



## ASX Announcement

30<sup>th</sup> January 2026

### FY26 2Q 4C and Trading and Business Update

**Melbourne, Australia:** Technology design and development growth company, Synertec Corporation Limited (ASX: SOP, "Synertec", "the Company" or "the Group") is pleased to provide an update on its activities for the quarter ended 31 December 2025 (FY26 2Q, or "the Period"). All figures are unaudited unless stated otherwise.

#### FY26 2Q Highlights

- **Group revenue & other income for the Period of \$5.1m, up 25% on PCP**
- **Group revenue & other income for FY26 1H of \$10.1m, up 19% on PCP, highest since FY19 1H**
- **\$1.1m reduction in corporate and management costs for FY26 1H compared to PCP**
- **Cash at bank of \$2.7m as at the end of the Period**
- **Positive Operating Cashflow for the Period of \$1.1m compared to cash out flow of (\$0.6m) in FY26 1Q.**
- **Net Cash improved by \$0.1m in the period including drawdown of \$0.5m from the facility and \$0.7m invested in the construction of two powerhouse units previously announced**
- **The three installed Powerhouse units continue to operate seamlessly delivering Revenue of \$0.6m at greater than 90% EBITDA for the Period via multi-year lease agreements. Additional revenue contribution from two units under construction due to be recognised FY26 4Q**
- **The Powerhouse team has made EOIRFT submissions to the value of approximately \$70m with multiple client award decisions imminent**
- **The Engineering business has 139 live tendered opportunities to the value of approximately \$53m**

#### Synertec's Managing Director, Mr. Michael Carroll, commenting on FY26 2Q said:

*"Group revenue and other income for the period was \$5.1m and for FY26 1H was \$10.1m. This is an improvement of 25% and 19% on respective Prior Comparative Periods. While we are excited about the trajectory of our revenue, and the record pipeline of opportunities in both Engineering and Powerhouse, it is particularly pleasing to report that the business recorded a positive Operational Cashflow for the period of \$1.1m, up from a (\$0.6m) cash outflow in the previous quarter, a turnaround of approximately \$1.7m.*

*Management have been "laser" focused on cost efficiency and top-line growth while improving margins. This has resulted in FY26 1H revenue increasing by 19% on PCP, while corporate and management costs have reduced by \$1.1m over the same period.*

*Our long-term strategy for the Engineering business of targeting infrastructure and long duration panel appointments is delivering profitable revenue growth and good cashflow performance. We are confident, based on the strength of our pipeline, and our deep client relationships that the improvement is sustainable beyond the medium term. And, we have the financial and management systems in place to manage future growth profitably.*

*Powerhouse is entering an exciting period where the technology is now accepted to deliver superior performance of power availability and commercial outcomes for our clients in remote areas when compared to fossil fuel generators. The Powerhouse Team has a pipeline of submitted proposals to the value of approximately \$70m, most of which has materialised within the Period, and we know there are more opportunities coming, including significant emerging energy market opportunities.*

*As mentioned, management is focused on efficient, profitable growth and we are confident we can maintain our trajectory.*



## **Technology**

### **Powerhouse**

- **Construction of two previously announced Powerhouse units is progressing well**

Our construction partners are progressing well with the fabrication of two Powerhouse units expected to be in the field in FY26 4Q. Internally, plans are progressing to augment the QA inspection team in both China and Australia to ensure an efficient supervision and Factory Acceptance Testing effort across both locations. The end goal is to “productise” the construction of Powerhouse units to expedite an expanded field roll-out.

- **Operations update**

Despite challenging weather conditions across Australia, existing Powerhouse units in the field continue to operate seamlessly, delivering greater than 99.92% (including the Prototype unit) power availability over a combined 5-year period to gas wells across remote outback Queensland.

Further, the New Generation Powerhouse units have delivered greater than 99.98% power availability over a combined 2.5 years of operation, including only one planned maintenance site visit during that time, reinforcing the key safety and cost benefits which our fully renewable solution brings to remote industry.

- **Strategic Partnerships**

The addition of new strategic partners — particularly suppliers with established channels into project opportunities — has materially strengthened our business development capability and improved our access to projects through highly regarded partners with trusted customer relationships. At the same time, formalised collaborations with key technology suppliers and global manufacturers are enabling our technical teams to drive efficiencies, lower manufacturing cost, and simplify scalable field deployment.

## **Engineering**

- **Sustainable Growth**

The Engineering Business has continued its strong start to the financial year, finishing FY26 1H above target for revenue, margin and utilisation. From a BD perspective the total pipeline position including yet to be tendered opportunities totals 313 opportunities to the value of \$110m with a high portion of this growth flowing from our suite of panel arrangements.

Some recent tenders were submitted to Acciona, AGL, Ampol, Aqua Metro, Beach Energy, BMD Group, Chevron, CPB, CSL, Department of Defence, Downer, DT Infrastructure, Eastern Property Services, Energys, ExxonMobil, Fulton Hogan, GID Electrical, Goulburn Murray Water, GrainCorp Guidera O'Connor, Haslin Constructions, JemenaJohn Holland, KBR, Kiwi Rail, Melbourne Water, Metro Trains Melbourne, North West Hub Alliance, Pfizer, Programmed, SeqWater, Service Stream, South East Water, Stantec, Stolthaven Terminals, Sydney Water Corporation, Water Corporation, Woodside, Yarra Trams and Zoetis.

- **Industry Sector Alignment**

The restructure of the Engineering business to an industry sector structure is paying dividends with opportunities being pursued across all sectors. Highlights include project wins across numerous clients within FY26 H1 in Life Sciences as well as over \$18.5M worth of submissions under our various water panels around the country. FY26 Q2 also saw the appointment of a Cyber Security expert to the engineering team, enhancing our ability to ensure the highest level of operational technology cyber resilience for our clients as well as bringing strong Defence experience to support growth in this target sector.

- **Geographic Expansion**

FY26 2Q saw continued progress of the geographic expansion of the Engineering business nationally. In NSW we have secured our first projects under the Sydney Water panel and expanded our team with several senior appointments who will join the team early in 2026. In WA, the team secured projects to the value of approximately \$1m within the period, with another approximately \$8m in active tenders. The team have continued supporting clients in Queensland during the period and have been actively pursuing Transport opportunities in New Zealand.



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## **Payments to Related Entities**

Payments to related parties and their associates during the quarter, which are outlined in Section 6 of the accompanying Appendix 4C to this quarterly activities report, were \$213,981. These payments include non-executive director's fees and salary (including superannuation) for the Managing Director.

**-ENDS-**

### **For more information and all media enquiries, please contact:**

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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.



## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

#### Name of entity

Synertec Corporation Limited

#### ABN

37 161 803 032

#### Quarter ended ("current quarter")

31 December 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	6,527	12,452
1.2 Payments for		
research and development	62	-
product manufacturing and operating costs	(663)	(1,246)
advertising and marketing	(65)	(133)
leased assets	(16)	(47)
staff costs	(4,156)	(8,357)
administration and corporate costs	(503)	(1,685)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(11)	(11)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – Quarterly BAS	(90)	(464)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>1,085</b>	<b>509</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
businesses	-	-
property, plant and equipment	(693)	(766)
investments	(50)	(150)
intellectual property	(6)	(30)
other non-current assets	-	-



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<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	businesses	-	-
	property, plant and equipment	-	21
	investments	-	-
	intellectual property	-	-
	other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(749)</b>	<b>(925)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	500	500
3.6	Repayment of borrowings	(511)	(630)
3.7	Transaction costs related to loans and borrowings	(35)	(145)
3.8	Dividends paid	-	-
3.9	Other: Lease Payments	(192)	(317)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(238)</b>	<b>(592)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,593	3,699
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,085	509
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(749)	(925)



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<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(238)	(592)
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,691</b>	<b>2,691</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	2,691	2,593
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,691</b>	<b>2,593</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	(214)
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

**During the quarter \$214k directors remuneration was paid, which was included in item 1.2.**



7.	<b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	19,000	4,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	700	435
7.4	<b>Total financing facilities</b>	<b>19,700</b>	<b>4,435</b>
7.5	<b>Unused financing facilities available at quarter end</b>		<b>15,265</b>
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>\$19 million secured loan facility consists of 4 tranches with Altor Capital</p> <p>On 3<sup>rd</sup> May 2024 a \$15 million facility was signed comprising two tranches – Tranche 1 of upto \$10million and Tranche 2 of up to \$5 million. Facility term of 48 months with an option to extend a further 12 months subject to mutual agreement. 6 month interest payment holiday on each drawdown where interest will accrue and capitalise monthly. Interest Rate – three month BBSY plus margin of 9%. BBSY subject to a floor of 3.00% and a cap of 5.35%. 24 month principal holiday with principal repayment amount equal to 30% of the outstanding loan payable, leaving 70% balloon payment at the end of term. Synertec has utilised \$3.5m of funding available under this facility.</p> <p>On 29<sup>th</sup> August 2025 a \$4 million extension facility was signed comprising two tranches – Tranche 3 of up to \$2.5 million and Tranche 4 of up to \$1.5 million. Facility term of 18 months. Fixed interest of 16%. Interest on the facility may be accrued on lenders discretion. Principal to be repaid as a bullet repayment at the end of term. Synertec has utilised \$0.5m of funding available under this extension facility.</p> <p>Synertec also has a \$700k bank guarantee facility with ANZ Bank out of which \$435k has been utilised.</p>		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	1,085
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,691
8.3	Unused finance facilities available at quarter end (item 7.5)	15,265
8.4	Total available funding (item 8.2 + item 8.3)	17,956
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>N/A</b>
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	



8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2026

Authorised by: By the Board  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.