

FY25 AGM Presentation

“Back to Basics”

A return to profitable
organic growth

Agenda

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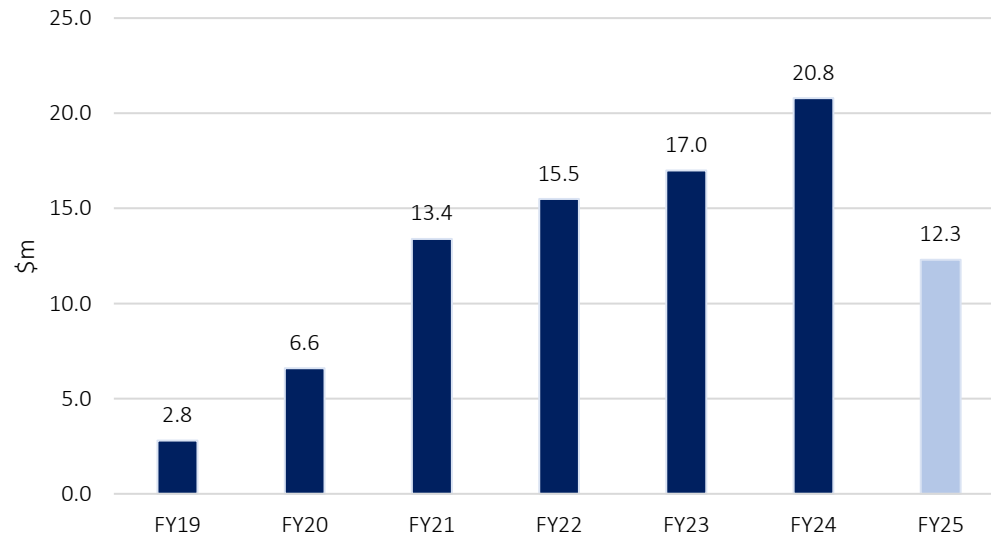
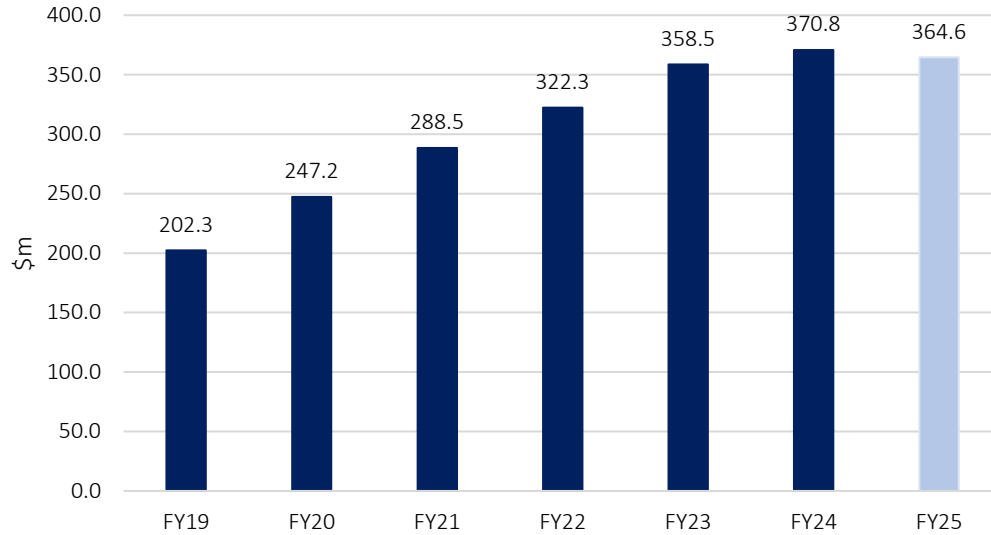
YTD
Update &
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Summary

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Group Performance



FY25 Group Revenue
down 1.7% to
A\$364.6m

FY25 Group EBITDA¹
down 40.9% to
A\$12.3m

Note 1: EBITDA is earnings before interest, tax, depreciation, amortisation before significant items and has been adjusted to exclude the impact of AASB 16 Leases.

FY25 Segment Results

Fluid Systems

Revenue

\$147.4m

-7.4% on FY24

EBITDA ¹

\$13.4m

-29.1% on FY24

- Fluid Systems delivered sales of \$147.4M for the year, a decrease of 7.4% compared to PY.
- EBITDA¹ declined by 29.1%, to \$13.4M (FY24 \$19.0M).
- Results impacted by:
 - D365 implementation
 - Cost base not reset to reflect revenue decline
 - Delays in projects

Trade Distribution

Revenue

\$217.8m

+2.7% on FY24

EBITDA ¹

\$14.4m

-13.4% on FY24

- Trade Distribution achieved sales of \$217.8M, representing growth of 2.7% on prior year. FY25 included full year Steelmasters contribution (vs two months in FY24)
- EBITDA¹ decreased by 13.4% to \$14.4M (FY24 \$16.8M)
- Results impacted by:
 - D365 implementation
 - Construction industry downturn
 - Carrying costs of new branches and branch relocations

Our refreshed new & energised leadership team



Nik Alpert
Chief Executive Officer



Patrick Maloney
Chief Financial Officer



Dan Lodder
Chief Information Officer



Brody Sewell
**General Manager-
Cooper Fluid
Systems**



Chris Smith
**General Manager-
Konnect Australia**



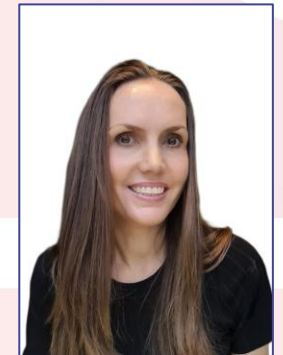
Mike Wansink
**General Manager-
Konnect New
Zealand**



Nick Daw
**General Manager-
Nubco**



Colin Smith
**Chief Executive
Officer-
Steelmasters**



Nicola Ashton
**Group Human
Resources
Manager**

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Target Markets

We operate in large fragmented markets

There is significant upside opportunity for organic growth

Mining & Resources

Continued strong demand for our products and services to the mining and energy sectors, particularly in iron ore, gold, Copper & Lithium.

The eastern coal states face challenges with reduced demand for thermal and metallurgical coal

Infrastructure

There will be significant demand over the next 10 years as infrastructure projects in Road, rail, electricity and hospitals are rolled out.

The Olympics in QLD and Macquarie Point Stadium in Tasmania also present significant opportunities

Building & Construction

Building and construction markets have been subdued

The market is expected to recover and continuously improve over the course of this year and in the years ahead.

Industrial & Manufacturing

The manufacturing PMI index has continued to strengthen with major projects in general manufacturing, recycled steel and battery storage dominating.

Coventry group is well positioned to capitalise on these opportunities.

Other Markets

Our other target markets include:

- Agriculture and aquaculture
- Renewable energy
- Defence

OUR VALUE PROPOSITION

Quality products & services, stocked close to the customer, supported by skilled people offering exceptional service and support

Opportunities & Threats

WA, QLD and SA Markets are strong with high demand from Mining, Resources and Infrastructure



MARKETS

VIC, TAS and NZ continue to be challenging

Konnect AU & NZ, CFS and Head Office are stabilising with major pain points fixed



**ERP
IMPLEMENTATION**

There is still work to do to migrate our other businesses without incurring material costs

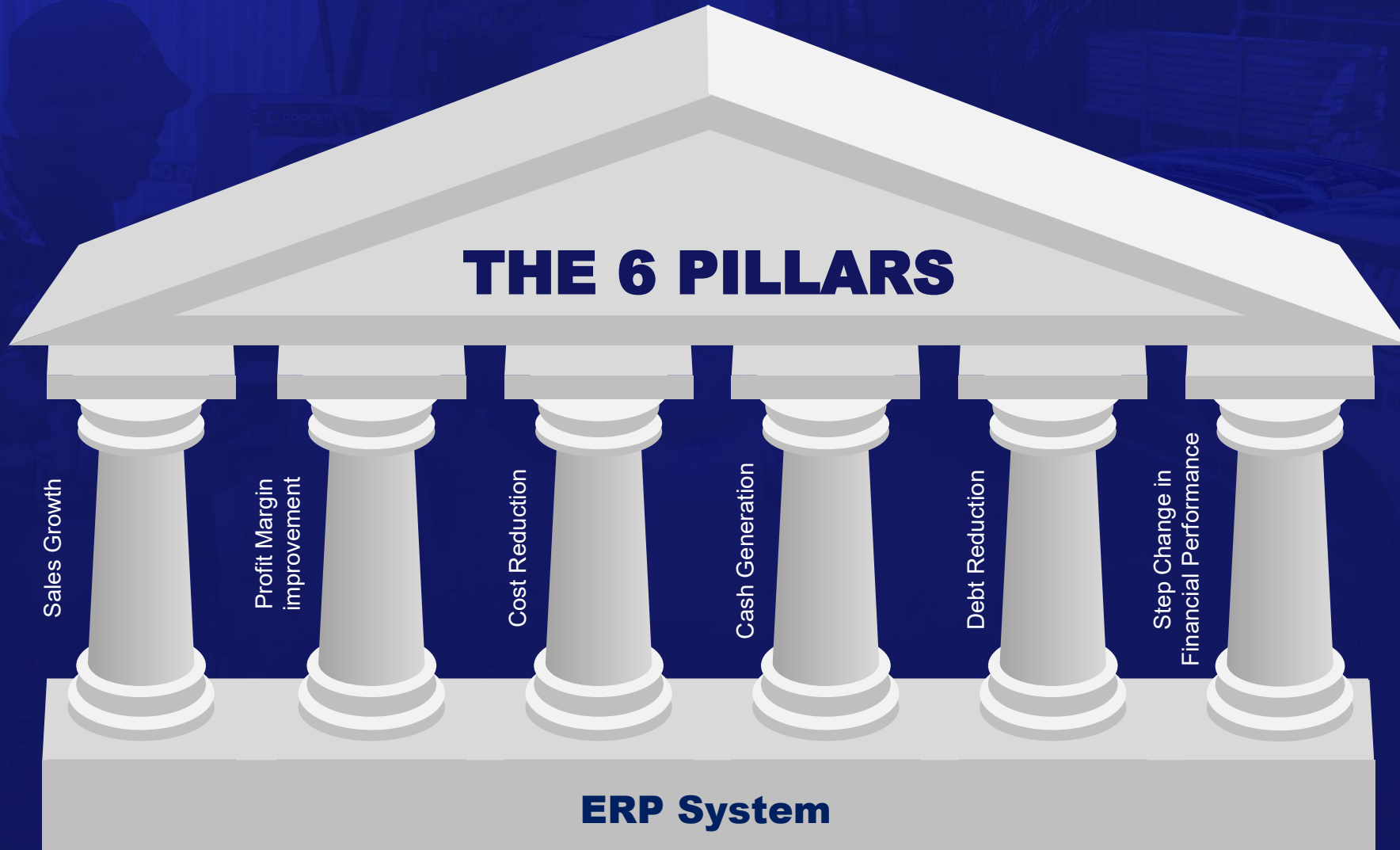
Drive profitable organic revenue growth, reduce costs and improve efficiency



STRATEGIC

Deliver a step change in profitability and returns to shareholders

Our “Back to Basics” Strategy



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Our “Back to Basics” Strategy



Sales Growth

Market Share Growth

Drive organic growth and deeper market penetration through our extensive branch network in Trade Distribution and Fluid Systems by:

- Delivering value to our existing customers with exceptional products, service and support
- Expanding and developing new customer opportunities
- Winning available pipeline projects, large contracts and national key accounts
- Fixing underperforming branches
- Implementing new technological innovations, product line extensions and automation
- Expanding market opportunity with the unique innovative product opportunities that exist within the Fluids business

Have the right people to deliver growth:

- Underscored by a new sales incentive & reward scheme
- With performance monitored through a new Power BI dashboard

Our “Back to Basics” Strategy



Sales Growth

Geographical expansion

New branches:

- Three new Konnect branches were opened in July 25 (Ingleburn, Gosford, Belmont)

Branch relocations and capacity expansion:

- Three Konnect branches were upgraded (Rosebery, Wollongong and Bibra Lake)
- Cooper Fluid Systems, Mackay will expand capacity and relocate to a new state of the art facility in December

Inventory distribution:

- Two mini distribution centres set up in existing locations in Brendale and Rosebery to support branches in QLD and NSW respectively

Our “Back to Basics” Strategy



Profit Margin Improvement

Buy and sell side initiatives

Buy side initiatives:

- Consolidated group purchasing
- Streamlined freight and logistics
- Stock close to the customer available when and where it is needed

Sell side initiatives:

- Delivering value to the customer using dynamic market appropriate pricing

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Our “Back to Basics” Strategy



Cost Reductions

Strategic execution of our \$10M cost reduction target

Right size the cost base of the organisation by removing annualised costs of \$10M by the end of this financial year:

- YTD we have reduced head count and general expenses resulting in annualised cost savings of approximately \$5.1M

Our “Back to Basics” Strategy



Cash Generation

Financial discipline and optimised inventory control

Plans actioned to reduce group inventory by a minimum of \$5M by the end of this FY by:

- Inventory Redistribution – reallocating inventory to where it sells
- Reducing excess and obsolete inventory
- Implementing tighter inventory min - max settings at each branch
- Applying more disciplined procurement controls across the business

Tighter accounts receivable and payable controls

Our “Back to Basics” Strategy



Debt Reduction

Capital allocation to reduce leverage

- Tight controls on all spending including capital expenditure
- Entitlement offer announced in September raised approximately \$11.5M in cash
 - 65% allocated to working capital
 - 35% allocated to reduce debt

Our “Back to Basics” Strategy



Systems

Building a solid foundation for greater efficiency

- What have we achieved so far:
 - Rolled out D365 across Konnect Australia, Konnect NZ and the Fluids business.
 - Customer facing issues have been mostly resolved.
 - System stability has significantly improved.
 - Inventory costing and control measures have been tested and implemented.
- What is next:
 - Migrating Steelmasters onto D365 – planned for second half FY26
 - Continuous system improvement to improve process efficiencies across the business
 - Introduce dynamic market appropriate pricing to improve sell side profit margins

YTD October Performance – positive momentum shift from second half FY25

EBITDA ¹

\$4.0m

Prior 4 months

(March 25 to June 25) – \$0.9m

Revenue

\$132.6m

(March 25 to June 25) - \$123.3m

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- Group sales up 8% on prior 4 months.
 - Group EBITDA ¹ up 342% on prior 4 months.
 - Cost-out initiatives are beginning to improve bottom line performance and are ongoing.

FY 26 Outlook

- We expect the run rate improvement shown in the first four months of FY26 compared to the final four months of FY25 to continue, supported by growth in sales and margins along with the benefits from our cost reduction initiatives.
- The \$20m EBITDA for FY26 previously guided to remains the focus of management and the Board and is a challenging target. The new management team have begun a comprehensive re-forecasting process covering every aspect of the business on a line by line basis. This process will take some time and once completed and approved by the board, guidance for FY26 EBITDA will be updated, likely with the release of the half year results in February 2026.

Summary

Clear short-term initiatives to return to growth.

Focus on debt reduction to strengthen the balance sheet.

\$10M annualised cost out programme progressing

First 4 months of FY26 in line with plan - \$5.1M annualised cost reduction

Improved working capital with a core focus on inventory reduction

Achieved a significant improvement in financial performance in the first 4 months of this year

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Thank you

