

FY26 Results Briefing

Presented by



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MD/CEO



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CFO

About Data#3



ASX Listed

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



48 Years Experience

Over 48 years evolving solutions and services to enable customers' success, combined with world-leading vendor technologies



Data#3 Vision

Our vision is to harness the power of people and technology for a better future



Innovative Solutions

Delivering the digital future through hybrid cloud computing, security, collaboration, networking, data & AI, and applications & automation solutions, combined with consulting, project and managed services



Agenda

FY26 Highlights

Key Operational Updates

FY26 Financial Performance

IT Sector Trends

Strategy & Outlook

FY26 Highlights

Gross Sales Growth: 12.7% to

\$3.4B¹

Above Australian IT Industry ↑

Recurring Gross Sales

70%

Up from 69% in FY25 ↑

Net Profit Before Tax

\$78.8M

Up 14.0% ↑

Customer Satisfaction Rating

4.36 / 5

Increased from 4.32 ↑

What we've achieved:

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

Consistent growth in earnings and gross sales:

5-year CAGR (FY21-26):

Gross sales

11.6%

Gross profit

9.4%

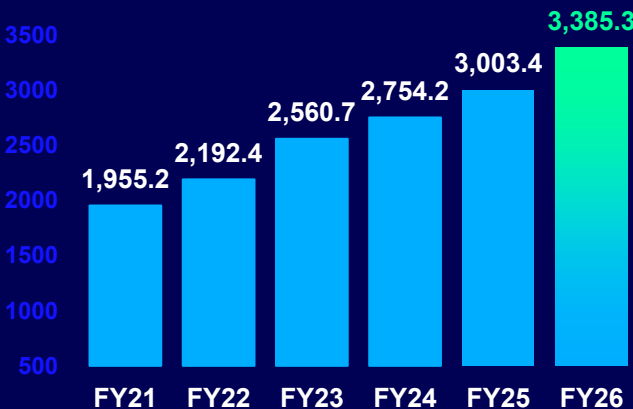
Basic EPS

16.3%

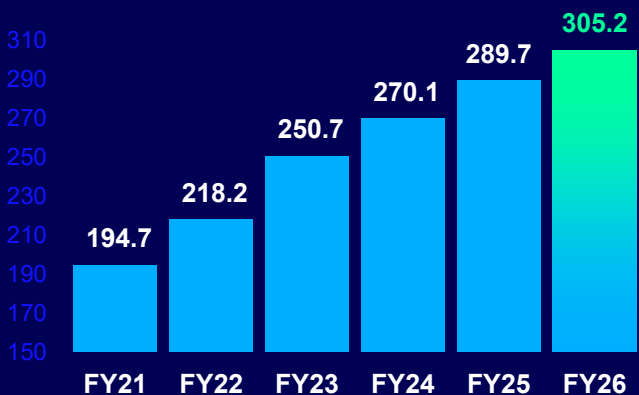
DPS

16.0%

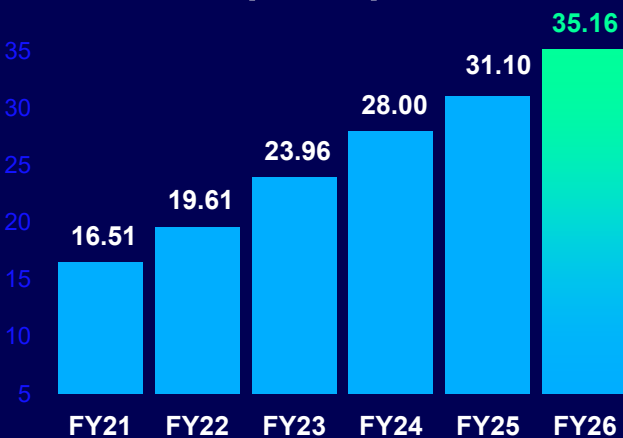
Total Gross Sales (\$M)



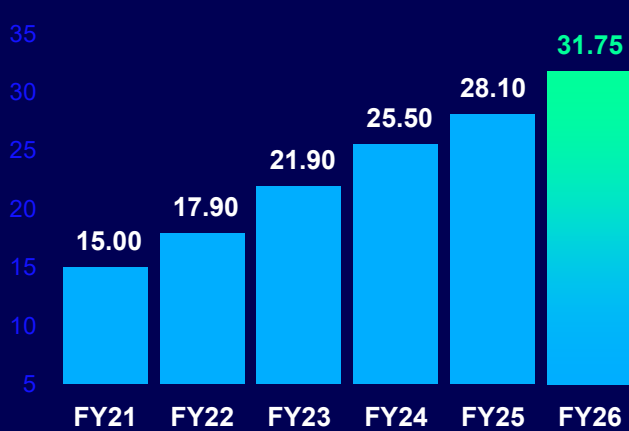
Gross Profit (\$M)



Basic EPS (cents)



DPS (cents)



FY26

Key operational updates



Solution highlights

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



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

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

	Microsoft – FY26 result	Data#3 – FY26 result
Cloud & Azure	Increase in Azure Azure passed US\$100B annual run-rate; Microsoft Cloud US\$214B in FY26	Public Cloud (Azure) +29% Azure a standout growth engine across the Data#3 customer base
AI & Copilot	Increase in Copilot and AI AI demand outstripping supply	AI solutions >+100% Copilot, Azure Foundry & AI services scaling fast
Security	Security core to cloud E5 and cyber central to enterprise cloud and Copilot adoption	Security +21% Security software, E5 and Managed security a key growth pillar for Data#3
Growth & partnership	Increase in Revenue FY26 revenue ~US\$331B; Guiding strong growth in FY27	Software \$2.3B, +14.1% Software record year; Microsoft Country Partner of the Year

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

Customer Satisfaction

Overall satisfaction

2026

4.36

2025

4.32

2024

4.28

Ease of working with Data#3

2026

4.44

2025

4.32

2024

4.23

Quality of account representation

2026

4.48

2025

4.41

2024

4.36

Mitsubishi Motors Australia Limited

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

Challenge

Growing IT complexity and limited internal capacity.

Solution

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

Outcome

Reduced risk, optimised costs, enabled strategic focus.



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

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

Data#3



Award-winning workplace



**HRD Employer
of Choice**

11 Years and running



**2026 Best Places to
Work in Tech**

#8 overall in Australia



**AFR Best Places
to Work**

Finalist

Our world-leading vendor partners



...and over 500 more.

Partner awards

Cisco Employee
Experience Partner of
the Year (Global)

Cisco Collaboration
Partner of the Year
(Global)

Cisco Collaboration
Partner of the Year
(APJC)

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

Cisco Employee
Experience Partner of
the Year (APJC)

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

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

Cisco ANZ Partner of
the Year

2025 Microsoft Country
Partner of the Year

HP Greater Asia Top
Amplify Impact Partner

HP Services Partner of
the Year

HPE Platinum
Networking Partner of
the Year

Australia's Best
Workplaces™
in Technology

HRD Employer of
Choice

Veeam ProPartner of the
Year

Sustainability Champion
of the Year

Frost & Sullivan
Institute Enlightened
Growth Leadership Best
Practices

11:11 Systems 2025
Partner of the Year

ARN Tech Partner for
Cloud

Data#3 as an AI case study

Finance HR IT Cyber Security Sales Customer Experience

AI-embedded Solutions



Microsoft Fabric



Microsoft Azure Foundry



Microsoft Copilot Studio



LinkedIn Sales Navigator



GitHub Copilot



Microsoft Azure
Cognitive Search



Microsoft Copilot

AI in action: **by the numbers**

AI for **Automation**

\$5m+

Cost avoidance by streamlining repetitive work through automation as revenue grows

AI for **Augmentation**

260+

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

AI for **Analysis**

650+

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

AI For **Authoring**

20+

AI Agents optimising customer proposals

FY26

Financial performance

FY26 Financial highlights

Gross Sales

\$3.4B

Up 12.7%



Gross Profit

\$305.2M

Up 5.3%



EBIT

\$69.8M

Up 16.6%



NPBT

\$78.8M

Up 14.0%



Basic EPS

35.16 cents

Up 13.0%



Dividends per share

31.75 cents

Up 13.0%

Payout ratio of 90.3%



Infrastructure Solutions

Gross Sales

\$651.1M

FY25: \$570.7M

↑ 14.1%

Gross Profit

\$84.5M

FY25: \$71.2M

↑ 18.6%

Gross Margin

13.0%

FY25: 12.5%

↑

Management Profit

\$31.2M

FY25: \$17.5M

↑ 78.3%

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

Software Solutions

Gross Sales

\$2.3B

FY25: \$2.0B

↑ 14.1%

Gross Profit

\$78.1M

FY25: \$72.6M

↑ 7.6%

Gross Margin

3.4%

FY25: 3.6%

↓

Management Profit

\$41.0M

FY25: \$38.1M

↑ 7.7%

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

Services

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

Services Gross Profit	142.3	145.6	(2.2%)
Services Gross Margin	34.5%	36.6%	(2.1pp)
Services Management Profit	28.2	32.2	(12.6%)

pp = percentage point

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

Data#3

FY26 Financial Results – Profit and Loss

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

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

FY26 Financial Results – Balance Sheet

Consolidated Financial Position \$'000's	30 June 2026	30 June 2025	
Cash	326,047	356,689	May/June sales peak results in strong cash position at 30 June off the back of high value invoicing and collections activity
Other current assets	720,715	547,237	
Non-current assets	48,263	38,172	Trade debtors higher in June with EOFY sales peak. Average Day Sales Outstanding maintained at 25 days. Inventory increased to \$73.4M (FY25: \$18.4M) to manage potential supply challenges and price increases related to global memory shortages.
Total assets	1,095,025	942,098	Newly recognised right-of-use assets and PPE related to new Melbourne, Canberra and Sydney office leases
Current liabilities	975,906	839,215	Trade creditors higher in June with EOFY sales peak
Non-current liabilities	23,957	18,714	
Total liabilities	999,863	857,929	
Net assets	95,162	84,169	
Current ratio	1.1	1.1	Current assets / current liabilities

FY26 Financial Results – Cash Flow

Consolidated Cash Flow \$'000's	FY26	FY25	Change	Change %	
Cash flows from operating activities	23,254	126,294	(103,040)	(81.6%)	Operating cash inflows reflect timing of receipt of customer payments, net of payment of supplier invoices during peak month of June
Cash flows from investing activities	(5,038)	(2,169)	(2,869)	132.3%	Property, plant and equipment (predominately new office fitouts, internal computer equipment and software assets)
Cash flows from financing activities	(47,970)	(44,188)	(3,782)	8.6%	Dividends paid of \$44.2M (FY25: \$40.3M) ~ 90% payout ratio
Net increase/ (decrease) in cash held	(29,754)	79,937			
Opening cash balance	356,689	276,381			
Effect of FX movements	(888)	371			
Closing cash balance	326,047	356,689			Average daily cash balance \$276M (FY25: \$267M)

Effective Working Capital Management



\$326.0M

Closing cash



\$276M

Average daily cash

Up over 3%



\$10.1M

Interest income

FY25: \$10.2M

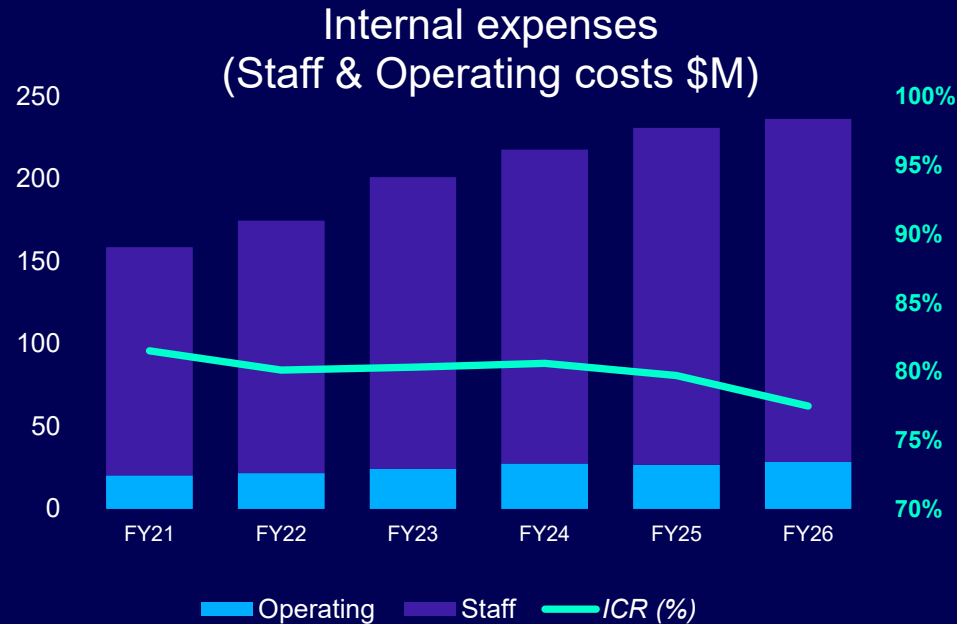


25 days

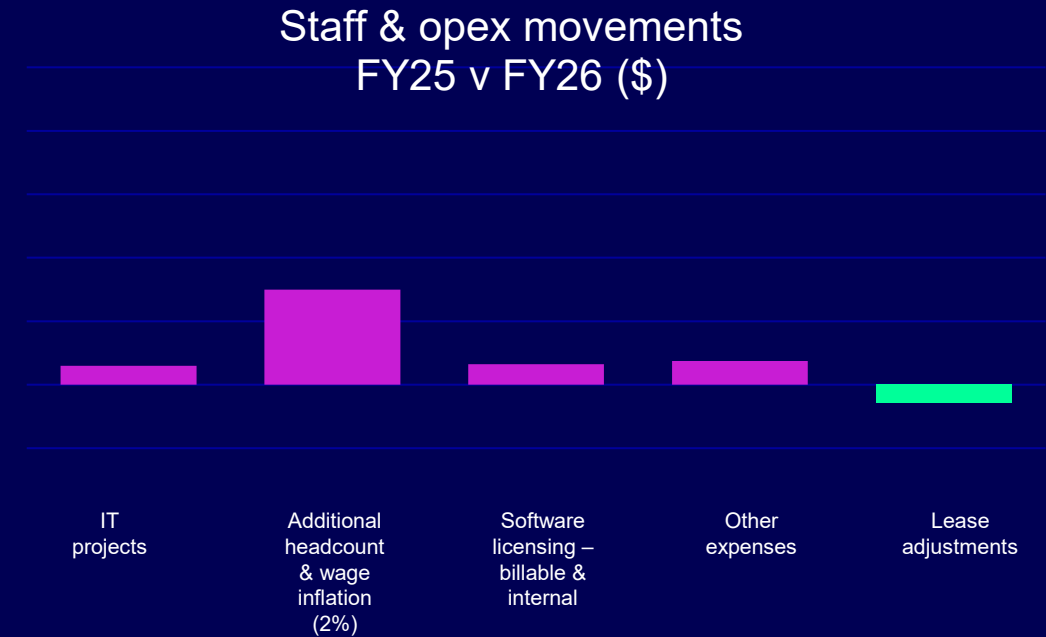
Average Day Sales
Outstanding

FY25: 25 days

Positive trend in operating leverage



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



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

IT sector trends

The background of the slide is a dark blue field filled with a complex, abstract pattern of glowing lines and dots. The lines are primarily pink and blue, radiating from a central point on the right side of the image and extending towards the left. They vary in thickness and brightness, creating a sense of depth and movement. Small, glowing dots in the same colors are scattered throughout the field, particularly concentrated along the lines and in the center. The overall effect is a futuristic, high-tech aesthetic.

2026 Australian technology industry trends¹



IT Industry Growth

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



Software

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



Devices

6.6% growth expected to \$16B



IT Services

5.6% growth expected to \$59B
Organisational efficiency



Data Centre

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

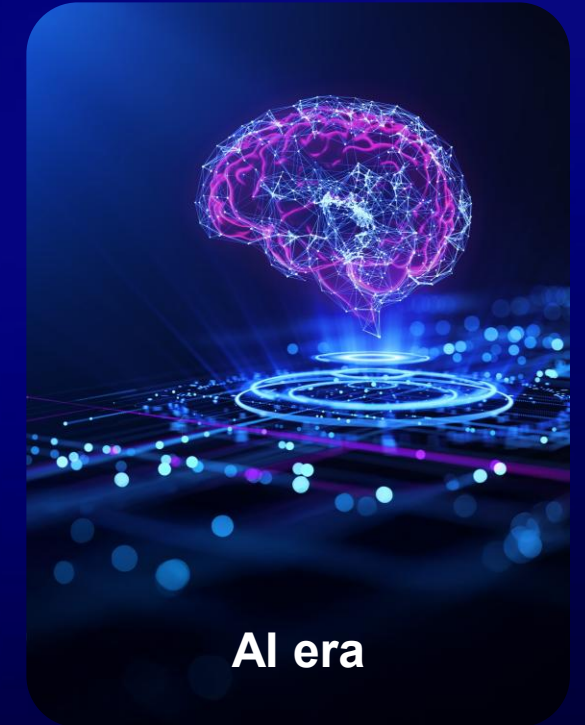
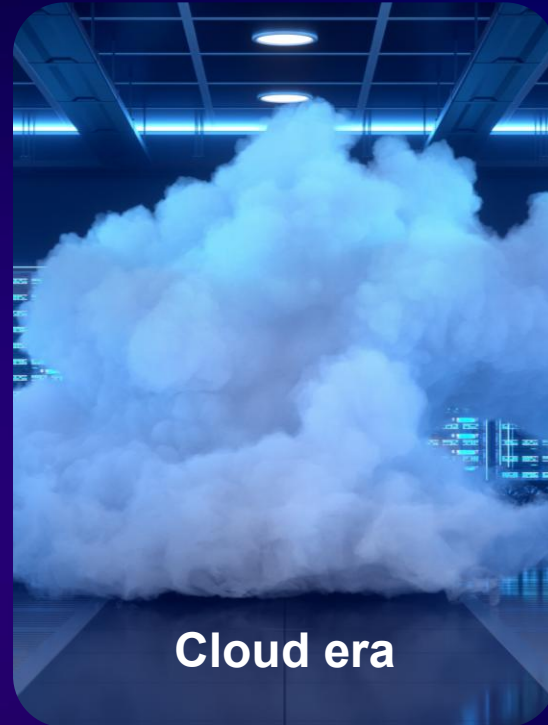


Communication Services

3.6% growth expected to \$27B

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

The evolving IT operating model



Strategy and outlook

Strategic priorities



Solutions

Developing solutions and services that deliver customer success.



Customer Experience

Differentiating Data#3 through the experiences we deliver to our customers.



Operational Excellence

Connecting and simplifying Data#3 to deliver an agile and efficient business.



People and Community

Connecting Data#3 with its people and the communities in which we operate.

Solutions and Lifecycle

Solution Technologies

Artificial Intelligence (AI)



Cyber Security



Applications & Automation



Collaboration



End User Computing



Hybrid Cloud



Networking



Lifecycle Services

Advise



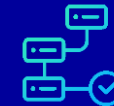
Procure



Deploy



Adopt



Operate



How we deliver our Lifecycle Services

Lifecycle
Services

Data#3's
Business
Units



Advise

Business Aspect



Procure

Infrastructure &
Software Solutions



Deploy

Project Services



Adopt

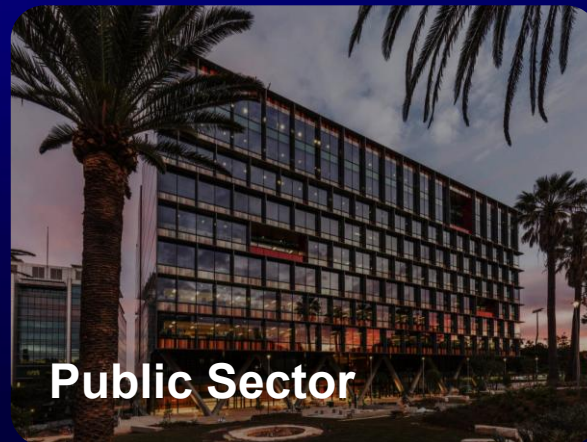
Customer
Success Teams



Operate

Managed Services

Outcomes through industry relevance



Data#3 Solutions and the AI opportunity

Solution Technologies

Artificial Intelligence (AI)



AI specific solutions such as Copilot and Azure Foundry

Cyber Security



Defence of AI based attacks using AI based tools

Applications & Automation



Increased efficiency of applications. AI tools automation and integration.

Collaboration



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

End User Computing



AI PCs for faster local processing of AI to reduce latency

Hybrid Cloud



Increase in Server, Storage and Public Cloud AI Solutions

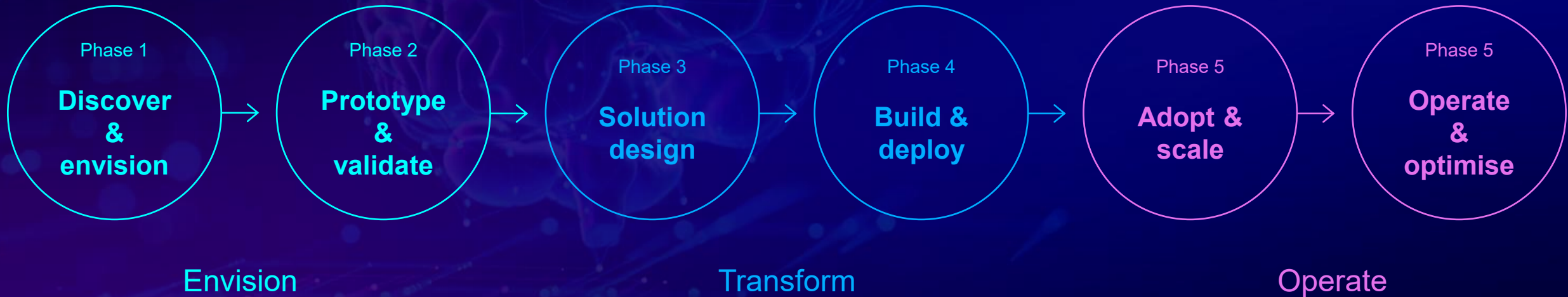
Networking



Enterprise Networking embedded with AI for better manageability and insights

The Data#3 AI Factory

The enterprise AI service lifecycle for real business outcomes.



Key initiatives

**Artificial
Intelligence (AI)
Solution Practice**

**24x7 Sovereign
Security
Operations Centre**

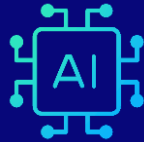
**Microsoft
Services in Public
Sector**

**Managed Azure
Acceleration**

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

**ServiceNow
upgrade**
(Managed Services)

Investments for enhanced services



Artificial Intelligence Practice

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



24x7 Sovereign Security Operations Centre

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

Deliberate plan to accelerate growth and profitability of our Services business

Executive Management Team updates

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



Michael Bowser

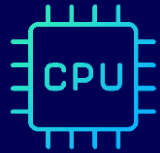
Retired Executive General
Manager - Services, Data#3



David Gold

Executive General Manager -
Services, Data#3

Outlook



Infrastructure Growth

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



Software Growth

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



Services Growth

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

Outlook

Consistent with previous practice, we are not providing specific FY27 guidance.

In line with previous years, we continue to expect a sales peak in the months of May and June and earnings skewed to 2H.

Our goal remains to continue to deliver consistent earnings growth for our shareholders, in line with our long term strategy.



“

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

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

Brad Colledge

Managing Director and Chief Executive Officer, Data#3

Q&A

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A low-angle photograph of a modern white building with large glass windows. The building is set against a clear blue sky. The 'Data#3' logo is prominently displayed on the upper part of the building's facade. The logo consists of the word 'Data' in a blue sans-serif font, followed by a blue hash symbol '#', and a large blue number '3'. The letters are three-dimensional and appear to be illuminated from within.

Data#3