FŌS
CAPITAL

FY26 Result Presentation

26 August 2026

FOS Capital – Overview

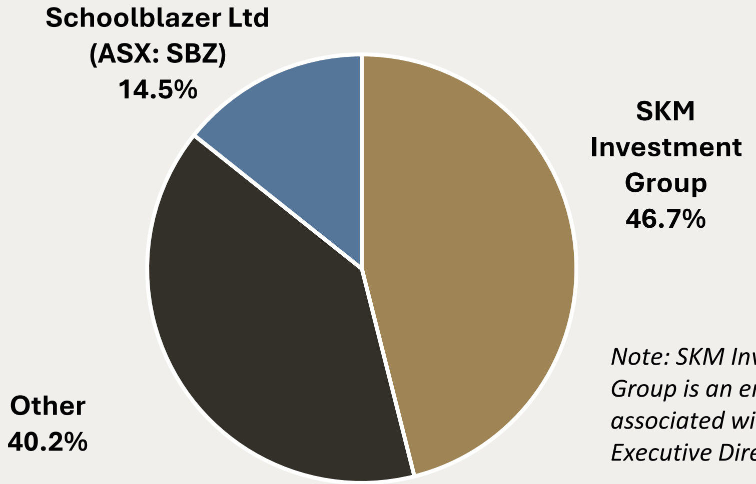
Founder-led manufacturer & distributor of commercial LED lighting

- FOS **manufactures** a range of commercial luminaires, outdoor fittings, and linear extruded lighting, and **distributes** a range of commercial and architectural lighting solutions. FOS also provides a comprehensive range of street and roadway lighting solutions, supporting major infrastructure and urban development projects.
- The company remains founder-led and majority founder-owned, with its 85 staff based in Australia and New Zealand.
- FOS **owns 15 brands** and **2 manufacturing facilities** located in Brisbane and Sydney, and 96% of all sales are product lines that FOS has complete control over.
- FOS operates in **highly fragmented markets** that are worth an estimated $500m, with adjacent markets worth more than $1bn.

FOS is committed to increasing market share from 5% to 15% in the medium-term through a combination of continued organic growth and strategic acquisitions, at an EBITDA margin exceeding 10%

Board of Directors	
Sandy Beard	Non-Executive Chair
Con Scrinis	Managing Director
Michael Koutsakis	Executive Director
Michael Monsonego	Non-Executive Director

Key Shareholders



Note: SKM Investment Group is an entity associated with the Executive Directors

FY26 Highlights

Despite a challenging FY26, record pipeline activity, a stronger order book and $2m annualised cost savings are expected to support improved FY27 performance

Sales
$22.4m
-12% vs pcp

EBITDA
$(0.5)m
Excludes ATS restructuring costs ($1.3m) & inventory write-off ($0.6m)
$2.1m in pcp

PBT
$(1.4)m
$1.2m in pcp

Quote Pipeline
$130m
Record high

Order Book
$10m
Highest level in 2+ years

Cost Reduction Program
$2m Annualised
Of which $1m implemented

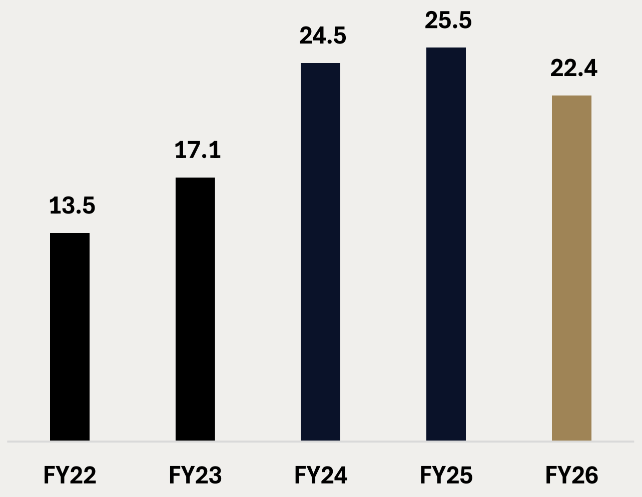
Acquisition Update
Aldridge Traffic Systems
Turnaround well underway
$8m active quotes & tenders

Acquisition Update
Glowing Structures
Successfully integrated
$3m specifications generated

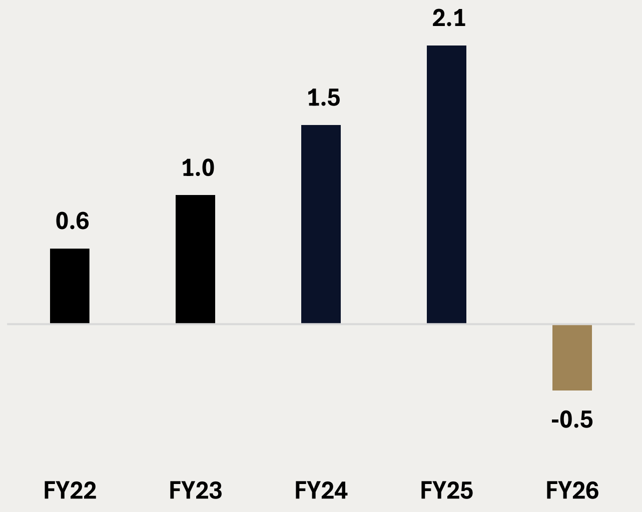
FY26 Financial Overview

FY26 impacted by delayed project awards and extended procurement timeframes across key customer segments

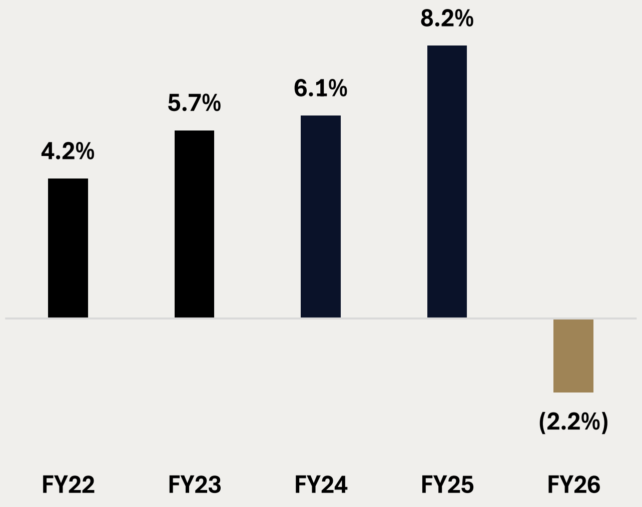
Revenue ($m)



EBITDA ($m)



EBITDA margin (%)



Despite a challenging FY26, the Group's order book increased to $10m (the highest level in over two years) and the active quote pipeline reached a record $130m, supporting improved FY27 revenue visibility.

Note: FY26 EBITDA excludes ATS restructuring costs of $1.3 million and inventory write-off of $0.6 million

FY26 Review

Strong order momentum and operational initiatives position the Group for improved performance in FY27

- **FY26 results were below expectations**, reflecting softer market conditions and delayed project awards across a number of customer segments.
- **Customer engagement remained strong throughout the year**, however extended procurement timeframes delayed the conversion of quotations into firm orders.
- **Order momentum improved significantly during the second half**, with the Group's order book increasing to $10 million, its highest level in over two years.
- **The active quote pipeline reached a record $130 million**, up from $115 million in the prior corresponding period, supporting improved revenue visibility.
- **ATS continued to gain traction and Glowing Structures continued to perform well**, with active ATS quotes and tenders increasing to $8 million and product specifications exceeding $3 million.
- **Management has identified approximately $2 million in annualised cost savings**, with around $1 million already implemented and the balance expected to be delivered over coming months.
- **The Board believes the Group is well positioned to benefit from a strengthened order book**, record quote pipeline, ATS growth initiatives and ongoing cost reduction programs.

Growth Strategy

Multiple growth initiatives expected to support earnings growth and market share expansion

Market Consolidation & Acquisition Platform

FOS operates in fragmented lighting and infrastructure markets.

Seven acquisitions successfully completed and integrated.

Continued focus on opportunities that increase scale, expand product capability and strengthen market position.

Glowing Structures and ATS provide additional growth avenues beyond the core lighting business.

ATS Expansion

Active ATS quotes and tenders increased from $5.5m to $8.0m during FY26.

Secured first major contract under the Eastern Freeway Project.

Growing participation in infrastructure and traffic management markets.

Opportunity to leverage FOS customer relationships and procurement capability.

Specification & Product Growth

Product specifications generated through Glowing Structures now exceed $3m.

New commercial lighting products introduced during FY26.

Focus on increasing specification-driven sales and higher-value project opportunities.

Continued investment in differentiated lighting solutions.

Margin & Earnings Improvement

Approximately $2m annualised cost savings identified.

Around $1m already implemented.

Purchasing efficiencies and supply-chain initiatives expected to support margins.

Benefits expected to be progressively realised during FY27.

Record pipeline activity, a strengthened order book, ATS growth initiatives, specification-led sales opportunities and operational efficiencies provide a platform for improved earnings performance and market share growth.

Key Acquisitions & Agreements

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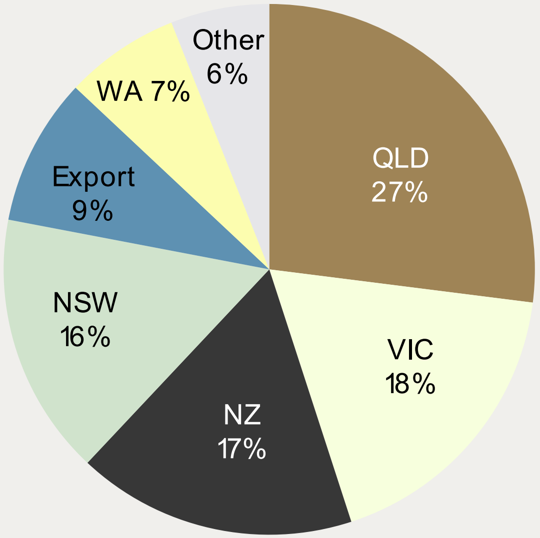
Track record of strategic, accretive acquisitions

- April 2019
  FTE 2
  FOS Lighting is Established
- May 2019
  FTE 4
  FOS Lighting & Formalighting form a partnership
- June 2019
  FTE 25
  FOS Lighting acquires FREND LIGHTING & MEGABAY
- September 2019
  FTE 26
  The release of the VEKTA Product range
- Feburary 2020
  FTE 28
  FOS Lighting opens the South Australia office
- November 2020
  FTE 57
  FOS Lighting acquires JSB Lighting
- June 2021
  FTE 50
  FOS Lighting lists on the ASX
- September 2021
  FTE 54
  FOS Lighting acquires ECOPOINT
- September 2021
  FTE 57
  FOS Lighting is ISO 9001 Certified
- August 2022
  FTE 50
  FOS Lighting appoints Aura Lighting in WA
- October 2022
  FTE 64
  FOS Lighting acquires Hawko Lighting
- October 2023
  FTE
  FOS Lighting acquires KLIK Systems
- May 2025
  FOS Lighting acquires Glowing Structures
- June 2025
  FOS Lighting acquires Aldridge Traffic Systems (ATS)

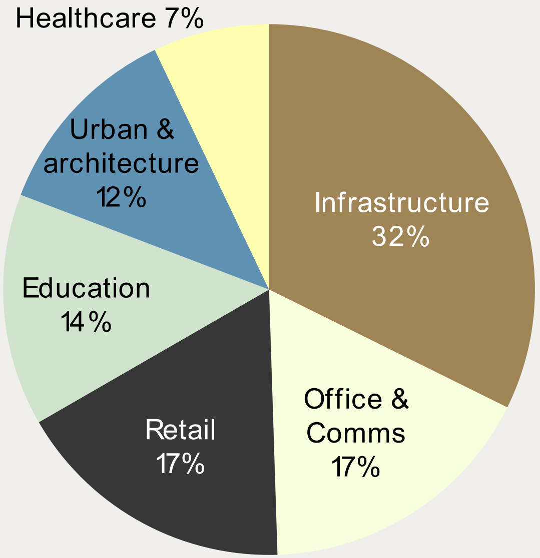
Geographic & Sector Exposures

Diversified geographic & sector exposure supports growth opportunities across multiple end markets

Geographic Exposure



Sector Exposure



FY26 Income Statement

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Softer market conditions & extended project award timeframes impacted FY26 earnings

A$m	FY26	FY25	Change
Sales	22.4	25.5	-12%
Gross profit	9.7	11.3	-14%
Other income	0.0	0.1	-58%
Expenses	-8.7	-8.0	+10%
EBITDA (Excl. ATS restructure)	-0.5	2.1	-122%
EBITDA margin (Excl. ATS restructure)	-2.0%	8.2%	-1,019bp
EBITDA	-2.3	2.1	-213%
PBT	-3.3	1.2	-366%
NPAT	-2.4	0.9	-362%
EPS (cps)	-3.6	1.7	-308%
DPS (cps)	0.0	1.0	-100%

Revenue was impacted by softer market conditions and extended project award timeframes.

While quoting activity remained strong, project conversion to firm orders occurred slower than historically experienced.

Earnings were impacted by lower revenue, ATS restructuring costs and inventory rationalisation initiatives.

Management has since identified $2 million in annualised cost reductions, with $1 million already implemented.

FY26 Cash Flow

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Operating cash flow remained broadly cashflow breakeven despite lower revenue and earnings in FY26

A$m	FY26	FY25	Change
Receipts from customers	25.8	28.5	-9%
Payments to suppliers & employees	-25.4	-25.6	-1%
Other	-0.5	-0.6	-6%
Operating Cash Flow	**-0.1**	**2.3**	**-104%**
Capex	0.0	0.0	nm
Sale of assets	0.5	0.0	nm
Acquisitions	-0.2	-4.3	-95%
Investing Cash Flow	**0.2**	**-4.3**	**Nm**
Net proceeds from borrowings	0.2	1.2	-81%
Net equity issuance	0.4	3.4	-88%
Dividends paid	-0.7	-0.5	+25%
Payment of lease liabilities	-1.4	-1.3	+7%
Financing Cash Flow	**-1.5**	**2.8**	**-152%**
Net change in cash	-1.3	0.8	268%
Closing Cash	**1.0**	**2.5**	

Despite lower revenue and earnings in FY26, **operating cash flow remained broadly cashflow breakeven** at an outflow of $0.1 million.

Investing cash flow improved following completion of recent acquisitions in FY25, while **financing cash flow** reflected normal lease repayments and dividend payments.

FY26 Balance Sheet

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Balance sheet remains supported by positive working capital and modest leverage levels

A$m	30 Jun-26	30 Jun-25	Change
Cash	1.0	2.5	-61%
Receivables	2.8	3.9	-27%
Plant & Equipment	1.0	1.2	-13%
Other Assets	17.3	18.1	-4%
Total Assets	**22.1**	**25.7**	**-14%**
Payables	2.6	1.7	+53%
Borrowings	4.1	3.9	+6%
Other Liabilities	4.2	6.0	-30%
Total Liabilities	**10.9**	**11.6**	**-6%**
Net Assets	**11.3**	**14.1**	**-20%**

Receivables reduced to $2.8 million while payables increased to $2.6 million, supporting **improved working capital management** during FY26.

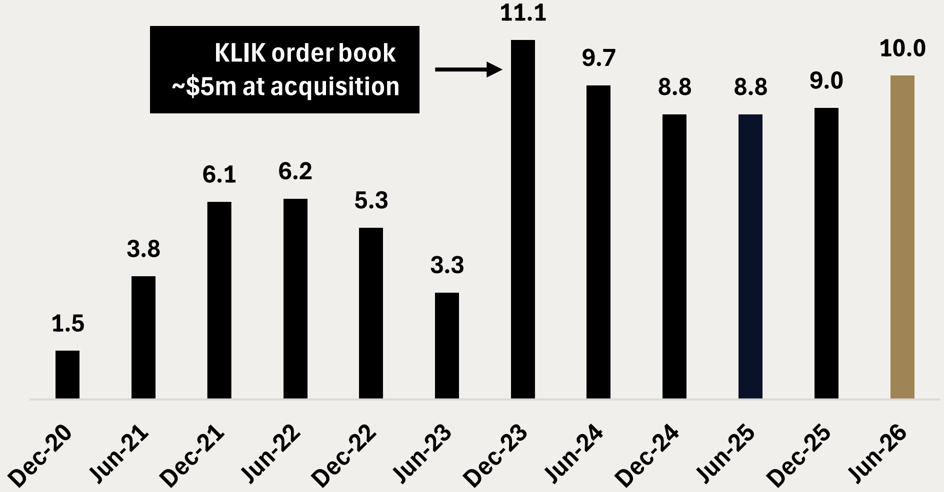
Net borrowings remained modest at $3.1 million, with total liabilities declining 6% to $10.9 million.

The Group ended FY26 with net assets of $11.1 million and cash of $1.0 million.

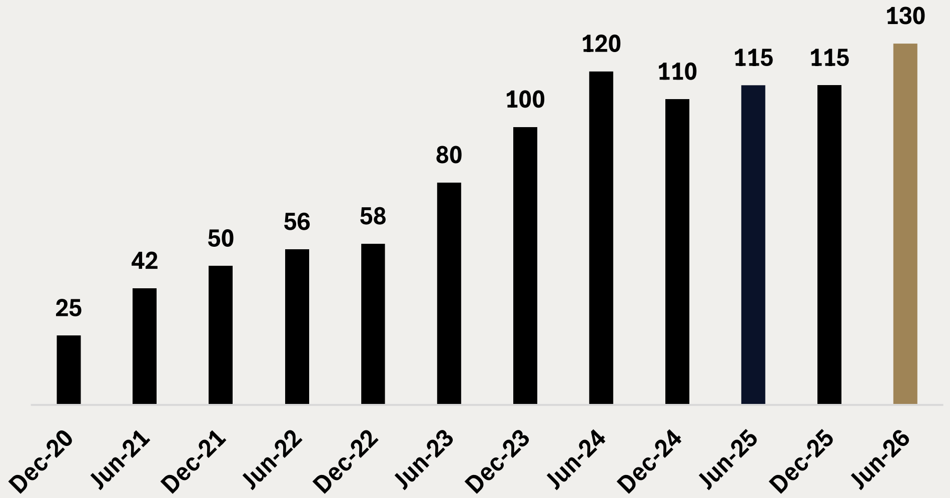
Outlook

Strengthening order book and record quote pipeline support improved FY27 revenue visibility

Orders on hand ($m)



Active quotes ($m)



The Group entered FY27 with a $10 million order book, its highest level in over two years, and a record $130 million active quote pipeline, supporting improved revenue visibility and future order conversion opportunities.

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Contact

Con Scrinis, Managing Director

con@foslighting.com.au