

6 November 2025

CEO ADDRESS TO SHAREHOLDERS 2025 ANNUAL GENERAL MEETING

Welcome to our shareholders, board members, employees, and advisors joining us today.

Today I will provide a recap of financial year 2025, but I also want to discuss the outlook for the Company and our strategy going forward. This is in light of the announcement we issued yesterday regarding a revision to our FY26 guidance. I want to assure shareholders we have conducted a full business review and taken immediate and firm action to get through this challenging period and strengthen our performance, and I will address this today with you.

While we are facing some challenges, in my view, Austin remains fundamentally a solid business with an attractive value proposition. We are making progress in a lot of areas, and I do want to reiterate this today. We are a 50-plus year old business and have more than 1600 employees across four major operating centres, plus partner companies to enable us even further reach across the globe.

We design and manufacture customised equipment for an industry that is performing strongly globally. We have a good reputation for our designs and manufacturing, and we are located in four key mining jurisdictions of the world. Recurring orders from our customers is a core part of our revenue.

Truck bodies currently make up about 70% of our Group revenue. We have six truck bodies in our range and can service clients in any mining jurisdiction to suit any commodity or specific mine condition. Our trays are designed and engineered for efficiency gains through increased payloads and reduced wear and cycle times. This leads to improved cost of ownership for our customers.

Austin is an industry leader in the design and manufacture of mining buckets to suit all OEM Excavators, Shovels and Loaders. Our custom designs range is suitable for all mining applications

From high-production lightweight mining buckets to any heavy-duty armoured mining bucket, each mining bucket is custom-engineered to suit specific applications. We pass match buckets with existing site equipment, ensuring you get faster cycle times and maximised machine efficiency.

We have broad international reach through our manufacturing facilities and partnership centres, and we can export product to customers anywhere. We have invested in our customer services and after-sales support in the last few years and this coupled with an extensive global partner network helps us to deliver excellent customer service.

Some of the value-add for our customers is through our investments in new technology and equipment to enhance our offering. One of those products is AustIQ, which we launched in FY25.

AustIQ is a new digital platform providing smarter, data-driven maintenance and performance monitoring. We're providing it as a complementary service to our customers on truck bodies and buckets and it is going to provide significant benefits to our customers.

AustIQ delivers real-time insights on equipment health across entire fleets. It also provides precision over replacement programs. Interest has been strong, and we expect AustIQ to become a key driver of growth and customer engagement to complement our product sales.

One of our other safety innovations is the iTrip door latching and control system for dipper buckets. iTrip has been proven over several years of testing to reduce maintenance intervals and increase the mean time between maintenance and overhaul, consequently increasing throughput and reducing maintenance costs. It further significantly reduces exposure of people to high risk tasks, due to a 72% reduction in maintenance hours.

Our large Armadillo dipper bucket is fitted with the iTrip latch, including the one we exported to the US in 2024. It's compatible with all dippers and is designed to reduce maintenance hours.

We recently announced a partnership with US-based Bierwith Forge to be a distributor for Bierwith Forge's ground engaging tool, or GET, system. We are able now to offer this GET technology to customers in Australia. Our Maintec team fitted and delivered the first dipper bucket with the GET Slick Lip system in September to a domestic customer and I'm pleased to report we have received another order from the same customer for the dipper and Slick Lip system.

Turning now to financials and FY25 was marked by progress and consolidation for the Austin business. It also presented some challenges, specifically in our South American business, which is part of the reason for our adjusted guidance, and I'll address our rectifications shortly.

We were pleased to report a 22.2% year-on-year increase in revenue to \$376.7m. This growth was achieved as we concentrated on building sales and manufacturing opportunities across each of our business units. Statutory EBITDA was down on the previous year, and we need to focus now on margin improvement and profitability growth.

While RoE was slightly down on FY24, we delivered a 19.7% RoE in FY25 but again understand that we need to improve our business health, and I will step through a range of measures shortly that we've made following a review of the business. Whilst we want to do better, I would like to point out that this return on equity is significant and highlights the outstanding returns of the business against a low capital base and requirement. We are not capital intensive.

FY25 revenue was supported by another strong year in our North American business unit, which generated 39% of total Group revenue for the financial year and recorded a 54% increase in revenue to \$146.7m dollars. Our additional leased facility, located close to our main facility in Casper, is now fully operational, and we have made investments in our main facility as well. We have had to cope with the ramp up in activity in North America and with the additional capacity now in operation, our focus will be on improving plant efficiency.

Just to focus on EBITDA a little more closely. The APAC region made a solid contribution to profit and margins. The APAC region delivered revenue of \$173.3m dollars, representing 46% of Group revenue. Improved efficiencies were evident in an improvement in margins from 11% to 19%, which is a testament to the APAC team driving strategies to improve profitability.

While our South American business unit recorded revenue growth, our margins there were significantly impacted by capacity constraints and operational inefficiencies related to the rapid ramp-up required to deliver on a large OEM contract. We also identified and corrected accounting errors in our FY24 Financial Statements related to the Chile business, which involved incorrect revenue recognition for certain product transactions relating to one customer.

Before addressing these challenges and outlook, I do want to say that I believe in, and am committed to continuing, our strategic focus, which is built on three operational pillars: Product Leadership, Customer Focus, and Manufacturing Excellence.

Under Product Leadership, we continue to design and engineer products that meet the changing needs of our customers for productivity, efficiency and sustainability gains.

Under Customer Focus, we continue to build our sales and marketing programs and ensure we are constantly improving our service to customers throughout the life of our products.

In Manufacturing Excellence, we are focusing on ensuring centralised operational systems are in place across the Company.

Onto outlook and we are faced with some challenges in the business. We will overcome them, and we are moving quickly to address them. However, I would like to stress that even with these challenges we have a solid business and base to work from.

Yesterday, we announced to the market a downward revision to our FY26 guidance where we now see revenue in a range of \$370m - \$380m and underlying EBIT guidance from continuing operations in a range of \$30m - \$34m.

We have undertaken a full review of our current issues, and I will discuss measures that are in place immediately.

Commercial viability of an OEM contract entered into in 2024 continues to prove challenging. After constraining capacity in Chile, production was moved to Austin's Indonesian operations to fulfill the order. The contract has negatively pressured the profitability of both businesses.

As a result, Austin will suspend the acceptance of any further new orders under this contract until commercial terms and returns are improved. No contract penalty will apply. All current but not yet built orders will be manufactured in Chile at a rate of five trays per month until March 2026.

A further impact to revenue and cost has arisen at Austin Indonesia, following a major local customer's requirement to defer work into H2FY26 due to a significant operational disruption at its mine site. This has resulted in under recovery of the Company's fixed cost base. The Indonesian business is also being impacted by a reduction in Australian coal sector orders. Austin has now reduced its Indonesian workforce to better align to the current demand levels.

Austin Chile is also being impacted by excess steel wastage on product completed between July and September 2025. This was work-in-progress manufacturing that was underway prior to an overhaul of Chile's work processes.

As previously communicated, Austin has implemented a series of actions in Chile to improve the business unit's performance. These include:

- Appointing a new Vice President Americas to oversee North and South American operations.
- Upskilling the local management team across numerous functions including the appointment of a new General Manager.
- Utilising the high performing North American team to assist local management and implement North America's manufacturing systems and processes.

In addition to the above, Austin has:

- Addressed excess steel consumption by improving Chile's 'nesting' process (planning steel cuts to minimise raw material wastage) and strengthening steel management controls. The nesting process is now overseen from North America and all new steel processed from August 2025 has been within acceptable waste levels.
- Adjusted shift rosters to improve controls, efficiencies, and oversight of the workforce. This will lead to a significant reduction in staff, costs and improve efficiencies.
- Implemented significant cost control measures and improved control governance over expenses.
- Commenced fixing the shop floor layout and flow of product through the plant, which will also improve efficiencies.

The North American business unit has seen significant revenue growth over the last few years. In FY25, its revenue increased 54% to \$147m, accounting for 39% of business revenue.

The business has further expanded to meet demand, with a leased facility and upgrades to its main facility in Casper. However, profitability in FY26 is expected to be impacted by labour inefficiencies and outsourcing due to the rapid growth of the business unit.

The business has had to use contract labour, which can be transient and not as efficient as longer-term employees that are familiar with Austin's systems and processes. Austin has also had to temporarily outsource some of its manufacturing to meet customer demand, which negatively impacts profitability.

As a result, Austin has implemented some measures with immediate effect:

- Continuing to generate employment pipelines and skills development through its weld school, where it takes on trainees and also trains unskilled staff to become welders.
- Developing teams with the right mix of skills and experience and undertaking staff mentoring to develop less experienced staff, which will positively impact efficiencies going forward.
- Continuing with *Lean Manufacturing* principles, with a particular focus on production flow to reduce idle time waiting on parts.
- With the upgrades to the facility and occupation of the additional leased facility, outsourcing has been severely reduced. The last of the main outsourcing of product flowed through July and August 2025.

Across the business, Austin has implemented new reporting and oversight protocols with a focus on productivity and cost drivers, including staff productivity measures, steel wastage, and consumable usage. These will be monitored on a weekly basis going forward.

While I think our overall business strategy based on the pillars mentioned will set us up for growth my immediate priorities are to work through these measures and be disciplined in doing so.

As CEO, and together with the executive team, this action will be my relentless focus for the coming months.

Before I finish, I'd like to express my sincere thanks to our management team and employees across all regions for their commitment and hard work. I also thank our customers and partners for their ongoing trust and collaboration, as well as our Board, and especially to our shareholders for their continued support.

Thank you.

We would now like to take any questions.

-ENDS-

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Announcement Authorisation

This announcement was authorised by the Board of Directors.

About Austin Engineering

Austin is a global engineering company. For over 50 years, Austin has partnered with mining companies, contractors and original equipment manufacturers to create innovative engineering solutions that deliver productivity improvements to their operations.

Austin is a market leader in the design and manufacture of loading and hauling solutions, including off-highway dump truck bodies, buckets, water tanks and related attachments, supporting both open-cut and underground operations. Complementing its proprietary product range are repair and maintenance services performed in our workshops and on clients' mine sites, and spare parts.

Through Austin's own design and engineering IP and range of tailored products, it delivers solutions for all commodity applications and drives increased efficiencies in productivity and safety in both open cut and underground mining operations.

Austin's products can create more sustainable mining operations by delivering the lowest cost per tonne to end user, reducing fuel usage per material carried.

The Company is headquartered in Perth and has operations around the world in Australia, USA, Chile and Indonesia serving many of the major mining sites in the world both directly and through local partners.