



ASX Announcement

30th October 2025

FY26 1Q 4C and Trading and Business Update

Melbourne, Australia: Technology design and development growth company, Synertec Corporation Limited (ASX: SOP, "Synertec", "the Company" or "the Group") is pleased to provide an update on its activities for the quarter ended 30 September 2025 (FY26 1Q, or "the Period"). All figures are unaudited unless stated otherwise

FY26 1Q Highlights

- **Group revenue & other income for the Period of \$5m which is 13% up on PCP and best 1Q result since FY19.**
- **A 44% improvement in Group EBITDA for the Period compared to PCP**
- **Net cash of \$2.6m as at the end of the Period**
- **The Altor debt facility has been extended by up to \$4m, with the total available facility now at \$15.5m (subject to Investment Committee approval) with no further drawdowns since September 2024**
- **Net cash used in operating activities for the Period amounts to \$0.6m**
- **Award of 4th Powerhouse unit for Santos with delivery scheduled for FY26 4Q**
- **Existing Powerhouse units continue to operate seamlessly, delivering greater than 99.9% power availability over a combined 5-year period to 11 coal seam gas wells across remote Queensland**
- **Engineering business conditions have improved with project wins in all 5 target sectors**
- **Revenue is starting to flow from recent Australian State Water Authority panel appointments, underpinning future revenue visibility**
- **Engineering won and commenced 47 projects within the Period**
- **Engineering business delivered a billable employee utilisation improvement of 21% compared to PCP.**

Synertec's Managing Director, Mr. Michael Carroll, commenting on FY26 1Q said:

"As we reported in our FY25 Financial Results and Operational Update (released 3rd September 2025) the Engineering business delivered a significant turnaround during FY25 2H and it is pleasing to report the group's performance continues to improve on the back of new projects, state water utilities panel work and high utilization rates.

The recent engineering panel appointments previously announced, while not yet contributing significantly to top-line growth, are providing exciting opportunities. We have secured minor bodies of work from various new panels which will likely pave the way for larger projects in the not-too-distant future.

Powerhouse, our renewable, standalone, grid forming, microgrid power system for industrial-scale applications in remote areas continues to perform perfectly across 11 coal seam gas wells. This performance has been recognized by Santos with a 4th order to be operational in FY26 4Q. Our Powerhouse team has worked hard to secure world leading technology providers and fabricators to ensure Powerhouse maintains its technological advantage of delivering greater than 99.9% power availability in remote areas, fossil fuel free at a compelling price point when compared to hybrid or fossil fuel powered alternatives.

For our Engineering business, our strategy of targeting infrastructure, government agencies and utilities, especially water, has positioned the business for sustained and profitable growth and this is evidenced by our improved performance on nearly every metric.

Our Powerhouse business continues to grow its revenue and now has a considerable body of performance data that is compelling for clients both within or adjacent the energy sector, and this is driving increased near term opportunities that are advancing on Client Final Investment Decision.

In summary, we are optimistic about the near term.



Technology

Powerhouse

- **Relocated Powerhouse Unit (Unit #1) successfully connected to Santos operations**

Powerhouse unit #1 has been relocated from its original location to a new well site in the Surat Basin. This marks the first relocation of a Powerhouse unit in response to changing production needs. This proves the mobility and versatility of Powerhouse, and this inherent flexibility supports long term supply contracts.

- **Santos places an order for a 4th Powerhouse unit to be deployed within GLNG operations**

As announced on 1st September 2025 Santos placed an order for a 4th Powerhouse unit to be operational in FY26 4Q. The award is under the existing master framework agreement between Synertec and Santos, as are all other Powerhouse units contracted to Santos.

- **Strategic Partnerships**

Further engagement with our strategic partners (both local and abroad) has underscored and reinforced our original decisions to formalize our working relationships with technology suppliers and globally capable manufacturers via MOU's and the like. Our respective technical teams are collaborating to develop efficiencies and improvements, all the while reducing both costs to manufacturer, and complexity to deliver in the field at the scale required by industry.

Engineering

- **Sustainable Growth**

Continuing the trend from the 2nd half of FY 25, the Engineering Business has started FY 26 strongly, maintaining above target revenue, margin and utilisation throughout the Period. The business has also continued the momentum in Business Development securing, or being nominated as preferred contractor, for >\$11M worth of projects. At the end of the Period, the pipeline of tendered opportunities awaiting award was approximately \$62m including over \$10m from recent engineering panel appointments.

- **Industry Sector Alignment**

During the Period the Engineering business completed an internal re-structure to align teams, project delivery and business development in our 5 industry sectors: Water, Transport, Power & Resources, Defence & Manufacturing and Life Sciences. This structure provides improved accountability for delivery performance, broader ownership for work winning as well as a sharper focus on relationship building with industry clients and partners. This structure is also a key enabler for growth through geographic expansion of our core competencies.

- **Geographic Expansion**

Q1 saw good progress of our strategic expansion of the Engineering business nationally. In our targeted growth states of WA and NSW the team submitted \$7m worth of tenders for the Period securing a significant new project with Water Corporation in Perth and completing our on-boarding activities with Sydney Water. The team also delivered projects in Queensland and Tasmania for existing national clients. In responding to near term opportunities, Synertec has increased head count in the Perth office via the appointment of senior technical resources and in Sydney with the appointment of a State Manager to lead our growth in NSW.



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Payments to Related Entities

Payments to related parties and their associates during the quarter, which are outlined in Section 6 of the accompanying Appendix 4C to this quarterly activities report, were \$213,981. These payments include non-executive directors fees and salary (including superannuation) for the Managing Director.

-ENDS-

For more information and all media enquiries, please contact:

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This ASX announcement is authorised by the Directors of Synertec Corporation Limited (ASX: SOP).

About Synertec:

Synertec Corporation Ltd (ASX: SOP) is a technology design and development growth company enabling a low carbon future through innovative technology solutions. Commercialising scalable, environmentally friendly and energy efficient technology for global markets in energy, critical infrastructure and advanced manufacturing through innovative partnerships with a portfolio of blue-chip customers, Synertec is proactively participating in the world's transition to a low carbon economy in a practical way for the benefit of future generations.



Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Synertec Corporation Limited

ABN

37 161 803 032

Quarter ended ("current quarter")

30 September 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,925	5,925
1.2 Payments for		
research and development	(62)	(62)
product manufacturing and operating costs	(583)	(583)
advertising and marketing	(68)	(68)
leased assets	(30)	(30)
staff costs	(4,200)	(4,200)
administration and corporate costs	(1,182)	(1,182)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – Quarterly BAS	(375)	(375)
1.9 Net cash from / (used in) operating activities	(575)	(575)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
businesses	-	-
property, plant and equipment	(73)	(73)
investments	(100)	(100)
intellectual property	(23)	(23)
other non-current assets	-	-



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	businesses	-	-
	property, plant and equipment	21	21
	investments	-	-
	intellectual property	-	-
	other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(175)	(175)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(120)	(120)
3.7	Transaction costs related to loans and borrowings	(110)	(110)
3.8	Dividends paid	-	-
3.9	Other: Lease Payments	(126)	(126)
3.10	Net cash from / (used in) financing activities	(356)	(356)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,699	3,699
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(575)	(575)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(175)	(175)



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(356)	(356)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,593	2,593

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,593	3,699
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,593	3,699

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(214)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

During the quarter \$214k directors remuneration was paid, which was included in item 1.2.



7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	19,000	3,500
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	700	415
7.4 Total financing facilities	19,700	3,915

7.5 **Unused financing facilities available at quarter end** 15,785

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

\$19 million secured loan facility consists of 4 tranches with Altor Capital

On 3rd May 2024 a \$15 million facility was signed comprising two tranches – Tranche 1 of upto \$10million and Tranche 2 of up to \$5 million. Facility term of 48 months with an option to extend a further 12 months subject to mutual agreement. 6 month interest payment holiday on each drawdown where interest will accrue and capitalise monthly. Interest Rate – three month BBSY plus margin of 9%. BBSY subject to a floor of 3.00% and a cap of 5.35%. 24 month principal holiday with principal repayment amount equal to 30% of the outstanding loan payable, leaving 70% balloon payment at the end of term.

On 29th August 2025 a \$4 million extension facility was signed comprising two tranches – Tranche 3 of up to \$2.5 million and Tranche 4 of up to \$1.5 million. Facility term of 18 months. Fixed interest of 16%. Interest on the facility may be accrued on lenders discretion. Principal to be repaid as a bullet repayment at the end of term. Synertec has not utilised any of the funding available under this extension facility.

Synertec also has a \$700k bank guarantee facility with ANZ Bank out of which \$415k has been utilised.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(575)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,593
8.3 Unused finance facilities available at quarter end (item 7.5)	15,785
8.4 Total available funding (item 8.2 + item 8.3)	18,378
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	31.9

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.



8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2025

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.