

ASX Announcement

18 November 2025

AVADA Group Limited 2025 Annual General Meeting – CEO's Address

Good morning and welcome. It is a privilege to present to shareholders for the first time as CEO of AVADA Group, since I joined the business in April this year.

Year in review

As Lance said, the 2025 financial year was a period of consolidation and transformation. While I started in April and Dan led the business for the majority of the year, I can say with conviction that it has been a year of hard work, discipline, and determination across the business.

We've continued to strengthen how we operate as a business — streamlining our systems, improving safety and efficiency, and delivering for our clients in what has been a tough market environment.

As the year progressed, operationally we've continued to consolidate and strengthen our capability. The move to a single AVADA Traffic brand has given us significant scale that makes us a market leader in what remains a fragmented industry. Every day our brand awareness and reputation is growing. We went from being a group of separate brands, to now having hundreds of workers, vehicles and signs promoting and representing AVADA every day. Coming together as a single business and brand has allowed us to deliver greater consistency for clients, create efficiencies across regions, and ensure every project benefits from the same best-practice standards and systems.

Financial performance finished behind the previous year, impacted by weather disruptions and competitive pressures on our operations. Despite this, our people have shown incredible commitment to our clients and our operations. And it's that resilience that continues to define AVADA.

Safety

Safety remains our top priority. That means our first objective every day is keeping our people as well as motorists and other workers on our sites safe. I'm proud to report a 41 per cent reduction in our Total Recordable Injury Frequency Rate, down from 8.29 to 5.65 per million hours worked. This reflects the care, accountability, and professionalism of our teams out on the road and across project sites every day. I see this as a core part of our culture and one we all continue to foster.

We've embedded more online resources to deliver safety training and updates across the network, which means our people are better supported and our clients can have confidence that we're delivering safely and efficiently on every job.

Operational performance

In Queensland, our performance remained steady despite severe weather events, including Tropical Cyclone Alfred in March. Our teams worked around the clock to maintain service delivery and keep our clients' projects moving. Looking ahead, we're well positioned to benefit from Queensland's strong pipeline of infrastructure work, particularly projects tied to the 2032 Olympic and Paralympic Games.

In New South Wales, challenging weather and tough price competition impacted results, leading to an operating loss and a write-down of the carrying value of the business. However, we've restructured the regional management, and are already seeing new opportunities in transport projects based on our commitment to best practice in governance and transparency.

Our Victorian business continues to compete in key tenders, though the market has been impacted by a preference for unionised labour on public projects. Of course our teams continue to provide exceptional service and remain ready to respond as opportunities grow.

In New Zealand, we completed a strategic review to reset the business for long-term sustainability. This included a restructure and reduction in operating costs. While the economic environment remains challenging, these changes have streamlined operations and positioned the business to be more competitive in the future.

Business transformation

Our business transformation program continues to be a major focus. Moving all operations onto a single ERP platform has given us better and more accurate data in real-time, which underpins a better understanding of key drivers and trends within the business that help us make workflows more efficient and drive improved productivity. For our clients, that means better communication, faster reporting, and more responsive service.

We are continuing to build on this platform to transform our operations. We've engaged independent consultants to work with our management team to continue improving business performance and streamlining processes. Our focus remains the same with every project — optimise our traffic management resources, deliver projects safely and efficiently, and ensure AVADA remains the trusted partner of choice.

With Ben-Louis Ludik's appointment as CFO in May of this year, we have strengthened the finance team and our reporting capabilities. We have also appointed Rhys Atwood as EGM of Strategic Execution and Operations last month to put greater leadership focus on transforming our operations and improving margins.

We've also established a new business development function under Dan Crowley's leadership to sharpen our client engagement. This team is focused on driving strategic growth initiatives, strengthening relationships and improving conversion rates to grow the business.

Looking forward

During the last financial year we have made a lot of progress in building a sound operating structure and a competitive market position as a substantial operator with a reputation for safety and high-quality customer service. This year, we are continuing to drive the transformation of operational performance across the business so that AVADA is more resilient and competitive.

These factors are driving some encouraging initial improvement in our results in the year to date. We have signed some significant new client accounts and seen a 4.8% increase in revenue in the first quarter of the 2026 financial year. At the same time, we are laser focused on improving operating margins across the business.

Closing remarks

The progress we've made over the past year wouldn't have been possible without the hard work and commitment of our people. Their focus on safety, service, and client outcomes is what keeps AVADA strong and competitive.

I want to thank Dan for his support and knowledge during my transition into this role and working together daily. I also want to thank our Board for their guidance, and our shareholders for their continued confidence and support.

We have a resilient business and have built a solid foundation for the next phase of AVADA's growth. As we continue to transform and strengthen our operations, we'll keep our focus where it matters most, on safety, performance, and delivering for our clients.

Donald Montgomery
Chief Executive Officer
AVADA Group Limited

This announcement is authorised for release to the ASX by the Board of Directors of AVADA Group Limited.

AVADA Group is a leading, independent, Australian traffic management operator and ancillary service provider with an established and extensive network throughout Queensland, New South Wales, Victoria, and New Zealand. AVADA Group provides services to government clients and major contractors in the civil infrastructure and maintenance sector.

Forward Looking Statements

This announcement contains forward looking statements, including references to expected outcomes. Forward looking statements are not guarantees of future performance or events and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the Group's control. Readers are cautioned not to place undue reliance on forward looking statements.

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