
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

(Mark One)

- Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the quarterly period ended December 31, 2025
- or
- Transition Report Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934**
For the transition period from _____ to _____
Commission File No. 1-15461
-

MATRIX SERVICE COMPANY

(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation)

73-1352174
(I.R.S. Employer Identification No.)

15 East 5th Street, Suite 1100, Tulsa, Oklahoma 74103
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (918) 838-8822

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

| <u>Title of each class</u> | <u>Trading Symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|--|--------------------------|--|
| Common Stock, par value \$0.01 per share | MTRX | NASDAQ Global Select Market |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|-------------------------|--------------------------|---------------------------|-------------------------------------|
| Large Accelerated Filer | <input type="checkbox"/> | Accelerated Filer | <input checked="" type="checkbox"/> |
| Non-accelerated Filer | <input type="checkbox"/> | Smaller Reporting Company | <input type="checkbox"/> |
| Emerging Growth Company | <input type="checkbox"/> | | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of February 4, 2026 there were 28,128,405 shares of the Company's common stock, \$0.01 par value per share, outstanding.

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PART I. FINANCIAL INFORMATION**Item 1. Financial Statements****Matrix Service Company**
Condensed Consolidated Statements of Income(In thousands, except per share data)
(unaudited)

| | Three Months Ended | | Six Months Ended | |
|---|--------------------|-------------------|-------------------|-------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| Revenue | \$ 210,508 | \$ 187,169 | \$ 422,392 | \$ 352,748 |
| Cost of revenue | 197,373 | 176,277 | 395,075 | 334,043 |
| Gross profit | 13,135 | 10,892 | 27,317 | 18,705 |
| Selling, general and administrative expenses | 15,112 | 17,286 | 31,446 | 35,866 |
| Restructuring costs | 202 | — | 3,550 | — |
| Operating loss | (2,179) | (6,394) | (7,679) | (17,161) |
| Other income (expense): | | | | |
| Interest expense | (118) | (145) | (245) | (234) |
| Interest income | 1,543 | 1,578 | 3,345 | 3,150 |
| Other | 23 | (556) | 254 | (495) |
| Loss before income tax expense | (731) | (5,517) | (4,325) | (14,740) |
| Provision for federal, state and foreign income taxes | 163 | 16 | 232 | 16 |
| Net loss | \$ (894) | \$ (5,533) | \$ (4,557) | \$ (14,756) |
| Basic loss per common share | \$ (0.03) | \$ (0.20) | \$ (0.16) | \$ (0.53) |
| Diluted loss per common share | \$ (0.03) | \$ (0.20) | \$ (0.16) | \$ (0.53) |
| Weighted average common shares outstanding: | | | | |
| Basic | 28,352 | 27,801 | 28,204 | 27,680 |
| Diluted | 28,352 | 27,801 | 28,204 | 27,680 |

See accompanying notes.

Matrix Service Company
Condensed Consolidated Statements of Comprehensive Income
(In thousands)
(unaudited)

| | <u>Three Months Ended</u> | | <u>Six Months Ended</u> | |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
| | <u>December 31, 2025</u> | <u>December 31, 2024</u> | <u>December 31, 2025</u> | <u>December 31, 2024</u> |
| Net loss | \$ (894) | \$ (5,533) | \$ (4,557) | \$ (14,756) |
| Other comprehensive income (loss), net of tax: | | | | |
| Foreign currency translation loss | (6) | (1,363) | (534) | (927) |
| Comprehensive loss | <u>\$ (900)</u> | <u>\$ (6,896)</u> | <u>\$ (5,091)</u> | <u>\$ (15,683)</u> |

See accompanying notes.

Matrix Service Company
Condensed Consolidated Balance Sheets
(In thousands)
(unaudited)

| | <u>December 31,</u> <u>2025</u> | <u>June 30,</u> <u>2025</u> |
|---|------------------------------------|--------------------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 198,964 | \$ 224,641 |
| Accounts receivable, net of allowance for credit losses | 205,948 | 154,994 |
| Costs and estimated earnings in excess of billings on uncompleted contracts | 25,283 | 29,764 |
| Inventories | 6,862 | 5,917 |
| Income taxes receivable | — | 110 |
| Prepaid expenses and other current assets | 10,938 | 4,347 |
| Assets held for sale (Note 3) | 2,019 | — |
| Total current assets | <u>450,014</u> | <u>419,773</u> |
| Restricted cash | 25,000 | 25,000 |
| Property, plant and equipment, net | 38,130 | 42,097 |
| Operating lease right-of-use assets | 15,063 | 17,827 |
| Goodwill | 28,988 | 29,047 |
| Other intangible assets, net of accumulated amortization | 51 | 555 |
| Other assets, non-current (Note 2) | 92,958 | 65,957 |
| Total assets | <u>\$ 650,204</u> | <u>\$ 600,256</u> |

See accompanying notes.

Matrix Service Company
Condensed Consolidated Balance Sheets
(In thousands, except share data)
(unaudited)

| | <u>December 31,</u> <u>2025</u> | <u>June 30,</u> <u>2025</u> |
|--|------------------------------------|--------------------------------|
| Liabilities and stockholders' equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 87,979 | \$ 80,453 |
| Billings on uncompleted contracts in excess of costs and estimated earnings | 382,897 | 323,593 |
| Accrued wages and benefits | 12,757 | 18,961 |
| Accrued insurance | 4,408 | 5,310 |
| Operating lease liabilities | 4,498 | 4,441 |
| Other accrued expenses | 2,604 | 3,617 |
| Total current liabilities | 495,143 | 436,375 |
| Deferred income taxes | 152 | 25 |
| Operating lease liabilities | 14,894 | 16,986 |
| Other liabilities, non-current | 2,452 | 4,154 |
| Total liabilities | 512,641 | 457,540 |
| Commitments and contingencies (Note 6) | | |
| Stockholders' equity: | | |
| Common stock — \$0.01 par value; 60,000,000 shares authorized; 28,124,527 shares issued and outstanding at December 31, 2025; 27,888,217 shares issued at June 30, 2025 and 27,610,486 shares outstanding as of June 30, 2025; | 281 | 279 |
| Additional paid-in capital | 147,297 | 149,969 |
| Retained earnings (accumulated deficit) | (78) | 4,479 |
| Accumulated other comprehensive loss | (9,937) | (9,403) |
| Treasury stock, at cost — 0 shares as of December 31, 2025 and 277,731 shares as of June 30, 2025; | — | (2,608) |
| Total stockholders' equity | 137,563 | 142,716 |
| Total liabilities and stockholders' equity | <u>\$ 650,204</u> | <u>\$ 600,256</u> |

See accompanying notes.

Matrix Service Company
Condensed Consolidated Statements of Cash Flows
(In thousands)
(unaudited)

| | Six Months Ended | |
|--|----------------------|----------------------|
| | December 31, 2025 | December 31, 2024 |
| Operating activities: | | |
| Net loss | \$ (4,557) | \$ (14,756) |
| Adjustments to reconcile net loss to net cash provided (used) by operating activities: | | |
| Depreciation and amortization | 4,693 | 5,025 |
| Stock-based compensation expense | 4,063 | 4,568 |
| Operating lease impairment due to restructuring | 1,529 | — |
| Gain on disposal of property, plant and equipment | (327) | (64) |
| Other | 339 | (19) |
| Changes in operating assets and liabilities increasing (decreasing) cash: | | |
| Accounts receivable, net of allowance for credit losses | (76,960) | (18,930) |
| Costs and estimated earnings in excess of billings on uncompleted contracts | 4,481 | (818) |
| Inventories | (945) | 1,682 |
| Other assets and liabilities | (7,886) | (6,963) |
| Accounts payable | 7,642 | 14,474 |
| Billings on uncompleted contracts in excess of costs and estimated earnings | 59,304 | 66,229 |
| Accrued expenses | (9,821) | (4,912) |
| Net cash provided (used) by operating activities | (18,445) | 45,516 |
| Investing activities: | | |
| Capital expenditures | (3,187) | (2,859) |
| Proceeds from sale of property, plant and equipment | 484 | 163 |
| Net cash used by investing activities | (2,703) | (2,696) |
| Financing activities: | | |
| Payment of debt amendment fees | (149) | — |
| Proceeds from issuance of common stock under employee stock purchase plan | 98 | 102 |
| Payments related to tax withholding for stock-based compensation | (4,223) | (1,235) |
| Net cash used by financing activities | (4,274) | (1,133) |
| Effect of exchange rate changes on cash | (255) | (525) |
| Net increase (decrease) in cash and cash equivalents | (25,677) | 41,162 |
| Cash, cash equivalents and restricted cash, beginning of period | 249,641 | 140,615 |
| Cash, cash equivalents and restricted cash, end of period | \$ 223,964 | \$ 181,777 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid during the period for: | | |
| Income taxes | \$ 34 | \$ 18 |
| Interest | \$ 220 | \$ 232 |
| Non-cash investing and financing activities: | | |
| Purchases of property, plant and equipment on account | \$ 14 | \$ 13 |

See accompanying notes.

Matrix Service Company
Condensed Consolidated Statements of Changes in Stockholders' Equity
(In thousands, except share data)
(unaudited)

| | Common Stock | | Additional Paid-In Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Treasury Stock | | Total |
|--|--------------|--------|----------------------------------|----------------------|---|----------------|------------|------------|
| | Shares | Amount | | | | Shares | Amount | |
| Three Months Ended December 31, 2025 | | | | | | | | |
| September 30, 2025 | 28,070,427 | \$ 281 | \$ 145,100 | \$ 816 | \$ (9,931) | — | \$ — | \$ 136,266 |
| Net loss | — | — | — | (894) | — | — | — | (894) |
| Other comprehensive loss | — | — | — | — | (6) | — | — | (6) |
| Issuance of restricted stock | 49,740 | — | — | — | — | — | — | — |
| Shares issued related to employee stock purchase plan | 4,360 | — | 55 | — | — | — | — | 55 |
| Stock-based compensation expense | — | — | 2,142 | — | — | — | — | 2,142 |
| December 31, 2025 | 28,124,527 | \$ 281 | \$ 147,297 | \$ (78) | \$ (9,937) | — | \$ — | \$ 137,563 |
| Three Months Ended December 31, 2024 | | | | | | | | |
| September 30, 2024 | 27,888,217 | \$ 279 | \$ 143,765 | \$ 24,718 | \$ (9,099) | 338,015 | \$ (3,146) | \$ 156,517 |
| Net loss | — | — | — | (5,533) | — | — | — | (5,533) |
| Other comprehensive loss | — | — | — | — | (1,363) | — | — | (1,363) |
| Issuance of restricted stock | — | — | (428) | — | — | (47,946) | 428 | — |
| Treasury shares sold to Employee Stock Purchase Plan | — | — | 14 | — | — | (4,677) | 42 | 56 |
| Stock-based compensation expense | — | — | 2,257 | — | — | — | — | 2,257 |
| December 31, 2024 | 27,888,217 | \$ 279 | \$ 145,608 | \$ 19,185 | \$ (10,462) | 285,392 | \$ (2,676) | \$ 151,934 |
| Six Months Ended December 31, 2025 | | | | | | | | |
| June 30, 2025 | 27,888,217 | \$ 279 | \$ 149,969 | \$ 4,479 | \$ (9,403) | 277,731 | \$ (2,608) | \$ 142,716 |
| Net loss | — | — | — | (4,557) | — | — | — | (4,557) |
| Other comprehensive loss | — | — | — | — | (534) | — | — | (534) |
| Issuance of restricted stock | 231,950 | 2 | (6,805) | — | — | (274,578) | 2,580 | (4,223) |
| Shares issued related to employee stock purchase plan | 4,360 | — | 70 | — | — | (3,153) | 28 | 98 |
| Stock-based compensation expense | — | — | 4,063 | — | — | — | — | 4,063 |
| December 31, 2025 | 28,124,527 | \$ 281 | \$ 147,297 | \$ (78) | \$ (9,937) | — | \$ — | \$ 137,563 |
| Six Months Ended December 31, 2024 | | | | | | | | |
| June 30, 2024 | 27,888,217 | \$ 279 | \$ 145,580 | \$ 33,941 | \$ (9,535) | 579,422 | \$ (6,083) | \$ 164,182 |
| Net loss | — | — | — | (14,756) | — | — | — | (14,756) |
| Other comprehensive loss | — | — | — | — | (927) | — | — | (927) |
| Issuance of restricted stock | — | — | (4,537) | — | — | (408,406) | 4,537 | — |
| Treasury shares sold to Employee Stock Purchase Plan | — | — | (3) | — | — | (9,474) | 105 | 102 |
| Treasury shares purchased to satisfy tax withholding obligations | — | — | — | — | — | 123,850 | (1,235) | (1,235) |
| Stock-based compensation expense | — | — | 4,568 | — | — | — | — | 4,568 |
| December 31, 2024 | 27,888,217 | \$ 279 | \$ 145,608 | \$ 19,185 | \$ (10,462) | 285,392 | \$ (2,676) | \$ 151,934 |

Matrix Service Company
Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 1 – Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The condensed consolidated financial statements include the accounts of Matrix Service Company and its subsidiaries (“Matrix”, “we”, “our”, “us”, “its” or the “Company”), unless otherwise indicated. Intercompany balances and transactions have been eliminated in consolidation.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X for interim financial statements required to be filed with the Securities and Exchange Commission and do not include all information and footnotes required by U.S. generally accepted accounting principles (“GAAP”) for complete financial statements. The information furnished reflects all adjustments, consisting of normal recurring adjustments, that are, in the opinion of management, necessary for a fair statement of the results of operations, cash flows and financial position for the interim periods presented. The accompanying condensed consolidated financial statements should be read in conjunction with the audited financial statements for the year ended June 30, 2025, included in our Annual Report on Form 10-K. The results of operations for the three and six month periods ended December 31, 2025 may not necessarily be indicative of the results of operations for the full year ending June 30, 2026.

Significant Accounting Policies

Our significant accounting policies are detailed in “Note 1 - Basis of Presentation and Significant Accounting Policies” of our Annual Report on Form 10-K for the year ended June 30, 2025.

Accounting Standards Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which expands disclosures in an entity’s income tax rate reconciliation table and regarding cash taxes paid both in the U.S. and foreign jurisdictions. The update will be effective for annual periods beginning after December 15, 2024 (fiscal 2026). Adoption of this ASU will result in additional disclosure, but will not impact the Company’s consolidated financial position, results of operations or cash flows.

In November 2024, the FASB issued ASU 2024-03, Income Statement Reporting Comprehensive Income Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, requiring companies to provide more detailed and organized disclosures of their expenses. Disclosures will include disaggregation of expense captions presented on the face of the income statement into specific categories, such as purchases of inventory, employee compensation, and costs related to depreciation and amortization. The new requirements will take effect for annual reporting periods beginning after December 15, 2026 (fiscal 2028) and for interim periods within fiscal years beginning after December 15, 2027 (fiscal 2029), with early adoption permitted. Adoption of this ASU will result in additional disclosure, but will not impact the Company’s consolidated financial position, results of operations or cash flows.

Other accounting pronouncements issued but not effective until after December 31, 2025 are not expected to have a material impact on the Company’s consolidated financial position, results of operations, or cash flows.

Note 2 – Revenue

Remaining Performance Obligations

We had \$1.0 billion of remaining performance obligations yet to be satisfied as of December 31, 2025. We expect to recognize \$686.4 million of our remaining performance obligations as revenue within the next twelve months.

Contract Balances

Contract terms with customers include the timing of billing and payments, which usually differs from the timing of revenue recognition. As a result, we carry contract assets and liabilities in our balance sheet. These contract assets and liabilities are calculated on a contract-by-contract basis and are classified as current. We present our contract assets in the balance sheet as Costs and Estimated Earnings in Excess of Billings on Uncompleted Contracts (“CIE”). CIE consists of revenue recognized in excess of billings. We present our contract liabilities in the balance sheet as Billings on Uncompleted Contracts in Excess of

Costs and Estimated Earnings ("BIE"). BIE consists of billings in excess of revenue recognized. The following table provides information about CIE and BIE:

| | December 31, 2025 | June 30, 2025 | Change |
|---|----------------------|---------------------|--------------------|
| | (In thousands) | | |
| Costs and estimated earnings in excess of billings on uncompleted contracts | \$ 25,283 | \$ 29,764 | \$ (4,481) |
| Billings on uncompleted contracts in excess of costs and estimated earnings | (382,897) | (323,593) | (59,304) |
| Net contract liabilities | <u>\$ (357,614)</u> | <u>\$ (293,829)</u> | <u>\$ (63,785)</u> |

The difference between the beginning and ending balances of our CIE and BIE primarily results from the timing of revenue recognized relative to our billings. The amount of revenue recognized during the six months ended December 31, 2025 that was included in the June 30, 2025 BIE balance was \$224.9 million.

Progress billings in accounts receivable at December 31, 2025 and June 30, 2025 included retentions to be collected within one year of \$26.5 million and \$29.0 million, respectively. Contract retentions collectible beyond one year are included in Other assets, non-current in the Condensed Consolidated Balance Sheets and totaled \$87.5 million as of December 31, 2025 and \$61.5 million as of June 30, 2025, respectively.

Unpriced Change Orders and Claims

Costs and estimated earnings in excess of billings on uncompleted contracts included revenues for unpriced change orders and claims of \$8.9 million at December 31, 2025 and \$11.4 million at June 30, 2025. The amounts ultimately realized may be different than the recorded amounts resulting in adjustments to future earnings. Generally, we expect collection of amounts related to unpriced change orders and claims within twelve months. However, customers may not pay these amounts until final resolution of related claims, which may extend beyond one year.

Disaggregated Revenue

Revenue disaggregated by reportable segment is presented in Note 8 - Segment Information. The following series of tables presents revenue disaggregated by geographic area where the work was performed and by contract type:

Geographic Disaggregation:

| | Three Months Ended | | | | Six Months Ended | | | |
|---------------------|----------------------|--------------|----------------------|--------------|----------------------|--------------|----------------------|--------------|
| | December 31, 2025 | | December 31, 2024 | | December 31, 2025 | | December 31, 2024 | |
| | (In thousands) | | | | | | | |
| United States | \$ 197,514 | 94 % | \$ 175,489 | 94 % | \$ 396,505 | 94 % | \$ 328,711 | 93 % |
| Canada | 11,258 | 5 % | 10,048 | 5 % | 22,686 | 5 % | 20,816 | 6 % |
| Other international | 1,736 | 1 % | 1,632 | 1 % | 3,201 | 1 % | 3,221 | 1 % |
| Total Revenue | <u>\$ 210,508</u> | <u>100 %</u> | <u>\$ 187,169</u> | <u>100 %</u> | <u>\$ 422,392</u> | <u>100 %</u> | <u>\$ 352,748</u> | <u>100 %</u> |

Contract Type Disaggregation:

| | Three Months Ended | | | | Six Months Ended | | | |
|--|----------------------|--------------|----------------------|--------------|----------------------|--------------|----------------------|--------------|
| | December 31, 2025 | | December 31, 2024 | | December 31, 2025 | | December 31, 2024 | |
| | (In thousands) | | | | | | | |
| Fixed-price contracts | \$ 160,209 | 76 % | \$ 137,950 | 74 % | \$ 324,739 | 77 % | \$ 261,719 | 74 % |
| Time and materials and other cost reimbursable contracts | 50,299 | 24 % | 49,219 | 26 % | 97,653 | 23 % | 91,029 | 26 % |
| Total Revenue | <u>\$ 210,508</u> | <u>100 %</u> | <u>\$ 187,169</u> | <u>100 %</u> | <u>\$ 422,392</u> | <u>100 %</u> | <u>\$ 352,748</u> | <u>100 %</u> |

Revisions in Estimates

We recognize changes in contract estimates on a cumulative catch-up basis in the period in which the changes are identified. Such changes in contract estimates can result in the recognition of revenue in a current period for performance obligations which were satisfied or partially satisfied in prior period. Changes in contract estimates may also result in the reversal of previously recognized revenue if the current estimate differs from the previous estimate. If at any time the estimate of contract profitability indicates an anticipated loss on the contract, we recognize the total loss in the period it is identified.

During the second quarter of fiscal 2026, costs associated with warranty-type items and third-party commercial matters arising during commissioning of specialty tank work in the Storage and Terminal Solutions segment resulted in a \$3.6 million reduction of gross profit. We anticipate completing this work during fiscal 2026.

Note 3 – Assets Held for Sale

As of December 31, 2025, we classified \$2.0 million of property, plant and equipment as held for sale. The assets include primarily transportation equipment associated with our transmission and distribution service line in the Utility and Power Infrastructure segment. We began winding down this service line in the fourth quarter of fiscal 2025. We expect to sell this equipment during the remainder of fiscal 2026.

Note 4 – Debt

On September 9, 2021, the Company and our primary U.S. and Canada operating subsidiaries entered into an asset-based credit agreement, which was most recently amended on August 22, 2025 (as amended, the "ABL Facility"), with Bank of Montreal, as Administrative Agent, Swing Line Lender and a Letter of Credit Issuer. The maximum amount of loans under the ABL Facility is limited to \$90.0 million. The ABL Facility's available borrowings may be increased by an amount not to exceed \$15.0 million, subject to certain conditions, including obtaining additional commitments. The ABL Facility is intended to be used for working capital, capital expenditures, issuances of letters of credit and other lawful purposes. Our obligations under the ABL Facility are guaranteed by substantially all of our U.S. and Canadian subsidiaries and are secured by a first lien on all our assets under the ABL Facility. The ABL Facility matures, and any outstanding amounts become due and payable, on September 9, 2029.

The maximum amount that we may borrow under the ABL Facility is subject to a borrowing base, which is based on restricted cash plus a percentage of the value of certain accounts receivable, inventory and equipment, reduced for certain reserves. We are required to maintain a minimum of \$25.0 million of restricted cash at all times, but such amounts are also included in the borrowing base. The borrowing base is recalculated on a monthly basis and at December 31, 2025, our borrowing base was \$63.1 million. The Company had \$4.5 million in letters of credit outstanding as of December 31, 2025, which resulted in availability of \$58.6 million under the ABL Facility.

Borrowings under the ABL Facility bear interest through maturity at a variable rate based upon, at our option, an annual rate of either a base rate ("Base Rate"), a Term Secured Overnight Financing Rate ("Term SOFR"), or at the Canadian Prime Rate, plus an applicable margin. The Term SOFR rate, whether for one-month or three-month tenor, is provided by a third party defined in the ABL Facility ("Term SOFR Administrator"). The Term SOFR Administrator publishes a daily set of forward-looking interest rates for various tenors, provided that the Term SOFR cannot be below zero. The Base Rate is defined as a fluctuating interest rate equal to the greater of: (i) rate of interest announced by Bank of Montreal from time to time as its prime rate; (ii) the U.S. federal funds rate plus 0.50%; (iii) Term SOFR for one month period plus 1.00%; or (iv) 1.00%. Depending on the amount of average availability, the applicable margin is between 1.00% to 1.50% for Base Rate and Canadian Prime Rate borrowings, which includes either U.S. or Canadian prime rate, and between 2.00% and 2.50% for Term SOFR borrowings. Interest is payable either (i) monthly for Base Rate or Canadian Prime Rate borrowings or (ii) the last day of the interest period for Term SOFR borrowings, as set forth in the ABL Facility. The fee for undrawn amounts is 0.25% per annum and is due quarterly.

The ABL Facility contains customary conditions to borrowings, events of default and covenants, including, but not limited to, covenants that limit our ability to sell assets; engage in mergers and acquisitions; make investments, including investments in certain international subsidiaries; incur, assume or permit to exist additional indebtedness and guarantees; create or permit to exist liens; pay cash dividends or make distributions; issue equity instruments; or redeem or repurchase capital stock. In the event that our availability is less than the greater of (i) \$13.5 million and (ii) 15.00% of the commitments under the ABL Facility then in effect, a consolidated Fixed Charge Coverage Ratio of at least 1.00 to 1.00 must be maintained. We were in compliance with all covenants of the ABL Facility as of December 31, 2025.

Note 5 – Income Taxes

Effective Tax Rate

During the three and six months ended December 31, 2025, our effective tax rates were (22.3)% and (5.4)%. The effective tax rates during both periods were impacted by valuation allowances of \$(0.7) million and \$0.6 million, respectively, placed on deferred tax assets generated during the quarters. During the three and six months ended December 31, 2024, our effective tax rates were (0.3)% and (0.1)%, respectively. The effective tax rates during both periods were impacted by valuation allowances of \$1.8 million and \$3.1 million, respectively, placed on deferred tax assets generated during the quarters.

Valuation Allowance

We recorded a valuation allowance on our deferred tax assets due to the existence of a cumulative loss over a three-year period. We will continue to place valuation allowances on newly generated deferred tax assets. We will realize the benefit associated with the deferred tax assets for which the valuation allowance has been provided as we generate taxable income.

Note 6 – Commitments and Contingencies

We are party to various legal actions, claims and other contingencies that arise in the ordinary course of business. These actions typically seek, among other things, compensation for alleged workers' compensation claims, personal injury claims, and contract disputes, some of which may be subject to certain insurance coverage. With respect to all such matters, we record a loss when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. In addition, we disclose matters for which management believes a material loss is at least reasonably possible.

Litigation

In January 2021, we achieved mechanical completion on a crude oil storage project. On April 1, 2022, we filed an arbitration demand against Keyera Energy, Inc. in an effort to collect outstanding balances related to the project. In response, on June 2, 2022, the customer filed counterclaims seeking liquidated damages and damages with respect to miscellaneous warranty items. As part of the arbitration process, our claim amount was specified at \$24.5 million and Keyera's counterclaim was specified at \$72.9 million, with both claim amounts including interest. Arbitration proceedings were held in August 2025. We received an interim award in January 2026, awarding us \$15.1 million for our claims. Keyera was awarded \$12.1 million for their claims, a majority of which is subject to certain of our insurance coverages. Applications for the calculation of interest and the award of attorneys' fees and costs are due in February 2026. A final decision for all issues is expected in April 2026. We expect to collect our outstanding receivable in the fourth quarter of fiscal 2026 or the first quarter of fiscal 2027.

During fiscal 2023, we completed construction services on a time and materials basis at a mining and minerals facility. In late fiscal 2023, after numerous attempts to collect outstanding receivables, we filed a notice of default for lack of payment of outstanding balances, and in early fiscal 2024, we filed a lien on the facility. The customer, 5E Boron Americas, LLC, responded by commencing litigation against us on July 17, 2023 in the United States District Court for the Central District of California, Eastern Division (5E Boron Americas, LLC v. Matrix Service Inc., Case No. 5:23-cv-01396-AB(DTBx)), alleging breach of contract and breach of express warranty. We denied all claims and filed a countersuit against the customer for failure to pay amounts due of \$5.6 million. Based on the current trial schedule, we anticipate this matter will be resolved in calendar year 2026.

We believe we have set appropriate accruals for legal matters, including the matters described above, based on our evaluation of possible outcomes. However, the results of litigation are inherently unpredictable, and the possibility exists that the ultimate resolution of one or more of these matters could result in a material effect on our financial position, results of operations or liquidity. We and our subsidiaries are participants in various other legal actions; however, assessing the eventual outcome of litigation involves forward-looking speculation as to judgment being made by arbitrators, judges, juries and appellate courts in the future. Based upon information presently available, and in light of legal and other factual defenses available to the Company, management does not believe that such other known legal actions will have a material adverse effect on our financial position, results of operations or liquidity.

Insurance Reserves

We maintain insurance coverage for various aspects of our operations. However, we retain exposure to potential losses through the use of deductibles, self-insured retentions and coverage limits.

Typically our contracts require us to indemnify our customers for injury, damage or loss arising from the performance of our services and provide warranties for materials and workmanship. We may also be required to name the customer as an additional insured up to the limits of insurance available, or we may be required to purchase special insurance policies or surety bonds for specific customers or provide letters of credit in lieu of bonds to satisfy performance and financial guarantees on some projects. We generally require our subcontractors to indemnify us and our customer and name us as an additional insured for activities arising out of the subcontractors' work. We also require certain subcontractors to provide additional insurance policies, including surety bonds in favor of us, to secure the subcontractors' work or as required by the subcontract.

There can be no assurance that our insurance and the additional insurance coverage provided by our subcontractors will fully protect us against a valid claim or loss under the contracts with our customers.

Note 7 – Earnings per Common Share

Basic earnings per share ("EPS") is calculated based on the weighted average shares outstanding during the period. Diluted EPS includes the dilutive effect of employee and director nonvested restricted stock units. Nonvested restricted stock units are considered dilutive (antidilutive) to our EPS whenever the average market value of the shares during the period exceeds (is less than) the sum of the related average unamortized compensation expense during the period plus the related hypothetical estimated excess tax benefit that will be realized when the shares vest. Nonvested restricted stock units are considered antidilutive to our EPS in the event we report a net loss.

The computation of basic and diluted earnings per share is as follows:

| | Three Months Ended | | Six Months Ended | |
|---|---------------------------------------|----------------------|----------------------|----------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| | (In thousands, except per share data) | | | |
| Basic EPS: | | | | |
| Net loss | \$ (894) | \$ (5,533) | \$ (4,557) | \$ (14,756) |
| Weighted average shares outstanding | 28,352 | 27,801 | 28,204 | 27,680 |
| Basic loss per share | \$ (0.03) | \$ (0.20) | \$ (0.16) | \$ (0.53) |
| Diluted EPS: | | | | |
| Net loss | \$ (894) | \$ (5,533) | \$ (4,557) | \$ (14,756) |
| Diluted weighted average shares outstanding | 28,352 | 27,801 | 28,204 | 27,680 |
| Diluted loss per share | \$ (0.03) | \$ (0.20) | \$ (0.16) | \$ (0.53) |

The following securities are considered antidilutive and have been excluded from the calculation of Diluted EPS:

| | Three Months Ended | | Six Months Ended | |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| | (In thousands) | | | |
| Nonvested restricted stock units | \$ 359 | \$ 917 | \$ 594 | \$ 926 |

Note 8 – Segment Information

We operate our business through a number of different operating subsidiaries, which are organized into three reportable segments based on the type of work performed and the markets serviced:

- **Storage and Terminal Solutions:** primarily consists of engineering, procurement, fabrication, and construction services related to cryogenic and other specialty tanks and terminals for LNG, NGLs such as butane, propane, ethane, ethylene, and other liquid petroleum products, as well as hydrogen and ammonia. We also perform work related to traditional aboveground crude oil and refined product storage tanks and terminals. This segment also includes terminal balance of plant work, truck and rail loading/offloading facilities, and marine structures as well as storage tank and terminal maintenance and repair. Finally, we manufacture and sell precision engineered specialty tank products, including geodesic domes, aluminum internal floating roofs, floating suction and skimmer systems, roof drain systems and floating roof seals.
- **Utility and Power Infrastructure:** primarily consists of engineering, procurement, fabrication, and construction services to support growing demand for LNG utility peak shaving facilities. We also perform power delivery work for public and private utilities, including construction of new substations, upgrades of existing substations, and maintenance. We also provide construction services to a variety of power generation facilities, including natural gas fired facilities in simple or combined cycle configurations for base load, peaking, and backup power supply.
- **Process and Industrial Facilities:** primarily consists of plant maintenance, repair, and turnarounds in the downstream and midstream markets for energy clients including refining and processing of crude oil, fractionating, and marketing of natural gas and natural gas liquids. We also perform engineering, procurement, fabrication, and construction for refinery upgrades and retrofits for renewable fuels, including hydrogen processing, production, loading and distribution facilities. We also engineer and construct thermal vacuum test chambers for aerospace and defense industries and other infrastructure for industries including chemicals, petrochemical, sulfur, mining and minerals, cement, agriculture, wastewater treatment facilities and other industrial customers.

Our Chief Operating Decision Maker ("CODM") is our President and Chief Executive Officer, who regularly reviews operating and financial performance based on our segments. The Company's CODM uses segment operating income as the key metric in evaluating segment performance. The CODM uses this metric in the budget and forecasting processes. The CODM considers budget-to-actual and forecast-to-actual variances when making decisions about allocating resources, including capital and personnel, to the segments.

We incur certain expenses at the corporate level that relate to our business as a whole. A portion of these expenses are allocated to our business segments. The balance of the corporate level expenses are reported in the Corporate "Selling, general and administrative expenses" line, which is primarily comprised of corporate facility expense, the cost of the executive management team, and other expenses pertaining to certain centralized functions that benefit the entire Company but are not directly attributable to any specific business segment, such as corporate human resources, legal, governance, compliance and finance functions. The accounting policies of the segments are the same as those described in the Summary of Significant Accounting Policies (see Note 1). We eliminate intersegment sales; therefore, no intercompany profit or loss is recognized. Segment assets consist primarily of accounts receivable, costs and estimated earnings in excess of billings on uncompleted contracts, property, plant and equipment, right-of-use lease assets, goodwill and other intangible assets. Corporate assets consist primarily of centrally managed cash, restricted cash, prepaid expenses, corporate fixed assets, and corporate operating lease right-of-use assets.

Segment Information - The following tables set forth certain selected financial information for our segments for the periods indicated:

(In thousands)

| | Storage and Terminal Solutions | Utility and Power Infrastructure | Process and Industrial Facilities | Corporate | Total |
|---|--------------------------------|----------------------------------|-----------------------------------|-------------------|-------------------|
| Three Months Ended December 31, 2025 | | | | | |
| Total revenue ⁽¹⁾ | \$ 99,852 | \$ 75,406 | \$ 35,250 | \$ — | \$ 210,508 |
| Cost of revenue | (95,098) | (68,178) | (34,031) | (66) | (197,373) |
| Gross profit (loss) | 4,754 | 7,228 | 1,219 | (66) | 13,135 |
| Selling, general and administrative expenses | 5,423 | 2,242 | 1,573 | 5,874 | 15,112 |
| Restructuring costs | 119 | 34 | 47 | 2 | 202 |
| Operating income (loss) | \$ (788) | \$ 4,952 | \$ (401) | \$ (5,942) | \$ (2,179) |
| ⁽¹⁾ Total revenues are net of inter-segment revenues which are primarily Storage and Terminal Solutions and were \$0.9 million for the three months ended December 31, 2025. | | | | | |
| Capital expenditures | \$ 343 | \$ 329 | \$ — | \$ 504 | \$ 1,176 |
| Depreciation and amortization | \$ 506 | \$ 78 | \$ 192 | \$ 1,456 | \$ 2,232 |

| | Storage and Terminal Solutions | Utility and Power Infrastructure | Process and Industrial Facilities | Corporate | Total |
|---|--------------------------------|----------------------------------|-----------------------------------|-------------------|-------------------|
| Three Months Ended December 31, 2024 | | | | | |
| Total revenue ⁽¹⁾ | \$ 95,507 | \$ 61,076 | \$ 30,586 | \$ — | \$ 187,169 |
| Cost of revenue | (88,235) | (57,667) | (30,216) | (159) | (176,277) |
| Gross profit (loss) | 7,272 | 3,409 | 370 | (159) | 10,892 |
| Selling, general and administrative expenses | 5,567 | 3,561 | 1,677 | 6,481 | 17,286 |
| Operating income (loss) | \$ 1,705 | \$ (152) | \$ (1,307) | \$ (6,640) | \$ (6,394) |
| ⁽¹⁾ Total revenues are net of inter-segment revenues which are primarily Process and Industrial Solutions and were \$0.8 million for the three months ended December 31, 2024. | | | | | |
| Capital expenditures | \$ 663 | \$ 133 | \$ 3 | \$ 116 | \$ 915 |
| Depreciation and amortization | \$ 520 | \$ 92 | \$ 167 | \$ 1,731 | \$ 2,510 |

| | Storage and Terminal Solutions | Utility and Power Infrastructure | Process and Industrial Facilities | Corporate | Total |
|---|--------------------------------|----------------------------------|-----------------------------------|--------------------|-------------------|
| Six Months Ended December 31, 2025 | | | | | |
| Total revenue ⁽¹⁾ | \$ 209,311 | \$ 149,907 | \$ 63,174 | \$ — | \$ 422,392 |
| Cost of revenue | (198,060) | (135,895) | (60,526) | (594) | (395,075) |
| Gross profit (loss) | 11,251 | 14,012 | 2,648 | (594) | 27,317 |
| Selling, general and administrative expenses | 10,971 | 5,219 | 2,880 | 12,376 | 31,446 |
| Restructuring costs | 1,878 | 674 | 776 | 222 | 3,550 |
| Operating income (loss) | \$ (1,598) | \$ 8,119 | \$ (1,008) | \$ (13,192) | \$ (7,679) |
| ⁽¹⁾ Total revenues are net of inter-segment revenues which are primarily Storage and Terminal Solutions and were \$1.6 million for the six months ended December 31, 2025. | | | | | |
| Capital Expenditures | \$ 1,214 | \$ 1,180 | \$ 81 | \$ 712 | \$ 3,187 |
| Depreciation and amortization | \$ 1,040 | \$ 170 | \$ 409 | \$ 3,074 | \$ 4,693 |

| | Storage and Terminal Solutions | Utility and Power Infrastructure | Process and Industrial Facilities | Corporate | Total |
|--|--------------------------------|----------------------------------|-----------------------------------|--------------------|--------------------|
| Six Months Ended December 31, 2024 | | | | | |
| Total revenue ⁽¹⁾ | \$ 173,746 | \$ 116,988 | \$ 62,014 | \$ — | \$ 352,748 |
| Cost of revenue | (161,777) | (112,272) | (59,647) | (347) | (334,043) |
| Gross profit (loss) | 11,969 | 4,716 | 2,367 | (347) | 18,705 |
| Selling, general and administrative expenses | 11,136 | 7,537 | 3,443 | 13,750 | 35,866 |
| Operating income (loss) | \$ 833 | \$ (2,821) | \$ (1,076) | \$ (14,097) | \$ (17,161) |
| ⁽¹⁾ Total revenues are net of inter-segment revenues which are primarily Process and Industrial Facilities and were \$1.7 million for the six months ended December 31, 2024. | | | | | |
| Capital Expenditures | \$ 1,710 | \$ 413 | \$ 142 | \$ 594 | \$ 2,859 |
| Depreciation and amortization | \$ 1,042 | \$ 185 | \$ 335 | \$ 3,463 | \$ 5,025 |

Total assets by segment

| | December 31, 2025 | June 30, 2025 |
|-----------------------------------|-------------------|-------------------|
| Storage and Terminal Solutions | \$ 152,551 | \$ 194,354 |
| Utility and Power Infrastructure | 223,037 | 98,582 |
| Process and Industrial Facilities | 29,348 | 39,490 |
| Corporate | 245,268 | 267,830 |
| Total Segment Assets | \$ 650,204 | \$ 600,256 |

Note 9 – Restructuring Costs

In the fourth quarter of fiscal 2025, we commenced an organizational restructuring plan to create a flatter, leaner organization by eliminating certain senior-level positions, streamlining our engineering and construction services, and decentralizing elements of our business development organization. As a result of this restructuring we incurred certain costs, consisting primarily of severance and other personnel-related costs, which totaled \$3.6 million for fiscal year 2025.

In fiscal 2026, we continued the organizational restructuring plan to further integrate our engineering and construction services, consolidate service lines, and close an under-performing office, among other changes. We incurred \$3.6 million of restructuring costs during the six months ended December 31, 2025 associated with these actions. These costs included \$1.5 million of operating lease and fixed asset impairments associated with certain real estate leases that we exited as part of our restructuring plan. The fair values of the assets associated with these leases were determined based on Level 3 fair value measurements, utilizing a discounted cash flow method based in part on projected sublease income. Remaining costs incurred during fiscal 2026 consisted primarily of severance and other personnel-related costs. Our restructuring plan was substantially complete as of September 30, 2025.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

FORWARD-LOOKING STATEMENTS

This Form 10-Q includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this Form 10-Q which address activities, events or developments which we expect, believe or anticipate will or may occur in the future are forward-looking statements. The words "believes," "intends," "expects," "anticipates," "projects," "estimates," "predicts" and similar expressions are also intended to identify forward-looking statements. Although we believe that our expectations regarding future events are based on reasonable assumptions, we can give no assurance that such expectations or assumptions will be achieved. Important factors that could cause actual results to differ materially from those in the forward-looking statements are described under Item 1A of Part I of our Annual Report on Form 10-K for the fiscal year ended June 30, 2025.

These forward-looking statements include, among others, such things as:

- amounts and nature of future project awards, revenue and margins from each of our segments;
- our ability to generate sufficient cash from operations, access our credit facility, or raise cash in order to meet our short and long-term capital requirements;
- our ability to comply with the covenants in our credit agreement;
- the impact to our business from economic, market or business conditions in general and in the natural gas, oil, petrochemical, industrial and power industries in particular;
- the impact of interest rates and inflation on our operating expenses and our business operations;
- the likely impact of new or existing regulations or market forces on the demand for our services;
- the impact to our business from disruptions to supply chains, inflation and availability of materials and labor;
- our expectations with respect to the likelihood of a future impairment;
- our expectations regarding pending litigation; and
- expansion and other trends of the industries we serve.

These statements are based on certain assumptions and analyses we made in light of our experience and our historical trends, current conditions and expected future developments as well as other factors we believe are appropriate. However, whether actual results and developments will conform to our expectations and predictions is subject to a number of risks and uncertainties which could cause actual results to differ materially from our expectations, including:

- any risk factors discussed in this Form 10-Q, Form 10-K for the fiscal year ended June 30, 2025, and in our other filings with the Securities and Exchange Commission;
- economic, market or business conditions in general and in the natural gas, power, oil, petrochemical, industrial and power industries in particular;
- the transition to renewable energy sources and its impact on our current customer base;
- the under- or over-utilization of our work force;
- unexpected adjustments to our remaining performance obligations or backlog;
- delays in the commencement or progression of major projects, whether due to permitting issues or other factors;
- reduced creditworthiness of our customer base and the higher risk of non-payment of receivables;
- the inherently uncertain outcome of current and future litigation;
- the adequacy of our reserves for claims and contingencies; and
- changes in laws or regulations, including the imposition, cancellation or delay of tariffs on imported goods.

Consequently, all of the forward-looking statements made in this Form 10-Q are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business operations. We assume no obligation to update, except as required by law, any such forward-looking statements, whether as a result of new information, future events or otherwise.

RESULTS OF OPERATIONS

Overview

We operate our business through a number of different operating subsidiaries, which are organized into three reportable segments based on the type of work performed and the markets serviced:

- **Storage and Terminal Solutions:** primarily consists of engineering, procurement, fabrication, and construction services related to cryogenic and other specialty tanks and terminals for LNG, NGLs such as butane, propane, ethane, ethylene, and other liquid petroleum products, as well as hydrogen and ammonia. We also perform work related to traditional aboveground crude oil and refined product storage tanks and terminals. This segment also includes terminal balance of plant work, truck and rail loading/offloading facilities, and marine structures as well as storage tank and terminal maintenance and repair. Finally, we manufacture and sell precision engineered specialty tank products, including geodesic domes, aluminum internal floating roofs, floating suction and skimmer systems, roof drain systems and floating roof seals.
- **Utility and Power Infrastructure:** primarily consists of engineering, procurement, fabrication, and construction services to support growing demand for LNG utility peak shaving facilities. We also perform power delivery work for public and private utilities, including construction of new substations, upgrades of existing substations, and maintenance. We also provide construction services to a variety of power generation facilities, including natural gas fired facilities in simple or combined cycle configurations for base load, peaking, and backup power supply.
- **Process and Industrial Facilities:** primarily consists of plant maintenance, repair, and turnarounds in the downstream and midstream markets for energy clients including refining and processing of crude oil, fractionating, and marketing of natural gas and natural gas liquids. We also perform engineering, procurement, fabrication, and construction for refinery upgrades and retrofits for renewable fuels, including hydrogen processing, production, loading and distribution facilities. We also engineer and construct thermal vacuum test chambers for aerospace and defense industries and other infrastructure for industries including chemicals, petrochemical, sulfur, mining and minerals, cement, agriculture, wastewater treatment facilities and other industrial customers.

Operational Update

During the quarter, we advanced execution on several large, strategically important projects. These projects are delivering both revenue growth and margin stability, supported by disciplined project management. As these projects advance through key milestones, they are providing increased visibility into revenue conversion and operating margin performance.

We expect activity to accelerate over the remainder of the fiscal year, driven by our strong backlog as well as a growing opportunity pipeline and healthy demand across our core markets. Our balance sheet remains a competitive advantage, providing the financial capacity and flexibility to pursue high-quality opportunities, invest in execution excellence, and manage risk responsibly. These attributes also position us to continue executing on existing projects and to support long-term growth initiatives.

Looking longer term, structural macrotrends continue to support durable growth in our end markets. The clean energy transition, rapidly increasing power requirements from data centers, ongoing industrial reshoring and onshoring activity, and heightened focus on grid reliability are all creating sustained demand for the solutions we provide. These trends reinforce the strength of our strategic positioning and our confidence in the company's ability to deliver long-term value for shareholders.

Backlog

We define backlog as the total dollar amount of revenue that we expect to recognize as a result of performing work that has been awarded to us through a signed contract, limited notice to proceed ("LNTP") or other type of assurance that we consider firm. The following arrangements are considered firm:

- fixed-price awards;
- minimum customer commitments on cost plus arrangements; and
- certain time and material arrangements in which the estimated value is firm or can be estimated with a reasonable amount of certainty in both timing and amounts.

For long-term maintenance contracts with no minimum commitments and other established customer agreements, we include only the amounts that we expect to recognize as revenue over the next 12 months. For arrangements in which we have received a LNTP, we include the entire scope of work in our backlog if we conclude that the likelihood of the full project proceeding is probable. For all other arrangements, we calculate backlog as the estimated contract amount less revenue recognized as of the reporting date. Backlog differs from the amount of our remaining performance obligations, which are described in Note 2 - Revenue in the notes to the unaudited consolidated financial statements. Differences are due primarily to the inclusion within our backlog of estimates of future revenue under long-term maintenance contracts; future revenue for the full scope of work for certain arrangements where we have received an LNTP; and future revenue for arrangements where we have received assurance that we consider firm, but the associated contract has not been fully executed.

The following table provides a summary of changes in our backlog for the three months ended December 31, 2025:

| | Storage and Terminal Solutions | Utility and Power Infrastructure | Process and Industrial Facilities | Total |
|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|---------------------|
| | (In thousands) | | | |
| Backlog as of September 30, 2025 | \$ 796,713 | \$ 262,388 | \$ 101,919 | \$ 1,161,020 |
| Project awards | 124,547 | 15,795 | 36,219 | 176,561 |
| Revenue recognized | (99,852) | (75,406) | (35,250) | (210,508) |
| Backlog as of December 31, 2025 | <u>\$ 821,408</u> | <u>\$ 202,777</u> | <u>\$ 102,888</u> | <u>\$ 1,127,073</u> |
| Book-to-bill ratio ⁽¹⁾ | 1.2x | 0.2x | 1.0x | 0.8x |

(1) Calculated by dividing project awards by revenue recognized.

The following table provides a summary of changes in our backlog for the six months ended December 31, 2025:

| | Storage and Terminal Solutions | Utility and Power Infrastructure | Process and Industrial Facilities | Total |
|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|---------------------|
| | (In thousands) | | | |
| Backlog as of June 30, 2025 | \$ 770,095 | \$ 346,384 | \$ 265,629 | \$ 1,382,108 |
| Project awards | 260,624 | 50,539 | 53,153 | 364,316 |
| Other adjustments ⁽²⁾ | — | (44,239) | (152,720) | (196,959) |
| Revenue recognized | (209,311) | (149,907) | (63,174) | (422,392) |
| Backlog as of December 31, 2025 | <u>\$ 821,408</u> | <u>\$ 202,777</u> | <u>\$ 102,888</u> | <u>\$ 1,127,073</u> |
| Book-to-bill ratio ⁽¹⁾ | 1.2x | 0.3x | 0.8x | 0.9x |

(1) Calculated by dividing project awards by revenue recognized.

(2) Previous project awards removed from backlog.

In the Storage and Terminal Solutions segment, we booked \$124.5 million of project awards during the second quarter of fiscal 2026, including an award for the construction of an LNG tank. During the six months ended December 31, 2025, we booked \$260.6 million of project awards, including a large award for the construction for the balance of plant supporting a dual service full containment storage tank. This segment includes significant opportunities for storage infrastructure projects related to natural gas, LNG, ammonia, NGLs and other forms of low carbon energy. We believe LNG, NGLS and ammonia projects in particular will be key growth drivers for this segment. Bidding activity in these markets has been strong and we expect that to continue.

In the Utility and Power Infrastructure segment, we booked \$15.8 million of project awards during the second quarter of fiscal 2026. During the six months ended December 31, 2025, we booked \$50.5 million of project awards. Our opportunity pipeline for LNG peak shaving projects continues to be promising, with both greenfield facility projects as well as the projects for the upgrade, maintenance, and repair to existing infrastructure. The timing between the major greenfield awards can be extended due to the client activity and bidding diligence, but their addition to backlog is significant and will drive long-term sustainable growth in the segment. The smaller upgrade projects are key measures of our brand power and strength in the market, keeping key resources active while creating opportunities to strengthen execution and engineering teams. Power generation and delivery infrastructure opportunities are expected to be driven over the long-term by increasing electrical demand and the related electrical grid requirements. Project opportunities and bidding activity are strong across the segment.

In the Process and Industrial Facilities segment, we booked \$36.2 million of project awards during the second quarter of fiscal 2026. During the six months ended December 31, 2025, we booked \$53.2 million of project awards. We continue to see increasing opportunities in mining and minerals, chemicals, renewable fuels, refinery maintenance and turnarounds, and thermal vacuum chambers in this segment.

During the first quarter of fiscal 2026, backlog was adjusted to reflect the removal of two projects. Backlog in the Utility and Power Infrastructure segment was impacted by the removal of an award originally added to backlog in the fourth quarter of fiscal 2025. The removal was the result of a change in certain contractual terms and conditions that significantly increased our risk profile on the project. Considering the strength of the opportunities available in our markets, particularly in this segment, as well as the high quality financial and commercial risk profile of our current backlog, we deemed that it was unnecessary for us to accept an award that deteriorates that position. Our unwillingness to accept this modified risk profile caused the client to change their award decision. Our backlog in the Process and Industrial Facilities segment was impacted by the removal of an award originally added to backlog in the third quarter of fiscal 2023. Field work on this construction-only project has continued to be delayed as our client and the ultimate customer work to finalize the scope and engineering for the project. The project was removed from backlog as the ultimate customer is now planning to change the project execution and sourcing strategy for the project. While we ultimately may perform some of this work, we determined inclusion of the award in backlog was no longer appropriate.

Project awards in all segments are cyclical and are typically the result of a sales process that can take several months or years to complete. It is common for awards to shift from one period to another as the timing of awards is dependent upon a number of factors including changes in market conditions, permitting, off take agreements, project financing and other factors. Backlog volatility may increase for some segments from time to time when individual project awards are less frequent, but more significant. There is an inherent lag between the time a project is awarded and when it begins to have a material impact on revenue. This lag can vary and can extend up to six months or longer in unique circumstances, depending on finalization of scopes, contracts, permits, and facility process requirements. Additionally, awards for larger construction projects may be recognized as revenue over a multi-year period as the projects may take a few years to complete.

Three months ended December 31, 2025 Compared to the Three months ended December 31, 2024

The information below is an analysis of our consolidated results for the three months ended December 31, 2025, compared to the three months ended December 31, 2024. See Results of Operations by Business Segment below for additional information describing the performance of each of our reportable segments.

Consolidated Results of Operations

| <i>Dollars in thousands</i> | Three Months Ended | | | |
|---|--------------------|------------|-------------|-------|
| | December 31, | | 2025 v 2024 | |
| | 2025 | 2024 | Change | % |
| Revenue | \$ 210,508 | \$ 187,169 | \$ 23,339 | 12 % |
| Cost of revenue | 197,373 | 176,277 | 21,096 | 12 % |
| Gross profit | 13,135 | 10,892 | 2,243 | 21 % |
| Gross margin % | 6.2 % | 5.8 % | 0.4 % | 6.9 % |
| Selling, general and administrative expenses | 15,112 | 17,286 | (2,174) | (13)% |
| Restructuring costs | 202 | — | 202 | — % |
| Operating loss | (2,179) | (6,394) | 4,215 | 66 % |
| Other income (expense): | | | | |
| Interest expense | (118) | (145) | 27 | 19 % |
| Interest income | 1,543 | 1,578 | (35) | (2)% |
| Other income (expense) | 23 | (556) | 579 | 104 % |
| Loss before income tax expense | (731) | (5,517) | 4,786 | 87 % |
| Provision for federal, state and foreign income taxes | 163 | 16 | 147 | — % |
| Net loss | \$ (894) | \$ (5,533) | \$ 4,639 | 84 % |

Revenue - The increase in consolidated revenue of \$23.3 million, or 12%, was attributable to higher revenue volumes in each of our segments.

Gross profit - Gross profit in the second quarter of fiscal 2026 increased \$2.2 million, or 21%, compared to the second quarter of fiscal 2025. Gross margin was 6.2% for the second quarter of fiscal 2026 compared to gross margin of 5.8% for the second quarter of fiscal 2025. The increase in gross margin was due to higher revenues which resulted in improved recovery of overhead costs, as well as strong project execution throughout the majority of the business. However, costs associated with warranty-type items and with third-party commercial matters arising during commissioning of specialty tank work resulted in a \$3.6 million reduction of gross profit during the quarter.

Selling, general and administrative expenses - The decrease in selling, general and administrative expenses ("SG&A") of \$2.2 million, or 13%, is primarily due to cost reductions resulting from our organizational realignment, including a decrease in salaries and wages of \$0.8 million, year over year. Additionally, SG&A decreased \$0.7 million associated with the variable accounting for cash-settled stock-based compensation as a result of fluctuations in our stock price.

Interest income - Interest income during the second quarter of fiscal 2026 was consistent with the second quarter of fiscal 2025.

Other income (expense) - Other income (expense) increased \$0.6 million due primarily to a reduction foreign currency transaction losses associated with our Australian and South Korean subsidiaries.

Provision for income taxes - Income tax expense for both periods was insignificant. The effective tax rates during both periods were impacted by valuation allowances of \$(0.7) million and \$1.8 million, respectively, placed on deferred tax assets generated during the quarters. We placed a valuation allowance on our deferred tax assets due to the existence of a cumulative loss over a three-year period. Currently, we place valuation allowances on newly generated deferred tax assets. We will realize the benefit associated with the deferred tax assets for which the valuation allowance has been provided as we generate taxable income.

Results of Operations by Business Segment

| <i>Dollars in thousands</i> | Three Months Ended | | | |
|-----------------------------------|--------------------|-------------------|------------------|------------------------------|
| | December 31, | | 2025 v 2024 | |
| | 2025 | 2024 | Change | % Favorable (Unfavorable) |
| Revenue | | | | |
| Storage and Terminal Solutions | \$ 99,852 | \$ 95,507 | \$ 4,345 | 5 % |
| Utility and Power Infrastructure | 75,406 | 61,076 | 14,330 | 23 % |
| Process and Industrial Facilities | 35,250 | 30,586 | 4,664 | 15 % |
| Total revenue | <u>\$ 210,508</u> | <u>\$ 187,169</u> | <u>\$ 23,339</u> | <u>12 %</u> |
| Gross profit (loss) | | | | |
| Storage and Terminal Solutions | \$ 4,754 | \$ 7,272 | \$ (2,518) | (35)% |
| Utility and Power Infrastructure | 7,228 | 3,409 | 3,819 | 112 % |
| Process and Industrial Facilities | 1,219 | 370 | 849 | 229 % |
| Corporate | (66) | (159) | 93 | (58)% |
| Total gross profit | <u>\$ 13,135</u> | <u>\$ 10,892</u> | <u>\$ 2,243</u> | <u>21 %</u> |
| Gross margin % | | | | |
| Storage and Terminal Solutions | 4.8 % | 7.6 % | (2.8)% | (37)% |
| Utility and Power Infrastructure | 9.6 % | 5.6 % | 4.0% | 71 % |
| Process and Industrial Facilities | 3.5 % | 1.2 % | 2.3% | 192 % |
| Corporate | — % | — % | — % | — % |
| Total gross margin % | <u>6.2 %</u> | <u>5.8 %</u> | <u>0.4%</u> | <u>7 %</u> |
| Operating income (loss) | | | | |
| Storage and Terminal Solutions | \$ (788) | \$ 1,705 | \$ (2,493) | (146)% |
| Utility and Power Infrastructure | 4,952 | (152) | 5,104 | 3358 % |
| Process and Industrial Facilities | (401) | (1,307) | 906 | 69 % |
| Corporate | (5,942) | (6,640) | 698 | 11 % |
| Total Operating Loss | <u>\$ (2,179)</u> | <u>\$ (6,394)</u> | <u>\$ 4,215</u> | <u>66 %</u> |

Storage and Terminal Solutions

Storage and Terminal Solutions revenues increased by \$4.3 million, or 5%, in the three months ended December 31, 2025 compared to the same period last year, driven by an increased volume of work for LNG and NGL projects, partially offset by lower volumes for crude oil projects.

Storage and Terminal Solutions gross profit decreased by \$2.5 million, or (35)%, in the three months ended December 31, 2025 compared to the same period last year. The segment gross margin of 4.8% for the three months ended December 31, 2025 was lower than segment gross margin of 7.6% in the same period last year. During the second quarter of fiscal 2026, costs associated with warranty-type items and with third-party commercial matters arising during commissioning of specialty tank work resulted in a \$3.6 million reduction of gross profit. Additionally, gross margins for this segment continue to be primarily impacted by under-recovery of overhead costs. We believe overhead cost absorption will improve as activity on awards currently in backlog increases through the remainder of fiscal 2026.

Utility and Power Infrastructure

Utility and Power Infrastructure revenues increased by \$14.3 million, or 23%, in the three months ended December 31, 2025 compared to the same period last year. The increase is primarily attributable to a higher volume of work for power delivery and natural gas peak shaving projects.

Utility and Power Infrastructure gross profit increased by \$3.8 million, or 112%, in the three months ended December 31, 2025 compared to the same period last year. The segment gross margin was 9.6% for the three months ended December 31, 2025 compared to 5.6% in the same period last year, an increase of 4.0% due to strong project execution and improved construction overhead cost absorption as a result of higher revenues.

Process and Industrial Facilities

Process and Industrial Facilities revenues increased by \$4.7 million, or 15%, in the three months ended December 31, 2025 compared to the same period last year. The increase is primarily attributable to higher revenue volumes for refinery turnarounds and maintenance work.

Process and Industrial Facilities gross profit increased by \$0.8 million, or 229%, in the three months ended December 31, 2025 compared to the same period last year. The segment gross margin was 3.5% for the three months ended December 31, 2025 compared to 1.2% in the same period last year. The increase is primarily attributable to improved construction overhead cost absorption as a result of higher revenues.

Six months ended December 31, 2025 Compared to the Six months ended December 31, 2024

The information below is an analysis of our consolidated results for the six months ended December 31, 2025, compared to the six months ended December 31, 2024. See Results of Operations by Business Segment below for additional information describing the performance of each of our reportable segments.

Consolidated Results of Operations

| <i>Dollars in thousands</i> | Six Months Ended | | | |
|---|------------------|-------------|-------------|--------|
| | December 31, | | 2025 v 2024 | |
| | 2025 | 2024 | Change | % |
| Revenue | \$ 422,392 | \$ 352,748 | \$ 69,644 | 20 % |
| Cost of revenue | 395,075 | 334,043 | 61,032 | 18 % |
| Gross profit | 27,317 | 18,705 | 8,612 | 46 % |
| Gross margin % | 6.5 % | 5.3 % | 1.2 % | 22.6 % |
| Selling, general and administrative expenses | 31,446 | 35,866 | (4,420) | (12)% |
| Restructuring costs | 3,550 | — | 3,550 | — % |
| Operating loss | (7,679) | (17,161) | 9,482 | 55 % |
| Other income (expense): | | | | |
| Interest expense | (245) | (234) | (11) | (5)% |
| Interest income | 3,345 | 3,150 | 195 | 6 % |
| Other income (expense) | 254 | (495) | 749 | (151)% |
| Loss before income tax expense | (4,325) | (14,740) | 10,415 | 71 % |
| Provision for federal, state and foreign income taxes | 232 | 16 | 216 | — % |
| Net loss | \$ (4,557) | \$ (14,756) | \$ 10,199 | 71 % |

Revenue - The increase in overall revenue of \$69.6 million, or 20%, was primarily attributable to increased revenue volumes in our Storage and Terminal Solutions and Utility and Power Infrastructure segments.

Gross profit - Gross profit in the six months ended December 31, 2025 increased \$8.6 million, or 46%, compared to the same period prior year. Gross margin increased to 6.5% for the six months ended December 31, 2025 compared to 5.3% for the same period prior year. The increase in gross margin for the quarter is attributable to higher gross margins in our Utility and Power Infrastructure and Process and Industrial Facilities segments, partially offset by lower margins in our Storage and Terminal Solutions segment.

Selling, general and administrative expenses - The decrease in SG&A expenses of \$4.4 million, or 12%, is due in part to cost reductions resulting from our organizational realignment, including a decrease in salaries and wages of \$1.3 million. Additionally, facilities costs decreased \$1.2 million, and SG&A decreased \$1.0 million associated with the variable accounting for cash-settled stock-based compensation as a result of fluctuations in our stock price.

Interest income - The increase in interest income of \$0.2 million is primarily due to an increase in our cash balance, partially offset by lower average interest rates.

Other income (expense) - Other income increased \$0.7 million in the six months ended December 31, 2025 as compared to the same period prior year due primarily to a reduction foreign currency transaction losses associated with our Australian and South Korean subsidiaries.

Provision for income taxes - Income tax expense for both periods was insignificant. The effective tax rates during both periods were impacted by valuation allowances of \$0.6 million and \$3.1 million, respectively, placed on deferred tax assets generated during the quarters. We placed a valuation allowance on our deferred tax assets due to the existence of a cumulative loss over a three-year period. Currently, we place valuation allowances on newly generated deferred tax assets. We will realize the benefit associated with the deferred tax assets for which the valuation allowance has been provided as we generate taxable income.

Results of Operations by Business Segment

| <i>Dollars in thousands</i> | Six Months Ended | | | |
|---|-------------------|--------------------|------------------|------------------------------|
| | December 31, | | 2025 v 2024 | |
| | 2025 | 2024 | Change | % Favorable (Unfavorable) |
| Revenue | | | | |
| Storage and Terminal Solutions | \$ 209,311 | \$ 173,746 | \$ 35,565 | 20 % |
| Utility and Power Infrastructure | 149,907 | 116,988 | 32,919 | 28 % |
| Process and Industrial Facilities | 63,174 | 62,014 | 1,160 | 2 % |
| Total revenue ⁽¹⁾ | <u>\$ 422,392</u> | <u>\$ 352,748</u> | <u>\$ 69,644</u> | <u>20 %</u> |
| ⁽¹⁾ Total revenues are net of inter-segment revenues which are primarily Storage and Terminal Solutions and were \$1.6 million for the six months ended December 31, 2025. | | | | |
| Gross profit (loss) | | | | |
| Storage and Terminal Solutions | \$ 11,251 | \$ 11,969 | \$ (718) | (6)% |
| Utility and Power Infrastructure | 14,012 | 4,716 | 9,296 | 197 % |
| Process and Industrial Facilities | 2,648 | 2,367 | 281 | 12 % |
| Corporate | (594) | (347) | (247) | (71)% |
| Total gross profit | <u>\$ 27,317</u> | <u>\$ 18,705</u> | <u>\$ 8,612</u> | <u>46 %</u> |
| Gross margin % | | | | |
| Storage and Terminal Solutions | 5.4 % | 6.9 % | (1.5)% | (22)% |
| Utility and Power Infrastructure | 9.3 % | 4.0 % | 5.3% | 133 % |
| Process and Industrial Facilities | 4.2 % | 3.8 % | 0.4% | 11 % |
| Corporate | — % | — % | —% | — % |
| Total gross margin % | <u>6.5 %</u> | <u>5.3 %</u> | <u>1.2%</u> | <u>23 %</u> |
| Operating income (loss) | | | | |
| Storage and Terminal Solutions | \$ (1,598) | \$ 833 | \$ (2,431) | (292)% |
| Utility and Power Infrastructure | 8,119 | (2,821) | 10,940 | 388 % |
| Process and Industrial Facilities | (1,008) | (1,076) | 68 | 6 % |
| Corporate | (13,192) | (14,097) | 905 | 6 % |
| Total Operating Loss | <u>\$ (7,679)</u> | <u>\$ (17,161)</u> | <u>\$ 9,482</u> | <u>55 %</u> |

Storage and Terminal Solutions

Storage and Terminal Solutions revenues increased by \$35.6 million, or 20%, in the six months ended December 31, 2025 compared to the same period last year, driven by increased volume of work for LNG peak shaving, partially offset by decreases in tanks and terminal work.

Storage and Terminal Solutions gross profit decreased by \$0.7 million, or 6%, in the six months ended December 31, 2025 compared to the same period last year. The segment gross margin was 5.4% for the six months ended December 31, 2025 compared to segment gross margin of 6.9% in the same period last year. During the second quarter of fiscal 2026, costs associated with warranty-type items and third-party commercial matters arising during commissioning of specialty tank work resulted in a \$3.6 million reduction of gross profit. Additionally, gross margins for this segment continue to be primarily impacted by under-recovery of overhead costs. We believe overhead cost absorption will improve as activity on awards currently in backlog increases through the remainder of fiscal 2026.

Utility and Power Infrastructure

Utility and Power Infrastructure revenues increased by \$32.9 million, or 28%, in the six months ended December 31, 2025 compared to the same period last year. The increase is primarily attributable to higher volumes of work for LNG peak shaving projects and power delivery work.

Utility and Power Infrastructure gross profit increased by \$9.3 million, or 197%, in the six months ended December 31, 2025 compared to the same period last year. The segment gross margin was 9.3% for the six months ended December 31, 2025 compared to 4.0% in the same period last year due to strong project execution and improved construction overhead cost absorption as a result of higher revenues.

Process and Industrial Facilities

Process and Industrial Facilities revenues increased by \$1.2 million, or 2%, in the six months ended December 31, 2025 compared to the same period last year. The increase is primarily attributable to higher revenue volumes for refinery work, partially offset by lower volumes of work for thermal vacuum chambers.

Process and Industrial gross profit increased by \$0.3 million, or 12%, in the six months ended December 31, 2025 compared to the same period last year. The segment gross margin was 4.2% for the six months ended December 31, 2025 compared to segment gross margin of 3.8% in the same period last year. Improved overhead cost absorption associated with reallocation of resources to other segments was partially offset by reductions in gross margin due to mix of work.

LIQUIDITY AND CAPITAL RESOURCES

Overview

We assess liquidity based on the ongoing ability to pay our liabilities as they become due, fund business operations and meet all monetary contractual obligations. Our primary sources of liquidity at December 31, 2025 were unrestricted cash and cash equivalents on hand, capacity under our ABL Facility, and cash generated from operations. Our primary operational uses of capital are expenditures required to execute our projects, fund business operations and fulfill our contractual obligations. We believe that for at least the next 12 months, our cash position, anticipated cash generated by operating activities, along with our availability under the ABL Facility, is sufficient to support our operating requirements.

Unrestricted cash and cash equivalents at December 31, 2025 totaled \$199.0 million and availability under the ABL Facility totaled \$58.6 million, resulting in total liquidity of \$257.6 million. During the second quarter of fiscal 2026, liquidity increased \$8.7 million primarily as a result of changes in working capital. During the six months ended December 31, 2025, liquidity decreased by \$26.9 million as a result of changes in working capital, as well as payments made for tax withholdings for stock compensation and capital expenditures.

The following table provides a reconciliation of restricted cash and unrestricted cash in the Consolidated Balance Sheets to the total cash, cash equivalents and restricted cash shown in the Consolidated Statements of Cash Flows, as well as availability and total liquidity (in thousands):

| | December 31, 2025 | September 30, 2025 | June 30, 2025 |
|--|----------------------|-----------------------|-------------------|
| Total cash, cash equivalents and restricted cash | \$ 223,964 | \$ 217,307 | \$ 249,641 |
| Less: Restricted cash | 25,000 | 25,000 | 25,000 |
| Unrestricted cash | 198,964 | 192,307 | 224,641 |
| Availability under ABL Facility | 58,615 | 56,617 | 59,815 |
| Total Liquidity | <u>\$ 257,579</u> | <u>\$ 248,924</u> | <u>\$ 284,456</u> |

The following table provides a summary of changes in our liquidity for the three months ended December 31, 2025 (in thousands):

| | |
|---|-------------------|
| Liquidity at September 30, 2025 | \$ 248,924 |
| Cash provided by operating activities | 7,454 |
| Capital expenditures | (1,176) |
| Proceeds from sale of assets | 262 |
| Increase in availability under ABL Facility | 1,998 |
| Cash provided by financing activities | 55 |
| Effect of exchange rate changes on cash | 62 |
| Liquidity at December 31, 2025 | <u>\$ 257,579</u> |

The following table provides a summary of changes in our liquidity for the six months ended December 31, 2025 (in thousands):

| | |
|---|-------------------|
| Liquidity at June 30, 2025 | \$ 284,456 |
| Cash used by operating activities | (18,445) |
| Capital expenditures | (3,187) |
| Proceeds from sale of assets | 484 |
| Decrease in availability under ABL Facility | (1,200) |
| Cash used by financing activities | (4,274) |
| Effect of exchange rate changes on cash | (255) |
| Liquidity at December 31, 2025 | <u>\$ 257,579</u> |

Factors that routinely impact our short-term liquidity and may impact our long-term liquidity include, but are not limited to:

- changes in costs and estimated earnings in excess of billings on uncompleted contracts and billings on uncompleted contracts in excess of costs due to contract terms that determine the timing of billings to customers and the collection of those billings:
 - some fixed-price customer contracts allow for significant upfront billings at the beginning of a project, which increases liquidity near term;
 - some cost-plus and fixed-price customer contracts are billed based on milestones which may increase or decrease liquidity in the near term depending on the timing of when we incur significant expenditures and when we collect from our customers;
 - time and material contracts are normally billed in arrears. Therefore, we are routinely required to carry these costs until they can be billed and collected; and
 - some of our large construction projects may require security in the form of significant retentions. Retentions are normally held until certain contractual milestones are achieved; therefore, collection may extend beyond one year;

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- the mix of work can impact liquidity. In periods where fixed-price contracts comprise a larger portion of revenue, liquidity may increase depending on the timing of the billing schedule in relation to project cash outflows. In periods where time and material contracts comprise a larger portion of revenue, liquidity may decrease;
- other changes in working capital, including the timing of tax payments and refunds;
- release of contract retentions, and
- capital expenditures.

Other factors that may impact both short and long-term liquidity include:

- contract disputes;
- collection issues, including those caused by weak commodity prices, economic slowdowns or other factors which can lead to credit deterioration of our customers;
- borrowing constraints under our ABL Facility and maintaining compliance with all covenants contained in the ABL Facility;
- letters of credit. We have certain contracts with customers, and may have future contracts, that permit the customer to obtain, at the customer's expense, letters of credit as a form of security under the contract. Letters of credit reduce our borrowing availability under the Company's ABL Facility;
- acquisitions and disposals of businesses or assets; and
- purchases of shares under our stock buyback program.

ABL Credit Facility

We have an asset-based credit agreement, which was most recently amended on August 22, 2025 (as amended, the "ABL Facility"), with Bank of Montreal, as Administrative Agent, Swing Line Lender and a Letter of Credit Issuer. The maximum amount of loans under the ABL Facility is limited to \$90.0 million. The ABL Facility's available borrowings may be increased by an amount not to exceed \$15.0 million, subject to certain conditions, including obtaining additional commitments. The ABL Facility is intended to be used for working capital, capital expenditures, issuances of letters of credit and other lawful purposes. Our obligations under the ABL Facility are guaranteed by substantially all of our U.S. and Canadian subsidiaries and are secured by a first lien on all our assets under the ABL Facility. The ABL Facility matures, and any outstanding amounts become due and payable, on September 9, 2029.

The borrowing base is recalculated on a monthly basis and at December 31, 2025, our borrowing base was \$63.1 million. We had no borrowings outstanding and \$4.5 million in letters of credit outstanding, which resulted in availability of \$58.6 million under the ABL Facility. For additional information regarding our ABL Facility, see Item I of Part I, "Financial Statements - Note 4 - Debt."

CASH FLOW ANALYSIS

The following table summarizes our changes in cash flow activities for the periods indicated (in thousands):

| | Six Months Ended | |
|--|-------------------|-------------------|
| | December 31, | |
| | 2025 | 2024 |
| Cash flows provided (used) by operating activities | \$ (18,445) | \$ 45,516 |
| Cash flows used in investing activities | (2,703) | (2,696) |
| Cash flows used in financing activities | (4,274) | (1,133) |
| Effect of exchange rate changes on cash | (255) | (525) |
| Change in cash and cash equivalents | (25,677) | 41,162 |
| Cash and cash equivalents at beginning of period | 249,641 | 140,615 |
| Cash and cash equivalents at end of period | <u>\$ 223,964</u> | <u>\$ 181,777</u> |

Cash Flows Provided by Operating Activities

The following table summarizes the components of cash flows provided by operating activities for the periods indicated (in thousands):

| | Six Months Ended | |
|--|--------------------|------------------|
| | December 31, | |
| | 2025 | 2024 |
| Net loss | \$ (4,557) | \$ (14,756) |
| Depreciation and amortization | 4,693 | 5,025 |
| Stock-based compensation expense | 4,063 | 4,568 |
| Operating lease impairment due to restructuring | 1,529 | — |
| Loss on disposal of property, plant and equipment | (327) | (64) |
| Other non-cash expenses | 339 | (19) |
| Cash effect of changes in operating assets and liabilities | (24,185) | 50,762 |
| Net cash provided (used) by operating activities | <u>\$ (18,445)</u> | <u>\$ 45,516</u> |

The significant components of the \$24.2 million change in operating assets and liabilities for the six months ended December 31, 2025 are summarized as follows:

- Accounts receivable, excluding credit losses recognized during the period and including retention amounts classified as non-current, increased by \$77.0 million which decreased cash flows from operating activities. The increases are primarily attributable to the timing of billing and collections.
- Costs and estimated earnings in excess of billings on uncompleted contracts ("CIE") decreased \$4.5 million which increased cash flows from operating activities. Billings on uncompleted contracts in excess of costs and estimated earnings ("BIE") increased \$59.3 million which increased cash flows from operating activities. CIE and BIE balances can experience significant fluctuations based on business volumes and the timing of when job costs are incurred and the timing of customer billings and payments. Some fixed-price customer contracts allow for significant upfront billings at the beginning of a project, which increases liquidity near-term.
- Accounts payable increased by \$7.6 million which increased cash flows from operating activities. These operating liabilities can fluctuate based on business volumes; the timing of vendor payments; accruals; lease commencement, lease payments, expiration, or termination of operating leases; and other timing differences.
- Inventories, income taxes receivable, prepaid expenses, other current assets, operating right-of-use lease assets and other assets, non-current, increased \$6.8 million which decreased cash flows from operating activities. These operating assets can fluctuate based on business volumes; the timing of inventory builds and draw-downs, accrual and receipt of income taxes receivable; prepayments of certain expenses; lease commencement, passage of time, expiration, or termination of operating leases; and other timing differences. We generally prepay our annual insurance premiums in the first quarter of the fiscal year.

- Accrued wages and benefits, accrued insurance, operating lease liabilities, other accrued expenses, and other liabilities, non-current decreased by \$11.9 million which decreased cash flows from operating activities. These operating liabilities can fluctuate based on the timing of payroll, distributions, business volumes; vendor payments; accruals; lease commencement, lease payments, expiration, or termination of operating leases; and other timing differences.

The significant components of the \$50.8 million change in operating assets and liabilities for the six months ended December 31, 2024 are summarized as follows:

- Accounts receivable, excluding credit losses recognized during the period and including retention amounts classified as non-current, increased by \$18.9 million which decreased cash flows from operating activities. The increases are primarily attributable to the timing of billing and collections.
- Costs and estimated earnings in excess of billings on uncompleted contracts ("CIE") increased \$0.8 million which decreased cash flows from operating activities. Billings on uncompleted contracts in excess of costs and estimated earnings ("BIE") increased \$66.2 million which increased cash flows from operating activities. CIE and BIE balances can experience significant fluctuations based on business volumes and the timing of when job costs are incurred and the timing of customer billings and payments. Some fixed-price customer contracts allow for significant upfront billings at the beginning of a project, which increases liquidity near-term.
- Accounts payable increased by \$14.5 million which increased cash flows from operating activities. These operating liabilities can fluctuate based on business volumes; the timing of vendor payments; accruals; lease commencement, lease payments, expiration, or termination of operating leases; and other timing differences.
- Inventories, income taxes receivable, prepaid expenses, other current assets, operating right-of-use lease assets and other assets, non-current, increased \$7.3 million which decreased cash flows from operating activities. These operating assets can fluctuate based on business volumes; the timing of inventory builds and draw-downs, accrual and receipt of income taxes receivable; prepayments of certain expenses; lease commencement, passage of time, expiration, or termination of operating leases; and other timing differences. We generally prepay our annual insurance premiums in the first quarter of the fiscal year.
- Accrued wages and benefits, accrued insurance, operating lease liabilities, other accrued expenses, and other liabilities, non-current decreased by \$2.9 million which decreased cash flows from operating activities. These operating liabilities can fluctuate based on the timing of payroll, distributions, business volumes; vendor payments; accruals; lease commencement, lease payments, expiration, or termination of operating leases; and other timing differences.

Cash Flows Used by Investing Activities

Investing activities used \$2.7 million and \$2.6 million of cash primarily due to capital expenditures in the six months ended December 31, 2025 and 2024, respectively.

Cash Flows Used by Financing Activities

Financing activities used \$4.3 million and \$1.1 million of cash in the six months ended December 31, 2025 and 2024, respectively, primarily due to payments of \$4.2 million and \$1.2 million, respectively, to satisfy tax withholding obligations associated with stock-based compensation.

Dividend Policy

We have never paid cash dividends on our common stock and the terms of our ABL Facility limit dividends to stock dividends only. Any future dividend payments will depend on the terms of our ABL Facility, our financial condition, capital requirements and earnings as well as other relevant factors.

Stock Repurchase Program

We may repurchase common stock pursuant to the Stock Buyback Program, which was approved by the board of directors in November 2018. Under the program, the aggregate number of shares repurchased may not exceed 2,707,175 shares. We may repurchase our stock from time to time in the open market at prevailing market prices or in privately negotiated transactions and are not obligated to purchase any shares. The program will continue unless and until it is modified or revoked by the Board of Directors. We made no repurchases under the program in the three months ended December 31, 2025 and have no current plans to repurchase stock. As of December 31, 2025, there were 1,349,037 shares available for repurchase under the Stock Buyback Program. The terms of our ABL Facility limit share repurchases to \$2.5 million per fiscal year provided that we meet certain availability thresholds and do not violate our Fixed Charge Coverage Ratio financial covenant.

Off-Balance Sheet Arrangements and Other Commitments

We enter into certain off-balance sheet arrangements in the ordinary course of business that result in risks not directly reflected on our balance sheet. The following represents transactions, obligations or relationships that could be considered material off-balance sheet arrangements.

- **Surety Bonds**: The terms of our construction contracts frequently require that we obtain from surety companies, and provide to our customers, surety bonds as a condition to the award of such contracts. These surety bonds are issued in return for premiums, which vary depending on the size and type of the bond, and secure our payment and performance obligations under such contracts. We have agreed to indemnify the surety companies for amounts, if any, paid by them in respect of surety bonds issued on our behalf. Surety bonds expire at various times ranging from final completion of a project to a period extending beyond contract completion in certain circumstances. Such amounts can also fluctuate from period to period based upon the mix and level of our bonded operating activity. As of December 31, 2025, there were \$274.8 million of surety bonds in force, of which we expect \$125.6 million to expire within the next 12 months. Of the bonds in force, \$116.1 million related to performance bonds for ongoing projects and the remainder related to contractor licensing, liens, and other bonds. We are not aware of any losses in connection with surety bonds that have been posted on our behalf, and we do not expect to incur significant losses in the foreseeable future.
- **Multiemployer pension plans**: We contribute to a number of multiemployer defined benefit pension plans in the U.S. and Canada under the terms of collective-bargaining agreements that cover our union-represented employees, who are represented by more than 100 local unions. Benefits under these plans are generally based on compensation levels and years of service. Under federal legislation regarding multiemployer pension plans, in the event of a withdrawal from a plan or plan termination, companies are required to continue funding their proportionate share of such plan's unfunded vested benefits. Withdrawal liabilities or requirements for increased future contributions could negatively impact our results of operations and liquidity. For more information on our Multiemployer pension plans, see Part II, Item 8 "Note 12 - Employee Benefit Plans" of our Annual Report on Form 10-K for the year ended June 30, 2025.
- **Letters of credit**: We issue letters of credit under our ABL Facility in the normal course of business to support workers' compensation insurance programs or certain construction contracts. As of December 31, 2025, we had \$4.5 million of letters of credit outstanding. The letters of credit that support our workers' compensation programs are expected to renew annually through the term of our credit facility.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

There have been no material changes in our critical accounting policies and estimates from those reported in our fiscal 2025 Annual Report on Form 10-K filed with the SEC. For more information on our critical accounting policies and estimates, see Part II, Item 7 of our fiscal 2025 Annual Report on Form 10-K.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

There have been no material changes in market risk faced by us from those reported in our Annual Report on Form 10-K for the fiscal year ended June 30, 2025, filed with the Securities and Exchange Commission. For more information on market risk, see Part II, Item 7A in our fiscal 2025 Annual Report on Form 10-K.

Item 4. Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Securities Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure based on the definition of "disclosure controls and procedures" in Rule 13a-15(e).

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2025. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level at December 31, 2025.

There have been no changes in our internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect our internal controls over financial reporting during the quarter ended December 31, 2025.

PART II
OTHER INFORMATION

Item 1. Legal Proceedings

We are a party to a number of legal proceedings. See Part I., Item 1. Financial Statements, Note 6 - Commitments and Contingencies, Litigation, for a description of our material ongoing litigation.

Item 1A. Risk Factors

There were no material changes in our Risk Factors from those reported in Item 1A of Part I of our Annual Report on Form 10-K for the fiscal year ended June 30, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

We may repurchase common stock pursuant to the Stock Buyback Program, which was approved by the board of directors in November 2018. Under the program, the aggregate number of shares repurchased may not exceed 2,707,175 shares. As of December 31, 2025, 1,349,037 shares were available for repurchase under the stock buyback program. We may repurchase our stock from time to time in the open market at prevailing market prices or in privately negotiated transactions and are not obligated to purchase any shares. The program will continue unless and until it is modified or revoked by the Board of Directors. The terms of our ABL Facility also limit share repurchases to \$2.5 million per fiscal year provided that we meet certain availability thresholds and we do not violate our Fixed Charge Coverage Ratio financial covenant. We made no repurchases under the stock buyback program in the first quarter of fiscal 2026 and have no current plans to repurchase stock.

Dividend Policy

We have never paid cash dividends on our common stock and the terms of our ABL Facility limit dividends to stock dividends only. Any future dividend payments will depend on the terms of our ABL Facility, our financial condition, capital requirements and earnings as well as other relevant factors.

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") requires domestic mine operators to disclose violations and orders issued under the Federal Mine Safety and Health Act of 1977 (the "Mine Act") by the Federal Mine Safety and Health Administration. We do not act as the owner of any mines, but as a result of our performing services or construction at mine sites as an independent contractor, we are considered an "operator" within the meaning of the Mine Act.

Information concerning mine safety violations or other regulatory matters required to be disclosed in this quarterly report under Section 1503(a) of the Dodd-Frank Act and Item 104 of Regulation S-K is included in Exhibit 95.

Item 5. Other Information

During the six months ended December 31, 2025, none of our directors or officers adopted or terminated a Rule 10b5-1 trading arrangement or Non-Rule 10b5-1, as each term is defined under Item 408(a) of Regulation S-K.

In connection with the Board's succession planning, on February 2, 2026, John R. Hewitt and the Company entered into a Transition and Separation Agreement (the "Transition Agreement") providing for Mr. Hewitt to transition his role as President and Chief Executive Officer and step down effective June 30, 2026. The Transition Agreement also provides for Mr. Hewitt to step down as a director of the Company, also effective June 30, 2026. Mr. Hewitt's separation from the Company was not the result of any disagreements with the Company or any of its directors, officers or employees.

The Transition Agreement provides for the payment to Mr. Hewitt of a cash severance amount of \$1.6 million, potential payment of his annual bonus for the year ending June 30, 2026, based on actual performance, and vesting of his outstanding share-based and cash-based restricted stock units. Mr. Hewitt will also be deemed to have satisfied the service condition for his performance units awarded in 2023 and 2024 and for 22,311 of his performance units awarded in 2025 and will remain eligible to vest in these performance units based on actual performance. Mr. Hewitt will forfeit the remaining 58,010 of his performance units awarded in 2025. The Transition Agreement contains, among other provisions, confidentiality and cooperation covenants and a customary release of claims.

The description of the Transition Agreement is qualified in its entirety by the provisions of the agreement, which is incorporated by reference to Exhibit 10.1 to this Form 10-Q.

Also on February 2, 2026, the Board appointed Shawn P. Payne as Chief Operating Officer of the Company, effective immediately. He will assume the role of President and Chief Executive Officer effective July 1, 2026.

Prior to these appointments, Mr. Payne, 53, was the President Engineering & Construction, Matrix Service Company. He previously served as President, Matrix Service Inc. Before that, he served in other leadership roles for Matrix Service including as Senior Vice President, Operations, Senior Vice President of Finance and Business Services, and Vice President of Business Services. Mr. Payne joined the Company in 2012 as the Division Manager in Tucson, AZ, leading the Company's entry into the minerals and mining business. Prior to joining Matrix, Mr. Payne held leadership roles in operations, finance and project controls with Aker Solutions/Kvaerner, and Jacobs. Mr. Payne holds a Bachelor of Science in Business Administration, in Finance, from the University of Arizona.

No changes were made to Mr. Payne's compensation arrangements as a result of his appointment as Chief Operating Officer. In connection with his appointment as President and Chief Executive Officer, and effective July 1, 2026, Mr. Payne will receive a base salary of \$725,000 per year and will be eligible for a short-term annual incentive in a target amount equal to 100% of base salary and a long-term annual incentive in a target amount equal to 250% of base salary.

The appointment of Mr. Payne was not pursuant to any agreement or understanding between him and any other person. There is no family relationship between Mr. Payne and any director or executive officer of the Company, and there are no transactions between Mr. Payne and the Company that are required to be reported under Item 404(a) of Regulation S-K.

Item 6. Exhibits:

The following documents are included as exhibits to this Quarterly Report on Form 10-Q. Any exhibits below incorporated by reference herein are indicated as such by the information supplied in the parenthetical hereafter.

| <u>Exhibit No.</u> | <u>Description</u> |
|---------------------------|---|
| Exhibit 10.1: | Transition and Separation Agreement |
| Exhibit 31.1: | Certification Pursuant to Section 302 of Sarbanes-Oxley Act of 2002 – CEO. |
| Exhibit 31.2: | Certification Pursuant to Section 302 of Sarbanes-Oxley Act of 2002 – CFO. |
| Exhibit 32.1: | Certification Pursuant to 18 U.S.C. 1350 (section 906 of Sarbanes-Oxley Act of 2002) – CEO. |
| Exhibit 32.2: | Certification Pursuant to 18 U.S.C. 1350 (section 906 of Sarbanes-Oxley Act of 2002) – CFO. |
| Exhibit 95: | Mine Safety Disclosure. |
| Exhibit 101.INS: | XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. |
| Exhibit 101.SCH: | XBRL Taxonomy Schema Document. |
| Exhibit 101.CAL: | XBRL Taxonomy Extension Calculation Linkbase Document. |
| Exhibit 101.DEF: | XBRL Taxonomy Extension Definition Linkbase Document. |
| Exhibit 101.LAB: | XBRL Taxonomy Extension Labels Linkbase Document. |
| Exhibit 101.PRE: | XBRL Taxonomy Extension Presentation Linkbase Document. |
| Exhibit 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101). |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: February 5, 2026

MATRIX SERVICE COMPANY

By: /s/ Kevin S. Cavanah

Kevin S. Cavanah

Vice President and Chief Financial Officer

February 1, 2026
John R. Hewitt

Via Email

Dear John,

This letter agreement (this “Agreement”) sets forth the terms and conditions of the transition and separation of your employment with Matrix Service Company, a Delaware corporation (the “Company”), effective as of June 30, 2026 (the “Separation Date”).

1. **Transition and Separation.** You acknowledge and agree that (a) your employment with the Company will end on the Separation Date, (b) during the period beginning on the date hereof and ending on the Separation Date, you will continue to be employed by the Company as its President and Chief Executive Officer on the same terms and conditions as in effect as of the date hereof and will facilitate an orderly transition of your duties to your successor, and (c) by executing this Agreement, you hereby resign, effective as of the Separation Date, from your positions of President and Chief Executive Officer of the Company and from any and all offices and directorships that you hold with the Company and its subsidiaries (collectively, the “Company Group”). You agree to execute all instruments and take all actions, at the Company’s cost and expense, to evidence and/or effectuate such resignations.
2. **Separation Benefits.** If you satisfy all of the Conditions (as defined in Section 3), then you will receive the payments and benefits set forth in this Section 2 (collectively, the “Separation Benefits”).
 - a. Within 14 days following the Supplemental Release Effective Date (as defined in Section 3), you will receive a lump sum cash payment in the amount of \$1,600,000, which amount is equal to 200% of your General Severance Compensation (as defined in Section 1.1.18 of the 2021 Matrix Service Company Severance Plan for Executives, as amended and restated as of May 2, 2022 (the “Severance Plan”).
 - b. If you timely elect COBRA continuation coverage following the Separation Date, then during the 18-month period immediately following the Separation Date, the Company will pay or reimburse you on a monthly basis for the cost of such coverage; *provided* that if you elect to be covered by Medicare for all or any portion of such 18-month period, then during portion of such 18-month period that you are covered by Medicare, the Company will provide you with a payment in an amount equal to the monthly COBRA premium that would have applied had you been covered by COBRA.
 - c. You will be eligible to earn an annual cash bonus for the fiscal year of the Company ending on the Separation Date. The amount of such earned bonus, if any, will be determined in accordance with the Company’s short-term incentive plan and will be paid to you on the regular payment date under such plan (but in no event earlier than the Supplemental Release Effective Date).
 - d. Your outstanding Company equity awards that were granted to you under the 2020 Stock and Incentive Compensation Plan (the “Equity Plan”) will be treated as set forth in this clause (d) (capitalized terms used but not defined in this clause (d) have the meanings assigned to them in the applicable award agreement). For

clarity, the treatment of such equity awards is summarized in the table set forth in Exhibit A. In the event of any conflict between this clause (d) and Exhibit A, this clause (d) will control.

- i. The 71,799 Share-Based RSUs in aggregate, and the 71,799 Cash-Based RSUs in aggregate, that were granted to you on August 30, 2022, August 29, 2023, and August 27, 2024 will vest as of the Supplemental Release Effective Date and will be settled in Shares or cash, as applicable, on the date determined in accordance with the applicable award agreement.
- ii. The 26,744 Share-Based RSUs, and the 26,744 Cash-Based RSUs, that were granted to you on August 27, 2025 will vest as of the Supplemental Release Effective Date and will be settled in Shares or cash, as applicable, on the date determined in accordance with the applicable award agreement.
- iii. The service condition applicable to the 178,306 Performance Units (at target) that were granted to you on August 29, 2023, and the service condition applicable to the 124,352 Performance Units (at target) that were granted to you on August 27, 2024, will be deemed fully satisfied as of the Separation Date, and, in each case, such Performance Units will vest and be settled in Shares on the date determined in accordance with the applicable award agreement, to the extent that the applicable performance goals are achieved in accordance with the applicable award agreement. For clarity, to the extent that such performance goals are not achieved, such Performance Units will be forfeited.
- iv. The service condition applicable to 22,311 of the 80,321 Performance Units (at target) that were granted to you on August 27, 2025 will be deemed satisfied as of the Separation Date, and such 22,311 Performance Units will vest and be settled in Shares on the date determined in accordance with the applicable award agreement, to the extent that the applicable performance goals are achieved in accordance with the applicable award agreement. For clarity, (A) to the extent that such performance goals are not achieved, such 22,311 Performance Units will be forfeited, and (B) the remaining 58,010 of the Performance Units that were granted to you on August 27, 2025 will be forfeited as of the Separation Date.

You acknowledge and agree that the Company is providing you with the Separation Benefits only in exchange for the promises you made in this Agreement, and the Separation Benefits are not otherwise due to you.

3. **Conditions.** To receive the Separation Benefits, you must satisfy all of the conditions set forth in this Section 3 (collectively, the “Conditions”).
 - a. You must sign and return this Agreement by no later than February 2, 2026.
 - b. You must comply with all the terms set forth in this Agreement, including, without limitation, the covenants set forth or referenced in Sections 8, 9, 10, 11 and 12 (collectively, the “Covenants”).
 - c. You must (i) sign and return the supplemental release of claims attached hereto as Exhibit B (the “Supplemental Release”) on or within 21 days after the Separation Date, and (ii) not revoke the Supplemental Release during the seven-day period

immediately following the date that you sign the Supplemental Release. If you timely sign and do not revoke the Supplemental Release, then the Supplemental Release will become effective on the eighth day after you sign the Supplemental Release (such eighth day, the “Supplemental Release Effective Date”).

4. **Release.**

- a. By signing this Agreement, you hereby, for your own self and on behalf of your heirs, executors, administrators, and assigns, agree to and do hereby RELEASE, ACQUIT, WAIVE and FOREVER DISCHARGE (i) the Company Group; (ii) any past or present director, officer, employee or agent of the Company Group, in their individual and official capacities; (iii) the Company Group’s representatives, predecessors, successors-in-interest, and affiliated companies; and (iv) the present and former shareholders, agents, attorneys, fiduciaries, insurers, heirs, administrators, executors, successors and assigns of any of the foregoing entities and persons named in clauses (i), (ii) and (iii) and any other person, firm or corporation for which any of the foregoing entities and persons named in clauses (i), (ii) and (iii) may be legally responsible or which may be legally responsible for any of them (all collectively, the “Released Parties”), in each case, from any and all claims, liabilities, demands, and causes of action of whatsoever nature, accrued or unaccrued, known or unknown, fixed or contingent, which you may have or claim to have against any of the Released Parties occurring during, arising out of, or related to your employment and/or termination of employment with the Company and/or as a result of any other matter arising through the date of your signature on this Agreement. This release, acquittal, waiver and discharge includes, but is not limited to, claims arising under federal, state or local laws, whether equitable or legal, causes of action for breach of express or implied written or oral contract, promissory estoppel, tortious interference with contract, claims for personal injury or harm, negligence, intentional infliction of emotional injury, fraud, negligent misrepresentation, negligent supervision, libel, slander, sexual orientation or preference discrimination, race or color discrimination, invasion of privacy, religious discrimination, sex or gender discrimination, national origin discrimination, harassment, wrongful termination, violations of the Oklahoma Anti-Discrimination Act, violations of the Worker Adjustment and Retraining Notification (WARN) Act, violations of Title VII of the Civil Rights Act 1964, violations of the Civil Rights Act of 1866 (42 U.S.C. § 1981), violations of the Genetic Information Nondiscrimination Act, violations of the Occupational Safety and Health Act, violations of the National Labor Relations Act, violations of the Americans with Disabilities Act, violations of the Family Medical Leave Act, violations of Fair Labor Standards Act or Equal Pay Act violations, violations of the Fair Credit Reporting Act, violations of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) or the Employee Retirement Income Security Act of 1974, and any similar federal, state, and local laws, worker’s compensation violations, retaliation for exercise of protected rights, employee health or disability benefit compensation violations, disability or handicap discrimination, loss of consortium, mental anguish, pain and suffering, lost past or future wages, lost past or future bonuses or commissions, vacation or sick pay, pension benefits, costs, punitive or exemplary damages, attorney’s fees, and pre- or post-judgment interest.

- b. Notwithstanding Section 4(a), by this signing this Agreement, you are not releasing any claims that you may have for violations of the Age Discrimination in Employment Act of 1967, as amended by the Older Workers' Benefit Protection Act. A release of such claims is included in the Supplemental Release.
5. **Forfeiture and Recovery of Separation Benefits.** If you, or anyone acting on your behalf, breaches any representation or any obligation under this Agreement, including without limitation the Covenants, the Company may, in addition to any other legal or equitable remedies it may have, terminate all Separation Benefits not yet paid or provided to you and recover all Separation Benefits previously paid or provided to you.
6. **Exclusions.** Excluded from this Agreement are any claims or rights which cannot be waived by law. Also excluded from this Agreement is your right to file for workers' compensation or unemployment compensation or unpaid wages or vested benefits that are due, as well as your right to file a charge with an administrative agency or participate in any agency investigation.
7. **Acknowledgments.** You hereby warrant and represent that you (a) have not (i) filed or caused to be filed any claim against the Released Parties, whether past or present, with any administrative agency, court of law or other tribunal, (ii) assigned, sold, delivered, transferred or conveyed any rights you have asserted or may have against any of the aforementioned parties to any person or entity, in each case, with respect to any claims being released hereby, (iii) assisted or advised any directors, officers, shareholders, employees or agents of any of the aforementioned parties with respect to the pursuit or evaluation of any claim against any of the aforementioned parties, or (iv) engaged in the course of your employment with or services to the Company Group in (A) any fraudulent, tortious or illegal activity or (B) any violation of a material policy of the Company Group that would cause the Company Group demonstrable material injury, and (b) unless previously reported to the Company in writing, you are not aware of any (i) wrongdoing, regulatory violations, or fraud committed by the Company Group or its officers or its employees, (ii) significant deficiencies or material weaknesses in the Company Group's internal control over financial reporting, (iii) inaccuracy in any certification signed by you pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 and (iv) other information that might reasonably be expected to materially and adversely affect the Company Group, its business, financial condition or results of operations.
8. **Affirmation of Non-Solicitation of Employees.** You acknowledge and agree that you are bound by, and will abide by, the non-solicitation of employees set forth in each of the award agreements referenced in Section 2(d).
9. **Confidential Information and Trade Secrets.**
 - a. You agree that you will not, unless required or otherwise permitted by law, disclose or divulge to any other person or entity, directly or indirectly, any confidential records or information regarding the Company Group, including but not limited to the following: (i) practices, policies and or procedures; (ii) trade secrets; (iii) customer names; (iv) any information regarding existing or prospective future business, planning, or development; (v) contracts or proposed contracts; (vi) financial information; (vii) staffing or personnel utilization; (viii)

salary or wage levels; (ix) privileged communications; and (x) other information deemed confidential or proprietary not herein listed. You further agree that, by no later than the Separation Date, unless otherwise agreed, you will return all property of the Company Group to the Company, including but not limited to computers, cell phones, vehicles, computer files and peripherals, notebooks, data, documents, drawings, files, materials, records, badges, equipment, credit card, keys and all other company belongings, as well as any copies thereof, electronic or otherwise, and has no confidential, proprietary information of the Company Group in your possession, either in hard copy or in electronic form and that you have not, and will not, export any Company Group electronic information to anyone or to your home computer or any other computer. The Separation Benefits will not be paid to you until you have returned all Company Group property as referenced herein.

- b. The Company and you agree that it will not be a violation of this Agreement for you to disclose a trade secret in any of the following cases: (i) where disclosure is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) where disclosure is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; or (iii) where disclosure is to your attorney who is representing you in a claim that the Company retaliated against you for reporting a suspected violation of law. You and your attorney may use the trade secret information in the court proceeding without violating this Agreement, only if any document containing the trade secret is filed under seal and you or your attorney does not disclose the trade secret, except pursuant to court order.

10. **Non-Disparagement.** You agree not to make negative comments or otherwise disparage any member of the Company Group or any of their respective officers, directors, executives, shareholders or agents. The Company agrees to instruct the Company's Board of Directors and executive officers not to make negative comments or otherwise disparage you. The foregoing will not be violated by truthful statements by you, or by the Company's Board of Directors and executive officers, in response to legal process or required governmental testimony or filings.
11. **Cooperation.** At the Company's reasonable request, you will use good faith efforts to cooperate with the Company Group and its attorneys or other legal representatives (collectively, the "Attorneys") in connection with any claim, litigation, audit, or other or judicial, arbitral or government proceeding which is material to the Company Group and is now pending or may hereinafter be brought against any of the Released Parties by any third party. Your duty of cooperation will include, but not be limited to, (a) meeting with Attorneys by telephone or in person at mutually convenient times and places in order to state truthfully your knowledge of matters at issue and recollection of events, (b) appearing at the Company Group's and/or the Attorneys' request (and, to the extent possible, at a time convenient to you that does not conflict with the needs or requirements of your then-current employer) as a witness at depositions or trials, without necessity of a subpoena, in order to state truthfully your knowledge of matters at issue, and (c) signing at the Company Group's and/or the Attorneys' request, declarations or affidavits that

truthfully state matters of which you have knowledge. The Company will reimburse you for the reasonable expenses that you incur in the course of your cooperation hereunder.

12. **Confidentiality of Agreement.** You agree that you will keep all terms of this Agreement confidential, including but not limited to the fact and amounts of the Separation Benefits, except that you may make necessary disclosures to your spouse, attorney or tax advisor; *however*, you agree to assume responsibility for your spouse's, representatives' and tax advisor's conduct and confidentiality obligations.
13. **Withholding Taxes.** The Company may withhold from the Separation Benefits all federal, state, local, domestic and foreign taxes as shall be required pursuant to any law or governmental ruling or regulation as reasonably determined by the Company.
14. **Non-Admissions.** The fact and terms of this Agreement, and the furnishing of consideration for this Agreement, are not an admission by the Company Group of liability or other wrongdoing under any law, but rather such liability is expressly denied. You acknowledge that the parties contemplate an unequivocal, complete and final dissolution of the employment relationship.
15. **Severability.** If any provision of this Agreement is declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.
16. **Entire Agreement.** This Agreement sets forth the entire agreement between the parties hereto and fully supersedes any prior agreements or understandings between the parties as to its subject matter, including, without limitation, the Severance Plan and the Equity Plan; *provided* that the non-solicitation of employees set forth in each of the award agreements referenced in Section 2(d) will remain in full force and effect in accordance with its terms. You acknowledge that you have not relied on any representations, promises or agreements of any kind made to you in connection with your decision to accept this Agreement except for those set forth in this Agreement.
17. **Binding Agreement.** This Agreement shall be binding upon and inure to the benefit of (a) your heirs, successors, personal representatives and legal representatives and (b) any successor of the Company.
18. **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Oklahoma without giving any effect to the conflict of laws provisions thereof.

[Signature page follows]

If you accept and agree to the terms herein, within the time frame described in this Agreement, please sign on the appropriate line below and return by email to me at [].

Sincerely,

/s/ Nancy Austin
Nancy Austin
Vice President, Chief Administrative Officer

BY SIGNING THIS AGREEMENT, I ACKNOWLEDGE THAT I HAVE HAD THE OPPORTUNITY TO CONSULT WITH A LEGAL ADVISOR OF MY CHOICE, THAT I HAVE CAREFULLY REVIEWED AND CONSIDERED THIS AGREEMENT, THAT I UNDERSTAND THE TERMS OF THIS AGREEMENT, AND THAT I VOLUNTARILY AGREE TO THE TERMS OF THIS AGREEMENT.

/s/ John R. Hewitt
John R. Hewitt
February 2, 2026
Date

[Signature Page to Transition and Separation Agreement]

EXHIBIT A
EQUITY AWARD TREATMENT SUMMARY

Share-Based RSUs

| Grant Date | Shares Outstanding | Scheduled Settlement Date | Treatment on Separation Date |
|------------|--------------------|---------------------------|------------------------------|
| 8/30/22 | 10,994 | 8/30/26 | Fully vest |
| 8/29/23 | 14,859 | 8/29/26 | Fully vest |
| 8/29/23 | 14,858 | 8/29/27 | Fully vest |
| 8/27/24 | 10,363 | 8/27/26 | Fully vest |
| 8/27/24 | 10,363 | 8/27/27 | Fully vest |
| 8/27/24 | 10,362 | 8/27/28 | Fully vest |
| 8/27/25 | 6,694 | 8/27/26 | Fully vest |
| 8/27/25 | 6,694 | 8/27/27 | Fully vest |
| 8/27/25 | 6,693 | 8/27/28 | Fully vest |
| 8/27/25 | 6,693 | 8/27/29 | Fully vest |

Cash-Based RSUs

| Grant Date | Units Outstanding | Scheduled Settlement Date | Treatment on Separation Date |
|------------|-------------------|---------------------------|------------------------------|
| 8/30/22 | 10,994 | 8/30/26 | Fully vest |
| 8/29/23 | 14,859 | 8/29/26 | Fully vest |
| 8/29/23 | 14,858 | 8/29/27 | Fully vest |
| 8/27/24 | 10,363 | 8/27/26 | Fully vest |
| 8/27/24 | 10,363 | 8/27/27 | Fully vest |
| 8/27/24 | 10,362 | 8/27/28 | Fully vest |
| 8/27/25 | 6,694 | 8/27/26 | Fully vest |
| 8/27/25 | 6,694 | 8/27/27 | Fully vest |
| 8/27/25 | 6,693 | 8/27/28 | Fully vest |
| 8/27/25 | 6,693 | 8/27/29 | Fully vest |

Performance Units

| Grant Date | Units Outstanding (Target) | Scheduled Settlement Date | Treatment on Separation Date |
|------------|----------------------------|---------------------------|--|
| 8/29/23 | 178,306 | 8/29/26 | Service condition fully met |
| 8/27/24 | 124,352 | 8/27/27 | Service condition fully met |
| 8/27/25 | 80,321 | 8/27/28 | Service condition met for 22,311 units. Remaining 58,010 units forfeited |

EXHIBIT B

SUPPLEMENTAL RELEASE

Reference is made in this Exhibit B to the letter agreement, dated as of February 1, 2025 (the “Transition and Separation Agreement”) entered into by and you and Matrix Service Company, a Delaware corporation. Capitalized terms used but not defined in this Agreement have the meanings assigned to them in the Transition and Separation Agreement.

1. **Release.** By signing this Agreement, you hereby, for your own self and on behalf of your heirs, executors, administrators, and assigns, agree to and do hereby RELEASE, ACQUIT, WAIVE and FOREVER DISCHARGE (i) the Company Group; (ii) any past or present director, officer, employee or agent of the Company Group, in their individual and official capacities; (iii) the Company Group’s representatives, predecessors, successors-in-interest, and affiliated companies; and (iv) the present and former shareholders, agents, attorneys, fiduciaries, insurers, heirs, administrators, executors, successors and assigns of any of the foregoing entities and persons named in clauses (i), (ii) and (iii) and any other person, firm or corporation for which any of the foregoing entities and persons named in clauses (i), (ii) and (iii) may be legally responsible or which may be legally responsible for any of them (all collectively, the “Released Parties”), in each case, from any and all claims, liabilities, demands, and causes of action of whatsoever nature, accrued or unaccrued, known or unknown, fixed or contingent, which you may have or claim to have against any of the Released Parties occurring during, arising out of, or related to your employment and/or termination of employment with the Company and/or as a result of any other matter arising through the date of your signature on this Agreement. This release, acquittal, waiver and discharge includes, but is not limited to, claims arising under federal, state or local laws, whether equitable or legal, causes of action for breach of express or implied written or oral contract, promissory estoppel, tortious interference with contract, claims for personal injury or harm, negligence, intentional infliction of emotional injury, fraud, negligent misrepresentation, negligent supervision, libel, slander, sexual orientation or preference discrimination, race or color discrimination, invasion of privacy, religious discrimination, sex or gender discrimination, national origin discrimination, harassment, wrongful termination, violations of the Oklahoma Anti-Discrimination Act, violations of the Worker Adjustment and Retraining Notification (WARN) Act, violations of Title VII of the Civil Rights Act 1964, violations of the Civil Rights Act of 1866 (42 U.S.C. § 1981), violations of the Age Discrimination in Employment Act, violations of the Older Workers’ Benefit Protection Act, violations of the Genetic Information Nondiscrimination Act, violations of the Occupational Safety and Health Act, violations of the National Labor Relations Act, violations of the Americans with Disabilities Act, violations of the Family Medical Leave Act, violations of Fair Labor Standards Act or Equal Pay Act violations, violations of the Fair Credit Reporting Act, violations of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) or the Employee Separation Income Security Act of 1974, and any similar federal, state, and local laws, worker’s compensation violations, retaliation for exercise of protected rights, employee health or disability benefit compensation violations, disability or handicap discrimination, loss of consortium, mental anguish, pain and suffering, lost past or future wages, lost past or future bonuses or commissions, vacation or sick pay, pension benefits, costs, punitive or exemplary damages, attorney’s fees, and pre- or post-judgment interest.

1. **Settlement**. You agree to and hereby accept the Separation Benefits in full compromise and settlement of all claims, demands, causes of action of whatsoever nature accrued or unaccrued, federal or state, equitable or legal occurring during, arising out of or related to your employment and/or termination of employment with the Company, including but not limited to the claims referenced in Section 1.
2. **Forfeiture and Recovery of Separation Benefits**. If you, or anyone acting on your behalf, breaches any representation or any obligation under this Agreement or the Transition and Separation Agreement, including without limitation the Covenants, the Company may, in addition to any other legal or equitable remedies it may have, terminate all Separation Benefits not yet paid or provided to you and recover all Separation Benefits previously paid or provided to you.
3. **Exclusions**. Excluded from this Agreement are any claims or rights which cannot be waived by law. Also excluded from this Agreement is your right to file for workers' compensation or unemployment compensation or unpaid wages or vested benefits that are due, as well as your right to file a charge with an administrative agency or participate in any agency investigation.
4. **Acknowledgments**. You hereby warrant and represent that you (a) have not (i) filed or caused to be filed any claim against the Released Parties, whether past or present, with any administrative agency, court of law or other tribunal, (ii) assigned, sold, delivered, transferred or conveyed any rights you have asserted or may have against any of the aforementioned parties to any person or entity, in each case, with respect to any claims being released hereby, (iii) assisted or advised any directors, officers, shareholders, employees or agents of any of the aforementioned parties with respect to the pursuit or evaluation of any claim against any of the aforementioned parties, or (iv) engaged in the course of your employment with or services to the Company Group in (A) any fraudulent, tortious or illegal activity or (B) any violation of a material policy of the Company Group that would cause the Company Group demonstrable material injury, and (b) unless previously reported to the Company in writing, you are not aware of any (i) wrongdoing, regulatory violations, or fraud committed by the Company Group or its officers or its employees, (ii) significant deficiencies or material weaknesses in the Company Group's internal control over financial reporting, (iii) inaccuracy in any certification signed by you pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 and (iv) other information that might reasonably be expected to materially and adversely affect the Company Group, its business, financial condition or results of operations.
5. **Advised to Seek Consultation**. You understand that Section 1 above includes a release of claims under the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act. You understand that this Agreement does not waive rights or claims that arise after the date that you execute this Agreement. Further, you are advised to consult with legal counsel regarding this Agreement.
6. **Consideration Period**. You acknowledge that you have had adequate time to review and consider this Agreement, and, as a result, enter into this Agreement willingly and voluntarily. You acknowledge that you have had at least 21 days after the date that you received this Agreement to review and consider this Agreement.
7. **Revocation Period**. You understand that you have a period of seven days after the date that you execute this Agreement during which you may notify the Company that you revoke this Agreement. If you decide to revoke this Agreement, notice of revocation must be made in writing and sent by email to Nancy Austin at naustin@matrixservicecompany.com, and received prior to the expiration of the seven-

day revocation period. This Agreement will not become effective until after the revocation period expires. If you revoke this Agreement, you will not receive any of the Separation Benefits. If you timely execute and do not revoke this Agreement, then this Agreement, including your entitlement to the Separation Benefits, will become effective on the eighth day after you execute this Agreement.

8. **Agreement Not to Sue.** You agree not to sue in any local, state or federal court regarding or relating in any way to your employment with, or termination of employment from, the Company, unless suit is necessary to enforce the terms of the Transition and Separation Agreement.
9. **Non-Admissions.** The fact and terms of this Agreement, and the furnishing of consideration for this Agreement, are not an admission by the Company Group of liability or other wrongdoing under any law, but rather such liability is expressly denied. You acknowledge that the parties contemplate an unequivocal, complete and final dissolution of the employment relationship.
10. **Severability.** If any provision of this Agreement is declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.
11. **Entire Agreement.** This Agreement (together with the Transition and Separation Agreement) sets forth the entire agreement between the parties hereto and fully supersedes any prior agreements or understandings between the parties as to its subject matter, including, without limitation, the Severance Plan and the Equity Plan; *provided* that the non-solicitation of employees set forth in each of the award agreements referenced in Section 2(d) of the Transition and Separation Agreement will remain in full force and effect in accordance with its terms. You acknowledge that you have not relied on any representations, promises or agreements of any kind made to you in connection with your decision to accept this Agreement except for those set forth in this Agreement and the Transition and Separation Agreement.
12. **Binding Agreement.** This Agreement shall be binding upon and inure to the benefit of (a) your heirs, successors, personal representatives and legal representatives and (b) any successor of the Company.
13. **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Oklahoma without giving any effect to the conflict of laws provisions thereof.

[Signature page follows]

BY SIGNING THIS AGREEMENT, I ACKNOWLEDGE THAT I HAVE HAD THE OPPORTUNITY TO CONSULT WITH A LEGAL ADVISOR OF MY CHOICE, THAT I HAVE CAREFULLY REVIEWED AND CONSIDERED THIS AGREEMENT, THAT I UNDERSTAND THE TERMS OF THIS AGREEMENT, AND THAT I VOLUNTARILY AGREE TO THE TERMS OF THIS AGREEMENT.

John R. Hewitt

Date

[Not to be signed before the Separation Date]

[Signature Page to Supplemental Release]

CERTIFICATIONS

I, John R. Hewitt, certify that:

1. I have reviewed this quarterly Report on Form 10-Q of Matrix Service Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 5, 2026

/s/ John R. Hewitt

John R. Hewitt

President and Chief Executive Officer

CERTIFICATIONS

I, Kevin S. Cavanah, certify that:

1. I have reviewed this quarterly Report on Form 10-Q of Matrix Service Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 5, 2026

/s/ Kevin S. Cavanah

Kevin S. Cavanah

Vice President and Chief Financial Officer

Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant
Section 906 of Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Matrix Service Company (the "Company") on Form 10-Q for the period ending December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John R. Hewitt, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 5, 2026

/s/ John R. Hewitt

John R. Hewitt

President and Chief Executive Officer

Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant
Section 906 of Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Matrix Service Company (the "Company") on Form 10-Q for the period ending December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kevin S. Cavanah, Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 5, 2026

/s/ Kevin S. Cavanah

Kevin S. Cavanah

Vice President and Chief Financial Officer

Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") requires domestic mine operators to disclose violations and orders issued under the Federal Mine Safety and Health Act of 1977 (the "Mine Act") by the federal Mine Safety and Health Administration ("MSHA"). We do not act as the owner of any mines, but as a result of our performing services or construction at mine sites as an independent contractor, we are considered an "operator" within the meaning of the Mine Act. The mine data retrieval system maintained by MSHA may show information that is different than what is provided herein. Any such difference may be attributed to the need to update that information on MSHA's system and/or other factors.

The following table provides information for the three months ended December 31, 2025:

| Mine or Operating Name/MSHA Identification Number | Section 104 S&S Citations ⁽¹⁾ | Section 104(b) Orders ⁽²⁾ | Section 104(d) Citations and Orders ⁽³⁾ | Section 110(b) (2) Violations ⁽⁴⁾ | Section 107(a) Orders ⁽⁵⁾ | Total Dollar Value of MSHA Assessments Proposed (\$) | Total Number of Mining Related Fatalities | Received Notice of Pattern of Violations Under Section 104(e) ⁽⁶⁾ (yes/no) | Received Notice of Potential to Have Pattern of Violations Under Section 104(e) ⁽⁷⁾ (yes/no) | Total Number of Legal Actions Pending as of Last Day of Period | Total Number of Legal Actions Initiated During Period | Total Number of Legal Actions Resolved During Period |
|---|--|--------------------------------------|--|--|--------------------------------------|--|---|---|---|--|---|--|
| None | — | — | — | — | — | — | — | N/A | N/A | — | — | — |

- (1) The total number of citations issued under section 104 of the Mine Act for violations of mandatory health or safety standards that could significantly and substantially contribute to a serious injury if left unabated.
- (2) The total number of orders issued under section 104(b) of the Mine Act, which represents a failure to abate a citation under section 104(a) within the period of time prescribed by MSHA.
- (3) The total number of citations and orders issued by MSHA under section 104(d) of the Mine Act for unwarrantable failure to comply with mandatory health or safety standards.
- (4) The total number of flagrant violations identified under section 110(b)(2) of the Mine Act.
- (5) The total number of orders issued under section 107(a) of the Mine Act for situations in which MSHA determined an imminent danger existed.
- (6) A written notice from the MSHA regarding a pattern of violations under section 104(e) of the Mine Act.
- (7) A written notice from the MSHA regarding a potential to have a pattern of violations under section 104(e) of the Mine Act.