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Adrad approves $3 million Thailand manufacturing expansion to support HTS growth

Adrad Holdings Limited ('ASX: AHL', 'Adrad' or the 'Company') is pleased to announce that the Board has approved a $3 million expansion at the Company's Thailand manufacturing operations.

The investment will involve the construction of a second factory adjacent to Adrad's existing Thailand facility, adding approximately 4,000 square metres of manufacturing space. The new factory will be constructed on freehold land owned by Adrad. Construction is expected to commence in July 2026, with the building shell expected to be completed by July 2027.

The expansion is being undertaken to support increasing demand across Adrad's Heat Transfer Solutions (HTS) business and to provide additional capacity for future growth. The additional manufacturing space is expected to support increased production capacity for the rapidly expanding data centre market, growing demand for coil products across Asia, future aluminium manufacturing opportunities as the Company's product range continues to evolve and growth in mining sector cooling applications.

The expansion is also expected to enable Adrad to consolidate certain Thailand operations from a rented facility into its owned site, delivering operational efficiencies and cost savings while reducing the administrative complexity associated with operating across separate locations.

Chief Executive Officer, Paul Proctor, said "The Board's approval of this investment reflects our confidence in the growth outlook for Adrad's HTS business and the increasing demand we are seeing across key markets. Thailand is an important part of our manufacturing footprint and this expansion will provide additional capacity and flexibility to support current customer requirements and future growth opportunities, including across data centres, coil products and future aluminium manufacturing. This investment is aligned with our strategy of expanding our HTS platform while maintaining operational discipline and ensuring we have the capacity to deliver for customers as demand continues to grow."

Following completion of the building shell, the facility will be equipped with the manufacturing infrastructure, machinery and services required to support future operations. The investment relates to construction of the building shell and will be funded from existing cash reserves.

This announcement has been authorised for release by the Board of Adrad Holdings Limited.

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