Downer's road services include: road network management; routine road maintenance; asset management systems; spray sealing; asphalt laying; manufacture and supply of bitumen-based products and asphalt products; the use of recycled products and environmentally sustainable methods to produce asphalt; and landfill diversion solutions. The Rail business spans all light rail and heavy rail sectors, from rollingstock to infrastructure; from design and manufacture to through-life-support including fleet maintenance, operations and comprehensive overhaul of assets. Transport also provides building and construction solutions across a variety of sectors in New Zealand including signalling, track and station works, bridges, airports and roads. Through the Hawkins business, Downer also delivers vertical construction to customers in New Zealand.
Energy & Utilities	Comprises the Group's power, gas, water, telecommunications, industrial, resources and energy businesses. This includes: planning, designing, constructing, operating, maintaining, managing and decommissioning power and gas network assets; providing complete water lifecycle solutions for municipal and industrial water users including water and wastewater treatment, network construction and rehabilitation; end-to-end technology and communications solutions including design, civil construction, network construction, operations and maintenance across fibre, copper and radio networks, and maintenance shutdowns, turnaround and outage delivery. It also provides feasibility studies; engineering design; procurement and construction; commissioning and decommissioning services; and design and manufacture of mineral process equipment.
Facilities	Facilities delivers outsourced facility services across a broad spectrum of industry sectors, including education, health, government, and defence. Facilities support the full lifecycle of strategic assets – ranging from maintenance and operational support to expansion and frontline service delivery. Services encompass comprehensive asset management solutions and consulting services tailored to the needs of complex estates and infrastructure.

Dec
2025

\$'m	Transport	Energy & Utilities	Facilities	Unallocated	Total
Total revenue including joint ventures, associates and other income^{(i) (ii)}	2,457.9	1,322.6	1,113.7	24.6	4,918.8
Share of sales revenue from joint ventures and associates ⁽ⁱ⁾	(58.1)	–	–	–	(58.1)
Segment revenue and other income	2,399.8	1,322.6	1,113.7	24.6	4,860.7
Total reported segment results – EBIT before amortisation of acquired intangibles (EBITA)	132.6	61.8	77.4	(86.9)	184.9
Amortisation of acquired intangibles	(0.4)	(0.2)	(1.9)	(6.9)	(9.4)
Earnings before interest and tax (EBIT)	132.2	61.6	75.5	(93.8)	175.5

Dec
2024

\$'m	Transport	Energy & Utilities	Facilities	Unallocated	Total
Total revenue including joint ventures, associates and other income^{(i) (ii)}	2,745.3	1,578.8	1,126.0	55.6	5,505.7
Share of sales revenue from joint ventures and associates ⁽ⁱ⁾	(233.8)	–	–	(50.7)	(284.5)
Segment revenue and other income	2,511.5	1,578.8	1,126.0	4.9	5,221.2
Total reported segment results – EBIT before amortisation of acquired intangibles (EBITA)	128.8	52.6	72.2	(103.5)	150.1
Amortisation of acquired intangibles	(0.6)	(0.2)	(1.9)	(14.0)	(16.7)
Earnings before interest and tax (EBIT)	128.2	52.4	70.3	(117.5)	133.4

(i) This is a non-statutory disclosure as it relates to Downer's share of revenue from equity accounted joint ventures and associates.

(ii) Included in 1H26 total revenue is \$63.0 million (1H25: \$401.1 million) in relation to divested businesses and assets held for sale.

Reconciliation of segment EBIT to net profit after tax:

	Note	Segment Results	
		Dec 2025 \$'m	Dec 2024 \$'m
Segment EBIT before Unallocated		269.3	250.9
Unallocated:			
Net profit/ (loss) on divestments and exit costs	B4	(5.9)	(23.6)
Transformation and restructure costs	B4	(16.1)	(11.5)
Regulatory reviews and legal matters	B4	(6.3)	(7.2)
Impairment, asset write-downs and other	B4	(13.9)	(18.4)
Amortisation of Spotless and Tenix acquired intangible assets		(6.9)	(7.5)
Corporate costs		(44.7)	(49.3)
Total unallocated		(93.8)	(117.5)
Earnings before interest and tax		175.5	133.4
Net finance costs		(34.2)	(40.4)
Profit before income tax		141.3	93.0
Income tax expense		(43.3)	(17.5)
Profit after income tax		98.0	75.5

B2. Revenue

Revenue and other income

Dec 2025 \$'m	Transport	Energy & Utilities	Facilities	Unallocated	Total
Rendering of services	1,293.0	983.3	1,085.3	0.5	3,362.1
Construction contracts	959.9	325.8	6.6	–	1,292.3
Sale of goods	139.3	10.1	21.8	–	171.2
Total revenue from contracts with customers	2,392.2	1,319.2	1,113.7	0.5	4,825.6
Other revenue	2.1	–	–	0.3	2.4
Total revenue	2,394.3	1,319.2	1,113.7	0.8	4,828.0
Net gain on sale of property, plant and equipment	0.6	0.1	–	–	0.7
Other	4.9	3.3	–	23.8	32.0
Other income	5.5	3.4	–	23.8	32.7
Total revenue and other income	2,399.8	1,322.6	1,113.7	24.6	4,860.7

Dec 2024 \$'m	Transport	Energy & Utilities	Facilities	Unallocated	Total
Rendering of services	1,383.4	1,233.4	1,098.1	0.5	3,715.4
Construction contracts	968.1	329.5	–	–	1,297.6
Sale of goods	136.3	15.2	27.9	–	179.4
Total revenue from contracts with customers	2,487.8	1,578.1	1,126.0	0.5	5,192.4
Other revenue	2.8	–	–	1.0	3.8
Total revenue	2,490.6	1,578.1	1,126.0	1.5	5,196.2
Net gain on sale of property, plant and equipment	0.4	0.1	–	–	0.5
Other	20.5	0.6	–	3.4	24.5
Other income	20.9	0.7	–	3.4	25.0
Total revenue and other income	2,511.5	1,578.8	1,126.0	4.9	5,221.2

Revenue from contracts with customers by geographical location

Dec 2025 \$'m	Transport	Energy & Utilities	Facilities	Unallocated	Total
Geographical location⁽ⁱ⁾					
Australia	1,438.1	1,068.4	1,003.7	0.4	3,510.6
New Zealand and Pacific	954.0	232.6	110.0	0.1	1,296.7
Rest of the world	0.1	18.2	–	–	18.3
Total revenue from contracts with customers	2,392.2	1,319.2	1,113.7	0.5	4,825.6

(i) Revenue is allocated based on the geographical location of the legal entity.

Dec
2024

\$'m	Transport	Energy & Utilities	Facilities	Unallocated	Total
Geographical location⁽ⁱ⁾					
Australia	1,366.8	1,306.1	983.3	0.3	3,656.5
New Zealand and Pacific	1,121.0	254.7	142.7	0.2	1,518.6
Rest of the world	–	17.3	–	–	17.3
Total revenue from contracts with customers	2,487.8	1,578.1	1,126.0	0.5	5,192.4

(i) Revenue is allocated based on the geographical location of the legal entity.

B3. Employee benefits expense

	Dec 2025 \$'m	Dec 2024 \$'m
Employee benefits expense:		
– Defined contribution plans costs	97.6	96.0
– Share-based employee benefits expense	17	2.3
– Employee benefits	1,353.6	1,517.6
– Redundancy costs	12.9	10.7
Total employee benefits expense	1,465.8	1,626.6

B4. Individually significant items

The following material items of income and expense, forming part of the unallocated segment, are relevant to an understanding of the Group's financial performance:

Dec 2025 \$'m	Net loss on divestments and exit costs	Transformation and restructure costs	Regulatory reviews and legal matters	Impairment, asset write- downs and other	Total
Other income	23.9	–	–	–	23.9
Employee benefits expense	(6.3)	(10.0)	–	–	(16.3)
Other depreciation and amortisation	–	–	–	(2.1)	(2.1)
Impairment of non-current assets	–	–	–	(7.7)	(7.7)
Net loss on disposal of businesses	(20.6)	–	–	–	(20.6)
Other expenses from ordinary activities	(2.9)	(6.1)	(6.3)	(4.1)	(19.4)
Total significant items before income tax	(5.9)	(16.1)	(6.3)	(13.9)	(42.2)
Income tax (expense) / benefit	(0.8)	5.6	1.8	4.1	10.7
Total significant items after income tax	(6.7)	(10.5)	(4.5)	(9.8)	(31.5)

Divestments and exit costs

During the period, the Group finalised a number of divestments as part of its program of portfolio simplification. The following divestment and exit costs were recognised in relation to the transactions. Refer to Note E2 for further details on the individual transactions.

The net loss on divestments and exit costs includes:

- \$5.9 million net pre-tax loss (including disposal costs) across the divestments, inclusive of:
 - \$6.3 million loss on exit of an Australian cleaning and catering contract within Facilities as part of portfolio simplification strategy to exit single service line Cleaning and Catering businesses.
 - \$2.0 million loss on sale of the New Zealand Cleaning businesses as part of the ongoing strategy to simplify the Facilities business and focus on core markets.
 - \$1.3 million net gain on disposal of the remaining 49% interest in Keolis Downer to the Keolis Group. The net gain on disposal is inclusive of a \$23.9 million dividend recognised prior to completion.
 - \$1.1 million net gain from the transfer and demobilisation of the Power Maintenance Contract which completed in July 2025 within Energy & Utilities involving transfer of employees, assets and sites.

Transformation and restructure costs

Transformation and restructure costs represent costs incurred in relation to Downer's Transformation program to restructure its operating model and to identify opportunities for overhead savings from improved alignment and role clarity between the Corporate and Business Unit organisation structures. The material elements of the costs associated with the transformation and restructure are as follows:

- Redundancy and severance costs associated with ongoing review of the Group operating model
- Transformation program implementation costs including external advisor costs
- IT transformation costs, impacting workforce management, project management, ERP systems and modernising IT infrastructure. These programs' objectives include an uplift in capability and/or cost savings.

Regulatory reviews and legal matters

Regulatory review and legal matters costs were incurred in relation to Downer's defence against actions filed against the Company, including shareholder class actions filed in early 2023 and the action filed by the Australian Competition and Consumer Commission (ACCC) in December 2024. These costs also relate to regulatory reviews, undertakings related business conduct reviews and investigations, and costs associated with defending and settling historical long dated warranty claims associated with businesses no longer in operation.

The shareholder class action and ACCC claim have been disclosed as contingent liabilities in Note C4.

Impairment, asset write-downs and other

Impairment and other asset write-downs relate to:

- A Rail site in the Transport segment totalling \$10.0 million including remediation works;
- Accelerated amortisation and write-downs in relation to IT assets and discontinuation of IT development programs, where the ongoing usage has been reviewed as part of the Technology Simplification programs to reduce complexity and identify cost savings; and
- Impairment of right of use assets where office space has been consolidated as part of the Group's transformation program.

Prior period

The Group recognised the following items as individually significant items as at 31 December 2024:

Dec 2024 \$'m	Net loss on divestments and exit costs	Transformation and restructure costs	Regulatory reviews and legal matters	Impairment, asset write-downs and other	Total
Employee benefits expense	–	(7.1)	–	(1.0)	(8.1)
Other depreciation and amortisation	(3.8)	–	–	(8.9)	(12.7)
Impairment of non-current assets	–	–	–	(4.9)	(4.9)
Other expenses from ordinary activities	(19.8)	(4.4)	(7.2)	(3.6)	(35.0)
Total significant items before income tax	(23.6)	(11.5)	(7.2)	(18.4)	(60.7)
Income tax benefit	5.0	3.5	2.1	5.5	16.1
Total significant items after income tax	(18.6)	(8.0)	(5.1)	(12.9)	(44.6)

Divestments and exit costs

During the period ended 31 December 2024, the net loss on divestments and exit costs includes:

- A net pre-tax loss of \$16.5 million recognised in relation to the divestment of the Catering New Zealand business including the recognition of divestment and exit costs associated with Downer's ongoing obligations and risks associated with the divestment.
- Accelerated amortisation on acquired intangibles from the Spotless acquisition due to disposed contracts
- Other exit costs include divestment program related costs.

Capital losses on which a deferred tax asset has not been previously recognised have been fully utilised to offset capital gains arising on divestments during the year.

Transformation and restructure costs

Transformation and restructure costs represent expenses incurred with Downer's Transformation program. This program encompasses the organisational restructure, redesign of the operating model (including the adoption of a support function hub model), development of a new people strategy (including Downer's high-performance culture program called The Downer Difference). It also includes capability uplift initiatives in project delivery and people management, and a review of the IT strategy focusing on technology simplification and modernisation. Additionally, Downer launched an optimisation program to drive significant reductions in overhead costs and a cultural shift towards continuous improvement.

The material elements of the costs associated with the transformation and restructure are as follows:

- Redundancy and severance costs associated with ongoing review of the Group operating model, and
- Transformation program implementation costs including external advisor costs.

Regulatory reviews and legal matters

Regulatory review and legal matters costs were incurred in relation to defending the shareholder class actions filed against the Company, including shareholder class actions filed in early 2023 and the action filed by the Australian Competition and Consumer Commission (ACCC) in December 2024. These costs also relate to regulatory reviews, undertaking business conduct review and investigations, and provisioning for an historical New Zealand building warranty claim in 2001.

The shareholder class actions and ACCC claims have been disclosed as a contingent liability in Note C4.

Impairment, asset write-downs and other

Impairment, asset write-downs and other relate to:

- Accelerated amortisation and write-downs in relation to IT assets and discontinuation of IT development programs, where the ongoing usage has been reviewed as part of the technology simplification program and optimise program and aligned with the Group's new operating model
- Accelerated amortisation on acquired intangibles from the Spotless acquisition from exited contracts
- Office space and vehicles leases being surplus to requirements and terminated as a result of business transformation
- Clean up costs associated with asbestos related site rectification at a key Transport site.

B5. Earnings per share

Basic earnings per share

The calculation of basic earnings per share (EPS) is based on the profit/loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding.

	Dec 2025	Dec 2024
Profit attributable to members of the parent entity used in calculating basic EPS (\$'m)	93.4	69.3
Weighted average number of ordinary shares (WANOS) on issue (m's) ⁽ⁱ⁾	668.2	670.4
Basic earnings per share (cents)	14.0	10.3

Diluted earnings per share

The calculation of diluted earnings per share is based on the following profit attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding after adjustments for the effects of all dilutive potential ordinary shares.

	Dec 2025	Dec 2024
Profit attributable to members of the parent entity used in calculating basic EPS (\$'m)	93.4	69.3
Adjustment of earnings for ROADS dividend paid (\$'m)	4.6	6.2
Profit attributable to members of the parent entity used in calculating diluted EPS (\$'m)	98.0	75.5
Weighted average number of ordinary shares		
– Weighted average number of ordinary shares (WANOS) on issue (m's) ^{(i) (ii)}	671.9	673.1
– Adjustments for calculation of diluted earnings per share due to ROADS (m's) ⁽ⁱⁱⁱ⁾	22.4	33.5
WANOS used in the calculation of diluted EPS (m's)	694.3	706.6
Diluted earnings per share (cents)^(iv)	14.0	10.3

(i) The WANOS on issue has been adjusted by the weighted average effect of vested executive incentive shares of 37,153 (Dec 2024: 16,851).

(ii) For diluted EPS, the WANOS has been further adjusted by the potential vesting of executive incentive shares.

(iii) The WANOS adjustment is the value of ROADS that could potentially be converted into ordinary shares at the reporting date. It is calculated based on the issued value of ROADS in New Zealand dollars converted to Australian dollars at the spot rate prevailing at the reporting date, which was \$172.7 million (Dec 24: \$181.1 million), divided by the 20-day Volume-Weighted Average Price (VWAP) of the Company's ordinary shares for the period preceding 31 December 2025 discounted by 2.5% according to the ROADS contract terms, which was \$7.72 (Dec 2024: \$5.41).

(iv) At 31 December 2025, the ROADS were deemed anti-dilutive and consequently, diluted EPS remained at 14.0 cents per share (Dec 2024: 10.3 cents per share).

B6. Subsequent events

At the date of this report, there is no other matter or circumstance that has arisen since the end of the financial period, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

C_Operating assets and liabilities

C1 Trade receivables and contract assets

C2 Trade payables and contract liabilities

C3 Intangible assets

C4 Contingent liabilities

C1. Trade receivables and contract assets

	Dec 2025 \$'m	Jun 2025 \$'m
Trade receivables	446.7	541.6
Contract assets ⁽ⁱ⁾	1,469.7	1,405.6
	1,916.4	1,947.2
Other receivables	34.5	33.2
Loss allowance on trade receivables and contract assets arising from contracts with customers	(22.5)	(22.5)
Total trade receivables and contract assets	1,928.4	1,957.9
Included in the financial statements as:		
Current ⁽ⁱ⁾	1,766.3	1,802.7
Non-current	162.1	155.2

(i) Current contract assets: \$1,307.5 million (Jun 2025: \$1,250.4 million).

C2. Trade payables and contract liabilities

	Dec 2025 \$'m	Jun 2025 \$'m
Trade payables	707.3	628.6
Contract liabilities	220.8	249.4
Accruals	1,033.3	1,091.7
Other payables	114.9	133.6
Total trade payables and contract liabilities	2,076.3	2,103.3
Included in the financial statements as:		
Current	2,026.5	2,059.1
Non-current	49.8	44.2

C3. Intangible assets

Dec 2025		Customer contracts and relationships	Brand names on acquisition	Intellectual property on acquisition	Software and system development	Total
\$'m	Goodwill					
Opening cost	2,564.4	492.9	79.0	2.4	522.5	3,661.2
Opening accumulated amortisation and impairment	(800.4)	(386.5)	(33.5)	(1.3)	(408.7)	(1,630.4)
Balance as at 1 July 2025	1,764.0	106.4	45.5	1.1	113.8	2,030.8
Additions	-	-	-	-	5.6	5.6
Amortisation expense	-	(7.4)	(1.9)	(0.1)	(16.0)	(25.4)
Internal transfers	-	-	-	-	6.7	6.7
Net foreign currency exchange differences at net book value	(8.0)	-	(0.6)	-	(0.5)	(9.1)
Net book value as at 31 December 2025	1,756.0	99.0	43.0	1.0	109.6	2,008.6
Cost	2,556.4	491.7	77.9	2.4	481.9	3,610.3
Accumulated amortisation and impairment	(800.4)	(392.7)	(34.9)	(1.4)	(372.3)	(1,601.7)

Impairment of assets

The Group assesses at each reporting date, whether there are any indicators that assets may be impaired. If any indicators exist, the Group estimates the recoverable amount of the asset.

Goodwill and intangible assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. No impairment indicators for Goodwill have been identified at the reporting date.

As reported in the 2025 Annual Report (Note C7 Intangible Assets), the estimation of recoverable amount of CGUs to which goodwill has been allocated involves key estimates and judgements, including projected cash flows, discount rates, budgeted revenue growth rates, EBIT margin and long term growth rate. Projected cash flows include assumptions in relation to contract awards, extensions and renewals, including potentially significant individual contracts that if not won, extended or renewed or if terminated early, it is reasonably possible that this may result in an adjustment in carrying amount of CGUs.

Since June 2025, contract awards in the Facilities segment have reduced the uncertainty at 30 June 2025 that a reasonably possible change in assumptions would result in an adjustment to the carrying amount of the CGU.

C4. Contingent liabilities

	Note	Dec 2025 \$'m	Jun 2025 \$'m
Bonding			
The Group has bid bonds and performance bonds issued in respect of contract performance in the normal course of business for controlled entities	D2	1,176.1	1,240.4

In addition, the Group is called upon to give guarantees and indemnities to counterparties, relating to the performance of contractual and financial obligations (including for controlled entities and related parties). Other than as noted, these guarantees and indemnities are indeterminable in amount.

Other contingent liabilities

- i. The Group is subject to design liability in relation to completed design and construction projects. It is not possible to reliably estimate these claims and the Directors are of the opinion that there is adequate insurance to cover this area. No amounts are recognised in the financial statements.
- ii. The Group is subject to ongoing fitness for purpose and defect liability obligations in relation to contracts. It is not possible to reliably estimate these obligations.
- iii. The Group is subject to product liability claims. Provision is made for the potential costs of carrying out rectification works based on known claims and previous claims history.
- iv. Controlled entities have entered into various joint arrangements under which the controlled entity is jointly and severally liable for the obligations of the relevant joint arrangements.
- v. The Group carries the normal contractors' and consultants' liability in relation to services, supply and construction contracts (for example, liability relating to professional advice, design, completion, workmanship and damage), as well as liability for personal injury/property damage during the course of a project. Potential liability may arise from claims, disputes and/or litigation/arbitration by or against Group companies and/or joint venture arrangements in which the Group has an interest. The Group is currently managing a number of claims and dispute processes in relation to services, supply and design and construction contracts as well as in relation to personal injury and property damage claims arising from project delivery. Two disputes with customers in relation to contractors liability have not been disclosed separately as disclosure can be expected to prejudice the position of the Group.
- vi. In December 2022, Downer received correspondence notifying an alleged stray current defect in the depot constructed by Downer for the High Capacity Metro Trains Project and has received subsequent correspondence alleging that Downer is responsible for the costs of rectification. Downer denies liability and has referred the dispute to arbitration.
- vii. Since 2023, Downer has been defending a class action proceeding in which it is alleged Downer breached continuous disclosure obligations and that it engaged in misleading or deceptive conduct in the period 23 July 2019 to 24 February 2023 by making and/or failing to correct or qualify various statements in connection with a maintenance contract in its Australian Utilities business and Downer's financial performance.

On 1 March 2024, Downer filed its defence to the plaintiffs' claim (which included a proportionate liability defence identifying Downer's former auditor as a concurrent wrongdoer) and a third party claim against the former auditor. On 9 August 2024, Downer filed amended pleadings which included additional claims against its former auditor. On 26 February 2025, the plaintiffs filed an amended pleading in which it named Downer's former auditor as the second defendant in the proceeding and made direct claims against the former auditor.
- viii. On 12 December 2024, the Australian Competition and Consumer Commission (ACCC) commenced civil proceedings against Spotless Facility Services Pty Ltd, a Downer subsidiary, relating to allegations concerning the supply of estate maintenance and operations services to the Department of Defence. The ACCC release to ASX on 12 December 2024 includes further details. Downer denies the ACCC allegations and is defending the proceedings.
- ix. In the ordinary course of business, contingent liabilities exist in respect of claims and potential claims against entities in the consolidated entity. The consolidated entity does not consider that the outcomes of any such claims known to exist at the date of this report, either individually or in aggregate, are likely to have a material effect on its operations or financial position.

D_Capital structure and financing

D1 Borrowings	D4 Reserves
D2 Financing facilities	D5 Dividends
D3 Issued capital and non-controlling interest	

D1. Borrowings

	Dec 2025 \$'m	Jun 2025 \$'m
Current		
Unsecured:		
– Insurance Premium Funding	1.7	–
– USD private placement notes	–	152.7
– AUD private placement notes	–	30.0
– AUD medium term notes	500.7	501.9
– Deferred finance charges	(1.3)	(1.4)
Total current borrowings	501.1	683.2
Non-current		
Unsecured:		
– Bank loans	300.0	300.0
– JPY medium term notes	95.4	106.1
– Deferred finance charges	(1.1)	(4.3)
Total non-current borrowings	394.3	401.8
Total borrowings	895.4	1,085.0
Fair value of total borrowings ⁽ⁱ⁾	892.0	1,086.4

(i) Excludes lease liabilities.

D2. Financing facilities

At reporting date, the Group had the following facilities that were unutilised:

	Dec 2025 \$'m	Jun 2025 \$'m
Syndicated loan facilities	900.0	900.0
Syndicated Bridge loan facilities	400.0	400.0
Bilateral loan facilities	325.0	325.0
Total unutilised loan facilities	1,625.0	1,625.0
Syndicated bank guarantee facilities	42.7	17.0
Bilateral bank guarantee and insurance bonding facilities	659.1	645.4
Total unutilised bonding facilities	701.8	662.4

Summary of borrowing arrangements

The Group's borrowing arrangements are as follows:

Bank loan facilities

Bilateral loan facilities:

The Group has a total of \$325.0 million (June 2025: \$325.0 million) in committed bilateral loan facilities which are unsecured.

Syndicated bridge loan facilities:

The Group has \$400.0 million (June 2025: \$400.0 million) of committed syndicated bridge loan facilities which are unsecured.

Syndicated loan facilities:

The Group has \$1,200.0 million (June 2025: \$1,200.0 million) of committed syndicated bank loan facilities which are unsecured.

USD private placement notes

USD unsecured private placement notes matured in July 2025 and were repaid (June 2025: US\$100.0 million). The USD denominated principal and interest amounts were fully hedged against the Australian dollar through cross-currency interest rate swaps.

AUD private placement notes

AUD unsecured private placement notes matured in July 2025 and were repaid (June 2025: \$30.0 million).

Medium Term Notes (MTNs)

The Group has the following unsecured MTNs on issue:

- \$500.0 million (June 2025: \$500.0 million) maturing April 2026
- JPY 10.0 billion (June 2025: JPY 10.0 billion) maturing May 2033

The carrying value of the AUD MTNs maturing April 2026 includes a premium of \$0.7 million (June 2025: \$1.9 million) over the face value owing to the differential between the coupon rate for that instrument and the prevailing market interest rate at the date of issue.

The JPY denominated principal and interest amounts have been fully hedged against the Australian dollar through a cross-currency interest rate swap.

The above loan facilities and note issuances are supported by guarantees from certain Group subsidiaries.

Insurance Premium Funding

A Joint Operation in which Downer has a 50% share entered into an Insurance Premium Funding arrangement with a maturity of July 2026. The Group has recorded \$1.7 million as an unsecured current liability being our share of the outstanding balance at 31 December 2025.

The maturity profile of the Group's borrowing arrangements by financial year is represented in the below table by facility limit:

Maturing in the period (\$'m)	Bilateral Loan Facilities	Syndicated Loan Facilities	Syndicated Bridge Loan Facilities	USD Private Placement Notes	AUD Private Placement Notes	Medium Term Notes	Total
1 Jan 2026 to 30 June 2026	–	–	–	–	–	500.0	500.0
1 July 2026 to 30 June 2027	50.0	–	400.0	–	–	–	450.0
1 July 2027 to 30 June 2028	275.0	–	–	–	–	–	275.0
1 July 2028 to 30 June 2029	–	500.0	–	–	–	–	500.0
1 July 2029 to 30 June 2030	–	400.0	–	–	–	–	400.0
1 July 2031 to 30 June 2032	–	300.0	–	–	–	–	300.0
1 July 2032 to 30 June 2033	–	–	–	–	–	95.4	95.4
Total	325.0	1,200.0	400.0	–	–	595.4	2,520.4

Covenants on financing facilities

Downer Group's financing facilities contain undertakings to comply with financial covenants so that Group guarantors of these facilities collectively meet certain minimum threshold amounts of Group EBITA and Group Total Tangible Assets.

The main financial covenants which the Group is subject to are Net Worth, Interest Service Coverage and Leverage.

Financial covenants testing is undertaken monthly and reported at the Downer Board meetings. Reporting of financial covenants to financiers occurs semi-annually for the rolling 12-month periods to 30 June and 31 December. Downer Group was in compliance with all its financial covenants as at 31 December 2025.

Bank guarantees and insurance bonds

The Group has \$1,877.8 million (June 2025: \$1,902.8 million) of bank guarantee and insurance bond facilities to support its contracting activities. \$1,024.4 million (June 2025: \$1,040.2 million) of these facilities are provided to the Group on a committed basis and \$853.4 million (June 2025: \$862.6 million) on an uncommitted basis.

The Group's facilities are provided by a number of banks and insurance companies on an unsecured and revolving basis. \$1,176.1 million (June 2025: \$1,240.4 million) (refer to Note C4) of these facilities were utilised as at 31 December 2025 with \$701.8 million (June 2025: \$662.4 million) unutilised. These facilities have varying maturity dates that occur between financial years 2026, 2027 and 2028.

The underlying risk being assumed by the relevant financier under all bank guarantees and insurance bonds is corporate credit risk rather than project-specific risk.

The Group has flexibility in respect of certain committed facility amounts (shown as part of the unutilised bilateral loan facilities) which can, at the election of the Group, be utilised to provide additional bank guarantee capacity.

Refinancing requirements

The Group will negotiate with existing and, where required, new financiers to extend the maturity date or refinance facilities maturing within the next 12 months. The Group's financial metrics and credit rating as well as conditions in financial markets and other factors may influence the outcome of these negotiations. The \$500 million AUD MTN matures in April 2026 and will be replaced with a new AUD MTN issuance.

Credit ratings

The Group's external credit rating was affirmed at BBB (Outlook Stable) in May 2025, and re-affirmed at BBB (Outlook Stable) in February 2026, reflecting a continued improvement in earnings margins, strengthened balance sheet and leverage metrics.

D3. Issued capital and non-controlling interest

	Dec 2025		Jun 2025	
	No.	\$'m	No.	\$'m
Ordinary shares	663,143,443	2,406.7	671,573,679	2,471.1
Unvested executive incentive shares	613,608	(4.8)	684,080	(5.3)
Total		2,401.9		2,465.8

Fully paid ordinary share capital

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

	Dec 2025		Jun 2025	
	m's	\$'m	m's	\$'m
Fully paid ordinary share capital				
Balance at the beginning of the financial period / year	671.6	2,471.1	671.6	2,471.1
Group on-market share buy-back	(8.4)	(64.4)	-	-
Balance at the end of the financial period / year	663.2	2,406.7	671.6	2,471.1

Unvested executive incentive shares

	Dec 2025		Jun 2025	
	m's	\$'m	m's	\$'m
Unvested executive incentive shares				
Balance at the beginning of the financial period / year	0.7	(5.3)	1.2	(7.2)
Vested executive incentive share transactions ⁽ⁱ⁾	(0.1)	0.5	(0.5)	1.9
Balance at the end of the financial period / year	0.6	(4.8)	0.7	(5.3)

(i) December 2025 figures relate to the second deferred component of the 2023 STI award and first deferred component of the 2024 STI award totalling 70,472 vested shares for a value of \$531,706.

June 2025 figures relate to the 2021 LTI plan, second deferred component of the 2022 STI award and first deferred component of the 2023 STI award totalling 489,766 vested shares for a value of \$1,919,606.

Unvested executive incentive shares are stock market purchases and are held by the Executive Employee Share Plan Trust under the Long-Term Incentive (LTI) plan. LTI plans are not entitled to dividend equivalent payments and no dividends will be distributed on shares held in trust during the performance measurement and service periods. Excess net dividends are retained in the trust to be used by the Company to acquire additional shares on the market for employee equity plans.

Non-controlling interest – Redeemable Optionally Adjustable Distributing Securities (ROADS)

The following table summarises the information relating to each of the Group's subsidiaries that has material non-controlling interest (NCI), before any intra-Group eliminations.

	Dec 2025	Jun 2025
	\$'m	\$'m
200,000,000 ROADS (Jun 2025: 200,000,000)	178.6	178.6
Total	178.6	178.6

The non-controlling interest relates to the issue of 200,000,000 fully paid Redeemable Optionally Adjustable Distributing Securities (ROADS) with a nominal value of NZ\$1 each in Works Finance (NZ) Limited. ROADS are classified as equity as they bear discretionary dividends, are only redeemable into shares of the Company at the option of Works Finance (NZ) Limited, holders cannot request redemption, they do not contain any contractual obligations to deliver cash or financial assets and do not require settlement in a variable number of equity instruments of Works Finance (NZ) Limited.

In accordance with the terms of the ROADS preference shares, the dividend rate for the one year commencing 15 June 2025 is 7.27% per annum (2024: 9.43% per annum) which is equivalent to the one year swap rate on 16 June 2025 of 3.22% per annum plus the step-up margin of 4.05% per annum. ROADS distribution net of imputation credit of 28% is 5.23% (2024: 6.79%).

D4. Reserves

Dec 2025		Foreign currency translation reserve	Employee benefits reserve	Equity reserve	Fair value through OCI reserve	Total attributable to owners of the parent
\$'m	Hedge Reserve					
Balance at 1 July 2025	(7.5)	(30.0)	15.6	25.5	(1.5)	2.1
Foreign currency translation difference	–	(29.4)	–	–	–	(29.4)
Actuarial movement on net defined benefit plan obligations	–	–	(2.4)	–	–	(2.4)
Income tax effect of actuarial movement on defined benefit plan obligations	–	–	0.7	–	–	0.7
Change in fair value of cash flow hedges (net of tax)	4.3	–	–	–	–	4.3
Change in fair value of unquoted equity investments	–	–	–	–	0.2	0.2
Total comprehensive income/(loss) for the year	4.3	(29.4)	(1.7)	–	0.2	(26.6)
Vested executive incentive share transactions	–	–	(0.5)	–	–	(0.5)
Share-based employee benefits expense	–	–	1.7	–	–	1.7
Income tax relating to share-based transactions during the year	–	–	0.1	–	–	0.1
Balance at 31 December 2025	(3.2)	(59.4)	15.2	25.5	(1.3)	(23.2)

Hedge reserve

The hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments relating to future transactions.

Foreign currency translation reserve

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of operations where their functional currency is different to the presentation currency of the Group.

Employee benefits reserve

The employee benefits reserve is used to recognise the fair value of share-based payments issued to employees over the vesting period, and to recognise the value attributable to the share-based payments during the reporting period. This reserve also includes the actuarial gain/loss arisen on the defined benefit plan.

Equity reserve

The equity reserve accounts for the difference between the fair value of, and the amounts paid or received for, equity transactions with non-controlling interests.

Fair value through OCI reserve

The fair value through OCI reserve comprises the cumulative net change in the fair value of equity investments designated as FVOCI.

D5. Dividends

(a) Ordinary shares

	2026 Interim	2025 Final	2025 Interim	2024 Final
Dividend per share (in Australian cents)	12.9	14.1	10.8	11.0
Franking percentage	100 %	100 %	75 %	50 %
Cost (in \$'m)	85.5	94.7	72.5	73.9
Dividend record date	4/3/26	4/9/25	27/2/25	16/9/24
Payment date	2/4/26	2/10/25	27/3/25	15/10/24

The Interim 2026 dividend has not been declared at the reporting date and therefore is not reflected in the condensed consolidated financial statements.

(b) Redeemable Optionally Adjustable Distributing Securities (ROADS)

2026	Quarter 1	Quarter 2	Total
Dividend per ROADS (in Australian cents)	1.15	1.13	2.28
New Zealand imputation credit percentage	100 %	100 %	100 %
Cost (in A\$'m)	2.3	2.3	4.6
Payment date	15/9/25	15/12/25	

2025	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Dividend per ROADS (in Australian cents)	1.56	1.54	1.54	1.58	6.22
New Zealand imputation credit percentage	100 %	100 %	100 %	100 %	100 %
Cost (in A\$'m)	3.1	3.1	3.1	3.1	12.4
Payment date	16/9/24	16/12/24	17/3/25	16/6/25	

E_Group structure

E1 Joint arrangements and associate entities

E2 Disposal of businesses

E1. Joint arrangements and associate entities

Interest in joint ventures and associate entities

	Note	Dec 2025 \$'m
Interest in joint ventures at the beginning of the financial period		15.0
Share of net profit ⁽ⁱ⁾		6.9
Share of distributions		(3.4)
Foreign currency exchange differences		(0.6)
Interest in joint ventures at the end of the financial period		17.9
Total interest in joint ventures and associates		17.9

(i) The share of net profit is equal to the share of total comprehensive income for all joint ventures.

The Group has interests in the following joint ventures and associates which are equity accounted:

			Ownership interest	
Name of arrangement	Principal activity	Principal place of business	Dec 2025	Jun 2025
			%	%
Joint Ventures				
Allied Asphalt Limited	Asphalt plant	New Zealand	50	50
Bitumen Importers Australia Joint Venture	Bitumen importer	Australia	50	50
Bitumen Importers Australia Pty Ltd	Bitumen importer	Australia	50	50
EDI Rail-Alstom Transport Pty Ltd	Sale and maintenance of railway rollingstock	Australia	50	50
Emulco Limited	Emulsion plant	New Zealand	50	50
Isaac Asphalt Limited	Manufacture and supply of asphalt	New Zealand	50	50
Associates				
Keolis Downer Pty Ltd ⁽ⁱ⁾	Operation and maintenance of Gold Coast light rail, Adelaide metro, and bus operations	Australia	–	49

(i) Downer's interest in Keolis Downer was classified as held for sale during the year ended 30 June 2025. On 1 July 2025, Downer entered into a sale agreement of its 49% interest, which completed on 1 December 2025. Refer to Note E2. Disposal of businesses for more information.

E2. Disposal of businesses

Current period divestments

Cleaning New Zealand

On 13 March 2025, Downer entered into an agreement with Dimeo to sell its New Zealand Cleaning business. The sale completed on 31 July 2025 with net settlement of \$3.3 million paid, resulting in a pre-tax loss of \$2.0 million.

Downer's interest in Keolis Downer

At 31 December 2024, Downer's 49% interest in Keolis Downer Pty Ltd (in the Transport segment) was classified as an asset held for sale and equity accounting ceased. The group entered into a sale agreement on 1 July 2025 to sell its 49% interest to the Keolis Group. As a result of the agreement between Keolis Group and Downer, adjusted for expected working capital movements, completion adjustments, transaction costs and warranties, the carrying value of the investment was remeasured to \$65.8 million at 30 June 2025.

Immediately prior to completion on 1 December 2025, a dividend of \$27.3 million was received by Downer. This dividend was comprised of a distribution from historical profits of \$23.9 million as well as \$3.4 million paid from profits earned from 1 July 2025 to completion. The distribution from historical profits has been recognised in Individually Significant Items in line with policy, whilst the distribution from current period profits has been recognised in underlying earnings.

As a result of the dividend payment, and after adjusting for working capital and completion adjustments, a net gain on disposal of \$1.3 million was recognised on completion of the transaction on 1 December 2025. Deferred consideration of \$0.8 million has been recognised as a financial asset.

Energy & Utilities customer contract

In the prior year, the Energy & Utilities business entered into an agreement to transfer the assets and liabilities relating to a customer contract to a third party as part of a demobilisation and exit agreement. The assets and liabilities connected with the transfer were classified as held for sale and transferred on 31 July 2025, resulting in a gain on disposal of \$1.1 million after completion adjustments.

F_Other

F1 New accounting standards

F2 Other financial assets and liabilities

F1. New accounting standards

(a) New and amended accounting standards adopted by the Group

During the period, the Group has applied a number of new and revised accounting standards issued by the Australian Accounting Standards Board (AASB) that are effective for accounting periods that begin on or after 1 July 2025, as follows:

- AASB 2023-5 *Amendments to Australian Accounting Standards – Lack of Exchangeability*

None of the above new and amended accounting standards have had a significant impact on the Group's condensed consolidated financial statements.

(b) New accounting standards and interpretations not yet adopted

No new or amended accounting standards or interpretations that are not yet mandatory have been early adopted.

The following are not expected to have a material impact on the Group's financial report on adoption but may result in additional disclosure in the financial statements:

- AASB 2024-2 *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments*
- AASB 2024-3 *Amendments to Australian Accounting Standards – Annual Improvements Volume 11*
- AASB 2014-10 *Amendments to Australian Accounting Standards – Sale of Contribution of Assets between an Investor and its Associate or Joint Venture.*

Management is still in the process of determining the impact of the following:

- AASB 18 *Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027).*

(c) AASB sustainability reporting standards

The Australian climate-related financial disclosures legislation received Royal Assent in September 2024, under the Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024 ('Act'). Following the Act's enactment, the AASB introduced the first set of Australian Sustainability Reporting Standards (ASRS).

These standards include:

- ASRS 1 *General Requirements for Disclosure of Sustainability-related Financial Information*
- ASRS 2 *Climate-related Disclosures*
- Amendments to the SASB standards to enhance their international applicability.

The Act requires the Consolidated Entity to commence reporting for its financial year commencing 1 July 2025. The Group will apply the new and revised sustainability reporting standards to the upcoming 2026 Sustainability Report.

F2. Other financial assets and liabilities

Dec 2025 \$'m	Financial assets		Financial liabilities	
	Current	Non-current	Current	Non-current
At amortised cost⁽ⁱ⁾:				
Other financial assets	1.2	2.5	-	-
Advances to/from joint ventures and associates	8.2	3.0	0.9	-
Deferred consideration	-	0.8	-	-
	9.4	6.3	0.9	-
At fair value:				
Level 2				
Foreign currency forward contracts – Cash flow hedge	1.1	-	2.1	0.2
Cross-currency and interest rate swaps – Cash flow hedge	0.9	2.0	4.8	26.0
	2.0	2.0	6.9	26.2
Level 3				
Unquoted equity investments – Fair value through OCI	-	16.1	-	-
	-	16.1	-	-
Total	11.4	24.4	7.8	26.2

(i) Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different from their carrying amounts.

Jun 2025 \$'m	Financial assets		Financial liabilities	
	Current	Non-current	Current	Non-current
At amortised cost⁽ⁱ⁾:				
Other financial assets	1.0	1.9	-	-
Advances to/from joint ventures and associates	1.4	3.4	1.4	-
Deferred consideration	3.5	-	-	-
	5.9	5.3	1.4	-
At fair value:				
Level 2				
Foreign currency forward contracts – Cash flow hedge	1.2	0.6	0.4	-
Cross-currency and interest rate swaps – Cash flow hedge	23.4	-	6.4	19.4
	24.6	0.6	6.8	19.4
Level 3				
Unquoted equity investments – Fair value through OCI	-	16.9	-	-
	-	16.9	-	-
Total	30.5	22.8	8.2	19.4

(i) Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different from their carrying amounts.

Reconciliation of Level 3 fair value measurements of financial assets

The fair value of Level 3 investments has decreased by \$0.8 million from prior year (Jun 25: \$0.9 million decrease) due to revaluation and return on investment.

Recognition and measurement

Fair value measurement

When a derivative is designated as the cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in Other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

Valuation of financial instruments

For financial instruments measured and carried at fair value, the Group uses the following to categorise the methods used:

- Level 1: fair value is calculated using quoted prices in active markets for identical assets or liabilities
- Level 2: fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3: fair value is estimated using inputs for the asset or liability that are not based on observable market data.

During the year there were no transfers between Level 1, Level 2 and Level 3 fair value hierarchies.

The following table shows the valuation technique used in measuring Level 2 and 3 fair values, as well as significant unobservable inputs used:

Type	Valuation technique	Significant unobservable input
Cross-currency and interest rate swaps	Calculated using the present value of the estimated future cash flows based on observable yield curves.	Not applicable.
Foreign currency forward contracts	Calculated using forward exchange rates prevailing at the balance sheet date.	Not applicable.
Unquoted equity investments	Calculated based on the Group's interest in the net assets of the unquoted entities.	Assumptions are made with regard to future expected revenues and discount rates. Changing the inputs to the valuations to reasonably possible alternative assumptions would not significantly change the amounts recognised in profit or loss, total assets or total liabilities, or total equity.

Directors' Declaration

for the half-year ended 31 December 2025

In the opinion of the Directors of Downer EDI Limited:

- a. The condensed consolidated half-year financial statements and notes set out on pages 22 to 47 are in accordance with the *Australian Corporations Act 2001* (Cth), including:
 - i. Complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii. The financial statements and notes thereto give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the six-month period ended on that date;
- b. There are reasonable grounds to believe that Downer EDI Limited will be able to pay its debts as and when they become due and payable;
- c. The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* (Cth).

Signed in accordance with a resolution of the Directors made pursuant to Section 303(5) of the *Corporations Act 2001* (Cth).

On behalf of the Directors



Mark Menhinnitt
Chair



Peter Tompkins
Managing Director and Chief Executive Officer

Sydney, 19 February 2026

Downer 