

Annual General Meeting

Chief Executive Officer's Address



20 November 2025



Thank you, Chairman. Good morning shareholders and guests.

It gives me great pleasure to outline in more detail another year of exceptional operational and financial increases in the business in FY25.

Significant organic growth achieved in FY25

Objective: To embed an increasingly sophisticated operating base to support continuing levels of planned organic growth.

FY25 achievements

- Increased tender activity from ~\$354 m in Aug 24 to ~\$377m in Aug 25 – 46.8%
- Increased Work on Hand from \$96m at FY24 to \$200m at FY25 – 108.7%
- Opened new office site in western Melbourne, close to data centre customers to build repeat business
- Achieved 61.5% increase in bank facilities from \$21.0m to \$34m
- Built working capital from \$5.12m in FY24 to \$16.02m in FY25 – 212.9%
- Increased revenue in traditional business by 15.2% from ~105m in FY24 to \$121m in FY25
- Achieved repeat business rate of 84% – indicative of new work from data centre relationships as well as traditional business
- Increased level of end-user work emanating from data centre operators post construction completion

Growth

1. Organic customer growth
2. Client retention
3. Repeat business

Vision
To drive future electrical technology solutions for reliability and efficiency that continuously capture potential and build new sources of financing

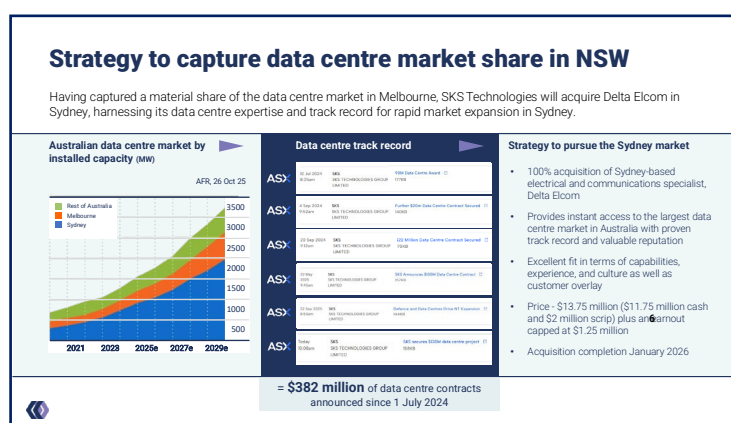
Mission
To provide research, client-centric electrical technology solutions for unique and complex needs, safely and professionally

- Pursue core growth organically
- Assess opportunistic acquisitions for fit
- Anticipate market demand and direction
- Rigorously analyse investment options
- Constant eye on future capital needs
- Build state-based customer accounts into national accounts
- Focus on growth across all market sectors

To date, we have directed all of our cash reserves towards organic growth across all market sectors, including our entry into the data centre sector in FY23. As you can see, much was achieved during the year in driving our expansion across the board, significantly increasing the order

book, executing more, with larger projects, and funding them through the consequent generation of robust levels of cash, supported by continual increases in our CBA bank facilities.

However, I suspect that everyone is interested to hear more detail on another recent development in the business, so it's no doubt prudent to begin with the recent acquisition announcement as part of our NSW growth plans.



Many of you will have noticed that on Tuesday we announced a NSW acquisition that enables us to leapfrog an organic growth approach in that market with the expertise, experience and deep reach into the data centre market in Sydney.

It's no secret that the data centre market in Sydney is by a significant margin the largest market in the country. The chart on the left was in the Australian Financial Review in late October, and shows actual and forecast data centre expansion by megawatts in Australia, with the orange portion representing Melbourne, and the blue section showing that Sydney's current level of roughly two thirds of market share, is forecasted to retain that level at least until 2029.

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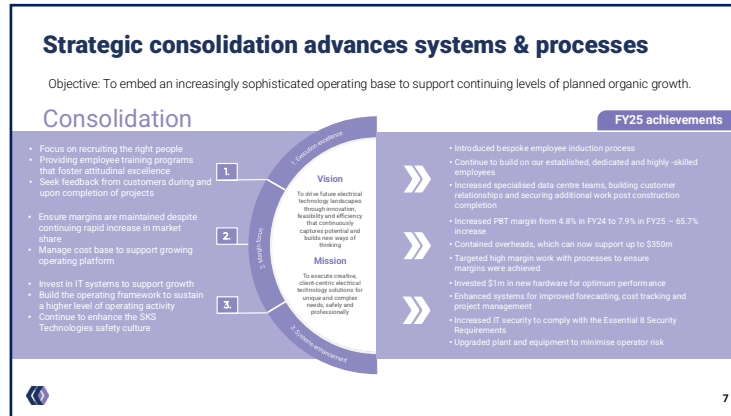
As most of you would be aware, our data centre presence in Melbourne is well-established. We began the year with the announcement in July of a \$90 million data centre project, and then announced another data centre project for \$20 million in early September. Later that month, we announced a \$22 million data centre contract with a further \$100 million data centre contract announced in May this year. Then in September, having completed stage 1 of NextDC's new data centre in Darwin, we announced that we had been awarded stage 2, which is the larger portion of the project. And then, we announced yesterday our largest project to date for a data centre project valued at approximately \$130 million which I will talk about a little later.

And while there is no sign of any deceleration of the Melbourne market, we have spent the past 12 months investigating options to capture a share of the largest and most expansive market in Sydney.

The acquisition of Delta Elcom is the logical next step in terms of our growth and in terms of our pursuit of data centre work in this market. With similar capabilities to those of SKS Technologies, the business has nearly two decades of experience in specialised electrical construction and mission-critical infrastructure projects. The customer overlay between the businesses is also extremely well aligned, with encouragement for the acquisition coming from that space as well.

More detail can be found in our ASX announcement, but total price to acquire 100% of the business is \$13.75 million through a combination of \$11.75 million cash and \$2 million scrip, as well as an additional earnout payment capped at \$1.25 million. We expect to complete the transaction

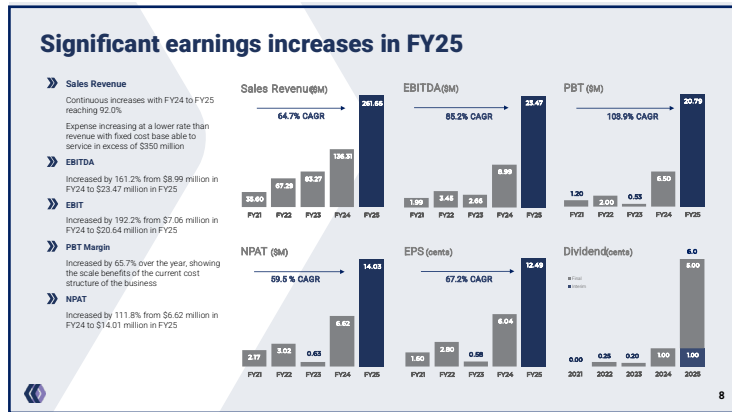
in mid-January next year, integrating the two businesses over the ensuing months.



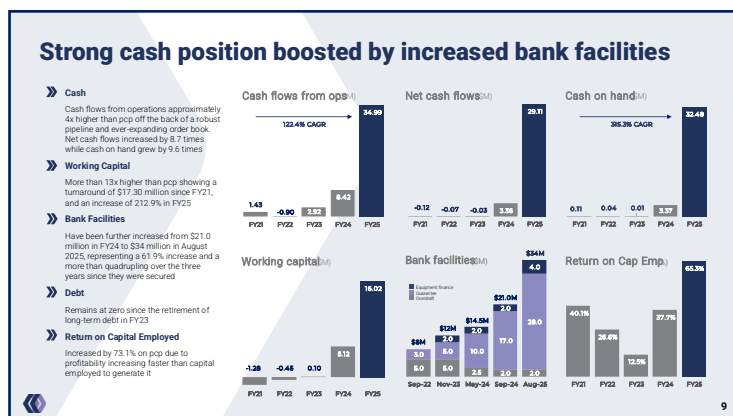
As the Chair noted, under our consolidation strategy, much was achieved in FY25. To sustain the rapid advancement of the business’s operational and financial requirements, we have a program to continuously review and upgrade where necessary, all our systems, processes and operating infrastructure. During the year, we upgraded forecasting, cost tracking, project management, IT security, and employee induction systems and processes, as well as investing in plant and equipment to facilitate efficiency and minimise safety risk. This program of continual review enables us to stay ahead of internal demand for such appropriate resources to underpin rising workloads, and drives a constant focus on efficiency.

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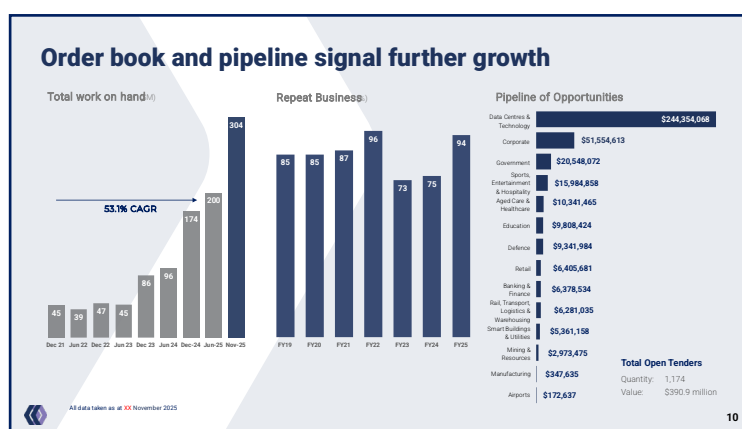


At last year’s AGM, we committed to a sales revenue forecast of \$260 million, resulting in a pre-tax profit of \$17 million in FY25. Those figures represented corresponding increases over our FY24 performance in the order of 91% and 161% respectively. Those forecasts, which already represented significantly increased metrics, ended up being slightly above this, with increases in the order of 92% in sales revenue and 220% in profit before tax. The original forecasts showed a 6.5% pre-tax profit margin, when in fact, we delivered a 7.9% PBT margin, reflecting the scale benefits of a cost structure that we believe to be adequate to service around \$350 million of revenue. The higher margin is also the result of our strong dual focus on productivity and cost management, which is core to all of our projects, both large and small.



As you can see, the substantial earnings increases generated a considerably stronger cash performance, with cash from operations, increasing by a factor of four to \$34.99 million from \$8.42 million in FY24. Consequently, net cash flows increased by 8.7 times since FY24, with cash reserves multiplying by 9.6 times over the last year.

This has meant that our working capital at year end had increased by 212.9%, reaching \$16.04 million compared with \$5.12 million in FY24. The strength of our balance sheet is now such that we can fund both organic and acquisitive growth internally. Notwithstanding that, we also received a further increase in our working capital bank facilities, bringing our access to funds to a total of \$34 million. Since we secured those facilities three years ago, we have been able to obtain four upgrades that have greatly assisted in funding ever increasingly large projects.



Our work on hand growth has been the starting point for our significant and sustained revenue increases over the last four years, growing at an average annual rate of 53.1%. Over the course of FY25, our order book more than doubled, expanding from \$96 million at FY24 to \$200 million at FY25. The increase reflects, to some extent, the \$90 million data centre contract announced in July 2024. However, this level of work has been maintained over the year by the constant winning of new work to replace projects, such as this

one. Including the new contract announced yesterday, we have achieved a further order book increase to \$304 million.

Much of our success in winning new work is the result of doing the work we've already won to an exceptionally high standard, always. The middle chart shows a remarkably high level of repeat business over the past six years, with some work won outside of a competitive environment due to past performance and strong customer relationships. The drop in repeat business in FY23 reflects the first full year of earnings after a wholesale restructure of the business involving the sale of non-core businesses, which removed some of our repeat business work. The other factor to consider with the lower level, and the subsequent bounce back to levels above 90% is the increase in data centre work and the material nature of some of those contracts. All in all, a 94% repeat business statistic is an enviable one to have achieved.

The level of approximately \$390 million of work in our pipeline, and our customary levels of conversion to work on hand, support our expectation of further earnings increases in the current year and show the strength of the opportunities for our business in our key market sectors.



SKS Indigenous Technologies has more than proved initial Board expectations continuously since its inception in August 2022, achieving



work on hand of \$12.5 million and revenue of \$27 million in FY25, after only three years of operating. The current work on hand level is approximately \$13 million as at the end of October, with projects spread across various state branches and market sectors. The model for this business exemplifies the successful amalgam of commercial objectives with a sustainability commitment that encompasses employment for Indigenous people and subsequent enhancement of Indigenous communities.

Since inception, an accelerating momentum has delivered material and sustainable advancement with projects across the country in a range of market sectors. After the first five months, work on hand was greater than \$3 million and at FY23 year-end, had grown to more than \$5 million with projects in Victoria, South Australia, Western Australia and the Northern Territory. The business today employs five fully qualified electricians and 33 Indigenous electrical apprentices.

The project you see on the slide is the Munarra Centre of Excellence in Shepparton, and was completed in 2025. The Centre is a landmark educational, cultural, and sporting facility designed to empower Aboriginal and Torres Strait Islander students and strengthen connections between Indigenous and non-Indigenous communities across regional Victoria. Works performed by SKS Indigenous Technologies involved the full scope of electrical and communications solutions, including supply and installation of communications infrastructure, lighting, power, switchboards and control systems.

Major data centre project

- » Project name: MEL01, Derrimut
- » Scope: Installation and integration of critical power supply components essential for reliable operation
- » Location: Melbourne, Victoria
- » Completion: 1Q27
- » New contract: 90MW of initial capacity MEL02A



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INFRASTRUCTURE

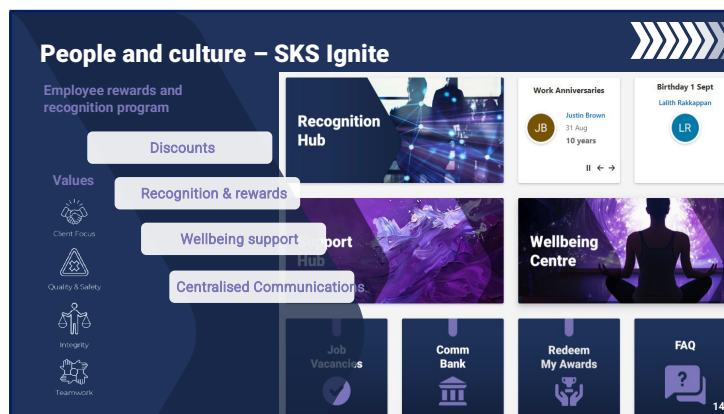
To give you a flavour of what we've achieved on some other large projects, I'll take you through a couple of recent ones, but before I do that, I'll touch on the new project that we announced yesterday.

We've been awarded a project for approximately \$130 million for a second facility for a major hyperscale data centre in Melbourne's west. SKS Technologies has been engaged to design and construct the full suite of critical electrical systems encompassing 90MW's of capacity with works anticipated to commence early 2026 and complete in early 2027.

The MEL01 hyperscale data centre project in western Melbourne, as shown on the slide, is due for completion for Stack Infrastructure in 1Q27. SKS Technologies is undertaking the electrical and critical infrastructure works, which includes high and low voltage electrical infrastructure, critical power systems, power distribution to racks and main service routes, cabling, fibre works and communications pathways, with final commissioning of all critical electrical and digital systems.



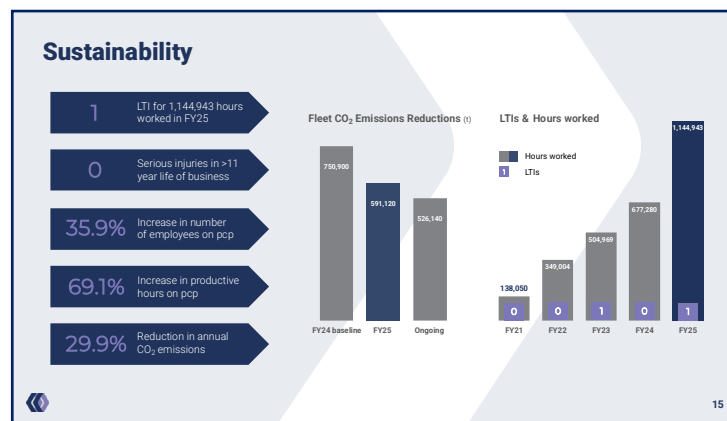
In South Australia, we completed works on the new Qantas Adelaide Lounge Facility, which involved a major refurbishment of the Qantas Club Lounge and the Chairman's lounge, as well as the introduction of a new Domestic Business Lounge. Works were required to be undertaken while lounges remained open to guests with minimal disruption. Electrical installation works included power, lighting, data and systems integration for the precinct and were completed in the second half of FY25.



I also agree with the Chair when he describes our culture as having evolved organically, without the shaping of consultants and specially designed programs. Our core values of teamwork, integrity, client focus and quality and safety are the bedrock of our organisation, and were originally introduced to acknowledge those attributes already in

existence rather than steering the organisation to acquire and build them.

In recognition of our appreciation of the team, we have introduced the SKS Ignite program, which is an employee rewards initiative that acts as a central hub where people can access a range of discounts and programs tailored to enhance their experience at SKS Technologies. Platform attributes include discounts, recognition and rewards, wellbeing support, and centralised communication. Without our people, we have nothing. They are our greatest asset.



Indigenous advancement through commercial and productive partnerships, responsible supply chains, decarbonisation, and a safe and inclusive workplace are the cornerstones of the business's sustainability platform.

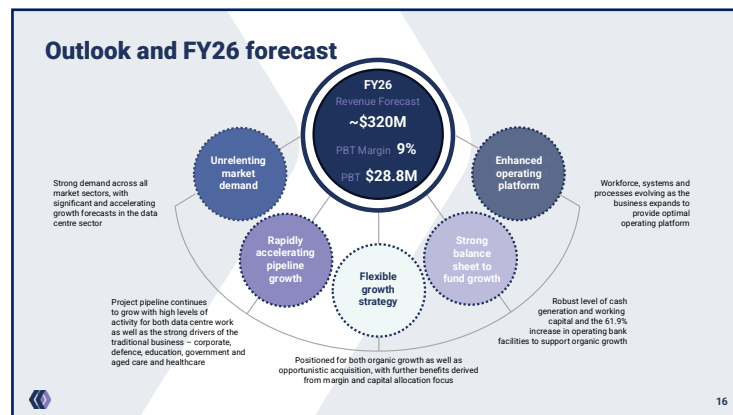
With the introduction of the new sustainability reporting regime that requires us to comply and report from 1 July next year, we have been preparing our systems and processes for a wider compliance program. Under the new regime, we will report our performance under the four key areas of governance, strategy and business model impacts, risk



management, greenhouse gas emissions, scenario analysis and financial effects. Work has commenced to set transparent metrics and short, medium and long-term targets, so that we can establish baseline performance against which to measure ongoing sustainability results.

To this end, we have been capturing and measuring fleet emissions data to understand vehicle environment performance, and during FY25 progressively replaced all vehicles that were older than four years. The new fleet is now more economical, delivering a 21.3% decrease in CO₂ emissions from the FY24 baseline, which translates into a total annual decrease of almost 30%. The fleet of 100 vehicles also equips employees with the most advanced driving safety features.

On the topic of safety, despite the rapid increases in employee levels to support our growth, which in FY25 alone was 69%, our performance has remained stable with 1 Lost Time Injury in FY25, and no major injuries in the entire 11+ years of operation. During the year, we invested in enhanced safety technology, such as real-time monitoring systems and automated alerts to proactively identify and mitigate risk as well as expanding advanced safety programs and updating personal protective equipment. Hazards are addressed at the source to reduce the potential for common safety risks, with safety integrated into core business to protect employees and enhance efficient and reliable project delivery. Our safety performance metrics have also been aligned with the international standards of ISO 45001.



It is only with the conclusion of an AGM that management and the Board can truly close off the previous year, with all its reporting to shareholders and the investment community complete. The current financial year, FY26, is set to deliver another year of growth, with the continuation of our organic strategy, augmented by the opportunities acquired once we have completed the integration of Delta Elcom into our core operations. We believe that the combination of the two businesses can realise a far greater level of growth than they can independently, and that the acquisition represents the optimal means of securing a springboard from which to leverage the largest data centre market in Australia. We are also continuing to pursue diversification across sectors and geographic markets, as evidenced by our New South Wales acquisition, building our order book across the state branches and across all market sectors.

Despite some persistent headwinds on the economic landscape over several years, not dissimilar to those felt across the globe, SKS Technologies has forged ahead with its growth agenda, building its pipeline, to convert to work on hand, and ultimately revenue, with increasing levels of efficiency as we build critical mass to optimise our cost base. As such, the Board is confident that the business can deliver



a full year of sales revenue for FY26 of approximately \$320 million with a before tax margin of 9%, resulting in a pre-tax profit of \$28.8 million.

The remainder of the year ahead will see us boosting our presence in New South Wales, as well as continuing a rigorous approach to delivery across all of our projects. These activities form the next stage of our expansion, and provide a very fertile platform from which to derive the next level of shareholder value.

In the meantime, I wish you all a safe and happy festive season and look forward to keeping you updated on our exciting and challenging pathway to the next level of our growth in FY26 and beyond.

Thank you

Matthew Jinks
Chief Executive Officer

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