

FY26 Interim Results Briefing

Presented by



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About Data#3



ASX Listed

ASX 200 listed IT Services and Solutions provider in Australia and the Pacific Islands



48 Years Experience

48 years evolving solutions and services to enable customers' success, combined with world-leading vendor technologies



Data#3 Vision

Our vision is to harness the power of people and technology for a better future



Innovative Solutions

Delivering the digital future through cloud, modern workplace, security, connectivity, data & AI solutions, combined with consulting, project and managed services



Agenda

1H FY26 Highlights

Key Operational Updates

1H FY26 Financial Performance

IT Sector Trends

Strategy & Outlook

Q&A

1H FY26 Financial Highlights

Gross Sales

\$1.5B

Up 9.2%



Gross Profit

\$144.0M

Up 0.3%



NPBT

\$33.5M

Up 4.5%



EBIT

\$27.6M

Up 6.2%



Basic EPS

14.95C

Up 3.6%



Dividends per share

13.50C

Up 3.1%

Payout ratio of 90.3%



1H FY26

Key operational updates

1H FY26 Overview

Gross Sales

\$1.5B

Gross Sales 5-year CAGR

11.5%

Recurring Gross Sales

70%

(1H FY25: 70%)

Customer Satisfaction Rating

4.33 / 5

Key awards + Certifications

- HRD Employer of Choice – 10th year in a row
- Cisco Global and APJC **Services and Software Excellence** and **Collaboration** Partner of the Year
- Cisco ANZ Partner of the Year
- Cisco APJC Cloud and AI Infrastructure Partner of the Year
- HPE Platinum Networking Partner of the Year
- HP Services Partner of the Year
- ARN Tech Partner for Cloud
- Microsoft Country Partner of the Year

Sustainability

- Environmental goals: Science-based target setting in progress to guide development of Decarbonisation Strategy
- Named APC by Schneider Electric Sustainability Champion of the Year, and HP Amplify Impact partner of the year

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1H FY26 Highlight

End User Computing & Data Centre



- **Over 30% growth** in EUC & DC
- **Growth across all vendors**

1H FY26 Highlights

Data#3 and AI

**Utilising our own AI Capability
has delivered internal Business
Value across:**

Procure to Pay Process related agents

- Business Value = reduction in staff time required for Procure to Pay related processes across the business.
- Enabled revenue growth and balanced cost ratios.

AI enabled Productivity and Collaboration platforms

- Copilots
- AI Enabled Software Development
- AI enabled Cyber Security Operations
- AI enabled Service Desk

...Plus, many customer engagements navigating the complexities of AI to faster business value realisation.

Our world-leading vendor partners



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1H FY26 Highlights

Partner Awards



Data#3 named Platinum Networking Partner of the Year at the...

News Dec 15 2025



Data#3 takes home HP Services Partner of the Year award, with...

News Dec 8 2025



Data#3 named ARN Tech Partner for Cloud at ARN Innovation Awards...

News Dec 5 2025



Going for green: Data#3 recognised as Sustainability Champion of...

News Aug 5 2025



Data#3 wins ANZ Partner of the Year Award at Cisco Partner Summit...

News Nov 19 2025



Data#3 recognised as the winner of 2025 Microsoft Country Partner...

News Nov 13 2025



Data#3 wins Cisco APJC Cloud and AI Infrastructure Partner of the...

News Nov 10 2025



Data#3 wins Cisco Global and APJC Services and Software...

News Nov 7 2025



Data#3 wins Cisco Global and APJC Collaboration Partner of the...

News Nov 7 2025



Data#3 wins Cisco's top global and regional honour for employee...

News Oct 10 2025

1H FY26

Financial Performance

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1H FY26 Financial Performance

Consistent Growth in Earnings and Gross Sales

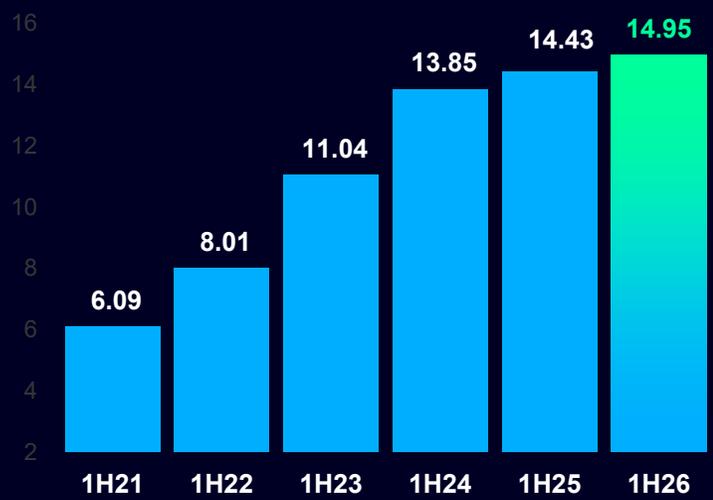
Total Gross Sales (\$M)



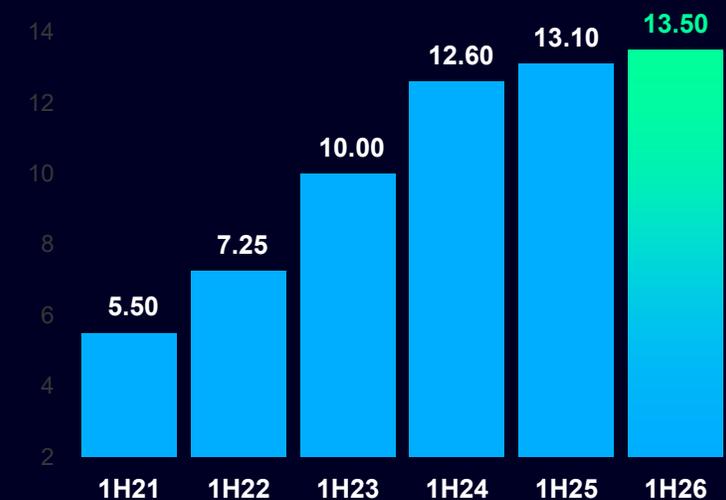
Gross Profit (\$M)



Basic EPS (cents)



DPS (cents)



1H FY26 Financial Performance

Services

Business unit	1H FY26 Gross Sales (\$M)	Change vs. 1H FY25
Business Aspect Consulting	16.0	9.4%
Project Services	36.7	(13.2%)
Maintenance Services	90.6	3.8%
Managed Services	31.0	15.9%
People Solutions (recruitment)	30.7	(4.8%)
Services Gross Sales	205.0	0.9%
Services Gross Profit	69.5	(4.2%)
Services Gross Margin	33.9%	(1.8pp)
Services Management Profit	12.0	(13.9%)

- **Consulting** gaining momentum with a focus on key accounts and the market opportunity across various practices, including Cyber Security and Information & Analytics
- **Project Services** continuing lag in bookings despite solid pipeline, as customers delay larger projects and closely manage IT budgets
- **Maintenance Services** flatter this half off the back of a solid FY25 and supported by a strong rebound by the Infrastructure business. Solid EA pipeline should see this improve in 2H
- **Managed Services** ongoing contract wins and renewals, particularly in the resources sector. Solid pipeline for both Enterprise and Onsite Managed Services
- **People Solutions** ongoing challenging labour market and economic sentiment saw a reduction in contractors across key accounts, predominately in QLD

pp = percentage point

1H FY26 Financial Performance

Infrastructure Solutions

Gross Sales

\$275.2M

1H FY25: \$234.0M

↑ 17.6%

Gross Profit

\$36.8M

1H FY25: \$31.6M

↑ 16.7%

Gross Margin

13.4%

1H FY25: 13.5%

↓

Management Profit

\$10.8M

1H FY25: \$5.3M

↑ 105.7%

- **Infrastructure Solutions** sales growth boosted by End User Compute sales (up over 30% on PCP), underpinned by Windows 11 related upgrades and device refresh cycles
- Growth in sales of Data Centre storage and servers also up over 30%, as customers move to hybrid cloud and prepare for adoption of AI
- Continued focus on maximising deal margins and achievement of accelerator rebates with strong sales performance
- Leverage off operating cost base through automation of ordering and invoicing processes, and restructuring during FY25

1H FY26 Financial Performance

Software Solutions

Gross Sales

\$1.1B

1H FY25: \$0.98B

↑ 8.9%

Gross Profit

\$37.5M

1H FY25: \$39.3M

↓ (4.6%)

Gross Margin

3.5%

1H FY25: 4.0%

↓

Management Profit

\$19.7M

1H FY25: \$21.8M

↓ (9.4%)

- **Software Solutions** growth driven by ongoing demand for security products, cloud subscriptions, Adobe and Azure
- Gross Profit down on PCP as expected due to the impact of Microsoft program changes on 1H FY26 incentives. Expect full year GP consistent with FY25
- Significant growth in Cloud Solution Provider sales and gaining momentum with Licensing Consulting and Management offerings
- Strong growth with non-Microsoft vendors, in line with diversification strategy and all mitigation strategies proving successful

1H FY26 Financial Results – Profit and Loss

Consolidated Profit & Loss \$'000's	1H FY26	1H FY25	Change	Change
Revenue and Other income (ex interest)	423,077	391,322	31,755	8.1%
Gross Profit	144,005	143,589	416	0.3%
Operating Expenses	113,099	114,354	(1,255)	(1.1%)
EBITDA*	30,906	29,235	1,671	5.7%
EBITDA margin	7.3%	7.5%		(0.2pp)
Depreciation and amortisation	3,264	3,216	48	1.5%
Interest Income	6,330	6,532	(202)	(3.1%)
Finance costs	499	526	(27)	(5.1%)
Net profit for the period	33,473	32,025	1,448	4.5%

Includes Software Solutions and vendor delivered Maintenance Support revenues presented on a net basis

Gross Profit impacted by Microsoft incentive program changes

Staff costs flat on PCP with tight cost control, including some vacant roles not backfilled this half. Also 1H 25 impacted by restructuring costs.

Operating costs benefitted from a \$0.9M lease accounting adjustment

Earned off strong average cash position and high cash rate

Solid Net Profit growth reflective of operating leverage off flatter Gross Profit

*Earnings before Interest, Tax, Depreciation and Amortisation
pp = percentage point

1H FY26 Financial Results – Balance Sheet

Consolidated Financial Position \$'000's	31 December 2025	30 June 2025
Cash	125,412	356,689
Other current assets	267,703	547,237
Non-current assets	33,791	38,172
Total assets	426,906	942,098
Current liabilities	329,268	839,215
Non-current liabilities	13,283	18,714
Total liabilities	342,551	857,929
Net assets	84,355	84,169
Current ratio	1.2	1.1

May/June sales peak results in strong cash position at 30 June off the back of high value invoicing and collections activity

Trade debtors higher in June with EOFY sales peak. Average Day Sales Outstanding maintained at 25 days

Depreciation of right-of-use assets

Trade creditors higher in June with EOFY sales peak

Current assets / current liabilities

1H FY26 Financial Results – Cash Flow

Consolidated Cash Flow \$'000's	1H FY26	1H FY25	Change	Change %
Cash flows from operating activities	(204,318)	(123,818)	(80,500)	65.0%
Cash flows from investing activities	(1,072)	(429)	(643)	149.9%
Cash flows from financing activities	(25,304)	(21,852)	(3,452)	15.8%
Net decrease in cash held	(230,694)	(146,099)		
Opening cash balance	356,689	276,381		
Effect of FX movements	(583)	726		
Closing cash balance	125,412	131,008		

Operating cash inflows reflect timing of receipt of customer payments, net of payment of supplier invoices during December

Property, plant and equipment (predominately internal computer equipment and software assets)

Dividends paid of \$23.3M (1H FY25: \$20.0M) ~ 90% payout ratio

Average daily cash balance \$346.9M (1H FY25: \$310.1M)

1H FY26 Financial Performance

Effective Working Capital Management



\$125.4M

Closing cash



\$347M

Average daily cash

Up almost 12%



\$6.3M

Interest income

1H FY25: \$6.5M



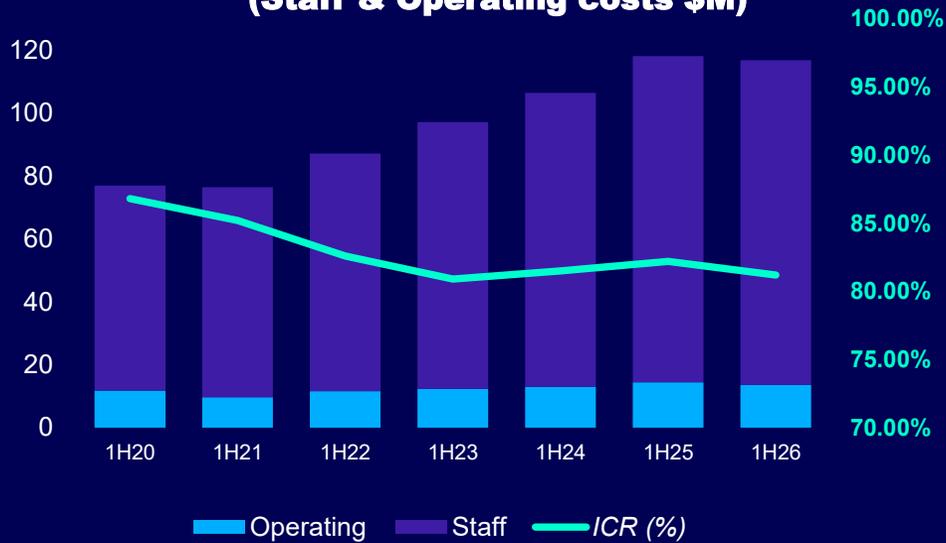
25 days

Average Day Sales
Outstanding

1H FY25: 25 days

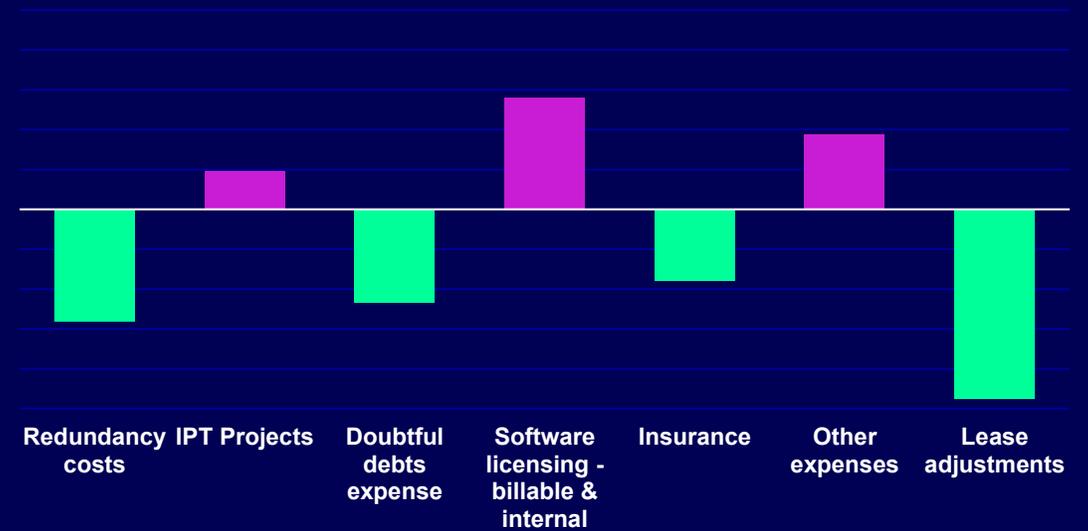
Positive Trend in Operating Leverage

**Internal expenses
(Staff & Operating costs \$M)**



- Internal Cost Ratio (Internal expenses / Gross profit) or ICR, has improved steadily over time
- 1H FY26 ICR of 81.2%, down on 1H FY25 (82.2%) due to restructuring of Infrastructure Solutions business in 1H 25, automation initiatives, system improvements and effective cost management

Half on half movements 1H FY26



- Operating expenses include insurances, IT project investments, and software licensing and cloud consumption. Offset by lease accounting benefit relating to upcoming relocation of Melbourne office
- Staff costs down on PCP due to higher restructuring costs in 1H 25 and some vacant roles not backfilled during 1H 26

1H FY26

IT Sector Trends

IT Sector Trends

2026 Australian Technology Industry Trends¹



IT Industry Growth

Spend on IT expected to grow 8.9% in 2026



Software

13.6% growth expected
AI and cyber security enabled



Devices

6.6% growth expected



IT Services

5.6% growth expected
Organisational efficiency



Data Centre

22.5% growth expected
Biggest opportunity for hyper-scalers



Communication Services

3.6% growth expected

1. Source: Gartner Forecasts IT Spending in Australia to Exceed \$172 Billion in (Calendar Year) 2026

1H FY26

Strategy and Outlook

Strategic Priorities



Solutions

Developing solutions and services that deliver customer success.



Customer Experience

Differentiating Data#3 through the experiences we deliver to our customers.



Operational Excellence

Connecting and simplifying Data#3 to deliver an agile and efficient business.



People and Community

Connecting Data#3 with its people and the communities in which is operates.

FY26 Strategy and Outlook

Customer Experience



Customer Segmentation



Digital Engagement Strategy

Customer Experience – Digital Enablement

FY26 Strategy and Outlook

MyD3

Purchase. Manage. Support.

Streamline your purchasing, licensing, asset visibility, reporting, and lifecycle management into a single, intuitive online portal.



Secure Single Sign-On (SSO)



High-security profiles to protect transactions



Real-time pricing and stock visibility



Live vendor connections to ensure up-to-date and reliable information



Dashboards designed to highlight the most relevant information at the right time



Self-service access to asset and procurement data



Comprehensive reports designed to support in-depth analysis



Catalogue compatibility for streamlined procurement

Data#3 FY26 Solutions

Solution Technologies

Hybrid Cloud



Modern Workplace



Security



Data & AI



Connectivity



Lifecycle Services

Advise



Procure



Deploy



Adopt



Operate



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1H FY26 Customer Highlight

Griffith University

Building a smarter university with Data#3, Cisco and Microsoft

Data#3



Objective

- A smart campus concept that optimises space utilisation, improves energy efficiency, and enhanced security while supporting hybrid learning and collaboration

IT outcomes

- Improved security via zero-trust architecture
- Agile deployment with improved manageability

Business outcomes

- Flexible, hybrid-ready workspaces with real-time monitoring
- Enhanced collaboration and hybrid learning experiences
- Data-driven energy efficiency and sustainability reporting
- Operational transparency with advanced analytics
- Reduced costs through intelligent space utilisation
- Elevated student and staff experience through digital platforms
- Scalable base for future smart campus innovation



Being able to walk up and go, 'I need a meeting space quickly, it is available, I will jump into there,' that's been a really powerful thing.

Matt Long - Lead Platform Engineer, Griffith University.

Microsoft Channel Incentives



Cloud Solution Provider (CSP)

Small Medium and Corporate
With Scale and Automation



Copilot



Security



Azure Migrations

Vendor Partners

Adobe

veeam

mimecast™

TREND MICRO™

tenable™

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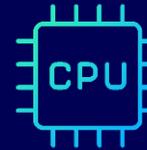
Outlook



Software Stable

Continue the Microsoft transition and win with complementary vendor partners.

Recovering to PCP results for the full FY.



Infrastructure Growth

Devices, Networking and Multi-cloud.

Watching brief on memory prices and supply, and transition of Cisco 360 partner program.



Services Growth

Devices, Networking and Multi-Cloud with focus on Security, Data and AI.

Outlook

Consistent with previous practice, we are not providing specific FY26 guidance.

In line with previous years, we continue to expect a sales peak in the months of May and June and earnings skewed to 2H.

Our goal remains to continue to deliver sustainable earnings growth for our shareholders, consistent with our long term strategy.



An active market and strong solutions portfolio provide opportunity for further growth.

Brad Colledge

Managing Director and Chief Executive Officer, Data#3

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Q&A

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