



ASX Announcement

27 February 2026

FY26 H1 Financial Results and Operational Highlights

Melbourne, Australia: Technology design and development growth company, Synertec Corporation Limited (ASX: SOP, "Synertec", "the Company" or "the Group") is pleased to provide the Company's financial results and a summary of key achievements for the six months ending 31 December 2025 ("FY26 H1" or "the Period").

Financial Highlights

- Group revenue & other income for the period was \$10.2m up 20% on pcp
- Net operating cash inflow of \$0.5m, a \$1.7m improvement on pcp
- Decisive cost cutting has delivered circa \$1.3m savings within the Period
- Powerhouse contributed circa \$1.2m in revenue for 1H FY25, up 22% pcp
- Engineering performance is expected to improve further with Engineering EBITDA for the Period up 144% on pcp and Engineering revenue for the Period up 20% on pcp.

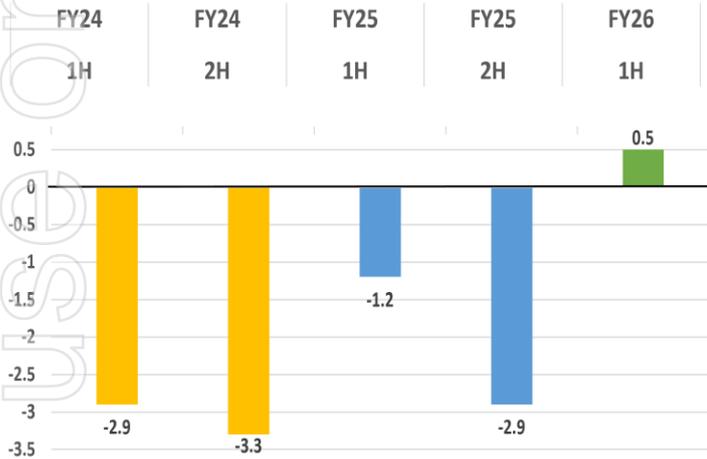
Summary FY26 H1 Financial Results	FY26 H1 (\$m)	FY25 H1 ¹ (\$m)	% Change
Group Cash receipts from customers	12.4	10.5	Up 18%
Net Cash from/(used) in Operating Activities	0.5	(1.2)	Improved 141%
Group Revenue & other income	10.2	8.5	Up 20%
Engineering Services Revenue	8.9	7.4	Up 20%
Technology Revenue	1.2	1.0	Up 22%
Corporate, Management & Unutilised Costs	(5.7)	(7.0)	Improved 19%
Engineering EBITDA	1.0	0.4	Up 144%
Technology EBITDA	(0.8)	(1.7)	Improved 49%
Normalised Group EBITDA ²	(0.8)	(2.2)	Improved 63%
Group EBITDA	(1.5)	(3.4)	Improved 58%

¹ Prior Comparative Period ("pcp")

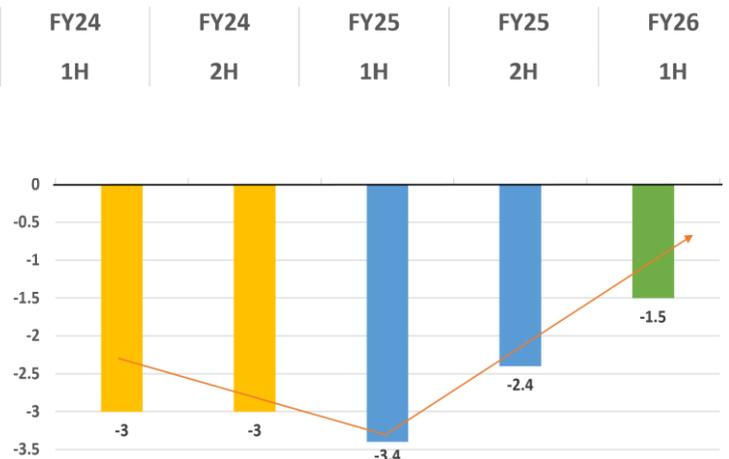
² Normalised EBITDA excludes costs which are discretionary for the purposes of exploring strategic long term growth opportunities and/or activities and expenses which not considered to be typical ongoing operational overheads for the business.



EBITDA Turnaround



Net Operating Cash Outflows



Financial Commentary

- EBITDA Turnaround because of:
 - **Cost out of \$1.3m for the period and total savings of \$2.5m in CY25:** Management targeted the following areas: Corporate overhead costs targeted and reduced/removed aggressively: Continued benefits flowing from the proactive restructure undertaken FY25 Q2
 - **Engineering services revenue up 20%:** Improvement in project resourcing and management resulting in a utilization uplift of 13% compared to pcp. The uplift is also supported by an industry-based client engagement structure implemented FY25 Q3.
 - **Technology revenue improvement of 22%:** all Powerhouse units installed for Santos on long term lease agreements were operational for the Period
- **Operational cash inflow of \$0.5m, a \$1.7m improvement of pcp:** For the first time since FY19, the Group has generated a net operating cash inflow for a half-year period. This was driven by disciplined working capital management and improved profitability across the Engineering business.
- **100% compliance with all financial covenants for the Period:** Significant improvement in financial performance across the group



Operational Highlights

• Powerhouse

- Powerhouse pipeline of submitted opportunities circa \$70m with circa \$18m due for award in FY26 2H
- Powerhouse pipeline includes submission to the following sectors:
 - Remote industrial power
 - Spinning reserve (New application)
 - Grid support (New application)
- Fabrication of first units from low-cost jurisdictions completed and shipped

• Engineering

- Engineering opportunity pipeline circa \$135m including \$44m of tenders submitted
- Strategic investment in positioning for long term panel opportunities is starting to deliver returns with circa \$22m of tender submissions via various engineering panels across Australia.
- Over \$2m of projects awarded via newly established Panel appointments underpinning national expansion

Powerhouse Technology

- **Proven Operational Performance and Reliability:** Powerhouse units continued to operate seamlessly across remote gas operations in Queensland, delivering consistently high availability in excess of 99.9% over more than five years of cumulative operating history. The 2nd Generation Powerhouse units achieved availability above 99.98% over 2.5 years, with only one planned maintenance visit and zero unplanned maintenance callouts. This performance reinforces Powerhouse's ability to deliver fully renewable, grid-forming power without fossil-fuel back-up in harsh and remote environments, while maintaining operator safety and operational continuity.
- **Recurring Revenue Established:** Powerhouse generates recurring annuity-style revenue under BOOM rental contracts. During the six months ended 31 December 2025, installed units generated revenue of \$1.2 million. Revenue contribution is expected to increase in the second half following deployment of additional units currently under construction, supported by the long-duration 15-year asset life of each system.
- **Expanded Tier-One Customer Base:** During the period, Santos placed an order for a fourth Powerhouse unit under the existing master commercial framework, reflecting continued confidence following successful GLNG deployments in the Surat–Bowen Basin. In addition, a previously installed unit was successfully relocated to a new well site, demonstrating the portability and redeployment flexibility of the Powerhouse platform. In November 2025, Synertec secured a rental contract with Shell QGC for deployment of a Powerhouse system at a remote coal seam gas well site in Queensland, expanding the Powerhouse customer base to an additional global energy operator.
- **Manufacturing Progress and Productisation:** Multiple Powerhouse units progressed through fabrication during the Period, with deployment expected in FY26 Q4. Management continued to focus on productising the construction and assembly process to improve repeatability, reduce complexity and enable scalable deployment. Quality assurance capability has been strengthened across both Australian and offshore manufacturing locations to support efficient factory acceptance testing and streamlined rollout as order volumes increase.



- **Strategic Supply Chain Partnerships and Cost Optimisation:** The Memorandum of Understanding with Ritar International Group announced in June 2025 continued to support integration of advanced battery technology, enhanced manufacturing scalability and unit-cost deflation. As additional units were constructed during the period, these benefits began to be realised. At scale, management is targeting material reductions in unit manufacturing cost, improving long-term margin resilience and deployment capacity. Engagement with strategic partners during the half year also strengthened supply-chain resilience and supported business development access.
- **Strong Pipeline and Increasing Market Engagement:** During FY26 1H, Powerhouse submitted over \$70 million in detailed tender responses, with multiple award decisions anticipated in the near term. Inbound engagement continued to increase, reflecting growing market recognition of Powerhouse's demonstrated operational performance. Targeted exposure through industry conferences and presentations is translating into a growing volume of invited tender opportunities across existing energy customers and adjacent remote industrial and grid-firming applications.
- **Positioned for Disciplined Scale:** Powerhouse enters the second half of FY26 with multiple contracted units across multiple customers, units under construction, recurring high-margin rental revenue, strengthened manufacturing and business development partnerships and increasing market validation. Synertec remains focused on disciplined scaling of Powerhouse within its targeted renewable energy markets, as the business transitions from validation to measured commercial expansion.

Engineering

- **Sustainable Growth:** The Engineering Business has had a strong first half, finishing the period above budget for revenue, margin and utilisation. From a BD perspective the total pipeline position has increased to over \$110M of opportunities with a high portion flowing from our suite of panel arrangements across the country. The Business Development team is focused on two KPI's, conversion of the pipeline to profitable projects, while continuing to expand the pipeline to set the business up for sustained growth across the second half and into FY 27 and beyond.
- **Industry Sector Alignment:** Restructuring of the Engineering Business to align with our focus industries has driven significant BD activity over the first half. In the period the Engineering business submitted 190 tenders worth a total of \$41m across all 5 of our industry sectors of Water, Transport, Energy & Resources, Life Sciences, Defence & Manufacturing. The Business also secured significant project wins with Energy clients, across numerous clients in Life Sciences as well as over \$6M worth of projects under our various Water panel arrangements around the country.
- **Geographic Expansion:** The first half of FY26 saw strong growth from our geographic expansion of the Engineering business nationally. In NSW we have mobilised a team of engineers, led by our state manager, and established our NSW office in Parramatta. In addition to securing over \$1m worth of work directly with Sydney Water, the team have also identified a number of promising opportunities in other industry sectors in NSW. Our Perth team continued to grow during the period, also securing over \$1m worth of work with Water Corporation and adding over \$8m of tendered opportunities to the pipeline. More broadly the team continue to pursue promising opportunities in Queensland, Tasmania and New Zealand along with pre-positioning for long-term panel opportunities due to open up in the second half.



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Synertec's Managing Director, Mr. Michael Carroll, commenting on FY26 H1 said:

"The Engineering business is benefitting from a clear strategy and focused management oversight, allowing us to take full advantage of improved trading conditions within our target sectors. Our recent panel successes and our long-term existing panel arrangements, lock in multi-million-dollar, lower competition project opportunities for years to come. The benefits are that our Business Development investment per opportunity is lower and we can be efficient and cost effective for our clients, protecting our margins and establishing relationships which ultimately entrench barriers against broader competition. This is a long-term strategy which is now starting to play out as evidenced by our improved financial performance.

Our Powerhouse business is at an inflection point. The team has experienced overwhelming client enquiry with circa \$70m in qualified opportunities during the first half of FY26 alone. The large body of evidence now established through our multi-unit performance in the Surat Basis with Santos over the past 4years is the difference. We have established our product channels and our delivery and QA systems. Our supply chain and technology partners are world leading and together we are ready to deliver at the scale, quality and price point our customers require.

We are excited about what is ahead and I look forward to updating the market further when appropriate".

-ENDS-

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This ASX announcement is authorised by the Directors of Synertec Corporation Limited (ASX: SOP).

About Synertec:

Synertec Corporation Ltd (ASX: SOP) is a technology design and development growth company enabling a low carbon future through innovative technology solutions. Commercialising scalable, environmentally friendly and energy efficient technology for global markets in energy, critical infrastructure and advanced manufacturing through innovative partnerships with a portfolio of blue-chip customers, Synertec is proactively participating in the world's transition to a low carbon economy in a practical way for the benefit of future generations.