

SKS Technologies Group Limited
and Controlled Entities

ABN 24 004 554 929

Financial Report

For year ended 30 June 2026

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Directors' Report

The directors present their report together with the financial report of the consolidated entity consisting of SKS Technologies Group Limited and the entities it controlled (the Group), for the financial year ended 30 June 2026 and auditor's report thereon.

Directors

The names of each of the directors of the company in office during or since the end of the financial year together with their qualifications, experience and special responsibilities are shown below.

Peter Jinks - Executive chairman

Peter is Executive Chairman of the Company and has specific responsibility for operations and administration. Peter co-founded the KLM Group with Greg Jinks in 1981 and has been involved in the management of the business from its inception. He has over forty plus years' experience in technical services, specifically in electrical, data and communication consultation and management. Peter was crucial to the positioning of the KLM Group as one of Australia's major communications and data network infrastructure contractors.

Peter was appointed as non-executive director and chairman in October 2012 and appointed as Managing Director on 8 March 2016. Following the appointment of Matthew Jinks as Chief Executive Officer on 1 February 2021, Peter Jinks stepped down from the role of managing director while remaining in the position of Executive Chairman. Peter Jinks has not been a director of any other listed companies during the past three years.

Greg Jinks - Executive director

Greg is Executive Director of the Company and has specific responsibility for strategy and business development. Greg was a cofounder of the KLM Group with Peter Jinks and was a key driver of a business that became one of Australia's major communications and data network infrastructure contractors. Greg has more than forty plus years' experience in the telecommunications sector particularly in the area of cabling and infrastructure, voice and laser and microwave wireless products.

Greg was appointed as director of the Company in October 2012. Greg Jinks has not been a director of any other listed companies during the past three years.

Terence Grigg – Non-Executive director

Terence has 27 years' experience as an Executive Director of Ausfine Foods Pty Ltd, an importer and exporter of meat and dairy products.

Terence was previously a Director of Ansearch Limited, Richmond Football Club, Windermere Child and Family Services (not for profit), Position Partners Pty Ltd (Civil Construction & Infrastructure Services) and ESCA Australia Pty Ltd (Medical Research Stem Cells).

Terence was appointed as director of the Company on 31 January 2017. Terence Grigg is also the Chairman and Non-executive Director of The Love Group Global Ltd an ASX listed entity.

Antoinette Truda – Non-Executive director

Antoinette has extensive experience as a Director and Executive across a range of sectors. Through her advisory practice, Spired, she helps founders and leaders drive growth, navigate complexity and execute change. Concurrently, Antoinette is a Non-Executive Director of the Goulburn Murray Credit Union, where she is Deputy Chair and is also Chair of the Advisory Board of Slimline Warehouse.

Her executive experience includes four years as Chief Commercial Officer at the Victorian Chamber of Commerce & Industry, responsible for driving organic and acquisitive growth initiatives. Prior to joining the Chamber, Antoinette was Chief Executive Officer of a multi-office Victorian real estate network where she led an organisational turnaround and orchestrated founder succession. She worked at NAB for 11 years, leading various business units in Consumer and Business Banking, and spent the early stages of her career in Strategy and Corporate Advisory roles. With a track record of delivering transformational business outcomes in executive and directorship capacities, Antoinette understands the ingredients required to drive sustainable business growth in challenging and evolving operating contexts.

Antoinette was appointed as director of the Company on 1 May 2024. Antoinette Truda has not been a director of any other listed companies during the past three years.

Directors' Report (continued)

Company Secretary

Gary Beaton

Gary is a CPA who has over 40 years of experience as a construction and project accountant and has previously worked for six years with the SKS Technologies Group management team as Chief Financial Officer of their former business KLM Group. Gary previously worked at Clough Engineering group and most recently, Gary completed an 18-month contract with Spotless Group to affect the consolidation of the construction component of a suite of Downer EDI businesses and subsidiary acquisitions. Gary joined the group as the new chief financial officer and was appointed as the company secretary on 13 December 2019.

Matthew Jinks

Matthew, an alumnus of Harvard Business School who holds a Master of Business Administration Finance Major, joined the SKS Technologies Group business in April of 2013 as the Chief Operating Officer with the responsibility of managing all aspects of the company's financial and operational activities. On 1 February 2021 Matthew was appointed as the Chief Executive Officer. Prior to joining the senior management team of SKS Technologies Group, Matthew held the position of Executive General Manager Finance and one of the Directors of KLM Group, then owned by Programmed Maintenance Ltd, managing all aspects of the business financials. Matthew began his journey as an apprentice electrician for KLM Group. Over a 16-year period he progressed through the business gaining extensive experience in all aspects of management and business operations within the Electrical, Communications and Audio-Visual industry. Matthew was appointed as the company secretary on 15 November 2019.

Directors' Report (continued)

Review of Operations

Operating Results

Full-year sales have substantially increased, with the group's trading revenue for the current year reaching \$347,927,741 up 33% from \$261,655,008 in the previous corresponding period. The consolidated group recorded a significantly higher profit after tax of \$27,110,604 for the year ended 30 June 2026, compared to \$14,029,009 in the prior corresponding period. The profit attributable to the group's non-controlling interest was \$220,383 for the year ended 30 June 2026, compared to \$258,548 in the previous corresponding period.

Operational Overview

Sales at SKS Technologies Pty Ltd have grown strongly over the year, driven primarily by major data centre project wins in both Melbourne and Darwin. SKS Indigenous Technologies Pty Ltd has continued to secure new work and trade profitably in its fourth year of operations. The company has expanded its Sydney operations through the acquisition of Delta Elcom and has continued to see operation improvements across the board. The work-in-hand, pipeline of opportunities, and size of contracts remain favourable across all regions where the company operates.

Employee expenses increased by 28.8% to \$141,571,769 for the year ended 30 June 2026, compared to \$109,885,604 in the previous corresponding period. Material costs increased by 27.7%, reaching \$157,564,103, up from \$123,371,382 in the prior year. The business mix has shifted, with a higher proportion of electrical work associated with data centre projects contributing to the change.

The Group received government incentives for a training scheme of \$14,163 during the period which has associated staff training costs, compared to \$65,652 in previous corresponding period.

The group has grown significantly over the last 4 years and will continue to focus the business on its portfolio of work which spans across a variety of sectors Australia wide including data centres, defence, mining, health, retail, government, education and commercial buildings. SKS Technologies' national footprint enables it to pursue work and execute projects for large national clients who need a local presence for their state based operations.

Capital Structure

On 8 September 2025 the group issued 1,500,000 ordinary shares relating to the options which were granted and subsequently vested during the year.

In September 2025 the group issued 136,058 ordinary shares with a market value of \$397,098 as employee bonus.

On 20 October 2025 the group issued 2,371 ordinary shares with a market value of \$10,000 as employee bonus.

On 12 January 2026 the group issued 612,501 ordinary shares for a value of \$2,000,000 as part of the purchase consideration of the acquisition of Delta Elcom.

On 20 May 2026 the group issued 50,000 ordinary shares with a market value of \$415,000 as employee bonus.

Apart from these movements there is no change in the capital structure of the group during the year ended 30 June 2026.

Working Capital and Cashflows from Operations

The Group generated positive operating cash flow of \$45,658,246 for the year ended 30 June 2026, a 30.5% increase from \$34,988,029 in the prior corresponding period. The Group remains in an active expansion phase, achieving 33% revenue growth in continuing operations as previously noted, with further growth projected. Sufficient working capital is available to support current growth initiatives. The Group continues to benefit from strong backing from existing financiers.

The group has a clear focus to continue achieving a positive cashflow outcome from operations in the years ahead.

Legal Matters

The Group currently has no legal matters.

Employees

The Group now employs 1,284 effective fulltime highly qualified employees across five states and two territories and is well placed to take advantage of growth opportunities as they arise. The group has continued to invest in expanding its presence in South Australia, New South Wales, Queensland and Northern Territory.

Principal Activities

The principal business activity of SKS Technologies Group Limited is design, supply and installation of audio visual (AV), electrical and communication products and services.

Directors' Report (continued)

Outlook

The Group is actively capitalising on robust market demand in the data centre sector, driven by the exponential growth in data storage requirements and the rapid adoption of Artificial Intelligence technologies. This trend presents a substantial opportunity for the Group, particularly in electrical services and digital infrastructure solutions tailored to high-performance environments.

In parallel, the Group continues to leverage its capabilities in managed audiovisual integration, electrical and communications services across multiple sectors, including defence, mining, health, retail, government, education and commercial buildings. The strategic focus on national expansion following the successful acquisition of Delta Elcom in Sydney and operational scale is expected to deliver long-term shareholder value, while enhancing portfolio diversity and increasing recurring revenue streams at higher margins.

The Group has maintained strong momentum across all service offerings, supported by rapid growth in data centre-related projects. A high volume of repeat business and a balanced pipeline of large and small-scale opportunities reflect the Group's reputation for quality and reliability. With a growing national footprint, the Group is well-positioned to enter new market segments and will continue to evaluate strategic acquisition opportunities in the current environment to accelerate growth.

Entering the new financial year, the Group holds a robust work-in-hand position, underpinned by heightened demand for electrical services in data centres. The pipeline remains healthy, and the Group is well-placed to respond to emerging opportunities across its operating regions.

The Group's risk management framework remains proactive and comprehensive. Cybersecurity is a key focus area, managed through external IT partnerships, internal awareness programs, and appropriate insurance coverage. Supply chain disruptions have eased, and the Group consistently secures pricing at the time of project award, ensuring alignment with tendered estimates.

Despite ongoing labour shortages in certain sectors, the Group has not encountered recruitment challenges—particularly in Melbourne's data centre market—and continues to be recognised as an employer of choice. Labour cost increases are incorporated into existing EBAs and EAs and are factored into project pricing through a rigorous estimating methodology that safeguards margins and ensures sustainable delivery.

Safety remains a cornerstone of the Group's operations, supported by mandatory toolbox meetings, continuous training, and open communication.

The Group is currently in a high-growth phase and actively manages the associated working capital demands. With sufficient capital reserves and continued support from existing financiers, the Group is well-equipped to sustain its expansion trajectory.

Significant Changes in the State of Affairs

Other than as addressed above, there were no other significant changes in the state of affairs of the Group and its controlled entities that occurred during the financial year.

Environmental Regulation and Performance

The Group's operations are not subject to any significant environmental regulations under the Commonwealth or State legislation. However, the Directors believe that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the economic entity.

Dividends

Fully franked final dividend of \$0.05 per share has been declared from 2025 profits on 19 September 2025 and paid on 16 October 2025 amounting to \$5,735,297. (Fully franked dividends declared and paid in 2025: \$1,120,699)

Fully franked interim dividend of \$0.035 per share has been declared from 2026 profits on 06 March 2026 and paid on 20 March 2026 amounting to \$4,036,234. (Fully franked dividends declared and paid in 2025: \$1,130,699)

Options/Performance Rights

At the date of this report, the unissued ordinary shares of SKS Technologies Group Limited under performance rights are as follows:

Grant Date	Date of Expiry	Exercise Price	Number of Performance Rights
02 December 2025	30 June 2028	\$1.90	244,736

No new options were issued during the year ended 30 June 2026 and no options outstanding at the year end.

Events Subsequent to Balance Date

A fully franked dividend of \$0.065 per share has been declared on 17 August 2026.

Apart from the matters described above, the directors are not aware of any matters or circumstances which have occurred subsequent to the balance date, that may significantly affect the operations or the state of affairs of the consolidated entity in future financial periods.

Directors' Report (continued)

Key Risks

Risk	Description	Risk Management
Supply Chain Risk	The Group undertakes projects that involve the supply of Equipment and Materials to align with clients programmes and significant disruption and failure to meet programmes could result in financial penalties.	The Group utilises a number of suppliers which service the industry and are not currently experiencing supply disruption.
Material and Equipment Price increases	The Group undertakes projects that are delivered over a period time which can see price changes during this period. If not allowed for could result in reduced profitability	The Group commits to suppliers at the time of project award, thereby ensuring equipment and materials purchased align with tendered estimates.
Skilled Labour Shortages and ability to retain key personal	The Group has experienced significant Revenue growth requiring a substantial increase in employee numbers. Failure to attract the required numbers could result significant disruption and failure to meet programmes which could result in financial penalties.	The Group has not encountered recruitment challenges particularly in Victoria and continues to be recognised as an employer of choice with excellent retention rates of key management.
Labour Cost Increases	The Group undertakes projects that are delivered over a period time which can see labour costs increase during this period that if not allowed for at time of tender could result in reduced financial performance.	Labour cost increases are incorporated into existing EBAs and EAs and are factored into project pricing through a rigorous estimating methodology that safeguards margins.
Cybersecurity	Cyber-Attacks are escalating with growing sophistication and determination of cybercriminals. The Group is at risk of such an attack that has the potential to severely disrupt project delivery, comprise both privacy and stability of data with significant impacts on the company's financial resources.	Cybersecurity is a key focus area, managed through external IT partnerships, internal awareness programs, and appropriate insurance coverage thereby mitigating the risk.
Decline in Demand for Company Services	A significant decline in the company's services due to change in technology, resource shortage, climate change and changes in economic requirements could result is significantly reduce financial returns.	The Group is actively capitalising on robust market demand in the data centre sector, driven by the exponential growth in data storage requirements and the rapid adoption of Artificial Intelligence technologies. Given the record work in hand and pipeline the directors do not consider this is currently a risk. The Group has diversified sources of Revenue across a national footprint, in Audio Visual, Electrical and Communications in multiple industry sectors.
Estimating and Productivity Risk.	The Group tenders for work in the sector in which it operates. A failure to estimate accurately and achieve estimate productivity rates would result in in reduced financial performance.	The Group has developed proven estimating methodologies and management structures on project sites to deliver projects in line with original estimates.
Major Safety Incident	Our workforce activities expose them to various risks. These risks may result in fatality or serious life long injuries. SKS's safety protocols are designed to eliminate this risk.	Safety is a cornerstone value of SKS. The Group continuously provides regular and frequent communication with the workforce and is an innovative leader in the sector with safe practices.
Credit Risk	The Group is exposed to credit risk primarily trade receivables in the advent of insolvency of a customer.	The Group has taken out a credit insurance policy and only trades with credit worthy customers who are prevetted with an approved insured credit limits.

Proceedings on Behalf of the company

No proceedings have been brought on behalf of the company or its controlled entities.

Directors' meetings

The number of Directors' meetings held during the financial year and the number of meetings attended by each director are as follows:

Director	Directors' Meetings	
	Eligible to attend	Attended
Peter Jinks	12	11
Greg Jinks	12	12
Terence Grigg	12	11
Antoinette Truda	12	12

Directors' Report (continued)

Directors' interests in shares or options

Directors' relevant interests in shares of SKS Technologies Group Limited or options over shares in the company (or a related body corporate) are detailed below.

Directors' relevant interests in:	Ordinary shares of SKS Technologies Group Limited	Options over shares in SKS Technologies Group Limited
Peter Jinks	12,176,025	Nil
Greg Jinks	12,552,692	Nil
Terence Grigg	257,250	Nil
Antoinette Truda	1,814	Nil

Indemnification and insurance of officers and auditors

The constitution of the company provides that, to the extent permitted by the *Corporations Act 2001* "every officer and employee of the company and its wholly-owned subsidiaries shall be indemnified out of the funds of the company (to the extent that the officer or employee is not otherwise indemnified) against all liabilities incurred as such an officer or employee, including all liabilities incurred as a result of appointment or nomination by the company or the subsidiary as a trustee or as an officer or employee of another corporation."

The directors of the company who held office during the past year, Peter Jinks, Greg Jinks, Terence Grigg and Antoinette Truda have the benefit of the above indemnity. The indemnity also applies to executive officers of the company who are concerned, or take part, in the management of the company.

The company has not paid any insurance premiums in respect of any past or present directors or auditors, other than as required by law.

Auditor independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is provided with this report on page 41.

Non-Audit Services

There is no non audit services provided by the auditors or by the related practice of the auditors during the year 30 June 2026.

Staff

The Board appreciates the support it continues to have from the Group's staff, and acknowledges, with thanks, the efforts they are all making to the growth of the group.

Rounding of amounts

In accordance with ASIC Corporations (Rounding in the Financial/Directors' Reports) Instrument 2026/183, the amounts in the directors' report and in the financial report have been rounded to the nearest dollar.

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for key management personnel of SKS Technologies Group Limited.

Remuneration philosophy

Remuneration levels are set by the Group in accordance with industry standards to attract and retain suitable qualified and experienced Directors and senior executives.

The Group distinguishes the structure of non-executive Director's remuneration from that of executive Directors and senior executives. The company's Constitution provides that the remuneration of non-executive Directors will be not more than the aggregated sum fixed by a general meeting of shareholders.

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. Two methods have been applied to achieve this aim, the first being a performance-based bonus based on key performance indicators, and the second being the participation in the Company's Employee Share and Equity Plan for directors and executives to encourage the alignment of personal and shareholder interests.

The Company has chosen to use shares to incentivise and remunerate Mr Matthew Jinks because, in the opinion of the Board, this represents a way to align the interests of Mr Matthew Jinks with the interests of Shareholders generally. Bonus payments to Mr Matthew Jinks are payable half in cash and half in shares and is only payable if agreed performance hurdles are met. Not only does this incentivise Mr Matthew Jinks and reward him based on the Company achieving its targets but, over time, as a shareholder, Mr Matthew Jinks will have objectives which are aligned to those of the Shareholders.

Directors' Report (continued)

Remuneration philosophy (continued)

In relation to the participation in the Company's Employee Share and Equity Plan, the Board is of the view that it is in the interests of the Company and all Shareholders for the share price to grow over time and granting performance rights and options to Mr Matthew Jinks to acquire shares as each hurdle price is met means that he is incentivised and rewarded for his part in delivering these objectives to the Company and its Shareholders.

The Company has an executive service agreement with Mr Peter Jinks (Executive Chairman) and Mr Greg Jinks (Executive Director) whom are on three months' notice periods. The Company has employment agreements with each of its senior executives. The company has an agreement with Mr. Matthew Jinks who was appointed as Chief Executive Officer on 1 February 2021. Mr. Matthew Jinks's current base salary is \$620,000 inclusive of superannuation which may be terminated by the company with one year's notice.

Mr Matthew Jinks has exercised the remaining 1,500,000 of share options which were granted on 21 November 2024 and these were converted to shares on 8 September 2025. A corresponding bonus of \$4,125,000 has been recognised as a short-term incentive expense in the current year.

Mr. Matthew Jinks' current total remuneration package for FY26 is as follows:

Fixed Annual Remuneration (FAR)	Short-Term Incentive Performance	Long-Term Incentive Performance	Termination Payment (except for cause)
\$620,000 reviewed October 2025	75% of FAR (\$465,000) Annual bonus via cash or equity, by agreement – reviewed annually.	75% of FAR (\$465,000) Equity-based incentive with rolling annual grants and a 3-year cliff vesting period and post-vesting holding lock for 2 years.	One year's remuneration equivalent plus pro rata STI award

The LTIP will be subject to a three-year performance period (1 July 2025 to 30 June 2028) and will vest based on achievement against two equally weighted performance measures, being Relative Total Shareholder Return (TSR) and the Compound Annual Growth Rate (CAGR) of EBITDA. If the Performance Rights hurdles are met, and shares are issued, they will be issued under the Plan (with an accompanying limited recourse loan) and will be subject to the Plan Rules.

Mr Matthew Jinks will receive the Performance Rights and/or Options at no cost to him. Performance rights and options have been made available to Matthew Jinks by way of a limited recourse employee share loan at no effective cost under the employee share plan approved by shareholders at the 2021 and 2024 AGM. The loan will be settled by the payment of a bonus that has been currently accrued and will be paid at the time of the shares being sold or returned or at the departure from the company whichever happens first.

Mr Matthew Jinks & Gary Beaton are currently the only key management personnel eligible under the Plan rules to be granted Performance Rights or Options.

The exercise of Options under the Long – Term Incentive Reward approved by shareholders at the 2024 AGM and the granting of shares pursuant to an award of Performance Rights are issued under the rules of the Employee Equity Incentive Plan approved by shareholders at the 2020 AGM and amended at the 2024 AGM.

There are no written agreements with Terence Grigg, the non-executive director and there is a written agreement with Antoinette Truda, the non-executive director confirming the annual remuneration.

The remuneration for executive Directors is currently linked to the Group's financial performance but is not linked to the share price. None of the remuneration of the Directors listed below was considered at risk.

There are no retirement schemes in place for directors.

Use of external remuneration consultants

During the reporting period, the Board engaged external remuneration consultants, KPMG to provide remuneration recommendations in relation to the remuneration arrangements for the Chief Executive Officer and the Chief Financial Officer of the Executive Leadership Team.

The Board reviewed the recommendations and is satisfied that the remuneration recommendations were provided independently and that the recommendations were made free from undue influence by members of the key management personnel to whom the recommendations relate.

Fees paid to KPMG in relation to remuneration recommendations amounted to \$12,660.

In addition to the remuneration recommendations, KPMG also provided consultancy services in relation to the Employee Share Scheme of the group. Fees paid to KPMG in relation to these consultancy services amounted to \$32,969.

The Board considered the recommendations in determining executive remuneration outcomes for the reporting period.

Directors' Report (continued)

Details of key management personnel

Key Management Personnel

Peter Jinks	Executive Chairman
Greg Jinks	Executive Director
Terence Grigg	Non-Executive Director
Antoinette Truda	Non-Executive Director
Matthew Jinks	Chief Executive Officer
Gary Beaton	Chief Financial Officer

Directors' and executives' emoluments

	Short-term				Post-employment	Long-term		Share based payments	Total	Fixed	Variable / Performance linked
	Salary & fees	Employee Benefits	STI cash bonus	STI Shares Bonus	Superannuation	Employee Benefits	LTI Shares Bonus				
2026	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Peter Jinks	300,000	-	150,000	-	-	-	-	-	450,000	67%	33%
Greg Jinks	300,000	-	150,000	-	-	-	-	-	450,000	67%	33%
Terence Grigg	75,000	-	-	-	-	-	-	-	75,000	100%	0%
Antoinette Truda	75,000	-	-	-	-	-	-	-	75,000	100%	0%
Matthew Jinks	571,260	51,739	465,000	-	30,161	20,369	4,125,000	700,928	5,964,457	10%	90%
Gary Beaton	345,539	32,422	-	210,000	30,114	19,406	-	-	637,481	59%	41%
Total	1,666,799	84,161	765,000	210,000	60,275	39,775	4,125,000	700,928	7,651,938	23%	77%
2025	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Peter Jinks	287,500	-	150,000	-	-	-	-	-	437,500	66%	34%
Greg Jinks	287,500	-	150,000	-	-	-	-	-	437,500	66%	34%
Terence Grigg	65,500	-	-	-	-	-	-	-	65,500	100%	0%
Antoinette Truda	55,500	-	-	-	-	-	-	-	55,500	100%	0%
Matthew Jinks	488,444	45,421	330,196	-	30,263	36,766	2,125,000	685,443	3,741,533	14%	86%
Gary Beaton	301,889	28,815	-	100,000	30,096	12,717	-	-	473,517	70%	30%
Total	1,486,333	74,236	630,196	100,000	60,359	49,483	2,125,000	685,443	5,211,050	30%	70%

Description of options/rights granted as remuneration

Details of the LTI performance rights granted as remuneration to those key management personnel during financial year 2026.

Share based payments	Fair Value \$	Number of performance rights	Grant Date	Expiry Date
Key Management Personnel				
Matthew Jinks	662,994	244,736	02/12/2025	30/06/2028

LTI performance rights values at grant date were determined using the Monte Carlo Simulation method.

Details of the short-term incentive in performance rights granted as remuneration to those key management personnel during financial year 2026. Incentives are paid following an annual performance assessment against safety, strategic business objectives, people, and financial targets set by the Board at the beginning of the financial year.

Share based payments	Grant Date	Incentive amount	Number of shares	Market value at the grant date
Key Management Personnel				
Gary Beaton	10/09/2025	\$ 100,000	34,263	\$ 105,873

Directors' Report (continued)

Consequences of Group's performance on shareholder wealth

The following table summarises group performance and key performance indicators:

	2026	2025	2024	2023	2022
Sales revenue	\$347,927,741	\$261,655,008	\$136,309,155	\$83,268,128	\$67,288,383
% increase in revenue	33.0%	92.0%	63.7%	23.7%	85.4%
Profit before tax	\$39,349,353	\$20,785,700	\$6,498,791	\$527,105	\$2,002,577
% increase/ (decrease) in profit/(loss) before tax	89%	220%	1,133%	(74%)	23%
Change in share price (%)	377%	90%	567%	-	(35%)
Dividend paid to shareholders	\$9,771,531	\$2,251,398	\$219,470	\$273,455	-
Return of capital	-	-	-	-	-
Total remuneration of KMP	\$7,651,938	\$5,211,050	\$1,453,570	\$1,127,295	\$1,353,127
Total performance-based remuneration of KMP	\$5,800,928	\$3,540,639	\$229,883	\$1,558	\$240,634

Key management personnel's equity holdings

(a) Number of options/ performance rights held by key management personnel

2026	Balance 1 July 2025	Granted as remuneration	Exercised	Expired	Balance 30 June 2026	Vested during the Year	Vested and exercisable
Key Management Personnel							
Peter Jinks	-	-	-	-	-	-	-
Greg Jinks	-	-	-	-	-	-	-
Terence Grigg	-	-	-	-	-	-	-
Antoinette Truda	-	-	-	-	-	-	-
Matthew Jinks	1,500,000	244,736	1,500,000	-	244,736	1,500,000	-
Gary Beaton	-	-	-	-	-	-	-
	1,500,000	244,736	1,500,000	-	244,736	1,500,000	-

(b) Number of shares held by key management personnel

2026	Balance 1 July 2025	Purchased/ Received as remuneration	Share disposals	On exercise of options	Balance 30 June 2026	Balance Held Directly	Balance Held Indirectly
Key Management Personnel							
Peter Jinks	14,176,025	-	(2,000,000)	-	12,176,025	1,948,751	10,227,274
Greg Jinks	14,552,692	-	(2,000,000)	-	12,552,692	-	12,552,692
Terence Grigg	257,250	-	-	-	257,250	-	257,250
Antoinette Truda	-	1,814	-	-	1,814	-	1,814
Matthew Jinks	7,853,899	-	(500,000)	1,500,000	8,853,899	-	8,853,899
Gary Beaton	456,276	34,263	-	-	490,539	490,539	-
	37,296,142	36,077	(4,500,000)	1,500,000	34,332,219	2,439,290	31,892,929

Directors' Report (continued)

Transactions with Key Management Personnel

The following is a summary of transactions with key management personnel and other related parties entered into throughout the financial year:

- The principal place of business, 700 Spencer Street West Melbourne was purchased by 700 Spencer Street Pty Ltd owned by the executive directors namely Peter Jinks and Greg Jinks and the Chief Executive Officer, Matthew Jinks together with four other senior managers of the group. 700 Spencer Street Pty Ltd invoiced the group for \$368,589 (2025: \$355,104) for the lease rental of which 50% is applicable to the Key Management Personnel. The transaction was on an arm's length basis on normal commercial terms and conditions.
- Lawson Lodge Country Estate (Macedon), a conference centre owned by Greg Jinks invoiced the company \$12,950 (2025: Nil). The transaction was on an arm's length basis on normal commercial terms and conditions.
- Greg Jinks purchased two fully depreciated motor vehicles for \$ 11,000 during the year ended 30 June 2025. There were no similar transactions during the year ended 30 June 2026.
- Director fees paid or payable to Greg Jinks amounted to \$450,000 (2025: \$437,500) and invoiced via his entity Jinks Consulting Group.
- Director fees paid or payable to Peter Jinks amounted to of \$450,000 (2025: \$437,500) and invoiced via his entity Bundarah Pty Ltd.
- Terence Grigg invoiced the company for director fees of \$75,000 (2025: \$65,500)
- Antoinette Truda invoiced the company for director fees of \$75,000 (2025: \$55,000) via her entity Spired Pty Ltd.
- The following amounts are owed to key management personnel as at 30 June 2026:
 - Peter Jinks – \$150,000 (2025: \$150,000)
 - Greg Jinks - \$150,000 (2025: \$150,000)
 - Terence Grigg - Nil (2025: Nil)
 - Antoinette Truda – Nil (2025: Nil)
 - Matthew Jinks – \$6,376,145 (2025: \$2,251,000)
 - Gary Beaton – \$136,000 (2025: \$36,000)
- Information regarding share-based payment transactions with Mr. Matthew Jinks and Mr. Gary Beaton are included elsewhere in the remuneration report.

Corporate governance statement

The Board of Directors of SKS Technologies Group Limited is responsible for corporate governance. The Board has chosen to prepare the Corporate Governance Statement (CGS) in accordance with the fourth edition of the ASX Corporate Governance Council's Principles and Recommendations under which the CGS may be made available on the Company's website.

Accordingly, a copy of the Group's CGS is available on the SKS Technologies Group website at <https://investors.sks.com.au/investor-center/corporate-governance>

Voting and comments made at the company's 2025 Annual General Meeting (AGM)

The company received 97.41% of 'for' votes in relation to its remuneration report for the year ended 30 June 2025. The resolution to adopt the Remuneration Report of the Company and its controlled entities for the year ended 30 June 2025 was carried as an ordinary resolution. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Signed on 17 August 2026 in accordance with a resolution of the Directors made pursuant to section 298(2) of the *Corporations Act 2001*.



Peter Jinks
Executive Chairman
17 August 2026

**Consolidated Statement of Profit and Loss and Other Comprehensive Income
for the year ended 30 June 2026**

	Notes	2026	2025
		\$	\$
Continuing operations			
Revenue and other income			
Sales revenue	4	347,927,741	261,655,008
Other income	5	2,324,621	1,573,265
Total revenue and other income		350,252,362	263,228,273
Expenses			
Raw material, consumables and logistics		(157,564,103)	(123,371,382)
Employee benefit expenses	6	(141,571,769)	(109,885,604)
Occupancy expenses		(230,842)	(180,427)
Administration expenses		(6,904,865)	(5,519,954)
Depreciation and amortisation	6	(4,053,193)	(2,837,317)
Finance costs	6	(578,237)	(647,889)
Total expenses		(310,903,009)	(242,442,573)
Profit before income tax		39,349,353	20,785,700
Income tax expense	7(a)	(12,238,749)	(6,756,691)
Profit for the year		27,110,604	14,029,009
Other comprehensive income		-	-
Total comprehensive income for the year		27,110,604	14,029,009
Total comprehensive income attributable to:			
Members of the parent entity		26,890,221	13,770,461
Non - controlling interest		220,383	258,548
		27,110,604	14,029,009
 Earnings per share: (cents per share)			
Basic	24	23.45	12.26
Diluted	24	23.42	12.16

The above statement should be read in conjunction with the accompanying notes

**Consolidated Statement of Financial Position
as at 30 June 2026**

	Notes	2026	2025
		\$	\$
Current assets			
Cash and cash equivalents	8	49,604,164	32,476,963
Trade and other receivables	9	75,137,960	61,903,863
Inventories	10	262,961	43,432
Other current assets	11	682,185	345,123
Total current assets		125,687,270	94,769,381
Non-current assets			
Other non-current assets	11	51	51
Property, plant and equipment	12	9,159,991	5,551,432
Right of use assets	13(a)	5,004,801	5,928,183
Intangible assets	14	16,901,065	1,998,511
Deferred tax asset	7(c)	3,639,957	2,117,645
Total non-current assets		34,705,865	15,595,822
Total assets		160,393,135	110,365,203
Current liabilities			
Trade and other payables	15	88,248,722	65,942,631
Income tax payable	7(b)	5,816,865	4,540,887
Provisions- employee benefits	16(a)	14,631,540	6,827,599
Provisions- other	17	30,000	45,000
Lease liabilities	13(b)	1,331,236	1,393,389
Total current liabilities		110,058,363	78,749,506
Non-current liabilities			
Provisions- employee benefits	16(b)	91,458	74,503
Lease liabilities	13(b)	5,902,188	6,996,984
Total non-current liabilities		5,993,646	7,071,487
Total liabilities		116,052,009	85,820,993
Net assets		44,341,126	24,544,210
Equity			
Contributed equity	18	25,672,378	23,076,656
Share option reserve	19	220,998	159,977
Retained earnings	20	18,223,432	1,104,742
Total equity attributable to equity holders of the group		44,116,808	24,341,375
Non-controlling interest		224,318	202,835
Total equity		44,341,126	24,544,210

The above statement should be read in conjunction with the accompanying notes

**Consolidated Statement of Changes in Equity
for the year ended 30 June 2026**

	Contributed Equity \$	Share Option Reserve \$	Retained Earnings \$	Non- controlling interest \$	Total \$
As at 1 July 2025	23,076,656	159,977	1,104,742	202,835	24,544,210
Profit for the year	-	-	26,890,221	220,383	27,110,604
<u>Transactions with owners in their capacity as owners</u>					
Share based payment transactions	-	700,928	-	-	700,928
Shares issued- exercise of options	639,907	(639,907)	-	-	-
Shares issued- Delta acquisition	2,000,000	-	-	-	2,000,000
Cost of issue of share options	(44,185)	-	-	-	(44,185)
Dividends paid	-	-	(9,771,531)	(198,900)	(9,970,431)
As at 30 June 2026	25,672,378	220,998	18,223,432	224,318	44,341,126

	Contributed Equity \$	Share Option Reserve \$	Retained Earnings \$	Non- controlling interest \$	Total \$
As at 1 July 2024	22,615,664	-	(10,414,321)	(55,713)	12,145,630
Profit for the year	-	-	13,770,461	258,548	14,029,009
<u>Transactions with owners in their capacity as owners</u>					
Share based payment transactions	-	685,443	-	-	685,443
Shares issued- exercise of options	525,466	(525,466)	-	-	-
Shares issued- value adjustment	(40,607)	-	-	-	(40,607)
Cost of issue of share options	(23,867)	-	-	-	(23,867)
Dividends paid	-	-	(2,251,398)	-	(2,251,398)
As at 30 June 2025	23,076,656	159,977	1,104,742	202,835	24,544,210

The above statement should be read in conjunction with the accompanying notes

**Consolidated Statement of Cash Flows
for the year ended 30 June 2026**

	Notes	2026 \$	2025 \$
Cash flows from operating activities			
Receipts from customers		356,667,030	302,446,062
Receipts from government incentives		14,163	65,652
Payments to suppliers and employees		(299,855,182)	(265,070,486)
Interest received		1,441,120	691,509
Interest paid on lease liabilities		(572,703)	(611,528)
Other interest paid		(807)	(35,967)
Income tax paid		(12,035,375)	(2,497,213)
Net cash provided by operating activities	21(a)	45,658,246	34,988,029
Cash flows from investing activities			
Payment for property, plant and equipment		(6,146,076)	(2,412,668)
Proceeds from disposal of property, plant and equipment		134,832	126,470
Payment for intangibles		(205,643)	(140,477)
Net proceeds from deposits		3,875	19,543
Payment on acquiring business of Delta Elcom		(10,876,528)	-
Net cash used in investing activities		(17,089,540)	(2,407,132)
Cash flows from financing activities			
Payments for issue of shares / options		(44,186)	(28,867)
Payment of lease liabilities		(1,426,888)	(1,190,357)
Dividends paid		(9,970,431)	(2,251,398)
Net cash used in financing activities		(11,441,505)	(3,470,622)
Net increase in cash and cash equivalents		17,127,201	29,110,275
Cash and cash equivalents at the beginning of the year		32,476,963	3,366,688
Cash and cash equivalents at the end of the year	21(b)	49,604,164	32,476,963

The above statement should be read in conjunction with the accompanying notes

Notes to the financial statements for the year ended 30 June 2026

Note 1: Material accounting policy information

The following is material accounting policy information adopted by the group in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

This financial report is a general-purpose financial report that has been prepared in accordance with the *Corporations Act* 2001 and Australian Accounting Standards, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board (AASB).

The financial report covers SKS Technologies Group Limited and controlled entities as a group. SKS Technologies Group Limited is a company limited by shares, incorporated and domiciled in Australia. The address of SKS Technologies Group Limited's registered office and principal place of business is 700 Spencer Street, West Melbourne. SKS Technologies Group Limited is a for-profit entity for the purpose of preparing the financial report.

The financial report of SKS Technologies Group Limited for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the directors on 17 August 2026.

Compliance with IFRS

The consolidated financial statements of SKS Technologies Group Limited also comply with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

Fair value measurement

When estimating the fair value of an asset or liability, the entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to valuation techniques used to measure fair value are categorised into three levels according to the extent to which the inputs are observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Significant accounting estimates

The preparation of the financial report requires the use of certain estimates and judgements in applying the entity's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the consolidated financial statements.

(b) Principles of consolidation

The consolidated financial statements are those of the consolidated entity ("the group"), comprising the financial statements of the parent entity and all of the entities the parent controls. The group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entity to affect the amount of its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

(c) Intangible Assets

Goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identifiable or separately recognised. Goodwill is initially recognised at an amount equal to the excess of: (a) the aggregate of the consideration transferred, the amount of any non-controlling interest, and the acquisition date fair value of the acquirer's previously held equity interest (in the case of a step acquisition); over (b) the net fair value of the identifiable assets acquired, and liabilities assumed. For accounting purposes, such measurement is treated as the cost of goodwill at that date.

Goodwill is not amortised, but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Notes to the financial statements for the year ended 30 June 2026

Note 1: Material accounting policy information (continued)

Intangible Assets (cont'd)

Separately acquired Intangible assets

Except for indefinite useful life intangible assets, which are not amortised but are tested annually for impairment, separately acquired intangible assets are recognised at cost and amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset. Subsequent to initial recognition, separately acquired intangible assets are measured at cost, less accumulated amortisation (where applicable) and any accumulated impairment losses.

Computer software is amortised on a straight-line basis over its estimated useful life of 3 years.

Intangibles assets acquired in a business combination

Intangibles acquired in a business combination are initially recognised at fair value (which, for accounting purposes, is treated as the cost of the intangible asset), and are subsequently amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset. Subsequent to initial recognition, intangible assets acquired in a business combination are measured at cost, less accumulated amortisation and any accumulated impairment losses.

(d) Financial Instruments

Classification of financial assets

Financial assets recognised by the group are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- a. the group's business model for managing the financial assets; and
- b. the contractual cash flow characteristics of the financial asset.

Classification of financial liabilities

Financial liabilities classified as held-for-trading, contingent consideration payable by the group for the acquisition of a business, and financial liabilities designated at FVtPL, are subsequently measured at fair value.

All other financial liabilities recognised by the group are subsequently measured at amortised cost.

Trade and other receivables

Trade and other receivables arise from the group's transactions with its customers and are normally settled within 30-45 days.

Consistent with both the group's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

Impairment of financial assets

The following financial assets are tested for impairment by applying the 'expected credit loss' impairment model:

- a. debt instruments measured at amortised cost;
- b. debt instruments classified at fair value through other comprehensive income; and
- c. receivables from contracts with customers and contract assets.

The group applies the simplified approach under AASB 9 to measuring the allowance for credit losses for both receivables from contracts with customers and contract assets. Under the AASB 9 simplified approach, the group determines the allowance for credit losses for receivables from contracts with customers and contract assets on the basis of the lifetime expected credit losses of the financial asset. Lifetime expected credit losses represent the expected credit losses that are expected to result from default events over the expected life of the financial asset.

Notes to the financial statements for the year ended 30 June 2026

Note 1: Material accounting policy information (continued)

Financial Instruments (cont'd)

For all other financial assets subject to impairment testing, when there has been a significant increase in credit risk since the initial recognition of the financial asset, the allowance for credit losses is recognised on the basis of the lifetime expected credit losses. When there has not been an increase in credit risk since initial recognition, the allowance for credit losses is recognised on the basis of 12-month expected credit losses. '12-month expected credit losses' is the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The group consider a range of information when assessing whether the credit risk has increased significantly since initial recognition. This includes such factors as the identification of significant changes in external market indicators of credit risk, significant adverse changes in the financial performance or financial position of the counterparty, significant changes in the value of collateral, and past due information.

The group assumes that the credit risk on a financial asset has not increased significantly since initial recognition when the financial asset is determined to have a low credit risk at the reporting date. The group considers a financial asset to have a low credit risk when the counterparty is assessed by the group to have a strong financial position and no history of past due amounts from previous transactions with the group.

The group assumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 90 days past due.

The group determines expected credit losses based on individual debtor level expectations relative to credit terms, adjusted for factors that are specific to the debtor as well as relevant current and future expected economic conditions. When material, the time value of money is incorporated into the measurement of expected credit losses. There has been no change in the estimation techniques or significant assumptions made during the reporting period.

The group has identified contractual payments more than 90 days past due as default events for the purpose of measuring expected credit losses. These default events have been selected based on the group's historical experience. Because contract assets are directly related to unbilled work in progress, contract assets have a similar credit risk profile to receivables from contracts with customers. Accordingly, the group applies the same approach to measuring expected credit losses of receivables from contracts with customers as it does to measuring impairment losses on contract assets.

The measurement of expected credit losses reflects the group's 'expected rate of loss', which is a product of the probability of default and the loss given default, and its 'exposure at default', which is typically the carrying amount of the relevant asset. Expected credit losses are measured as the difference between all contractual cash flows due and all contractual cash flows expected based on the group's exposure at default, discounted at the financial asset's original effective interest rate.

Financial assets are regarded as 'credit-impaired' when one or more events have occurred that have a detrimental impact on the estimated future cash flows of the financial asset. Indicators that a financial asset is 'credit-impaired' include observable data about the following:

- a. significant financial difficulty of the issuer or the borrower;
- b. breach of contract;
- c. the lender, for economic or contractual reasons relating to the borrower's financial difficulty, has granted concessions to the borrower that the lender would not otherwise consider; or
- d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (i.e., reduced directly) when the counterparty is in severe financial difficulty and the group has no realistic expectation of recovery of the financial asset. Financial assets written off remain subject to enforcement action by the group. Recoveries, if any, are recognised in profit or loss.

(e) **Property, plant and equipment**

Plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Leasehold improvements are depreciated over the estimated useful lives of the improvements. Depreciation is calculated on a straight-line basis or diminishing value over the estimated useful life of the asset as follows:

Plant and equipment: over 1 to 3 years
Motor vehicles: over 3 to 6 years
Office furniture and equipment: over 3 to 5 years
Leasehold improvements: over 3 to 10 years

Notes to the financial statements for the year ended 30 June 2026

Note 1: Material accounting policy information (continued)

(f) Leases

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the group recognises a right of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Right of use assets

Right of use assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the group, and an estimate of costs to be incurred by the group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, right of use assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Right of use assets are depreciated over the lease term on a straight-line basis.

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

(g) Revenue

Revenue from the sale of goods is recognised when the customer receives the goods, ownership of the goods has passed and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Ownership is considered to have passed to the buyer at the time of delivery of the goods to the customer.

Revenue from the provision of services is recognised as performance obligations are satisfied over time, via transfer of services to customers, which is measured based on stage of completion.

Certain customers may be invoiced in advance of provision of services and this amount is recognised as a contract liability until the group provides, and the customer consumes, the benefits of the services.

(h) Income tax

Tax consolidation

SKS Technologies Group Limited (parent entity) and its wholly owned subsidiaries have implemented the tax consolidation legislation and have formed a tax-consolidated group from 30 November 2009. SKS Indigenous Technologies Pty Ltd has exited from the tax consolidation group effective 1 July 2022. The parent entity and subsidiaries in the tax-consolidated group have entered into a tax funding agreement such that each entity in the tax-consolidated group recognises the assets, liabilities, expenses and revenues in relation to its own transactions, events and balances only. This means that:

- the parent entity recognises all current and deferred tax amounts relating to its own transactions, events and balances only;
- the subsidiaries recognise current or deferred tax amounts arising in respect of their own transactions, events and balances;
- current tax liabilities and deferred tax assets arising in respect of tax losses, are transferred from the subsidiary to the head entity as inter-company payables or receivables.

The tax-consolidated group also has a tax sharing agreement in place to limit the liability of subsidiaries in the tax-consolidated group arising under the joint and several liability requirements of the tax consolidation system, in the event of default by the parent entity to meet its payment obligations.

(i) Equity Settled Compensation

The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model, Binomial Option Pricing model and Monte Carlo Simulation method which incorporates all market vesting conditions. The amount to be expensed is determined by reference to the fair value of the options or shares granted, this expense takes in account any market performance conditions and the impact of any non-vesting conditions but ignores the effect of any service and non-market performance vesting conditions.

Notes to the financial statements for the year ended 30 June 2026

Note 1: Material accounting policy information (continued)

Non-market vesting conditions are taken into account when considering the number of options expected to vest. At the end of each reporting period, the Group revises its estimate of the number of options which are expected to vest based on the non-market vesting conditions. Revisions to the prior period estimate are recognised in profit or loss and equity.

(j) Adoption of new and revised accounting standards and interpretations

The Group has adopted all new and revised Australian Accounting Standards and interpretations that apply to the current reporting period. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

(k) Accounting standards and interpretations issued but not yet effective

Certain new or revised accounting standards and amendments to Australian Accounting Standards have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group.

AASB 18 Presentation and Disclosure in Financial Statements. This new standard is not expected to have an impact on the recognition or measurement of assets, liabilities, income and expenses, however it will affect the presentation and disclosure of the Consolidated Statement of Profit or Loss and Other Comprehensive Income and disclosure of management performance measures.

AASB 2024-2 Amendments to Australian Accounting Standard – Classification and Measurement of Financial Instruments. This standard is not expected to have material impact on the Group in the current or future reporting periods.

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Certain accounting estimates include assumptions concerning the future, which, by definition, will seldom represent actual results. Estimates and assumptions based on future events have a significant inherent risk, and where future events are not as anticipated there could be a material impact on the carrying amounts of the assets and liabilities discussed below:

Revenue from services recognised over time

For contracts where the Group has an enforceable right to payment, revenue is recognised over time using the stage of completion method based on the proportion of costs incurred to date to the estimated total contract costs, as a measure of the Group's performance in transferring control of goods and services. Material judgement is used to estimate the total contract costs which will determine the amount of revenue recognised on projects. In making these estimates, management has relied on past experience and knowledge of the project managers.

Allowance for credit losses

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment), lease terms (for leased properties and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful life are made when considered necessary. Depreciation charges are included in note 6.

Goodwill

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows. Refer to note 14 for further information.

Income Tax

Deferred tax assets and liabilities are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law. Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences. Where management considers tax losses are probable of being recovered from future taxable profits, they are recognised as deferred tax assets.

Notes to the financial statements for the year ended 30 June 2026

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Share Based Payments

Equity-settled share awards are recognised as an expense based on their fair value at date of grant. The fair value of equity-settled share options is estimated through the use of option valuation models – which require inputs such as the risk-free interest rate, expected dividends, expected volatility and the expected option life – and is expensed over the vesting period.

The models utilised, such as the binomial option pricing model, are intended to value options traded in active markets. The share options issued by the Group, however, have a number of features that make them incomparable to such traded options. Using different input estimates or models could produce different option values, which would result in the recognition of a higher or lower expense.

NOTE 3: FINANCIAL RISK MANAGEMENT

(a) Material Accounting Policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

(b) Financial risk management objectives and policies

The Group's principal financial instruments comprise bank loans, finance leases and cash. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

It is the policy of the consolidated entity to regularly review foreign currency exposures. The degree to which the foreign exchange risk is managed will vary depending on circumstances that prevail at the time the risk is known or anticipated. There are no foreign currency contracts outstanding at the reporting date (2025: Nil).

Cash flow interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with a floating interest rate. The group monitors its exposure to interest rate risk as part of its capital and cash management.

Liquidity risk

Liquidity risk is the risk that an entity will not be able to meet its financial obligation as they fall due. The entity's approach in managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The entity manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The consolidated entity does not have any significant concentrations of credit risk (on a net basis after recognising impairment losses) that arise from exposures to a single debtor or to a group of debtors having a similar characteristic such that their ability to meet their obligations is expected to be affected similarly by changes in economic or other conditions.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for credit losses, represents the consolidated entity's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Sensitivity Analysis

The entity has performed a sensitivity analysis relating to its exposure to interest rate risk and foreign currency risk at balance date. This sensitivity analysis concluded there would be no material impact on fair values of financial assets and liabilities.

Notes to the financial statements for the year ended 30 June 2026

NOTE 3: FINANCIAL RISK MANAGEMENT (continued)

(c) Financial Risk Management

Financial Liability and Financial Asset Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total
	2026	2025	2026	2025	2026	2025	
	\$	\$	\$	\$	\$	\$	\$
Consolidated Group							
Financial liabilities due for payment							
Trade and other payables	(46,129,245)	(15,769,969)	-	-	-	-	(15,769,969)
Lease liabilities	(1,331,236)	(1,393,389)	(3,742,705)	(4,384,082)	(2,159,482)	(2,612,902)	(8,390,373)
Total contractual outflows	(47,460,481)	(17,163,358)	(3,742,705)	(4,384,082)	(2,159,482)	(2,612,902)	(24,160,342)
Financial assets — cash flows realisable							
Cash and cash equivalents	49,604,164	32,476,963	-	-	-	-	32,476,963
Trade and other receivables	75,137,960	61,903,863	-	-	-	-	61,903,863
Other assets	13,918	17,541	-	-	51	51	17,592
Total anticipated inflows	124,756,042	94,398,367	-	-	51	51	94,398,418

Notes to the financial statements for the year ended 30 June 2026

NOTE 3: FINANCIAL RISK MANAGEMENT (continued)

(d) Interest Rate Risk

The following table details the consolidated entity's exposure to interest rate risk as at 30 June 2026:

	Weighted average interest rate %	Variable interest rate \$	Fixed Interest Rate Maturity			Non-interest bearing \$	Total \$
			Less than 1 year \$	2 to 5 years \$	Greater than 5 years \$		
As at 30 June 2026							
Financial Assets – held at amortised cost							
Cash and cash equivalents	4.30	49,437,136	-	-	-	167,028	49,604,164
Trade and other receivables	-	-	-	-	-	75,137,960	75,137,960
Other assets	-	-	-	-	-	13,969	13,969
		49,437,136	-	-	-	75,318,957	124,756,093
Financial Liabilities – measured at amortised cost							
Trade and other payables	-	-	-	-	-	46,129,245	46,129,245
Lease Liabilities	7.11	-	1,331,236	3,742,705	2,159,482	-	7,233,423
		-	1,331,236	3,742,705	2,159,482	46,129,245	53,362,668
As at 30 June 2025							
Financial Assets – held at amortised cost							
Cash and cash equivalents	3.60	30,740,263	-	-	-	1,736,701	32,476,964
Trade and other receivables	-	-	-	-	-	61,903,863	61,903,863
Other assets	3.96	17,541	-	-	-	51	17,592
		30,757,804	-	-	-	63,640,615	94,398,419
Financial Liabilities – measured at amortised cost							
Trade and other payables	-	-	-	-	-	15,769,969	15,769,969
Lease Liabilities	7.34	-	1,393,389	4,384,082	2,612,902	-	8,390,373
		-	1,393,389	4,384,082	2,612,902	15,769,969	24,160,342

Notes to the financial statements for the year ended 30 June 2026

NOTE 3: FINANCIAL RISK MANAGEMENT (continued)

(e) Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective fair values, determined in accordance with the accounting policies disclosed in Note 1 to the financial statements.

NOTE 4: REVENUE FROM CONTRACTS WITH CUSTOMERS

	2026	2025
	\$	\$
Revenue from services recognised over time	347,927,741	261,655,008
Total sales revenue	347,927,741	261,655,008

Contract liabilities as recorded in Note 15, is recorded as a current liability and the underlying performance obligations are expected to be completed within 12 months

NOTE 5: OTHER INCOME

	2026	2025
	\$	\$
Interest revenue	1,551,554	797,879
Government incentives- (Training subsidies)	14,163	65,652
Other income	758,904	709,734
Total other income from continuing operations	2,324,621	1,573,265

NOTE 6: PROFIT FROM CONTINUING OPERATIONS

	2026	2025
	\$	\$
Profit from continuing operations before income tax has been determined after the following specific expenses:		
<i>Depreciation and amortisation of non-current assets:</i>		
Property, plant and equipment	2,537,893	1,780,040
Motor vehicles	1,085,301	696,901
Leasehold improvements	366,523	334,693
Computer software	63,476	25,683
	4,053,193	2,837,317
<i>Finance Costs:</i>		
Interest – debtor finance, bank overdraft & other	5,534	36,362
Interest - lease liability	572,703	611,527
	578,237	647,889
<i>Employee Benefit Expenses:</i>		
Wages	110,595,913	86,027,045
Superannuation	9,997,476	7,673,386
Other employee benefits	20,978,380	16,185,173
	141,571,769	109,885,604

Notes to the financial statements for the year ended 30 June 2026

NOTE 7: INCOME TAX

(a) The major components of tax income comprise:

	2026	2025
	\$	\$
Current income tax expense	13,544,468	7,077,005
Deferred tax income	(1,305,719)	(320,314)
Total income tax expense	12,238,749	6,756,691

Prima facie tax expense on profit before income tax is reconciled to the income tax expense as follows:

Profit before income tax	39,349,353	20,785,700
Prima facie income tax payable on profit before income tax at 30% (2025: 30%)	11,804,806	6,235,710
Add/(less): Permanent differences	315,832	266,683
Add/(Less): Tax Loss not previously booked	-	(20,923)
Add/(Less): Temporary differences from Delta Elcom acquisition	216,594	-
Add/(less): Temporary differences from prior periods not previously booked	(98,483)	275,221
Income tax expense	12,238,749	6,756,691
The applicable effective tax rate	31.10%	32.51%

(b) **Income tax payable**

Opening balance at 1 July	4,540,887	6,514
Provision for the year	13,544,468	7,077,005
Payments made during the year	(12,268,490)	(2,542,632)
Closing balance at 30 June	5,816,865	4,540,887

(c) **Deferred Tax**

Deferred tax assets	Opening Balance	Acquisition of Delta Elcom	Charged to Income	Charged directly to Equity	Closing Balance
	\$	\$	\$	\$	\$
Deferred tax assets					
Provisions	1,710,140	216,593	1,010,990	-	2,937,723
Intangible assets	-	-	11,973	-	11,973
Lease liability	2,517,112	-	(347,085)	-	2,170,027
Blackhole expenditure	17,720	-	5,416	-	23,136
Capital losses	132,193	-	-	-	132,193
	4,377,165	216,593	681,294	-	5,275,052
Deferred tax liabilities					
Prepayment	(19,282)	-	(2,854)	-	(22,136)
Intangible assets	(33,574)	-	33,574	-	-
Right of use assets	(1,778,457)	-	277,017	-	(1,501,440)
Property plant & equipment	(428,207)	-	316,688	-	(111,519)
	(2,259,520)	-	624,425	-	(1,635,095)
Net deferred tax assets	2,117,645	216,593	1,305,719	-	3,639,957

Notes to the financial statements for the year ended 30 June 2026

NOTE 8: CASH AND CASH EQUIVALENTS

	2026 \$	2025 \$
Cash at bank	49,604,164	32,476,963
	<u>49,604,164</u>	<u>32,476,963</u>

NOTE 9: TRADE AND OTHER RECEIVABLES

Current	2026 \$	2025 \$
Trade debtors	69,381,585	55,403,318
Retention debtors	991,758	1,030,917
Allowance for credit losses	(166,152)	(107,929)
Contract assets	4,820,588	5,471,974
Other receivables	110,181	105,583
	<u>75,137,960</u>	<u>61,903,863</u>

Movement in the allowance for credit losses:

	2026 \$	2025 \$
Opening balance at 1 July	(107,929)	(132,365)
Charge for the year	(58,223)	(7,814)
Amounts written off	-	32,250
Closing balance at 30 June	<u>(166,152)</u>	<u>(107,929)</u>

	Gross 2026 \$	Expected credit loss 2026 \$	Gross 2025 \$	Expected credit loss 2025 \$
Trade receivables ageing analysis as at 30 June is				
Not past due	60,764,926	-	48,849,000	-
Past due 31-60 days	6,304,607	-	5,641,050	-
Past due 61-90 days	1,112,440	-	523,628	-
Past due more than 90 days	1,199,612	(166,152)	389,640	(107,929)
	<u>69,381,585</u>	<u>(166,152)</u>	<u>55,403,318</u>	<u>(107,929)</u>

NOTE 10: INVENTORIES

Current	2026 \$	2025 \$
Project materials at the warehouse – at cost	262,961	43,432
	<u>262,961</u>	<u>43,432</u>

NOTE 11: OTHER ASSETS

Current	2026 \$	2025 \$
Prepayments and other assets	682,185	345,123
	<u>682,185</u>	<u>345,123</u>

Notes to the financial statements for the year ended 30 June 2026

NOTE 11: OTHER ASSETS (continued)

	2026	2025
Non-Current	\$	\$
Loan to C.L.A.P. Aust Pty Ltd	51	51
	<u>51</u>	<u>51</u>

NOTE 12: PROPERTY, PLANT & EQUIPMENT

	2026	2025
	\$	\$
Plant and equipment		
At cost	5,471,502	2,717,871
Accumulated depreciation	(2,136,294)	(1,258,160)
	<u>3,335,208</u>	<u>1,459,711</u>
Office furniture and equipment		
At cost	2,089,145	1,379,214
Accumulated depreciation	(913,964)	(663,682)
	<u>1,175,181</u>	<u>715,532</u>
Motor vehicles		
At cost	4,788,189	2,659,125
Accumulated depreciation	(1,353,718)	(710,660)
	<u>3,434,471</u>	<u>1,948,465</u>
Leasehold improvements		
At cost	2,325,408	2,199,278
Accumulated depreciation	(1,110,277)	(771,554)
	<u>1,215,131</u>	<u>1,427,724</u>
Total property, plant & equipment	<u><u>9,159,991</u></u>	<u><u>5,551,432</u></u>

(a) Movement in carrying amount of property, plant & equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year:

	Plant & Equipment	Office Furniture, and Equipment	Motor Vehicles	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2026					
Balance at the beginning of the year	1,459,711	715,532	1,948,465	1,427,724	5,551,432
Additions	3,058,707	885,615	2,395,731	126,130	6,466,183
Disposals	-	-	(72,529)	-	(72,529)
Depreciation expense	(1,183,210)	(425,966)	(837,196)	(338,723)	(2,785,095)
Balance at the end of the year	<u>3,335,208</u>	<u>1,175,181</u>	<u>3,434,471</u>	<u>1,215,131</u>	<u>9,159,991</u>
Year ended 30 June 2025					
Balance at the beginning of the year	1,056,120	573,051	925,360	1,473,543	4,028,074
Additions	1,158,009	428,886	1,425,324	261,073	3,273,292
Disposals	-	-	(28,012)	-	(28,012)
Depreciation expense	(754,418)	(286,405)	(374,207)	(306,892)	(1,721,922)
Balance at the end of the year	<u>1,459,711</u>	<u>715,532</u>	<u>1,948,465</u>	<u>1,427,724</u>	<u>5,551,432</u>

Notes to the financial statements for the year ended 30 June 2026

NOTE 13: LEASES

At the commencement date of a lease (other than leases of low value assets), the group recognises a right of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

(a) Right of use assets

Carrying amount of lease assets, by class of underlying asset:

	2026	2025
	\$	\$
Buildings under lease arrangements		
At cost	6,850,401	6,775,828
Accumulated depreciation	(1,991,913)	(1,296,170)
	<u>4,858,488</u>	<u>5,479,658</u>
Motor Vehicles		
At cost	738,671	1,223,873
Accumulated depreciation	(638,251)	(863,753)
	<u>100,420</u>	<u>360,120</u>
Equipment		
At cost	73,553	73,554
Accumulated depreciation	(41,674)	(26,963)
	<u>31,879</u>	<u>46,591</u>
Leasehold Improvements		
At cost	139,000	139,000
Accumulated depreciation	(124,986)	(97,186)
	<u>14,014</u>	<u>41,814</u>
Total right of use assets	<u><u>5,004,801</u></u>	<u><u>5,928,183</u></u>

Reconciliation of the carrying amount of lease assets at the beginning and end of the financial year:

	Buildings	Motor Vehicles	Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2026					
Balance at the beginning of the year	5,479,658	360,120	46,591	41,814	5,928,183
Additions	292,835	-	-	-	292,835
Terminated	-	(11,595)	-	-	(11,595)
Depreciation expense	(914,005)	(248,105)	(14,712)	(27,800)	(1,204,622)
Balance at the end of the year	<u>4,858,488</u>	<u>100,420</u>	<u>31,879</u>	<u>14,014</u>	<u>5,004,801</u>

	Buildings	Motor Vehicles	Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2025					
Balance at the beginning of the year	5,096,434	688,966	61,302	69,614	5,916,316
Additions	1,107,730	-	-	-	1,107,730
Terminated	-	(6,151)	-	-	(6,151)
Depreciation expense	(724,506)	(322,695)	(14,711)	(27,800)	(1,089,712)
Balance at the end of the year	<u>5,479,658</u>	<u>360,120</u>	<u>46,591</u>	<u>41,814</u>	<u>5,928,183</u>

(b) Lease liabilities

	2026	2025
	\$	\$
Current lease liabilities	1,331,236	1,393,389
Non-current lease liabilities	5,902,188	6,996,984
Total carrying amount of lease liabilities	<u>7,233,424</u>	<u>8,390,373</u>

Notes to the financial statements for the year ended 30 June 2026

NOTE 13: LEASES (continued)

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$	1 – 5 years \$	> 5 years \$	Total undiscounted lease liabilities \$	Lease liabilities included in this Consolidated Financial Position \$
2026					
Lease liabilities	1,795,431	4,975,968	2,496,913	9,268,312	7,233,424
2025					
Lease liabilities	1,958,733	5,900,510	3,119,108	10,978,351	8,390,373

(c) Right of use and other finance lease expenses and cashflows

	2026 \$	2025 \$
Short term or low value leases	73,763	21,587
Interest expense on lease liabilities	572,703	611,527
Depreciation expense on lease assets	1,725,143	1,526,554
Cash outflow in relation to payment of lease liabilities	1,426,888	1,190,357

NOTE 14: INTANGIBLE ASSETS

	2026 \$	2025 \$
Goodwill at cost (a)	16,628,047	1,867,660
Computer software (b)	273,018	130,851
	16,901,065	1,998,511

(a) Reconciliation of carrying amount at the beginning and end of the financial year

	2026 \$	2025 \$
Goodwill		
Carrying value as at 1 July	1,867,660	1,867,660
Goodwill on acquisition of Delta Elcom	14,760,387	-
Carrying value as at 30 June	16,628,047	1,867,660

(b) Reconciliation of carrying amounts at the beginning and end of the financial year

	2026 \$	2025 \$
Computer software		
Carrying value as at 1 July	130,851	16,057
Software costs capitalised	205,643	140,477
Amortisation	(63,476)	(25,683)
Carrying value as at 30 June	273,018	130,851

Notes to the financial statements for the year ended 30 June 2026

NOTE 14: INTANGIBLE ASSETS (continued)

Recoverable amount testing for goodwill

For the purpose of impairment testing, goodwill is allocated to cash-generating units as below:

Description of the cash-generating unit (CGU)	Carrying amount of goodwill \$	Recoverable amount of CGU \$	Method of estimation
Communication & electrical	1,867,660	187,170,825	Value in use
Communication & electrical	14,760,387	18,556,811	Value in use

Cash-generating unit where recoverable amount has been determined using value in use

CGU	Key assumptions on which cash flow forecasts are based	Description of management's approach to determining value assigned to key assumptions	Period over which cashflows have been projected	Growth rate used for cashflow projections %	Discount rate %
Communication & electrical	Future demand for services	Based on historical growth patterns and current demand for services in the current climate.	5 years	2.5	23.4
	Growth rate				

Sensitivity of assumptions

If the pre-tax discount rate applied to the cash flow projections had been 5% higher than management estimates, then the Group still would not have recognised an impairment loss.

Management do not believe there would be a reasonable possible change in any of the key assumptions that would have caused the carrying amount of the assets of the communication & electrical cash-generating unit, including goodwill to exceed its recoverable amount.

Impairment assumptions

Goodwill is allocated to communication & electrical which is the cash generating unit (CGU) for the purpose of impairment testing. The recoverable amount of the CGU is determined based on value in use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

NOTE 15: TRADE AND OTHER PAYABLES

	2026 \$	2025 \$
Current		
Trade payables (a)	38,855,839	12,577,298
Accrued expenses	2,503,458	1,723,056
Deferred consideration on acquisition of Delta Elcom	1,250,000	-
Other payables	10,064,669	6,074,110
Contract liabilities	35,574,756	45,568,167
	88,248,722	65,942,631

(a) Trade payables are non-interest bearing and are normally settled on 30 to 80 day terms

Notes to the financial statements for the year ended 30 June 2026
NOTE 16: PROVISIONS – EMPLOYEE BENEFITS

	2026	2025
	\$	\$
Balance at 1 July	6,902,102	3,159,088
Provision for the year	12,857,734	8,340,756
Acquired from Delta Elcom acquisition	721,979	-
Amounts used	(5,758,817)	(4,597,742)
Balance as at 30 June	14,722,998	6,902,102

The closing balance includes \$ 7,437,334 (2025: \$2,490,236) of provision for deferred bonuses.

(a) Employee benefits – current	14,631,540	6,827,599
(b) Employee benefits – non-current	91,458	74,503
	14,722,998	6,902,102

NOTE 17: PROVISIONS – OTHER

	2026	2025
	\$	\$
Balance at 1 July	45,000	15,000
Provision for the year	-	30,000
Amount used	(15,000)	-
Balance as at 30 June	30,000	45,000

NOTE 18: SHARE CAPITAL

	2026	2025
	\$	\$
(a) Issued and paid-up capital		
Ordinary shares fully paid	25,672,378	23,076,656

(b) Movements in shares on issue

	Parent Equity 2026		Parent Equity 2025	
	No of Shares	\$	No of Shares	\$
Balance as at 1 July	113,069,879	23,076,656	111,799,355	22,615,664
Issue of shares related to exercise of options	1,500,000	639,907	1,000,000	525,466
Issue of shares related to performance rights	188,429	-	270,524	-
Shares issued- value adjustment	-	-	-	(40,607)
Shares issued- Delta Acquisition	612,501	2,000,000	-	-
Cost of issue of shares/options	-	(44,185)	-	(23,867)
Balance as at 30 June	115,370,809	25,672,378	113,069,879	23,076,656

(c) Dividends

Fully franked final dividend of \$0.05 per share has been declared from 2025 profits on 19 September 2025 and paid on 16 October 2025 amounting to \$5,735,297. (Fully franked dividends declared and paid in 2025: \$ 1,120,699)

Fully franked interim dividend of \$0.035 per share has been declared from 2026 profits on 06 March 2026 and paid on 20 March 2026 amounting to \$4,036,234. (Fully franked dividends declared and paid in 2025: \$ 1,130,699)

Notes to the financial statements for the year ended 30 June 2026

NOTE 18: SHARE CAPITAL (continued)

Franking account

	2026	2025
	\$	\$
The franking credits available for subsequent financial years at a tax rate of 30%	16,906,787	5,927,675

The above available balance is based on the dividend franking account at year-end adjusted for:

- (a) Franking credits that will arise from the payment of the amount of the provision for income tax;
- (b) Franking debits that will arise from the payment of dividends recognised as a liability at the year end;
- (c) Franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.

The impact on the franking credit of the dividends proposed after the end of the reporting period is to reduce it by \$3,213,901.

The ability to use the franking credits is dependent upon the Company's future ability to declare dividends.

(d) Rights of each type of share

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share gives entitlement to one vote when a poll is called.

(e) Capital Management

When managing capital, management's objective is to ensure the consolidated entity continues to maintain optimal returns to shareholders and benefits for other stakeholders. This is achieved through the monitoring of historical and forecast performance and cash flows.

NOTE 19: SHARE OPTION RESERVE

	2026	2025
	\$	\$
Balance at beginning of year	159,977	-
Share based payment transactions	700,928	685,443
Shares issued upon the exercise of options and rights	(639,907)	(525,466)
Lapsed share options	-	-
Balance at end of year	220,998	159,977

This reserve records the cumulative value of employee service received for the issue of share options. When the option is exercised the amount in the share option reserve is transferred to share capital.

NOTE 20: RETAINED EARNINGS

	2026	2025
	\$	\$
Balance at beginning of year	1,104,742	(10,414,321)
Net profit attributable to members of the parent entity	26,890,221	13,770,461
Dividends paid	(9,771,531)	(2,251,398)
Balance at end of year	18,223,432	1,104,742

Notes to the financial statements for the year ended 30 June 2026

NOTE 21: CASH FLOW INFORMATION

(a) Reconciliation of cash flow from operations with profit after income tax.

	2026	2025
	\$	\$
Net profit after income tax	27,110,604	14,029,009
Gain on sale of assets	(62,575)	(99,566)
Depreciation & amortisation expense	4,053,193	2,837,317
Interest reinvested in security deposits	(252)	(787)
Share based payment expenses	700,928	685,443
Gain from value adjustment of share issue	-	(40,607)

Change in net assets and liabilities

(Increase)/decrease in assets:

Trade and other receivables	(13,234,097)	(19,595,868)
Inventories	(219,529)	98,688
Other current assets	(340,685)	(61,425)
Deferred tax assets	(1,305,719)	(320,314)

Increase/(decrease) in liabilities:

Trade and other payables	18,106,247	31,638,988
Income tax payable	1,275,979	4,534,373
Provisions	9,574,152	1,282,778

Net cash provided by operating activities

45,658,246	34,988,029
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(b) Reconciliation of cash and cash equivalents

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to the related items in the statement of financial position as follows:

	2026	2025
	\$	\$
Cash at bank	49,604,164	32,476,963
	49,604,164	32,476,963

(c) Financing Facilities:

Maximum available subject to (d) below

Bank overdraft facility	-	2,000,000
Bank guarantee facility	48,000,000	17,000,000
Bank lease facility	4,000,000	2,000,000
Bank credit card facility	100,000	100,000
	52,100,000	21,100,000

(d) Facilities in use at the end of the financial year

Bank overdraft facility (i)	-	-
Bank guarantee facility (i)	30,024,354	11,687,302
Bank lease facility (i)	1,327,813	1,644,787
Bank credit card facility	9,037	10,087
	31,361,204	13,342,176

i) The financing facilities as at 30 June 2026 represent the net position of the overdraft, bank guarantee, lease facilities and credit card provided by the Commonwealth Bank of Australia which is secured by a fixed and floating charge over SKS Technologies Group Limited, SKS Technologies Pty Ltd, SKS Technologies Construction Pty Ltd and SKS Technologies NSW Pty Ltd (formerly known as SKS Energy Technologies Pty Ltd).

Notes to the financial statements for the year ended 30 June 2026

NOTE 22: OPERATING SEGMENT

The Group operates predominantly in Australia, in audio-visual, communication, IT and electrical markets which is regarded as a single segment, hence there is no information on operating segments provided in this report.

NOTE 23: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

No contingent liabilities or assets noted for the reporting period ended 30 June 2026 other than the bank guarantee facility obtained from the Commonwealth Bank of Australia as disclosed in Note 21 (d).

NOTE 24: EARNING PER SHARE

	2026	2025
	\$	\$
Reconciliation of earnings used in calculating earnings per share:		
Profit for the year attributable to ordinary equity holders of the parent entity	26,890,221	13,770,461
Profit used in the calculation of basic and diluted earnings per share	26,890,221	13,770,461
	2026	2025
	No of Shares	No of Shares
Weighted average number of ordinary shares used in calculating basic earning per share	114,687,246	112,314,404
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	114,828,724	113,226,733

NOTE 25: DIRECTOR'S AND EXECUTIVE'S COMPENSATION

(a) Details of Directors and Executives

Peter Jinks	Executive Chairman
Greg Jinks	Executive Director
Terence Grigg	Non-Executive Director
Antoinette Truda	Non-Executive Director
Matthew Jinks	Chief Executive Officer
Gary Beaton	Chief Financial Officer

(b) Remuneration by Category: Directors and Executives

	2026	2025
	\$	\$
Short-term employee benefits	2,725,960	2,290,765
Long-term employee benefits	4,164,775	2,174,483
Share based payments- options and performance rights	700,928	685,443
Post-employment employee benefits	60,275	60,359
Total	7,651,938	5,211,050

Notes to the financial statements for the year ended 30 June 2026

NOTE 26: RELATED PARTY DISCLOSURES

- (a) The consolidated financial statements include the financial statements of SKS Technologies Group Limited and its controlled entities listed below:

Name of Company	Country of Incorporation	Percentage Owned	
		2026	2025
Parent Entity			
SKS Technologies Group Limited	Australia		
Controlled Entities			
SKS Technologies Pty Ltd	Australia	100%	100%
SKS Technologies Construction Pty Ltd	Australia	100%	100%
SKS Indigenous Technologies Pty Ltd	Australia	49%	49%
SKS Technologies NSW Pty Ltd (formerly known as SKS Energy Technologies Pty Ltd)	Australia	100%	100%

- (b) Subsidiaries with material non-controlling interests

The amounts disclosed below are prior to any inter-company eliminations.

	2026 \$	2025 \$
SKS Indigenous Technologies Pty Ltd - Subsidiary		
% ownership held by Non-Controlling Interest (NCI)	51%	51%
Profit allocated to NCI	220,383	258,548
Accumulated NCI of subsidiary	224,317	202,835
Summarised statement of financial position		
Current assets	5,529,498	8,956,846
Non-current assets	14,305	-
Current liabilities	(5,102,204)	(8,558,225)
Non-current liabilities	(1,761)	(908)
Net Assets	439,838	397,713
Summarised statement of profit or loss and other comprehensive income		
Revenue	28,568,700	27,002,595
Profit	432,124	506,956
Total comprehensive income	432,124	506,956
Summarised statement of cash flows		
Cash flows from / (used in) operating activities	4,588,222	(1,875,580)
Cash flows from investing activities	-	-
Cash flows (used in) / from financing activities	(4,614,685)	1,823,752
Net decrease in cash and cash equivalents	(26,463)	(51,828)

Notes to the financial statements for the year ended 30 June 2026

NOTE 26: RELATED PARTY DISCLOSURES (continued)

(c) The following are the total amount of transactions that were entered into with related parties for the relevant financial year:

- The principal place of business, 700 Spencer Street West Melbourne was purchased by 700 Spencer Street Pty Ltd owned by the executive directors namely Peter Jinks and Greg Jinks and the Chief Executive Officer, Matthew Jinks together with four other senior managers of the group. 700 Spencer Street Pty Ltd invoiced the group for \$368,589 (2025: \$355,104) for the lease rental of which 50% is applicable to the Key Management Personnel. The transaction was on an arm's length basis on normal commercial terms and conditions.
- Revium, digital consultancy provider partly owned by Peter Jinks' son in law invoiced the company \$28,013 (2025: \$162,674). The transactions were on an arm's length basis on normal commercial terms and conditions.
- Lawson Lodge Country Estate (Macedon), a conference centre owned by Greg Jinks invoiced the company \$12,950 (2025: Nil). The transaction was on an arm's length basis on normal commercial terms and conditions.
- Greg Jinks purchased two fully depreciated motor vehicles for \$ 11,000 during the year ended 30 June 2025. There were no similar transactions during the year ended 30 June 2026.
- Director fees paid or payable to Greg Jinks amounted to \$450,000 (2025: \$437,500) and invoiced via his entity Jinks Consulting Group.
- Director fees paid or payable to Peter Jinks amounted to of \$450,000 (2025: \$437,500) and invoiced via his entity Bundarah Pty Ltd.
- Terence Grigg invoiced the company for director fees of \$75,000 (2025: \$65,500)
- Antoinette Truda invoiced the company for director fees of \$75,000 (2025: \$55,000) via her entity Spired Pty Ltd.
- The following amounts are owed to related party personnel as at 30 June 2026:
 - Peter Jinks – \$150,000 (2025: \$150,000)
 - Greg Jinks - \$150,000 (2025: \$150,000)
 - Terence Grigg - Nil (2025: Nil)
 - Antoinette Truda – Nil (2025: Nil)
 - Matthew Jinks – \$6,376,145 (2025: \$2,251,000)

Information regarding remuneration and share-based payment transactions with Mr. Matthew Jinks are included elsewhere in the remuneration report.

NOTE 27: REMUNERATION OF AUDITORS

Amounts received or due and receivable by auditors for:

	2026	2025
DFK BKM Audit Services	\$	\$
Audit or review of the financial report of the group	124,053	98,344
Taxation services provided by related practice of auditor – DFK Benjamin King Money	-	13,950
	124,053	112,294

Notes to the financial statements for the year ended 30 June 2026

NOTE 28: PARENT ENTITY DISCLOSURE

The following information has been extracted from the books and records of the parent entity and has been prepared in accordance with the Australian Accounting Standards.

	2026	2025
	\$	\$
(a) Summarised Statement of Financial Position		
Current assets	12,212,573	10,542,181
Non-current assets	2,036,751	2,032,714
Total assets	14,249,324	12,574,895
Current liabilities	21,951,580	12,464,933
Non-current liabilities	-	-
Total liabilities	21,951,580	12,464,933
Net (liabilities)/assets	(7,702,256)	109,962
Shareholders' equity		
i) Issued capital	25,672,427	23,076,705
ii) Share option reserve	220,998	159,977
iii) Accumulated losses	(33,595,681)	(23,126,720)
Total (capital deficiency)/ equity	(7,702,256)	109,962
(b) Summarised Statement of Comprehensive Income		
Net loss	(697,430)	(409,198)
Total comprehensive loss	(697,430)	(409,198)

NOTE 29: SHARE -BASED PAYMENTS

As at 30 June 2026 the Group has the following share-based payment schemes:

2026							
Grant Date	Expiry Date	Exercise Price	Start of the year	Granted during the year	Exercised during the year	Lapsed during the year	Balance at the end of the year
21 November 2024	18 December 2028	\$2.50	500,000	-	500,000	-	-
21 November 2024	18 December 2028	\$2.75	500,000	-	500,000	-	-
21 November 2024	18 December 2028	\$3.00	500,000	-	500,000	-	-
02 December 2025	30 June 2028	\$1.90	-	244,736	-	-	244,736
2025							
Grant Date	Expiry Date	Exercise Price	Start of the year	Granted during the year	Exercised during the year	Lapsed during the year	Balance at the end of the year
21 November 2024	18 December 2028	\$2.00	-	500,000	500,000	-	-
21 November 2024	18 December 2028	\$2.25	-	500,000	500,000	-	-
21 November 2024	18 December 2028	\$2.50	-	500,000	-	-	500,000
21 November 2024	18 December 2028	\$2.75	-	500,000	-	-	500,000
21 November 2024	18 December 2028	\$3.00	-	500,000	-	-	500,000

The fair value per right of the performance rights granted in 2026 was \$2.71 and the weighted average fair value of the options granted in 2025 was \$0.4661.

Historical volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future movements.

Notes to the financial statements for the year ended 30 June 2026

NOTE 30: ACQUISITION OF BUSINESS ASSETS

On 12 January 2026, the group completed the acquisition of the Delta Elcom Pty Limited as trustee for the Delta Elcom Unit Trust business assets under the Business and Asset Sale Agreement (ASA) between Delta Elcom Pty Limited as trustee for the Delta Elcom Unit Trust and SKS Technologies Group Limited (or nominated subsidiary).

Details of the assets and liabilities acquired, and consideration paid is as follows:	\$
Plant and equipment	1,271
Motor vehicles	317,906
Unearned revenue-net	(447,650)
Employee entitlements	(721,979)
Deferred tax asset	216,593
Goodwill	14,760,387
Total consideration	14,126,528

Details of the purchase consideration

In accordance with the terms of the ASA, the company issued 612,501 new shares in the Company to the seller on 12 January 2026 at \$3.27 per share equating to \$2,000,000 followed by the cash payments totalling to \$10,876,528. The deferred consideration to be paid is \$1,250,000 subject to the performance of the first 12 months post acquisition.

Contribution since acquisition

Since acquisition date the Delta Elcom Pty Limited business assets have contributed revenue of \$12,674,825.

Transaction costs

The Group incurred legal and due diligence costs associated with the ASA totalling \$147,178 which have been expensed in the Statement of Profit or Loss and Other Comprehensive Income.

NOTE 31: SUBSEQUENT EVENTS

A fully franked dividend of \$0.065 per share has been declared on 17 August 2026.

Other than the above, there were no matters or circumstances specific to SKS Technologies Group Limited that have arisen since 30 June 2026 that have significantly affected or may significantly affect:

- the Group's operation in future financial years or
- the results of those operations in future financial years or
- the Group's state of affairs in future financial years.

Consolidated Entity Disclosure Statement as at 30 June 2026

Name of entity	Type of entity	Place formed or incorporated	Percentage of share capital held	Australian tax resident or foreign tax resident	Foreign tax jurisdiction
SKS Technologies Group Limited	Body corporate	Australia	n/a	Australian	n/a
SKS Technologies Pty Ltd	Body corporate	Australia	100%	Australian	n/a
SKS Technologies Construction Pty Ltd	Body corporate	Australia	100%	Australian	n/a
SKS Indigenous Technologies Pty Ltd	Body corporate	Australia	49%	Australian	n/a
SKS Technologies NSW Pty Ltd (formerly known as SKS Energy Technologies Pty Ltd)	Body corporate	Australia	100%	Australian	n/a

At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

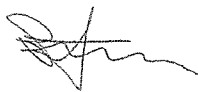
DIRECTORS' DECLARATION

The directors declare that:

1. In the directors' opinion the consolidated financial statements and notes thereto, as set out on pages 12 to 39 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standards and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements;
 - (b) as stated in Note 1(a) the consolidated financial statements also comply with International Financial Reporting Standards;
 - (c) giving a true and fair view of the financial position of the consolidated entity as at 30 June 2026 and of its performance for the year ended on that date; and
 - (d) the consolidated entity disclosure statement is true and correct.
2. In the directors' opinion there are reasonable grounds to believe that SKS Technologies Group Limited will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made by the chief executive officer and chief financial officer to the directors in accordance with sections 295A of the *Corporations Act 2001* for the financial year ended 30 June 2026.

This declaration is made in accordance with a resolution of the directors.



Peter Jinks
Executive Chairman

Melbourne
17 August 2026

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*
TO THE DIRECTORS OF SKS TECHNOLOGIES GROUP LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

DFK BKM Audit Services

DFK BKM Audit Services



Jamin Ong
Principal

Richmond, Victoria
17 August 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKS TECHNOLOGIES GROUP LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of SKS Technologies Group Limited (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Revenue Recognition	
Refer to Note 1(g) and Note 4	
The Group's revenue is primarily derived from the sale of products and provision of services in relation to audio-visual and lighting projects and data centres. Certain revenue is recognised based on the stage of completion of individual contracts, which is calculated based on the proportion of total costs incurred at the reporting date compared to management's estimation of total costs of the contract. The accurate recognition of this revenue is dependent on management estimates of the stage of completion of the contract. We consider revenue is a key audit matter because of its significance to profit, the high volume of revenue transactions associated with revenue and for certain contracts, and the judgement that is required by management in recognising revenue.	Our procedures included, among others: • Obtaining an understanding of the processes and controls relevant to revenue recognition. • For a sample of revenue transactions from provision of services and sale of products, testing to supporting documentation including sales invoices, and assessing whether revenue has been recognised in the correct period. • For a sample of revenue transactions for which revenue is recognised on a proportion of total costs incurred basis, testing to supporting documentation including supplier's tax invoices, and testing that the calculations of costs incurred and costs to complete including the calculations of the contract assets and contract liabilities were appropriate and adequately supported. • Assessing the adequacy of disclosure in the financial statements.
Business Combinations	
Refer to Note 30	
On 12 January 2026, the Group acquired the business and assets of Delta Elcom Pty Ltd (Delta Elcom) for a total consideration of \$14,126,528, consisting of the following amounts of consideration: \$10,876,528 in cash, \$2,000,000 in the issue of share capital and \$1,250,000 in deferred contingent consideration to be settled in cash. In accounting for this business combination, management made the following accounting estimates and judgements: • Determining that the acquisition constituted a business combination in accordance with the requirements of AASB 3 <i>Business Combinations</i>. • Identifying and measuring the fair value of identifiable assets acquired and liabilities assumed; and • Determining Delta Elcom's historical earnings that are expected to continue into the future, which would permit the recognition of deferred assets acquired and the measurement of fair value of contingent consideration on the date of acquisition.	Our procedures included, among others: • Reviewing the purchase agreement to gain an understanding of the key terms and conditions. • Assessing the purchase consideration for the acquisition and the fair value of the assets and liabilities acquired. • Agreeing the purchase consideration and the assets and liabilities acquired to supporting information. • Assessing the appropriateness of the deferred tax impact arising from the acquisition. • Assessing the appropriateness of the accounting treatment in line with AASB 3 and evaluating the appropriateness of the disclosure of the acquisition in the Group's financial statements.

We consider this to be a key audit matter as the measurement of fair value of identifiable assets acquired and liabilities assumed and contingent consideration involve significant judgements and estimates.

Impairment of Goodwill

Refer to Note 14

As at 30 June 2026 the Group's statement of financial position includes goodwill at cost amounting to \$16,628,047, contained within two cash generating units (CGUs).

The assessment of impairment of the Group's goodwill balances incorporated significant judgement in respect of factors such as cash flow forecasts, estimated growth rate and discount rate.

A key audit matter for us was whether the Group's value in use model for impairment included appropriate consideration of these factors on their significant estimates and judgements.

Our procedures included, among others:

- Assessing management's determination of the CGUs based on our understanding of the nature of the Group's business.
 - Evaluating management's process regarding valuation of the Group's goodwill to determine any goodwill impairment.
 - Assessing the Group's assumptions and estimates used to determine the recoverable value of its goodwill, including those relating to cash flow forecasts, growth rate, capital expenditure and discount rate.
 - Checking the mathematical accuracy of the cash flow models and agreeing relevant data to the latest forecasts.
 - Performing sensitivity analysis on the key assumptions relating to the discount rate, gross profit margin and the cash flow forecasts.
 - Reviewing the recoverable amount of the CGUs compared to the carrying value of the goodwill.
 - Assessing the adequacy of disclosure in the financial statements.
-

Other Information

The directors are responsible for the other information. The other information comprises the information included in the SKS Technologies 2026 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- (i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of SKS Technologies Group Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

DFK BKM Audit Service

DFK BKM Audit Services



Jamin Ong
Principal

Richmond, Victoria
17 August 2026