

# FY26 Results Briefing

Presented by



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MD/CEO



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CFO

# About Data#3



## ASX Listed

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



## 48 Years Experience

Over 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 hybrid cloud computing, security, collaboration, networking, data & AI, and applications & automation solutions, combined with consulting, project and managed services



# Agenda

FY26 Highlights

Key Operational Updates

FY26 Financial Performance

IT Sector Trends

Strategy & Outlook

# FY26 Highlights

Gross Sales Growth: 12.7% to

**\$3.4B<sup>1</sup>**

Above Australian IT Industry ↑

Recurring Gross Sales

**70%**

Up from 69% in FY25 ↑

Net Profit Before Tax

**\$78.8M**

Up 14.0% ↑

Customer Satisfaction Rating

**4.36 / 5**

Increased from 4.32 ↑

## What we've achieved:

- ✔ Infrastructure Solutions: **Record Year**
- ✔ Software Solutions: **Record Year Inc Microsoft transformation, Federal Govt VSA renewal <sup>2</sup>**
- ✔ Business Aspect: **Record Year**
- ✔ Managed Services: **Record Year**
- ✔ Solutions Development: **Managed Azure, Managed Security, Device as a Service and Managed Networks**
- ✔ Operational Excellence: **MyD3, Modern Data Platform, Security, AI**

# Consistent growth in earnings and gross sales:

5-year CAGR (FY21-26):

Gross sales

11.6%

Gross profit

9.4%

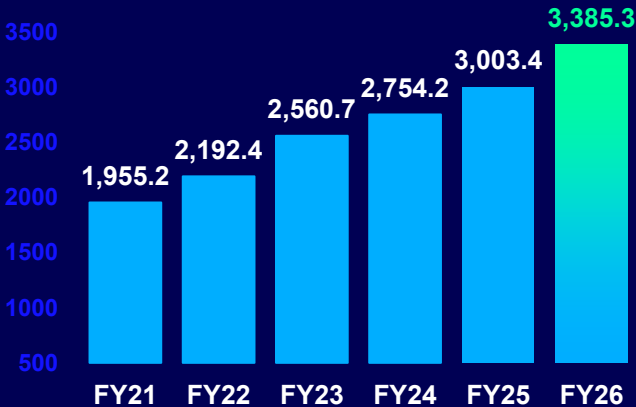
Basic EPS

16.3%

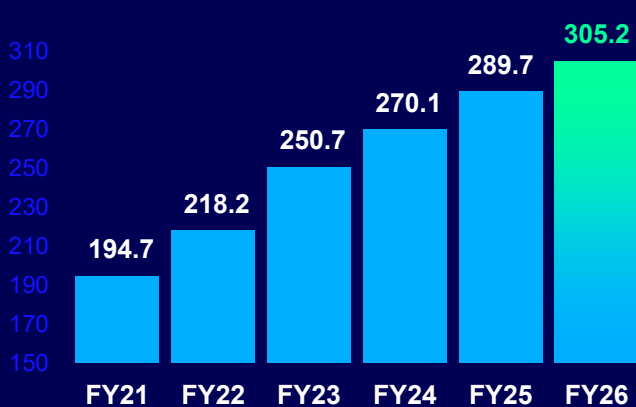
DPS

16.0%

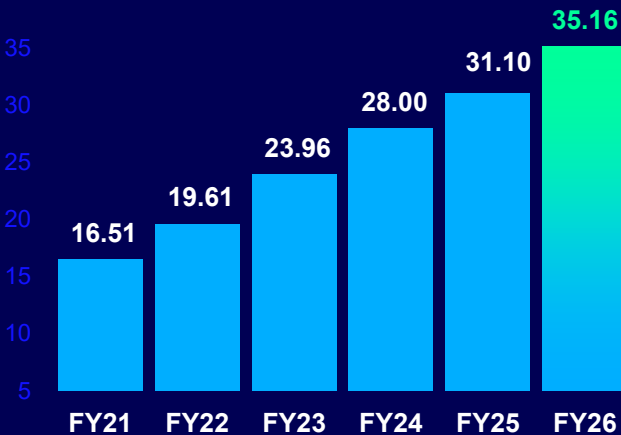
Total Gross Sales (\$M)



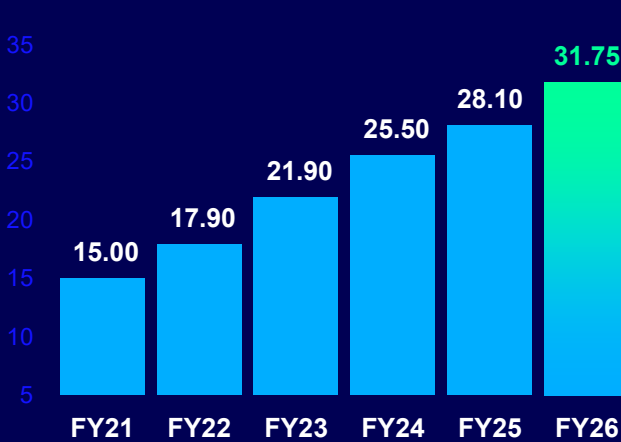
Gross Profit (\$M)



Basic EPS (cents)

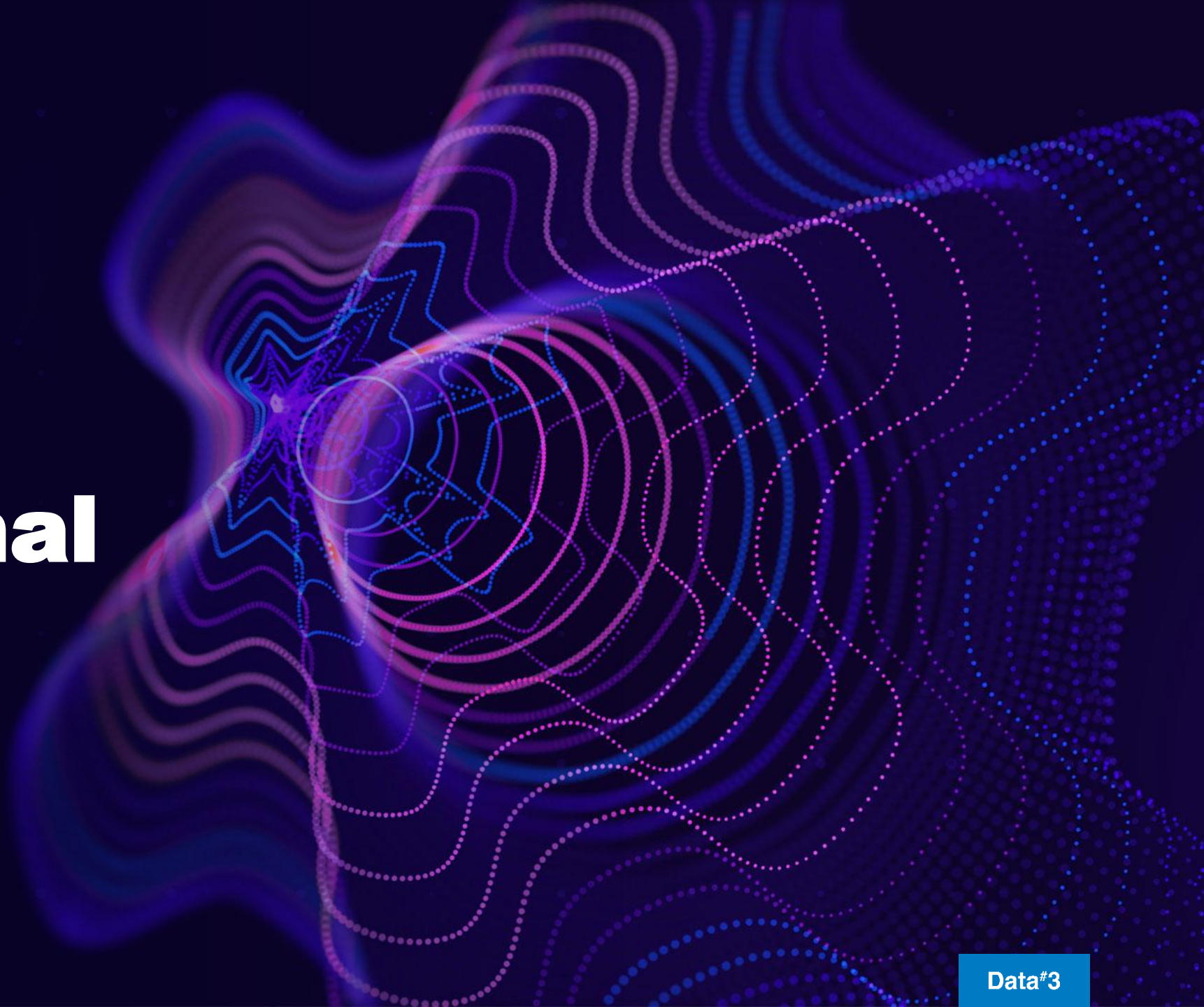


DPS (cents)



**FY26**

# **Key operational updates**



# Solution highlights

- Device as a Service **over 100% growth**
- End User Compute **18% growth**
- Data Centre **19% growth**
- Public Cloud **Azure 29% growth**
- Security **21% growth**
- AI **over 100% growth**



# Microsoft FY26 results: positive read-through for Data#3

Microsoft reported FY26 Q4 & full-year on 29 July 2026, materially ahead of expectations – led by Azure, AI and Microsoft 365.

Cloud & Azure

AI & Copilot

Security

Growth & partnership

## Microsoft – FY26 result

### Increase in Azure

Azure passed US\$100B annual run-rate; Microsoft Cloud US\$214B in FY26

### Increase in Copilot and AI

AI demand outstripping supply

### Security core to cloud

E5 and cyber central to enterprise cloud and Copilot adoption

### Increase in Revenue

FY26 revenue ~US\$331B; Guiding strong growth in FY27

## Data#3 – FY26 result

### Public Cloud (Azure) +29%

Azure a standout growth engine across the Data#3 customer base

### AI solutions >+100%

Copilot, Azure Foundry & AI services scaling fast

### Security +21%

Security software, E5 and Managed security a key growth pillar for Data#3

### Software \$2.3B, +14.1%

Software record year; Microsoft Country Partner of the Year

Microsoft’s AI and Azure momentum reinforces demand across Data#3’s fastest-growing lines – Azure consumption, Copilot deployment, security and AI services.

# Customer Satisfaction

## Overall satisfaction

|      |      |
|------|------|
| 2026 | 4.36 |
| 2025 | 4.32 |
| 2024 | 4.28 |

## Ease of working with Data#3

|      |      |
|------|------|
| 2026 | 4.44 |
| 2025 | 4.32 |
| 2024 | 4.23 |

## Quality of account representation

|      |      |
|------|------|
| 2026 | 4.48 |
| 2025 | 4.41 |
| 2024 | 4.36 |

# Mitsubishi Motors Australia Limited

Driving continued operational resilience  
with **Data#3 Managed Services**

## Challenge

Growing IT complexity and limited internal capacity.

## Solution

Expanded Data#3 Managed Services.  
Service Desk, Application Support, Software Licensing  
Management, Cloud Optimisation

## Outcome

Reduced risk, optimised costs, enabled strategic focus.



We know that with Data#3's Managed Services in place, we  
have business continuity, and if we have any issues, they'll  
be resolved in a timely, professional manner.

Damien Chicco – GM of Digital Strategy & Services, MMAL.

**Data#3**



## Award-winning workplace



**HRD Employer  
of Choice**

11 Years and running



**2026 Best Places to  
Work in Tech**

#8 overall in Australia



**AFR Best Places  
to Work**

Finalist

# Our world-leading vendor partners



...and over 500 more.

# Partner awards

Cisco Employee Experience Partner of the Year (Global)

Cisco Collaboration Partner of the Year (Global)

Cisco Collaboration Partner of the Year (APJC)

Cisco Services and Software Excellence Partner of the Year (Global)

Cisco Employee Experience Partner of the Year (APJC)

Cisco Services and Software Excellence Partner of the Year (APJC)

Cisco Cloud and AI Infrastructure Partner of the Year (APJC)

Cisco ANZ Partner of the Year

2025 Microsoft Country Partner of the Year

HP Greater Asia Top Amplify Impact Partner

HP Services Partner of the Year

HPE Platinum Networking Partner of the Year

Australia's Best Workplaces™ in Technology

HRD Employer of Choice

Veeam ProPartner of the Year

Sustainability Champion of the Year

Frost & Sullivan Institute Enlightened Growth Leadership Best Practices

11:11 Systems 2025 Partner of the Year

ARN Tech Partner for Cloud

## Data#3 as an AI case study

Finance ..... HR ..... IT ..... Cyber Security ..... Sales ..... Customer Experience

### AI-embedded Solutions



Microsoft Fabric



Microsoft Azure Foundry



Microsoft Copilot Studio



LinkedIn Sales Navigator



GitHub Copilot



Microsoft Azure  
Cognitive Search



Microsoft Copilot

## AI in action: by the numbers

AI for Automation

**\$5m+**

Cost avoidance by streamlining repetitive work through automation as revenue grows

AI for Augmentation

**260+**

AI Agents across the business augmenting and optimising workflows, development teams, and customer experiences

AI for Analysis

**650+**

Security events per second to protect Data#3 from Cyber Security threats

AI For Authoring

**20+**

AI Agents optimising customer proposals

FY26

# Financial performance

## FY26 Financial highlights

Gross Sales

**\$3.4B**

Up 12.7%



Gross Profit

**\$305.2M**

Up 5.3%



EBIT

**\$69.8M**

Up 16.6%



NPBT

**\$78.8M**

Up 14.0%



Basic EPS

**35.16 cents**

Up 13.0%



Dividends per share

**31.75 cents**

Up 13.0%

Payout ratio of 90.3%



# Infrastructure Solutions

## Gross Sales

**\$651.1M**

FY25: \$570.7M

↑ 14.1%

## Gross Profit

**\$84.5M**

FY25: \$71.2M

↑ 18.6%

## Gross Margin

**13.0%**

FY25: 12.5%

↑

## Management Profit

**\$31.2M**

FY25: \$17.5M

↑ 78.3%

- **Infrastructure Solutions** sales growth boosted by End User Compute sales, underpinned by Windows 11 related upgrades and device refresh cycles
- Growth in sales of Data Centre storage and servers also up over 19%, as customers move to hybrid cloud and prepare for adoption of AI
- Expertly managed any supply variability related to global memory shortages and significant hardware price increases
- Gross Profit boosted by improved deal margins, accelerator rebates with strong sales performance and shift in rebates from Maintenance Services
- Significant cost efficiencies gained from automation and improvement of ordering and invoicing processes, and restructuring completed during FY25

# Software Solutions

## Gross Sales

**\$2.3B**

FY25: \$2.0B

↑ 14.1%

## Gross Profit

**\$78.1M**

FY25: \$72.6M

↑ 7.6%

## Gross Margin

**3.4%**

FY25: 3.6%

↓

## Management Profit

**\$41.0M**

FY25: \$38.1M

↑ 7.7%

- **Software Solutions** growth driven by ongoing demand for security products, cloud subscriptions, Adobe and Azure
- Gross Profit growth exceeded internal expectations, as the impact of Microsoft incentive program changes was successfully mitigated
- Significant growth in Cloud Solution Provider sales and gaining momentum with Licensing Consulting and Management offerings
- Strong Enterprise Agreement renewals particularly in Public Sector, including Federal Govt Microsoft Volume Sourcing Agreement (VSA)
- Strong growth with non-Microsoft vendors, in line with diversification strategy, and all mitigation strategies to Microsoft incentive program changes proving successful

# Services

| Business unit                     | FY26<br>Gross<br>Sales (\$M) | FY25 Gross<br>Sales (\$M) | Change      |
|-----------------------------------|------------------------------|---------------------------|-------------|
| Business Aspect Consulting        | 37.1                         | 30.4                      | 22.1%       |
| Project Services                  | 67.4                         | 79.6                      | (15.3%)     |
| Maintenance Services              | 192.3                        | 172.5                     | 11.5%       |
| Managed Services                  | 60.0                         | 54.8                      | 9.4%        |
| People Solutions<br>(recruitment) | 55.5                         | 60.9                      | (8.7%)      |
| <b>Services Gross Sales</b>       | <b>412.3</b>                 | <b>398.2</b>              | <b>3.6%</b> |

|                               |       |       |         |
|-------------------------------|-------|-------|---------|
| Services Gross Profit         | 142.3 | 145.6 | (2.2%)  |
| Services Gross Margin         | 34.5% | 36.6% | (2.1pp) |
| Services Management<br>Profit | 28.2  | 32.2  | (12.6%) |

pp = percentage point

- **Consulting** had a record year, focused on capitalising on the market opportunity across Key Accounts and various practices, including Transformation & Governance and Information & Analytics
- **Project Services** impacted by customers delaying larger projects this year due to reduced business confidence, customer timing and extended procurement processes, primarily across QLD, VIC and WA markets. Focus on development of new solutions and capability during FY26, for execution starting FY27
- **Maintenance Services** saw solid improvement in the second half and a record year of Enterprise Agreement wins. Gross margins lower due to some Cisco rebates shifting to Infrastructure segment
- **Managed Services** ongoing contract wins and renewals, particularly in the resources sector. Onsite Managed Services flat on PCP, with some downsizing in a Key Account. Solid pipeline for both Enterprise and Onsite Managed Services
- **People Solutions** ongoing tight labour market and economic sentiment saw a reduction in contractors across key accounts, predominately in QLD

Data#3

# FY26 Financial Results – Profit and Loss

| Consolidated Profit & Loss<br>\$'000's | FY26           | FY25           | Change        | Change       |                                                                                                                                              |
|----------------------------------------|----------------|----------------|---------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| Revenue and Other income (ex interest) | 907,298        | 853,003        | 54,295        | 6.4%         | Includes Software Solutions and vendor delivered Maintenance Support revenues presented on a net basis                                       |
| <b>Gross Profit</b>                    | <b>305,173</b> | <b>289,719</b> | <b>15,454</b> | <b>5.3%</b>  | 1H Gross Profit impacted by Microsoft incentive program changes, and full year sales mix                                                     |
| Operating Expenses                     | 228,765        | 223,316        | 5,449         | 2.4%         | Staff costs up just over 2% on PCP with tight cost control, and improved operating leverage.                                                 |
| <b>EBITDA*</b>                         | <b>76,408</b>  | <b>66,403</b>  | <b>10,005</b> | <b>15.1%</b> | Operating costs benefitted from a 1H \$0.9M lease accounting adjustment, offset by increased IT projects, software licensing and other costs |
| EBITDA margin                          | 8.4%           | 7.8%           |               | 0.6pp        |                                                                                                                                              |
| Depreciation and amortisation          | 6,567          | 6,486          | 81            | 1.2%         |                                                                                                                                              |
| Interest Income                        | 10,085         | 10,242         | (157)         | (1.5%)       | Earned off strong average cash position and sustained high cash rate                                                                         |
| Finance costs                          | 1,132          | 1,040          | 92            | 8.8%         |                                                                                                                                              |
| <b>Net Profit Before Tax</b>           | <b>78,794</b>  | <b>69,119</b>  | <b>9,675</b>  | <b>14.0%</b> | Strong Net Profit growth reflects tight cost control, that substantially offset the impact of the Microsoft incentive program change         |

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

# FY26 Financial Results – Balance Sheet

| Consolidated Financial Position<br>\$'000's | 30 June 2026     | 30 June 2025   |
|---------------------------------------------|------------------|----------------|
| Cash                                        | 326,047          | 356,689        |
| Other current assets                        | 720,715          | 547,237        |
| Non-current assets                          | 48,263           | 38,172         |
| <b>Total assets</b>                         | <b>1,095,025</b> | <b>942,098</b> |
|                                             |                  |                |
| Current liabilities                         | 975,906          | 839,215        |
| Non-current liabilities                     | 23,957           | 18,714         |
| <b>Total liabilities</b>                    | <b>999,863</b>   | <b>857,929</b> |
|                                             |                  |                |
| <b>Net assets</b>                           | <b>95,162</b>    | <b>84,169</b>  |
|                                             |                  |                |
| Current ratio                               | 1.1              | 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. Inventory increased to \$73.4M (FY25: \$18.4M) to manage potential supply challenges and price increases related to global memory shortages.

Newly recognised right-of-use assets and PPE related to new Melbourne, Canberra and Sydney office leases

Trade creditors higher in June with EOFY sales peak

*Current assets / current liabilities*

# FY26 Financial Results – Cash Flow

| Consolidated Cash Flow<br>\$'000's    | FY26     | FY25     | Change    | Change % |
|---------------------------------------|----------|----------|-----------|----------|
| Cash flows from operating activities  | 23,254   | 126,294  | (103,040) | (81.6%)  |
| Cash flows from investing activities  | (5,038)  | (2,169)  | (2,869)   | 132.3%   |
| Cash flows from financing activities  | (47,970) | (44,188) | (3,782)   | 8.6%     |
| Net increase/ (decrease) in cash held | (29,754) | 79,937   |           |          |
|                                       |          |          |           |          |
| Opening cash balance                  | 356,689  | 276,381  |           |          |
| Effect of FX movements                | (888)    | 371      |           |          |
| Closing cash balance                  | 326,047  | 356,689  |           |          |

Operating cash inflows reflect timing of receipt of customer payments, net of payment of supplier invoices during peak month of June

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

Dividends paid of \$44.2M (FY25: \$40.3M) ~ 90% payout ratio

Average daily cash balance \$276M (FY25: \$267M)

# Effective Working Capital Management



**\$326.0M**

Closing cash



**\$276M**

Average daily cash

Up over 3%



**\$10.1M**

Interest income

FY25: \$10.2M

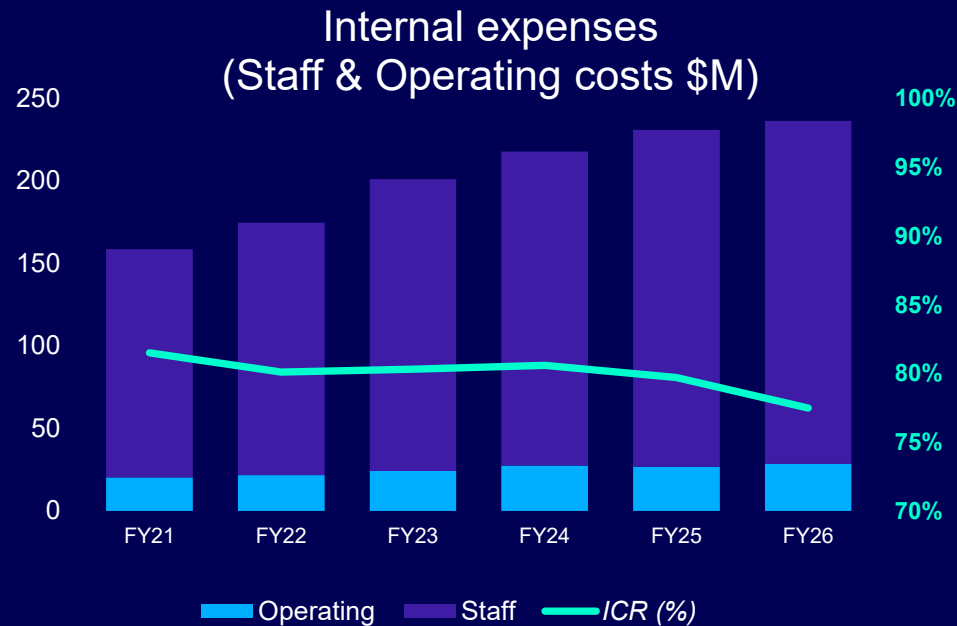


**25 days**

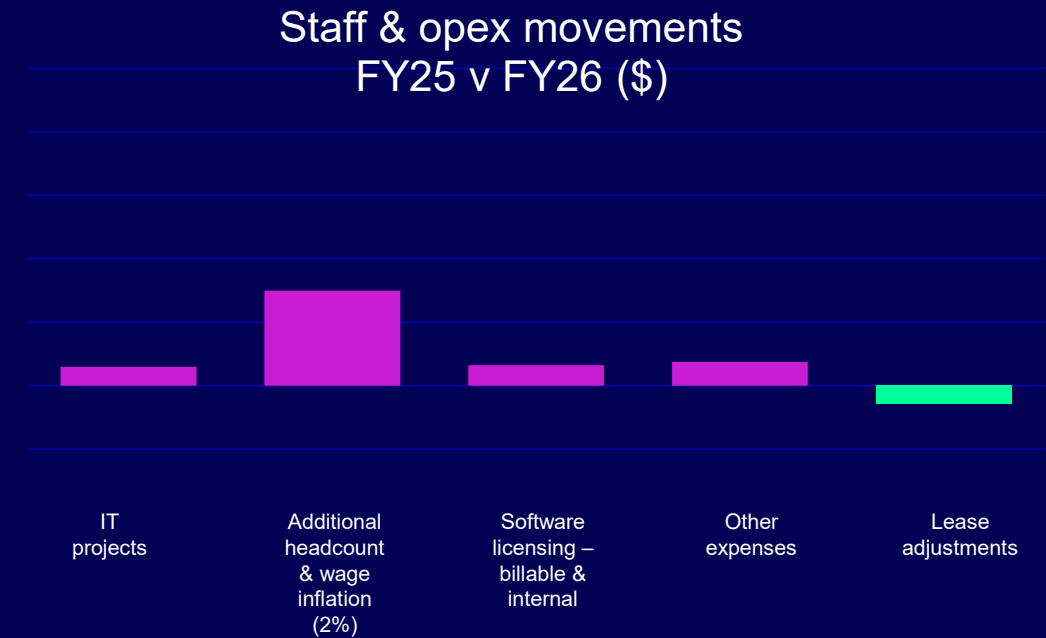
Average Day Sales  
Outstanding

FY25: 25 days

# Positive trend in operating leverage



- Internal Cost Ratio (Internal expenses / Gross profit) or ICR, has improved steadily over time
- FY26 ICR of 77.5%, down on FY25 79.7%, due to restructuring of Infrastructure Solutions business in 1H 25, automation initiatives, system improvements and effective cost management



- Operating expenses include insurances, IT project investments, software licensing and cloud consumption. Offset by one-off lease accounting benefit, primarily relating to the Melbourne office location in 1H 26
- Staff costs up just over 2% on PCP driven by a contraction in billable Services headcount to align with customer demand, offset by investment in sales specialist roles, offshore contractors and general wage inflation

# IT sector trends

# 2026 Australian technology industry trends<sup>1</sup>



## IT Industry Growth

Spend on IT expected to grow 8.9% in 2026 to \$172B



## Software

13.6% growth expected to \$60B  
AI and cyber security enabled



## Devices

6.6% growth expected to \$16B



## IT Services

5.6% growth expected to \$59B  
Organisational efficiency



## Data Centre

22.5% growth expected to \$10B  
Underpinned by demand for AI processing and storage capacity

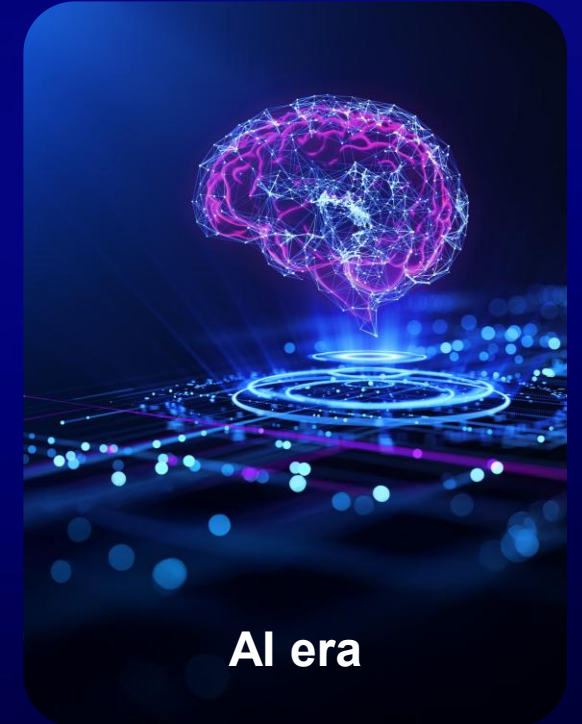
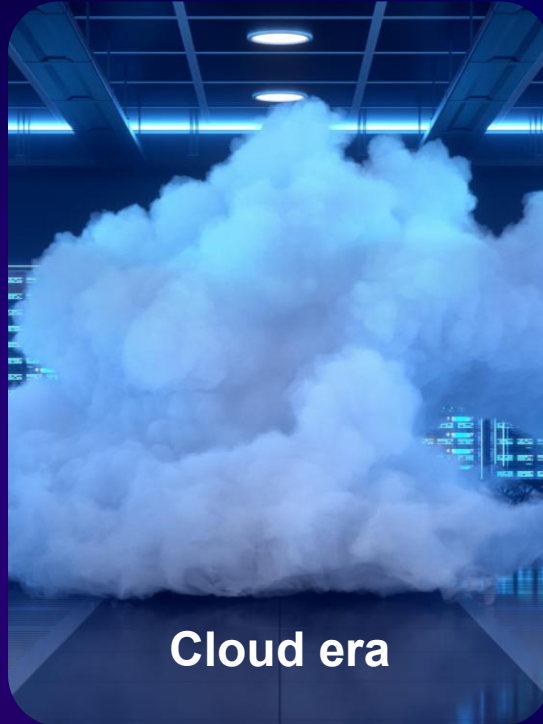


## Communication Services

3.6% growth expected to \$27B

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

# The evolving IT operating model



# 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 we operate.

# Solutions and Lifecycle

Solution  
Technologies

Artificial  
Intelligence (AI)



Cyber Security



Applications &  
Automation



Collaboration



End User  
Computing



Hybrid Cloud



Networking



Lifecycle  
Services

Advise



Procure



Deploy



Adopt



Operate



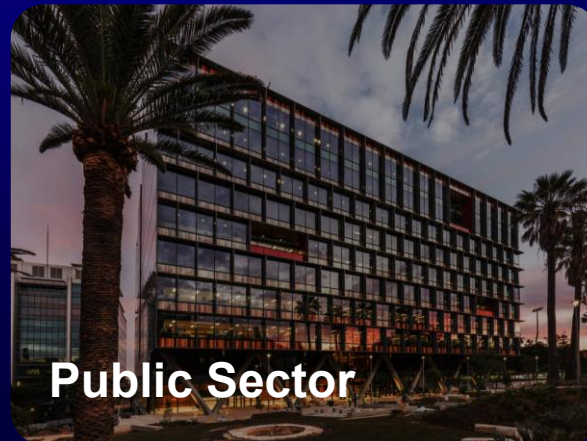
# How we deliver our Lifecycle Services



Lifecycle  
Services

Data#3's  
Business  
Units

## Outcomes through industry relevance



# Data#3 Solutions and the AI opportunity

Solution  
Technologies

## Artificial Intelligence (AI)



AI specific solutions such as Copilot and Azure Foundry

## Cyber Security



Defence of AI based attacks using AI based tools

## Applications & Automation



Increased efficiency of applications. AI tools automation and integration.

## Collaboration



AI enabled software and hardware with Microsoft teams, Cisco Webex and in room equipment

## End User Computing



AI PCs for faster local processing of AI to reduce latency

## Hybrid Cloud



Increase in Server, Storage and Public Cloud AI Solutions

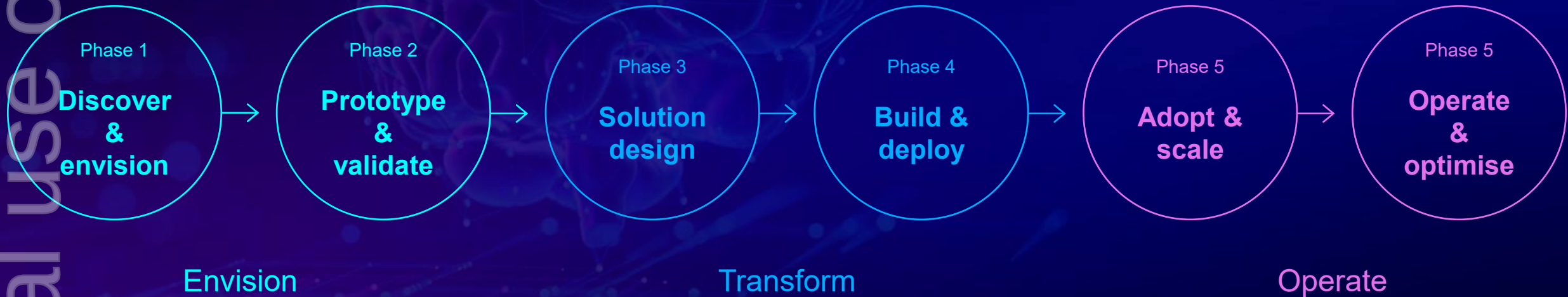
## Networking



Enterprise Networking embedded with AI for better manageability and insights

# The Data#3 AI Factory

The enterprise AI service lifecycle for real business outcomes.



# Key initiatives

**Artificial  
Intelligence (AI)  
Solution Practice**

**24x7 Sovereign  
Security  
Operations Centre**

**Microsoft  
Services in Public  
Sector**

**Managed Azure  
Acceleration**

**Unified Endpoint  
Management**  
(Device as a Service)

**ServiceNow  
upgrade**  
(Managed Services)

# Investments for enhanced services



## Artificial Intelligence Practice

A deliberate, high-priority investment in establishing an Artificial Intelligence Practice in FY27 to position the business at the forefront of next-generation value creation.



## 24x7 Sovereign Security Operations Centre

A strategic investment in establishing a 24/7 **Sovereign** Security Operations Centre (SOC) in FY27 to strengthen our leadership in trusted, locally governed cyber security services.

Deliberate plan to accelerate growth and profitability of our Services business

# Executive Management Team updates

- Michael Bowser retired from the Executive General Manager of Services role effective 31 December 2025, after more than 38 years of service to the company
- David Gold welcomed to the Services leadership role in March 2026
- David has more than 30 years' experience in the technology industry, having held senior leadership roles across consulting, professional services and managed services



**Michael Bowser**

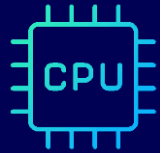
Retired Executive General  
Manager - Services, Data#3



**David Gold**

Executive General Manager -  
Services, Data#3

# Outlook



## Infrastructure Growth

Continued strong growth based on AI Infrastructure, End user Computing, Networking and Hybrid Cloud.



## Software Growth

Return to normal growth with strategic focus on winning with complementary vendor partners, services and packaged offerings.



## Services Growth

Expanded Managed and Project Services offerings across AI, Security, Devices and Cloud.

# Outlook

Consistent with previous practice, we are not providing specific FY27 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 consistent earnings growth for our shareholders, in line with our long term strategy.



“

**We have a growing market, excellent support from our vendor partners and momentum generated by AI.**

**As a leader in the Australian IT industry, there is no better place to be.**

**Brad Colledge**

Managing Director and Chief Executive Officer, Data#3

# Q&A

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