

21 November 2025

CEO Address to Shareholders at Verbrec's 2025 Annual General Meeting

Verbrec Limited (ASX : VBC) (Verbrec or the Company) issues the following address script delivered by Verbrec's Chief Executive Officer, Mark Read at the Company's 2025 Annual General Meeting.

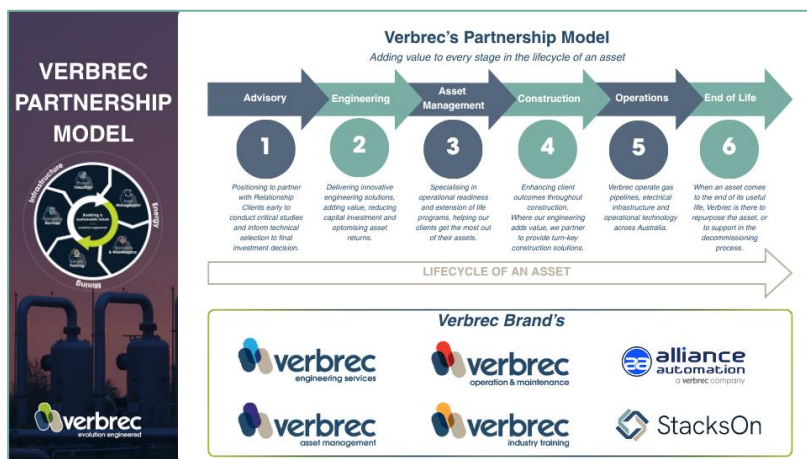


I would like to start by acknowledging the traditional owners of the land on which we are meeting today and pay my respects to Elders past and present.

As the Chairman noted in his address we had a very successful 2025 financial year, with record profit margins, strong cash position and improved operational performance.



We operate under several brands in Engineering, Asset Management, Operations & Maintenance and Training. We also will very shortly operate under another very-well-regarded brand, Alliance Automation. And of course, StacksOn, our mining stockpile software as a service product and digital twin.



It's through our client partnership approach, we will be successful in growing our business and leveraging the combined strength of Verbrec's engineering pedigree and Alliance Automations digital innovation.

Where we differentiate ourselves from others is our commitment to partnering with our clients across the entire lifecycle of their assets.



Alliance Automation Acquisition

- 1 Acquisition**
 - Verbrec has signed an agreement to acquire Alliance Automation from Telstra for \$5.5 million up-front cash consideration (as adjusted for customary working capital and net debt position).
 - The headline purchase price is a 5 x multiple of FY2025 EBITDA of \$1.1 million.
 - The transaction is expected to complete before end of calendar year 2025.
 - On a pro-forma basis, the transaction is expected to add over \$60 million in annualised revenue and will result in a combined group with approximately 700 team members across 18 locations across Australia and New Zealand.
- 2 Strategic Rationale & Synergies**
 - The transaction enhances Verbrec's digital capability. Alliance Automation has a strong focus on Industry 4.0 and the convergence of information technology and operational technology, enabling a sustainable future for its clients and their customers.
 - Alliance Automation and Verbrec share a common set of core relationship clients. Alliance Automation is an ideal fit for Verbrec's integrated delivery model, delivering solutions across the entire asset lifecycle.
 - With a growing market share in cyber security for physical operational technology and a developing capability in machine learning and artificial intelligence, Alliance Automation is positioned to address client asset needs, today and in the future.
- 3 Opportunities**
 - The transaction expands Verbrec's combined capability and geographic footprint. Verbrec will pursue opportunities to grow revenues through expanded services to a common client base. Verbrec can more effectively deliver services across the entire asset lifecycle and enable a sustainable future for our clients and their customers.
 - Verbrec's current management team have a strong track record of improving business performance, having improved Verbrec's EBITDA margins from (0.6%) in FY2023 to 9.2% in FY2025. Both Verbrec and Alliance Automation management teams are confident of improving the merged Group's EBITDA margins in the near term.

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Verbrec has signed an agreement to acquire Alliance Automation from Telstra.

Alliance Automation is a digital first company, with a strong focus on the convergence of information technology and operational technology, commonly referred to as Industry 4.0.

They also have a developing capability in machine learning and artificial intelligence. These skills are in high demand from our clients in Australia and beyond.

I'm very excited for the capability it adds to Verbrec's repertoire.

Better than ever, Verbrec will be able to meet our client's needs, across the entire asset lifecycle, today and into the future.

On a pro-forma basis, the transaction is expected to add over \$60 million in annualised revenue to Verbrec.

It also increases our scale, with a combined headcount of 700 across 18 locations throughout Australia and New Zealand.

ALLIANCE AUTOMATION OVERVIEW

Alliance Automation is one of Australia's largest independent electrical engineering and industrial automation professional services providers, offering unique turn-key solutions to sector-specific issues.

Alliance Automation specialises in Industrial Automation Solutions, Program & Project Management, Cyber Security & OT Infrastructure Services, Electrical Engineering and Operational Technology Data & Digital Solutions with a developing capability in Machine Learning and AI.

Founded in 2010, Alliance Automation has grown to 11 offices across Australia with approximately 275 professional staff servicing over 325 clients annually.

Verbrec and Alliance Automation share a common client base and service tier one customers, including BHP, Rio Tinto, Santos, Origin Energy, SA Water and more.


The specialist services Alliance Automation provides has built-in structural tailwinds in a high growth industry.

15 YEARS
Alliance Automation was founded in 2010.

\$62.4 MILLION
Alliance Automation generated \$62.4m in revenues in FY2025.

\$23.6 MILLION
Alliance Automation generated \$23.6m in gross profits in FY2025.

AI
Alliance Automation has a developing capability in machine learning and artificial intelligence.




INDUSTRY 4.0
Alliance Automation is a specialist provider of Industry 4.0 industrial automation solutions.

CLIENTS
Established Tier 1 customer base in critical industries.

MARKET
Alliance Automation services the mining, energy, infrastructure, and water industries.

COVERAGE
Alliance Automation has 11 offices in Australia with over 275 professional staff.



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Alliance Automation is one of Australia's largest independent electrical engineering and industrial automation services providers.

The company was founded in 2010, and much of the management team, including the current CEO have been there since its founding. They have overseen its operations since Alliance Automation was a start-up until now. I am delighted to welcome them to the Verbrec family.

The specialised and innovative digital services that Alliance Automation provides have built-in structural tailwinds in a high growth industry.

STRATEGIC ALIGNMENT








1	Purpose	Enabling a sustainable future for our clients and their customers.
2	Revenue Diversification	The transaction presents an opportunity to diversify the combined group's revenues. Verbrec traditionally sources the majority of its revenues from the Energy sector. Alliance Automation traditionally sources the majority of its revenues from Water, Wastewater and Mining sectors.
3	Client outreach	The combined group has opportunities to expand revenues through expanded services to a common client base and opportunity to cross-sell to new clients introduced as a result of the transaction.
4	Common journey	The groups share a common journey, culture and background.
5	Management & people	Verbrec and Alliance Automation have a strong management team and shared core values.
6	Scale & geographical footprint	Additional scale will produce opportunities for growth, synergistic expense reductions and opportunities to expand services across a wider geographic footprint.

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The strategies employed by both Verbrec and Alliance Automation are aligned, with room to leverage synergies.

While Verbrec primarily generates its revenue from the energy sector, Alliance Automation predominantly services the mining and water sector. This creates a fantastic opportunity for us to compliment, diversify and balance our revenue streams.

Verbrec stands as a robust, leading multi-disciplined engineering and asset management firm, whereas Alliance Automation is more concentrated, with digital innovation at its core. This alignment presents an excellent opportunity for collaboration, enhancing our capabilities and engaging our combined client base.

I have developed a strong and growing relationship with the management team at Alliance Automation, and have complete confidence in their commitment and ability to elevate the company to new heights.

AGGREGATED ACCOUNTS FY2025					
	Verbrec FY2025 \$'000	Alliance Automation FY2025 \$'000	Indicative Aggregation Pro-Forma \$'000	Competency Training Divestment FY2025 \$'000	Indicative Aggregation (Continuing Operations) Pro-Forma \$'000
Revenue	85,617	62,415	148,032	(7,761)	140,271
Gross Profit	31,957	23,606	55,563	(4,850)	50,713
Gross Margin (%)	37.3%	37.8%	37.5%	62.5%	36.2%
EBITDA	7,942	1,113	9,055	(1,938)	7,117
Adjustment for share based performance rights expense	907	-	907	-	907
Adjustment for one-off expenses and discontinued costs prior to Completion	-	946	946	-	946
Adjusted EBITDA	8,849	2,059	10,908	(1,938)	8,970

The above table is provided as a pro-forma, unaudited and indicative aggregation of Verbrec Limited after divestment of Competency Training (each based on FY2025 audited accounts) and acquisition of Alliance Automation (based on FY2025 unaudited management accounts).

The above table does not consider any expected or planned synergies and optimisations post integration that have already been discussed with Alliance Automation management.

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I thank the Chairman for providing an overview of our financial year 2025 results.

On this slide we have used the combined accounts of Verbrec and Alliance Automation to provide a pro-forma and indicative aggregation.

The right-hand column provides the aggregation on a continuing operations basis, with Competency Training divested from the group.

Alliance Automation bring a strong uplift in revenues and strong gross margins to the group.

INDICATIVE SYNERGIES	
1 Revenue Growth & Synergy Opportunities	<ul style="list-style-type: none"> The acquisition of Alliance Automation will provide growth opportunities and synergies to the combined group. Through an expanded national footprint, enhanced capability, increased headcount and a common set of core clients, the group is well positioned for revenue growth. Verbrec and Alliance Automation derive their revenue from different industry sectors, resulting in a resilient and diversified revenue baseline. Management have considered an indicative roadmap of non-labour synergies that will be pursued. Initial points of interest include realising savings through general office & sundry expenses, ICT system consolidation, insurance consolidation, reduction in travel and combined motor vehicle spend and synergies from combining regional office space.
2 Track Record	<p>Verbrec's current management team have a strong track record of improving business performance, having improved Verbrec's EBITDA margins from 0.6% in FY2023 to 9.2% in FY2025. Both Verbrec and Alliance Automation management teams are confident of improving the merged Group's EBITDA margins in the near term.</p>
3 Goal	<p>Verbrec aims to increase revenues, enhance project delivery to reduce cost of goods sold and realise synergies in expenses to bring the combined group's EBITDA margin to 8.0% - 10.0%.</p>

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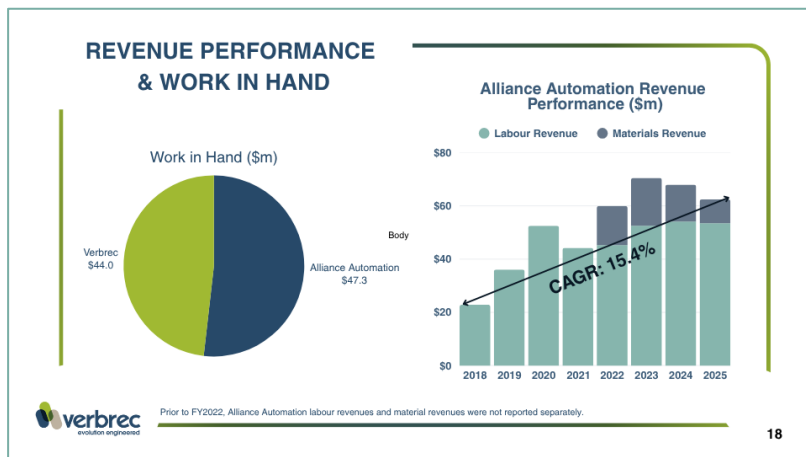
One of the key areas of focus for us now is the realising of synergies from this transaction.

We have an expanded national footprint, a large and growing client base and an improved combined capability set. We aim to increase our revenues by leveraging synergies with relationship clients and an integrated delivery model.

It's important to take a step back and look at where we've come from. The management team here at Verbrec have increased Verbrec's own EBITDA-margins from a net negative position in FY2023 to 9.2% in FY2025.

We've done that by being smarter about the projects we choose to take on, delivering those projects more effectively and continuously driving down our expenses and overheads.

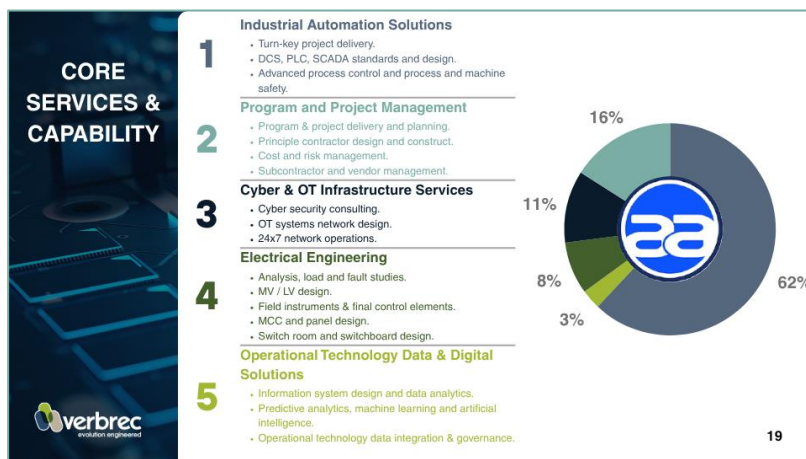
For this reason, we are strong in our belief that, over time, we can realise synergies and bring the combined group's EBITDA margins to 8 - 10%.



The combined work-in-hand is over double what Verbrec had prior to this transaction.

Alliance Automation, over time, has had a strong revenue growth line and a compounded annual growth rate of 15.4%.

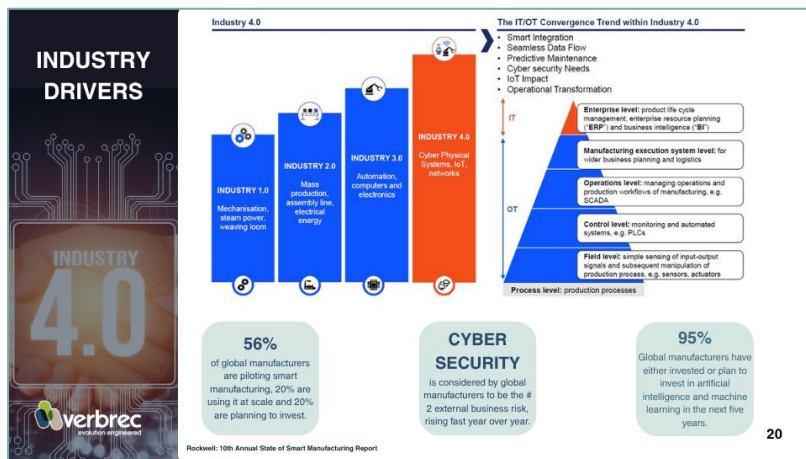
Together, and with a larger addressable market than either company would have had alone, we hope to secure greater market share and grow our revenues, sustainably and profitably.



Alliance Automation currently derives most of its revenues from Industrial Automation Solutions, Electrical Engineering and Project Delivery Services.

This is a great sustainable revenue base and currently makes up around 85% of their business.

The smaller, but fastest growing part of their business is in operational technology and cyber security consulting, including a developing capability in machine learning and artificial intelligence. This is an exciting area, with structural tailwinds and lots of room for growth, as we'll see on the next slides.



Where Alliance Automation really excel is the convergence between information technology and operational technology. Commonly known as Industry 4.0.

With every asset owner looking to leverage data to get the most out of their assets, and legislative drivers to ensure security of critical infrastructure, this is an important and desirable sector to be in, and it's growing.

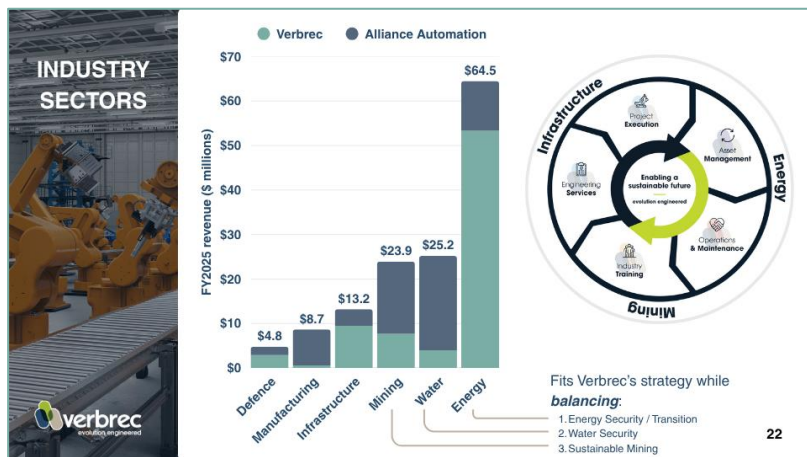


There's a lot to be excited about, with tremendous growth potential in the Internet of Things, Cyber Security, Artificial Intelligence and Machine Learning markets in Australia.

Industry 4.0 is driven by clients who understand that it's critical to their future success to adopt new technologies, increase automation and leverage data to make decisions and increase efficiency.

Critical infrastructure providers also have risk management responsibilities, which is forcing a rapid modernisation of cyber security defences for operational technology.

There's strong adoption and uptake Australia-wide, and there is a growing need for real time data and information, providing more tailwinds for Alliance Automation.



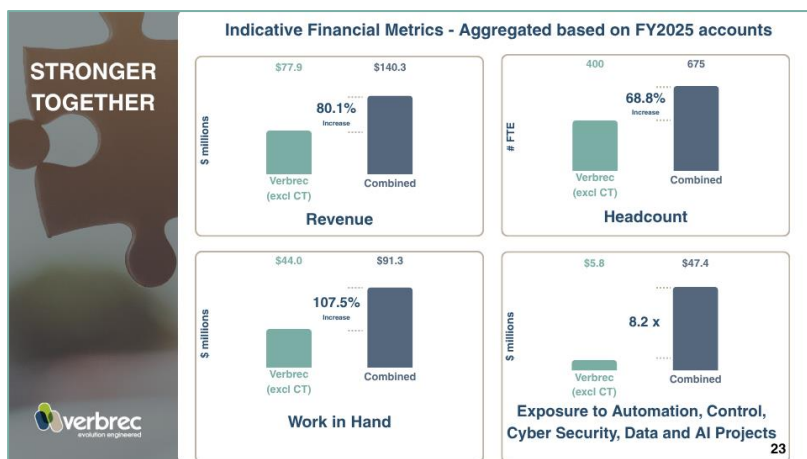
This graphic shows that the combined group has a balanced and diversified revenue base.

Some areas where Verbrec is not traditionally well known, like manufacturing, Alliance Automation has a much stronger presence.


Verbrec's capability is very well suited to supporting clients in the sustainable mining and water security sectors, so there's lots of opportunity there to cross sell to those clients and increase that proportion.

Similarly, there's a great opportunity to increase Alliance Automation's market share in the Energy sector by clearly messaging our new capability to existing relationship clients.

We are very excited about all the opportunities available to Verbrec with the enhanced digital capability of Alliance Automation.



This is an important step-change for Verbrec. The transaction provides over 80% increase in revenues on a continuing operations basis. The work-in-hand position of the group has doubled. Verbrec's exposure to automation, control, cyber security, data and AI projects is over 8 times greater. Truly transformational.

	1	Purpose	Enabling a sustainable future for our clients and their customers.
	2	Competency Training Divestment	<ul style="list-style-type: none"> Verbrec signed an agreement to sell Competency Training to RelyOn for \$11.5 million up-front cash consideration (as adjusted for customary working capital and net debt position). The sale will allow Verbrec to further strengthen its balance sheet. The resulting funds will allow Verbrec to invest in delivering shareholder returns through organic growth opportunities and acquisitions that support Verbrec's purpose of 'enabling a sustainable future for our clients and their customers'. The transaction is expected to complete before end of calendar year 2025.
	3	Alliance Automation Acquisition	<ul style="list-style-type: none"> Verbrec signed an agreement to acquire Alliance Automation from Telstra for \$5.5 million up-front cash consideration (as adjusted for customary working capital and net debt position). On a pro-forma basis, the transaction adds over \$60 million in annualised revenue and will result in a combined group with approximately 700 team members across 18 locations across Australia and New Zealand. The strategic direction of Verbrec and Alliance Automation are strongly aligned. By significantly expanding Verbrec's enhanced digital and automation capability, Verbrec is poised to maximise its integrated delivery model and reinforce its reputation as the recognised partner for a sustainable future. The transaction is expected to complete before end of calendar year 2025.
	4	Growth	<ul style="list-style-type: none"> The transaction expands Verbrec's combined capability and geographic footprint. Verbrec will pursue opportunities to grow revenues through expanded services to a common client base. Verbrec can more effectively deliver services across the entire asset lifecycle and enable a sustainable future for our clients and their customers.
	5	Synergies	<ul style="list-style-type: none"> The acquisition of Alliance Automation will provide growth opportunities and synergies to the combined group. Verbrec's current management team have a strong track record of improving business performance, having improved Verbrec's EBITDA margins from (0.6%) in FY2023 to 9.2% in FY2025. Both Verbrec and Alliance Automation management teams are confident of improving the merged Group's EBITDA margins in the near term. Verbrec aims to increase revenues, enhance project delivery to reduce cost of goods sold and realise synergies in expenses to bring the combined group's EBITDA margin to 8.0% - 10.0%.

In summary

- We've signed an agreement to sell Competency Training to RelyOn for \$11.5 million. This sale is attractive as it strengthens our balance sheet and allows us to reinvest in growth opportunities.
- Our acquisition of Alliance Automation from Telstra will add over \$60 million in annualized revenue and expand our team to approximately 700 members across Australia and New Zealand.
- The strategic alignment between Verbrec and Alliance Automation will significantly enhance our digital and automation capabilities. This positions us as a key partner for our clients. This acquisition not only expands our capabilities but also creates synergies that will enhance our financial performance.
- Our management team has a proven track record of improving business performance, and we aim to increase EBITDA margins to 8.0% - 10.0% over time.
- These strategic changes enable us to pursue growth, deliver comprehensive services, and continue our journey toward sustainability.
- When we combine our capability we can better serve our shared clients and engineer innovative solutions for energy transition, sustainable and smart mining, and robust water security.

I'd like to thank the Chair, Board and the people at Verbrec for their efforts over the last year.

I'd also like to thank our shareholders for their ongoing support.

Authorised for release by the Board of Directors of Verbrec Limited.



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About Verbrec

Verbrec is a leading engineering, asset management, project delivery, operations & maintenance, training and mining technology service provider that supports customers across Australia, New Zealand, Papua New Guinea and beyond. The Company serves the energy, infrastructure, and mining industries through technical specialties; asset management, automation and control, pipelines, power, process plant and training, with capabilities that span across the entire life cycle of an asset. Verbrec is an Australian Securities Exchange listed company (ASX:VBC).

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Note regarding forward looking statements

This announcement contains forward looking statements. Forward-looking statements can generally be identified by use of words such as "may", "should", "could", "foresee", "plan", "aim", "will", "expect", "intend", "project", "estimate", "anticipate", "believe", "forecast", "target", "outlook", "guidance" or "continue" or similar expressions. Forward looking statements in this announcement include statements about Verbrec's financial condition and performance.

Such statements represent Verbrec's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political and social risks, contingencies and uncertainties.

These forward-looking statements are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Verbrec and its related bodies corporate and affiliates (and each of their respective directors, securityholders, officers, employees, partners, agents, advisers and management), and could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements or any projections and assumptions on which those statements are based.

Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Verbrec disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not predictions or guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.