



ENERGY TECHNOLOGIES LIMITED

ABN 38 002 679 469

Annual Financial Report

for the year ended 30 June 2026

Corporate Information

ABN 38 002 679 469

Directors

Matthew Driscoll (Chairman, Non-Executive Director)

Doron Eldar (Non-Executive Director)

Kurt A Hansen (Non-Executive Director)

Company Secretary

Gregory R Knoke

Registered Office

Unit J, 134-140 Old Pittwater Road

Brookvale NSW 2100

Telephone:- (02) 8978 2600

Bankers

National Australia Bank Limited

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Sydney NSW 2000

Share Register

Computershare Investor Services Pty Ltd

Level 4, 44 Martin Place,

Sydney NSW 2000

Telephone:- (02) 8234 5000

Facsimile:- (02) 8235 8150

Auditors

Crowe Audit Australia

Level 42, 600 Bourke Street

Melbourne VIC 3000

Telephone:- (03) 9258 6700

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Chairman's Report

Dear Shareholder,

FY2026 was a year of continued transition for Energy Technologies Limited. The financial result remained challenging, but the Company made an important strategic step through Cogenic's acquisition of the Maradin Laser Optical Engineering intellectual property portfolio. Our focus for FY2027 is to advance that technology towards commercial partnerships while continuing the operational and financial restructuring of Bambach Wires & Cables.

Financial and operating position

The Group recorded a consolidated loss after tax and non-controlling interests of \$12.477 million, compared with a loss of \$10.991 million in FY2025. Bambach reported a loss after tax of \$8.103 million, compared with \$8.490 million in the prior year. Cash outflows were reduced by approximately 16%, reflecting continued cost reduction and tighter working capital management, although further improvement is required before the Group reaches a sustainable financial position.

Cogenic and the opportunity ahead

In March 2026, Cogenic acquired Maradin Limited's Laser Optical Engineering intellectual property portfolio. The portfolio comprises 14 global patents covering Laser Beam Scanning technology for ultra near eye and direct retina display applications. The acquisition also brought together an experienced development team to progress the technology towards commercialisation.

The technology is differentiated by its software controlled optical architecture, including the potential for lower power consumption, non rectangular display shapes, dynamic pixel density and compatibility with waveguide displays. These characteristics are relevant to applications where weight, power efficiency and display performance are critical.

Following year end, Cogenic entered into a five year Master Licence Agreement with Amalgamated Vision, a Tennessee based deep technology company developing optical solutions for AFWERX and NASA. The parties are working on a lightweight, low-power heads up display platform for defence, first responder and aerospace applications. When the project produces a finished product that achieves commercial sales, Cogenic is entitled to a 5% royalty on gross sales under the project licence.

This is an encouraging first commercial pathway for the acquired technology, but it remains a development stage project. It provides no immediate revenue and there is no guarantee of a commercial outcome. The Board's approach will therefore be milestone driven to protect and strengthen the patent portfolio, deliver the technical program with Amalgamated Vision, and seek licensing or partnership arrangements with organisations that can accelerate development and market access.

The end product technology will consolidate multiple capabilities traditionally delivered through separate devices into a single lightweight wearable platform. This includes two-way communications, body-worn video functionality, heads-up visual information and electronic data delivery.

Cogenic's near term focus will be defence, first responder and aerospace applications, where the technology's performance characteristics may offer the clearest route to validation and commercial adoption. Smart glasses, extended reality and other display markets remain longer term opportunities. The Board believes this focused approach gives EGY the best opportunity to convert its intellectual property into a scalable, capital-efficient licensing business.

Chairman's Report (continued)

Bambach

Bambach continues to be restructured with a clear objective of moving towards cash flow break-even. The business is concentrating on higher margin manufactured products, purchased sales, distribution and renewable energy opportunities. New cable building software installed at the Rosedale factory is expected to improve product design, costing and production planning. The quality of future growth will be measured by margins, cash conversion and disciplined use of working capital.

Board changes

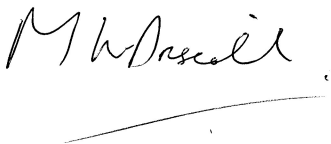
Doron Eldar joined the Board as a Non Executive Director on 23 January 2026. Doron's venture-capital, technology and go to market experience is particularly relevant as Cogenic develops. Following year end, Kurt Hansen joined the Board on 18 August 2026. Kurt brings extensive experience across technology, cybersecurity and defence, including public company leadership and an Australian Government NV1 security clearance. Their combined experience strengthens the Board for the next phase of Cogenic's development.

Alfred Chown resigned as an Executive Director on 23 January 2026, and Anthony Smith resigned as a Non-Executive Director on 18 August 2026. On behalf of the Board, I thank Alf and Tony for their service and contribution.

Looking forward

Our priorities are clear: improve Bambach's cash and margin performance, advance Cogenic through measurable technical and commercial milestones, strengthen the balance sheet and maintain disciplined governance. Cogenic gives EGY exposure to differentiated technology and attractive markets, but value will be created through execution rather than promise. We will keep shareholders informed as material development, partnership and commercial milestones are achieved.

I thank our shareholders, employees, customers, suppliers, noteholders and lenders for their patience and continued support during a demanding year. The work undertaken in FY2026 has established a clearer direction for the Company, and the Board is focused on delivering tangible progress in FY2027.

A handwritten signature in black ink, appearing to read "Matthew Driscoll".

Matthew Driscoll
Chairman

30 September 2026

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Energy Technologies Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

DIRECTORS

The names and details of the Company's Directors in office during the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Matthew Driscoll, (Chairman - Non-Executive Director) Appointed 20 December 2016

Mr Driscoll has significant experience across several industries, including online technologies, financial services, fintech, property and resources. He has more than 40 years' experience in capital markets and the financial services industry and is an accomplished company director in roles across listed and private companies. He has significant experience in international business growth, mergers and acquisitions, equity and debt raisings and building strategic alliances, and remains committed to ethical, commercial and consumer-based outcomes.

Other Current Directorships: Chair Carbonxt Group (CGI).

Mr Driscoll is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

Doron Eldar (Non-Executive Director) Appointed 23 January 2026

Mr Eldar has a BA in Business Economics and is a tech entrepreneur and venture capitalist with over a decade of senior leadership experience on both sides of the industry. He is a partner in SIBF, an Israeli Venture Capital firm and has expertise in corporate strategy, business development, M&A, and go-to-market strategies. He is deeply involved in the VC space and leverages his extensive background to identify and nurture high-potential startups.

Throughout his career, he has held various managing positions in both private and public companies, driving growth, spearheading strategic initiatives, and facilitating successful exits. His passion lies in fostering innovation and guiding businesses toward sustainable success.

Other Current Directorships include: Executive Director Powerhouse Ventures Ltd (PVL) and Non-Executive Director DOTZ Nano Ltd (DTZ).

Mr Eldar is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

Kurt Andrew Hansen (Non-Executive Director) Appointed 18 August 2026

Mr Hansen is a dynamic and authentic leader with a proven track record at Cybersecurity powerhouse Tesserent Pty Ltd, generating rapid market share growth elevating the market cap from \$5m to \$234m via organic contracts won, and strategic acquisitions. Excelled in sales leadership and fostering customer focus, demonstrating unparalleled financial acumen and people development skills. Achieved a successful shareholder exit, showcasing key stakeholder management and strategic visioning.

Knowledgeable Executive Director with strategic vision and extensive background in driving organizational growth and operational efficiency. Led transformative initiatives that streamlined processes and fostered innovation across diverse cultures and communities. Demonstrated leadership and strategic planning skills, consistently leveraging analytical thinking and problem-solving abilities to achieve corporate goals.

Grew multiple SaaS business in ANZ and APAC achieving rapid growth through planning and building high performance teams across 3 decades.

Mr Hansen is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

Directors' Report (continued)

Anthony Lloyd Smith (Non-Executive Director) Appointed 24 December 2020. Resigned 18 August 2026

Mr Smith has over 30 years' experience in finance with a variety of firms concentrating on small to medium sized companies in regard to corporate finance, institutional research sales and private wealth advice. During this time, he was charged with running these businesses along with titles of Head of Securities and Country Director of Austock Group and Phillip Capital. Mr Smith is currently a Portfolio Manager with Equitable Investors, a Melbourne based fund manager.

Mr Smith is a former member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

Alfred John Chown, B.Econ, (Executive Director) Appointed 10 August 2023. Resigned 23 January 2026

Mr Chown has extensive experience in building businesses across Australasia. He returned to Australia in 2012 after residing in Hong Kong from 1987-2012. In 1987 he co-founded E.L. Consult Ltd an executive search provider that prior to being sold to the Clarius group (ASX:CND) in 2007, had an extensive network of offices throughout Hong Kong, China, Singapore and Malaysia. In the early 1990's Mr Chown co-founded what became the Dulhunty Power Group, under Dulhunty Power Limited (formerly ASX:DUL), a manufacturer of line fittings for the electric power transmission and distribution industry with factories in Australia, China, Malaysia and Thailand and offices in New Zealand and the USA. The Dulhunty Power Group was sold to Maclean Power Systems of the USA in 2012. Mr Chown is a former Chairman of the Australian Chamber of Commerce in Hong Kong and has extensive commercial experience in both Australia and Asia.

Mr Chown was formerly Chairman and Director of Energy Technologies Limited (EGY), resigning on 24 December 2020 and remaining as CEO of the group and director of subsidiary Bambach Wires & Cables Pty Limited (Bambach). Mr Chown was re-appointed as a director of EGY on 10 August 2023. Mr Chown resigned as a director on 23 January 2026.

Mr Chown is a former member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

COMPANY SECRETARY

Gregory R Knoke, B. Com, CA (Company Secretary and Chief Financial Officer) Appointed 30 April 2003

Former director of Cogenic Pty Limited. Mr Knoke was a director of Energy Technologies Limited from May 2000 until 30 April 2003, resigned upon acceptance of the position of CFO and Company Secretary. Born in 1952, educated at University of NSW and graduated in 1973 with major in accountancy, he holds a Bachelor of Commerce degree with merit. Mr Knoke is a Chartered Accountant and Associate member of Chartered Accountants Australia and New Zealand since 1979, and an affiliate member of Chartered Secretaries of Australia. Business consultant and advisor, with extensive work experience throughout Asia and Europe, Mr Knoke spent 13 years in Hong Kong as Asian Group Financial Controller and Director for BIL Asia Holdings Limited and subsidiaries of the Brierley Investments Limited Group.

PRINCIPAL ACTIVITIES

EGY's principal activities during the year were:

- The manufacture and sale of specialist industrial cables and ancillary products through wholly owned subsidiary Bambach Wires & Cables Pty Limited (Bambach);
- Driving organic growth and organisational change in Bambach; and
- Seeking other products, businesses and opportunities for the Group.

REVIEW AND RESULTS OF OPERATIONS

EGY has reported a consolidated loss after tax and minorities for FY2026 of \$12,476,948 (FY2025 loss after tax and minorities \$10,991,225). Wholly owned subsidiary Bambach Wires & Cables Pty Limited (Bambach) reported a loss after tax of \$8,103,341 (FY2025 loss \$8,490,112). The FY2026 result includes an inventory write down of \$443,986 (2025: \$536,770) as a result of a continued detailed review of inventory items by location and including slow moving stock.

Directors' Report (continued)

REVIEW AND RESULTS OF OPERATIONS (continued)

During the period, the company continued to re-structure towards unlocking shareholder value. The addition of an investment by its 100% owned subsidiary, Cogenic Pty Ltd (Cogenic), into the Laser Optical Engineering industry was seen as a move to deliver on this plan. Subsequent to year end, Cogenic entered into a Master Licence Agreement with Amalgamated Vision, a United States based technology company. The agreement relates to the development of an optical platform incorporating Cogenic's laser beam scanning technology for Amalgamated Vision's product-development activities, including work associated with AFWERX (USA Air Force) and NASA. While the agreement does not contribute revenue immediately, the ongoing project development can contribute revenue as projects are completed during the five (5) year term. Cogenic continues to market its products globally in the Defence and Aerospace industries and will contribute to the previously stated capitalisation plan that the company is undertaking which commenced with the recent placement undertaken by the company on 8 May 2026. Cogenic is committed to producing revenue to aid this process and the company will update the market as further contracts are signed.

During this period of repositioning, the company continues to change both the offering and revenue profile of Bambach, which resulted in a reduction in revenue received throughout the period. Bambach continues to go through a range of cost-cutting initiatives, re-aligning the business to the new revenue profile. Pleasingly, the company has recently seen the order book move towards previous levels which will contribute to revenue in FY27Q3, subject to sufficient working capital and raw material availability.

STATE OF AFFAIRS

During the financial year, the Group repaid \$4,058,859 (2025: \$2,860,866) of both long and short-term interest bearing debt.

In relation to the Going Concern position of the Group, please refer to the details set out in Note 1(c) to the Financial Statements and the Events After the Reporting Period Note 27.

DIVIDENDS

No dividends were paid or recommended by the parent company EGY this financial year.

NON-AUDIT SERVICES

During the year the Company's auditor, Crowe Audit Australia, performed no other services in addition to their statutory duties.

Details of the amounts paid to the auditors and their associates for audit services provided during the year are set out in note 6 to the financial statements.

EVENTS SUBSEQUENT TO REPORTING DATE

The following matters have occurred post reporting date:

- (i) Unsecured short-term loans of \$1,180,000. These loans incur an interest rate of 18% per annum;
- (ii) The maturity dates of convertible notes of \$2,020,000, included in current liabilities in the balance sheet, have been extended until September 2027. Accordingly, these convertible notes whilst technically current at balance sheet date, now retain characteristics of a non-current liability post balance sheet date;
- (iii) In August 2026 the EGM ratified the issue of an aggregate of 124,746,500 fully paid ordinary shares in the Company to sophisticated and professional investors at an issue price of \$0.02 (2 cents) per share, which issues occurred on 14 May 2026, 2 June 2026 and 29 June 2026. This refreshes EGY's capacity to raise additional capital;
- (iv) On 28 August 2026 EGY issued 46,000,000 options over ordinary shares, including 26,000,000 to KMP. The options have an exercise price of \$0.024 and expire 3 years from date of issue; and
- (v) On 23 July 2026, EGY announced a License agreement (MLA) with Amalgamated Vision. This MLA will only produce revenue when the development of wearables is agreed by all parties, and the agreement states a revenue share of 5% on all revenues generated by the parties. It is for project work developing a lightweight, low-power and high-performance optical platform. While no extra cost will be borne by EGY, allocated resources will be used that are not matched with contracted revenue in the initial period.

Directors' Report (continued)

EVENTS SUBSEQUENT TO REPORTING DATE (continued)

Other than the matters disclosed above, no other matter or circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect, the Group's operations, results or state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Refer Events Subsequent to Reporting Date above.

Future Developments and Risks

Opportunities

Energy Technologies Limited (EGY) 100% owned subsidiary, Cogenic Pty Limited (Cogenic), is a Laser Optical Engineering company. Cogenic focuses on providing solutions to the Defence, Law Enforcement, Fire and Rescue, Medical First Responders, Border, Customs and Corrections and Industrial and critical infrastructure industries. The company is well placed to move from a prototype phase to commercial maturity. Highlights and positioning points are:

- **Efficacy:** A master licence agreement with Amalgamated Vision disclosed on the 23rd of July 2026 working on solutions for AFWERX and NASA providing efficacy in the end product;
- **Position:** The product consolidates multiple capabilities traditionally delivered through separate devices into a single lightweight wearable platform;
- **Scalable Production:** Contract manufacturing at scale to provide ease and efficiency at the beginning of the launch to ensure market size opportunities; and
- **Penetration:** The company has already demonstrated the ability to secure relationships inside large government operations.

EGY 100% owned subsidiary, Bambach Wires & Cables Pty Limited (Bambach) manufactures Low Voltage electric cables at its 13,000 sqm Rosedale, Victoria facility. Bambach has a substantial range of cable making equipment manufacturing a large range of both specialised and non-specialised low Voltage cables.

Bambach also has warehouses in Dandenong, Victoria, Brookvale, New South Wales and Perth, Western Australia, as well as Sales Offices in Newcastle and Adelaide.

Despite the challenges experienced over the period, the fundamentals of the business remain strong. The Company is well-positioned to deliver significant value as it transitions into its next phase of growth:

- **Scalable Production Capacity:** Our manufacturing facility in regional Victoria is capable of processing up to ~250 tonnes of copper per month — a key competitive advantage that remains underutilised. With appropriate capital support, there is a clear pathway to increasing output and improving margins;
- **Supportive Market Conditions:** Demand for electrical cabling remains strong, driven by infrastructure investment, energy transition projects, and increased electrification across multiple sectors;
- **Regional Advantage:** Operating from regional Victoria provides long-term cost efficiencies, a reliable workforce, and strategic proximity to key customers in construction, energy, and utilities;
- **Growth Through Capitalisation:** The Company is actively exploring capitalisation options to strengthen its balance sheet, unlock working capital, and enable investment in people, product development, and customer growth; and
- **Strategic Expansion Opportunities:** Adjacent product lines and new sector opportunities — including renewable energy and infrastructure — offer promising avenues for diversification and revenue growth.

Directors' Report (continued)

LIKELY DEVELOPMENTS AND EXPECTED RESULTS (continued)

Risks

As with all new technological products that come to market Cogenic has specific and systemic risks which the company manages through the year, which include:

- **Sovereign Risk:** Cogenic will deal through intermediaries who, in turn, deal with governments which can be volatile and lengthy in both negotiations and final agreements;
- **Technology Risk:** Cogenic's product placement is in a fast moving industry and is always being updated and developed to stay in touch with current and new offerings; and
- **Contract Manufacturing Risk:** Cogenic's manufacturing is contracted and faces the risk on capabilities, quality of work and timing which, while monitored, is ultimately out of its control.

As with all manufacturing businesses, Bambach is subject to a number of operational and market risks. Key areas of focus during the reporting period included:

- **Working Capital Constraints:** Limited access to growth capital has impacted the Company's ability to operate at full capacity. This has, in turn, affected sales conversion and operational flexibility;
- **Commodity Price and Input Cost Volatility:** Copper remains a significant input cost, and fluctuations in global commodity markets and exchange rates continue to influence margins;
- **Supply Chain and Logistics:** Global and domestic supply chain pressures have created cost and timing challenges, particularly in securing raw materials and managing freight to and from our regional location; and
- **Customer and Sector Concentration:** Revenue remains concentrated in a small number of key customers and sectors, which increases sensitivity to any contract or demand changes.

Outlook

The Company is at a critical inflection point, with Cogenic starting its commercial push and Bambach re-birthing its opportunity. Cogenic has made great progress in a short time and is focused on moving to cash flow generation at an earlier time than first forecast, while Bambach has been re-structured and has a proven product, strong customer relationships, and significant unused capacity. The Company is well placed to capitalise on market opportunities. Addressing the immediate capital needs through the right recapitalisation strategy will be imperative and allow the business to scale, improve profitability, and deliver sustainable long-term value to shareholders.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The group operates a factory in Rosedale, Victoria which is required to comply with local planning laws, and with State and Commonwealth Environmental laws. The company considers that the factory operations are currently compliant and is not expecting any adverse impact as a result of the environmental regulation.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Indemnification

The Company has entered into Deeds of Indemnity and Access with persons who are an Officer or Director of the Company or a related body corporate, indemnifying such persons against a liability incurred by them in their capacity as an Officer or Director, including costs and expenses of defending legal proceedings and providing them with access to company records where a claim is made or threatened against such Officer or Director.

Insurance Premiums

The Company has not, during or since the end of the financial year, in respect of any person who is or has been an auditor of the Company or a related body corporate paid or agreed to pay a premium in respect of a contract insuring against a liability for costs or expenses of defending legal proceedings.

The Company has paid insurance premiums in respect of Directors' and Officers' liability and legal expense insurance for Directors and Officers of the Company. In accordance with subsection 300(9) of the Corporations Act 2001, further details have not been disclosed due to confidentiality provisions contained in the insurance contract.

Directors' Report (continued)

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

EMPLOYEES

The Group employed 55 employees as at 30 June 2026 (2025: 69 employees).

REMUNERATION REPORT

The remuneration report is set out on page 13 and forms part of the Directors' Report for the financial year ended 30 June 2026.

DIRECTORS' MEETINGS

The numbers of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each director were as follows:

	Board of Directors	Audit and Risk Committee	Remuneration and Nomination Committee
Number of meetings held:	8	5	1
Number of meetings attended:			
Matthew Driscoll	8	5	1
Anthony L Smith	8	4	1
Alfred J Chown	6	3	1
Doron Eldar	2	-	-
Kurt A Hansen	-	-	-

Committee Membership

Audit and Risk Committee:	Matthew Driscoll	Doron Eldar	Kurt A Hansen
Remuneration and Nomination Committee:	Matthew Driscoll	Doron Eldar	Kurt A Hansen

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

The relevant interest of each director in the shares, and options over such instruments, issued by the companies within the Group and other related bodies corporate, as notified by the directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Energy Technologies Limited		
	Ordinary Shares	Listed Options	Unlisted Options
Matthew Driscoll	6,560,277	-	6,000,000
Doron Eldar	-	-	16,000,000
Kurt A Hansen	5,000,000	-	-
Gary A Ferguson – director of Bambach	1,154,044	-	-

Directors' Report (continued)

SHARES UNDER OPTION

Unissued ordinary shares of EGY under unlisted option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
28 August 2026	28 August 2029	\$0.024	46,000,000

Shares issued on the exercise of options

There were no ordinary shares of EGY issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

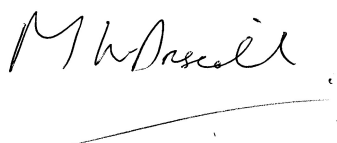
AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 is included on page 18 of this financial report and forms part of this Directors' Report.

CORPORATE GOVERNANCE STATEMENT

Energy Technologies Limited and the Board of Directors are committed to achieving and demonstrating the highest standards of corporate governance. Energy Technologies Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th Edition) published by the ASX Corporate Governance Council. Details of the corporate governance report is available on the Group website at <https://www.energytechnologies.com.au> and pages 62 to 74 of the annual report.

Signed in accordance with a resolution of the Directors.



Matthew Driscoll
Director

30 September 2026

Remuneration Report (audited)

The Remuneration Committee of the Board of Directors is responsible for determining and reviewing compensation arrangements for the directors and the executive team. Remuneration levels are set to attract and retain appropriately qualified and experienced Directors and senior executives. The Remuneration Committee obtains independent advice as necessary on the appropriateness of remuneration packages, given trends in comparative companies both locally and internationally. The Remuneration Committee also assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team. Such officers are given the opportunity to receive their base emolument in a variety of forms including cash and fringe benefits such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the company.

Executive remuneration packages include a mix of fixed remuneration and performance-based remuneration.

Fixed Remuneration

Fixed remuneration consists of base remuneration as well as employer contributions to superannuation funds. Remuneration levels are reviewed annually by the Remuneration Committee through a process that considers individual, segment and overall performance of the consolidated and operating entity. A senior executive's remuneration is also reviewed on promotion.

Performance – linked Remuneration

The Remuneration Committee links the nature and amounts of executives' emoluments to the company's financial and operational performance. All senior executives have the opportunity to qualify for participation in the Employee Bonus Plan, which currently provides incentives where specified criteria are met including criteria relating to profitability.

Performance linked remuneration includes both short term and long-term incentives and is designed to reward executive directors and senior executives for meeting or exceeding financial and personal objectives. The short-term incentive is an at-risk bonus provided in the form of cash and is based on the relevant operating subsidiaries' results and on achieving a pre-set target. The long-term incentive is provided as ordinary shares of Energy Technologies Limited or options over ordinary shares of Energy Technologies Limited under the rules of the Energy Technologies Limited Share Option Plan.

The remuneration structures result in and take into account:

- The overall level of remuneration for each director and executive;
- The executive's ability to control performance; and
- The amounts of incentives within each executive's remuneration.

Short term incentive

Each year the remuneration committee sets the key performance indicators, which generally include measures relating to the operating group, the relevant segment and the individual, and are based on financial, customer and strategy measures. The measures directly align the reward to the key performance indicators and the operating group performance. The financial performance objectives are operating group turnover and EBIT to working capital ratio analyses compared to budgeted amounts on a regional and consolidated basis. The non-financial objectives vary with position and responsibility and include measures such as achieving strategic outcomes, safety and business development.

The remuneration committee approves the cash incentive to be paid to the individuals.

Long term incentive

Options are available to be issued under the Energy Technologies Limited Equity Incentive Plan (made in accordance with thresholds set in plans approved by shareholders at the 2026 EGM), and it provides for directors, executives and employees to receive options in total limited to 15% of the issued ordinary capital and exercisable strictly under the terms of the Plan.

Remuneration Report (audited)

The Board considers that the above remuneration structure is adequate given the major restructuring of the operations required under the Business Plan, and secondly, the performance linked element appears to be appropriate because the executives strive to achieve a level of performance which qualifies them for bonuses.

The remuneration for all non-executive directors, last voted upon by shareholders at the 2007 AGM, is not to exceed \$500,000 per annum. During the 2026 financial year Director's fees were \$50,000 per annum for Mr Anthony L Smith, Mr Matthew Driscoll and Mr Doron Eldar. Mr Alfred J Chown was remunerated under the terms of his contract as CEO of the group.

Names and positions held of Group key management personnel in office at any time during the financial year are:

Key Management Person	Position (s) Held during the Year
Matthew Driscoll	Chairman – Non-Executive Director of EGY
Anthony L Smith	Director – Non-Executive of EGY
Alfred J Chown	CEO/Director – Executive Director of EGY and of Bambach
Doron Eldar	Director – Non-Executive of EGY
Gary A Ferguson	Director – Non-Executive of Bambach
Gregory R Knoke	Company Secretary of EGY and Bambach
Nicholas Cousins	Chief Operating Officer of Bambach and CEO

Ordinary Shares

Number of Shares held by Key Management Personnel during the financial year are as follows:

	Balance 30 June 2025	Received as Remuneration	Purchases	Disposals	Balance 30 June 2026
Specified directors					
Matthew Driscoll	6,560,277	-	-	-	6,560,277
Anthony L Smith	1,241,147	-	-	-	1,241,147
Alfred J Chown	8,243,575	-	-	-	8,243,575
Doron Eldar	-	-	-	-	-
Specified executives					
Gregory R Knoke	207,887	-	-	-	207,887
Nicholas Cousins	95,238	-	-	-	95,238
	16,348,124	-	-	-	16,348,124

Remuneration Report (audited)

Unlisted Options

Number of Unlisted Options held by Key Management Personnel during the financial year are as follows:

	Balance 30 June 2025	Received as Remuneration	Acquired	Forfeited	Balance 30 June 2026
Specified directors					
Matthew Driscoll	-	-	-	-	-
Anthony L Smith	-	-	-	-	-
Alfred J Chown	-	-	-	-	-
Doron Eldar	-	-	-	-	-
Specified executives					
Nicholas Cousins	-	-	-	-	-
Gregory R Knoke	-	-	-	-	-
	-	-	-	-	-

Refer to note 27, Events After the Reporting Period, On 28 August 2026 EGY issued 46,000,000 options over ordinary shares, including 26,000,000 to KMP. The options have an exercise price of \$0.024 and expire 3 years from date of issue.

Voting and comments made at the Company's last Annual General Meeting

Energy Technologies Limited received 100% of 'yes' votes on its Remuneration Report for the financial year ending 30 June 2025. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

Use of remuneration consultants

Energy Technologies Limited did not employ the services of any remuneration consultants in FY2026.

Employment agreements

Remuneration and other terms of employment for Key Management Personnel are formalised in an employment agreement. The major provisions of the agreements relating to remuneration as set out below:

Employee	Base Salary (per annum)	Term of Agreement	Notice Period
Gregory R Knoke	\$192,877	Unspecified	1 month
Nicholas Cousins	\$250,000	Unspecified	3 months

Other transactions with key management personnel

- 1) A loan of \$190,000 remains outstanding from former director Alfred Chown. The interest rate is 10% per annum and during the period \$19,000 of interest was accrued; and
- 2) Included in Payables and accrued expenses are unpaid directors fees of \$95,833.

Details of the nature and amount of each element of the remuneration of key management personnel including each director of the company and each of the specified executive officers of the company and the consolidated entity for the financial year are disclosed in the table on next page.

Remuneration Report (audited)

The following table provides the details of all directors of the Company ("specified directors") and the executives of the consolidated entity with the greatest authority ("specified executives"), and the nature and amount of the elements of their remuneration for the year ended 30 June 2026. Short-term benefits and post-employment benefits received relate to fixed contracted amounts, and no short-term incentives were paid during the year. The current share option plan is subject to participants meeting service conditions at the vesting date, and there were no performance conditions linked to the share option plan.

		Short-term benefits			Post Employment Benefits	Share-based payment		Total
2026		Cash, salary, fees & commissions	Cash Bonus	Other	Superannuation	Shares	Options	
Specified Directors	Position (s) Held	\$	\$	\$	\$	\$	\$	\$
Matthew Driscoll	Chairman/ Non-Executive Director of EGY.	50,000	-	-	-	-	-	50,000
Anthony L Smith	Former Non-Executive Director of EGY	50,000	-	-	-	-	-	50,000
Doron Eldar	Non-Executive Director of EGY	20,833	-	-	-	-	-	20,833
Gary A Ferguson	Director of Bambach	12,000	-	-	-	-	-	12,000
Alfred J Chown	Former CEO of EGY Group, former Director of EGY and of Bambach	219,233	-	-	20,936	-	-	240,169
Specified executives								
Gregory R Knoke	Company Secretary of EGY and of Bambach	192,877	-	8,670	23,145	-	-	224,692
Nicholas Cousins	COO of Bambach and CEO	251,941	-	-	30,000	-	-	281,941
		796,884	-	8,670	74,081	-	-	879,635

During the financial year under review, there was a net increase in the provisions for annual leave and long service leave applicable to the specified directors and executives listed above of \$13,609 (2025: net decrease of \$113,569).

Remuneration Report (audited)

The following table provides the details of all directors of the Company ("specified directors") and the executives of the consolidated entity with the greatest authority ("specified executives"), and the nature and amount of the elements of their remuneration for the year ended 30 June 2025. Short-term benefits and post-employment benefits received relate to fixed contracted amounts, and no short-term incentives were paid during the year. The current share option plan is subject to participants meeting service conditions at the vesting date, and there were no performance conditions linked to the share option plan.

		Short-term benefits			Post Employment Benefits	Share-based payment		Total
2025		Cash, salary, fees & commissions	Cash Bonus	Other	Superannuation	Shares	Options	
Specified Directors	Position (s) Held	\$	\$	\$	\$	\$	\$	\$
Matthew Driscoll	Chairman/ Non-Executive Director of EGY.	50,000	-	-	-	-	-	50,000
Anthony L Smith	Non-Executive Director of EGY	50,000	-	-	-	-	-	50,000
Gary A Ferguson	Director of Bambach	12,000	-	-	-	-	-	12,000
Alfred J Chown	CEO of EGY Group, Director of EGY and of Bambach	343,986	-	-	29,932	-	-	373,918
Specified executives								
Gregory R Knoke	Company Secretary of EGY and Bambach	192,877	-	8,670	22,181	-	-	223,728
Nicholas Cousins	COO of Bambach and Interim CEO	263,542	-	4,500	29,142	-	-	297,184
		912,405	-	13,170	81,255	-	-	1,006,830

During the financial year under review, there was a net decrease in the provisions for annual leave and long service leave applicable to the specified directors and executives listed above of \$113,569 (2024: net decrease of \$20,766).

End of the audited Remuneration Report.

Auditor's Independence Declaration Under Section 307C of the *Corporations Act 2001*

To the directors of Energy Technologies Limited

As lead engagement partner, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Crowe Audit Australia



Antony Barnett
Senior Partner

Melbourne
30 September 2026

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Consolidated Statement of Profit or Loss

for the year ended 30 June 2026

	Note	Consolidated	
		2026	2025
		\$	\$
Revenue	2(a)	3,945,722	8,068,791
Cost of Sales	3	(6,224,376)	(9,620,577)
Gross Margin		(2,278,654)	(1,551,786)
Other Income	2(b)	48,431	10,290
Marketing expenses		(6,796)	(43,181)
Occupancy expenses		(179,877)	(142,660)
Administrative expenses		(4,077,146)	(4,547,626)
Finance costs	3	(4,318,410)	(2,918,151)
Depreciation and amortisation expenses	3	(1,640,271)	(1,731,317)
Other expenses		(31,215)	(67,900)
Loss before income tax		(12,483,938)	(10,992,331)
Income tax expense	4	-	-
Loss after income tax		(12,483,938)	(10,992,331)
Loss attributable to non-controlling interest		6,990	1,106
Loss attributable to members of the parent entity		(12,476,948)	(10,991,225)
Earnings per share			
Basic loss per share (cents per share)	8	(2.44)	(2.51)
Diluted loss per share (cents per share)	8	(2.44)	(2.51)

The accompanying notes form part of these financial statements.

Consolidated Statement of Comprehensive Income

for the year ended 30 June 2026

		Consolidated	
	Note	2026 \$	2025 \$
LOSS AFTER INCOME TAX		(12,483,938)	(10,992,331)
OTHER COMPREHENSIVE LOSS FOR THE YEAR AFTER TAX:			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Movement in foreign exchange relating to translation of controlled foreign entities		4,856	(1,123)
Exchange differences on foreign exchange relating to non-controlling interest		4,856	(1,123)
Revaluation of property, plant and equipment to fair value (net of deferred tax)		-	50,000
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR		9,712	47,754
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(12,474,226)	(10,944,577)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:			
Members of the parent entity		(12,472,092)	(10,942,348)
Non-controlling interest		(2,134)	(2,229)
		(12,474,226)	(10,944,577)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

as at 30 June 2026

	Note	Consolidated 2026 \$	2025 \$
CURRENT ASSETS			
Cash and cash equivalents	9	274,850	60,284
Trade and other receivables	10	616,540	1,187,547
Inventories	11	3,021,196	3,927,773
Other current assets	16	123,971	130,997
TOTAL CURRENT ASSETS		4,036,557	5,306,601
NON-CURRENT ASSETS			
Property, plant and equipment	13	8,037,864	8,874,882
Intangible assets	14	1,178,273	92,186
Right of use assets	15	1,916,914	2,312,808
Deferred tax assets	19(a)	-	-
Other non-current assets	16	94,889	94,889
TOTAL NON-CURRENT ASSETS		11,227,940	11,374,765
TOTAL ASSETS		15,264,497	16,681,366
CURRENT LIABILITIES			
Trade and other payables	17	9,070,685	4,663,896
Lease liabilities	15	1,533,877	1,117,772
Borrowings	18	23,382,542	15,000,031
Short-term provisions	20	636,207	614,355
TOTAL CURRENT LIABILITIES		34,623,311	21,396,054
NON-CURRENT LIABILITIES			
Payables	17	342,117	-
Borrowings	18	1,490,184	7,470,034
Lease liabilities	15	1,404,041	1,921,481
Long-term provisions	20	55,707	18,157
TOTAL NON-CURRENT LIABILITIES		3,292,049	9,409,672
TOTAL LIABILITIES		37,915,360	30,805,726
NET LIABILITIES		(22,650,863)	(14,124,360)
EQUITY			
Issued capital	21	52,634,060	48,686,337
Reserves	22	6,017,281	6,012,425
Share-based payment reserve		496,136	496,136
Accumulated losses		(81,168,786)	(68,691,838)
Parent interest		(22,021,309)	(13,496,940)
Non-controlling interest		(629,554)	(627,420)
TOTAL DEFICIENCY IN EQUITY		(22,650,863)	(14,124,360)

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2026

	Issued Capital \$	Reserves \$	Share-based payment Reserve \$	Accumulated losses \$	Non- Controlling Interest \$	Total \$
Consolidated						
Balance at 01 July 2024	48,055,587	5,963,548	496,136	(57,700,613)	(625,191)	(3,810,533)
Comprehensive income						
Loss for the year	-	-	-	(10,991,225)	(1,106)	(10,992,331)
Other comprehensive income for the year	-	48,877	-	-	(1,123)	47,754
Total comprehensive loss for the year	-	48,877	-	(10,991,225)	(2,229)	(10,944,577)
Transactions with owners, in their capacity as owners, and other transfers						
Contributions of equity – net of capital raising cost	630,750	-	-	-	-	630,750
Total transactions with owners, in their capacity as owners, and other transfers	630,750	-	-	-	-	630,750
Balance at 30 June 2025	48,686,337	6,012,425	496,136	(68,691,838)	(627,420)	(14,124,360)
Balance at 01 July 2025	48,686,337	6,012,425	496,136	(68,691,838)	(627,420)	(14,124,360)
Comprehensive income						
Loss for the year	-	-	-	(12,476,948)	(6,990)	(12,483,938)
Other comprehensive income for the year	-	4,856	-	-	4,856	9,712
Total comprehensive loss for the year	-	4,856	-	(12,476,948)	(2,134)	(12,474,226)
Transactions with owners, in their capacity as owners, and other transfers						
Contributions of equity – net of capital raising cost	3,947,723	-	-	-	-	3,947,723
Total transactions with owners, in their capacity as owners, and other transfers	3,947,723	-	-	-	-	3,947,723
Balance at 30 June 2026	52,634,060	6,017,281	496,136	(81,168,786)	(629,554)	(22,650,863)

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 30 June 2026

	Note	Consolidated 2026 \$	2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		4,946,240	9,322,648
Receipts from government subsidies - R&D grant		-	190,113
Receipts from government subsidies – others		2,085	7,307
Interest received		635	452
Payments to suppliers and employees		(8,610,440)	(13,860,334)
Finance costs		(781,322)	(972,620)
Net cash outflow from operating activities	26(a)	(4,442,802)	(5,312,434)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		4,545	1,589
Purchases of intellectual property		(186,928)	-
Purchases of property, plant and equipment		-	(48,528)
Purchases of intangible assets		(172,954)	(41,910)
Net cash outflow from investing activities		(355,337)	(88,849)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		2,394,930	725,175
Less outflows of raising capital		(158,366)	(94,425)
Proceeds from borrowings		6,835,000	7,625,000
Repayment of borrowings		(3,036,299)	(2,312,818)
Repayment of lease liabilities	15	(617,488)	(548,048)
Repayment of convertible notes		(405,072)	-
Net cash inflow from financing activities		5,012,705	5,394,884
Net increase / (decrease) in cash held		214,566	(6,399)
Cash at beginning of financial year		60,284	66,683
Cash at end of financial year	9	274,850	60,284

The accompanying notes form part of these financial statements.

Notes to the Financial Statements for the year ended 30 June 2026

Note 1 Summary of Material Accounting Policies

The financial statements are presented in Australian dollars unless otherwise stated.

The financial statements were authorised for issue on 30 September 2026 by the directors of Energy Technologies Limited.

Energy Technologies Limited is a listed public company, incorporated and domiciled in Australia.

(a) Basis of Preparation

The financial statements are a general-purpose financial report, which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 as appropriate for for-profit orientated entities. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

(b) Statement of Compliance

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(c) Material Uncertainty Relating to Going Concern

This report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group incurred a loss after tax and excluding non-controlling interest of \$12,476,948 (June 2025: loss of \$10,991,225). During the year the Group generated negative cash flows from operations of \$4,442,802 (June 2025: negative \$5,312,434).

At 30 June 2026 the Group had a deficiency in equity of \$22,650,863 (June 2025: deficiency of \$14,124,360). The June 2026 net assets include intangible assets of \$1,178,273 (FY2025: \$92,186). The Group had a net current asset deficit (current liabilities in excess of current assets) of \$30,586,754 (2025: \$16,089,453). Included in current liabilities are employee entitlements of \$636,207 which are not expected to be settled in cash in full within the next twelve months. In addition, included in current liabilities are convertible notes of \$10,356,428, the terms of which are that these mature within 12 months or such later date as is agreed between the parties. Subsequent to balance date, the maturity dates of convertible notes of \$2,020,000, included in current liabilities in the balance sheet, have been extended until September 2027. Refer note 27.

These conditions give rise to a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern.

The directors nevertheless consider that the going concern basis remains appropriate for the following reasons:

- The company is continuing to reduce cash outflows and reducing the working capital committed, resulting in cash outflows being reduced by 16.37% over the previous corresponding year, although cash receipts were reduced by 46.94% over the previous corresponding year. These results are consistent with management expectations as the Board continues to review opportunities to appropriately and sustainably resource the Company's operations and focus on lowering cash outflows;
- The results for the year also continue to be impacted by residual issues with staff retention, expansion and then fully commissioning of the new manufacturing facility in Rosedale, regional Victoria including implementation of production software, and delays in the construction of the new silicone line shed, which is expected to be completed within the next twelve to twenty-four months subject to board approval;
- Cash constraints continued to impact the supply of raw materials resulting in the factory not operating at full capacity;
- Further initiatives in place to raise further working capital to be applied in debt reduction;
- The potential to raise additional capital as demonstrated in the following Equity Raising History table;

Notes to the Financial Statements

for the year ended 30 June 2026

Note 1 Summary of Material Accounting Policies (continued)

(c) Material Uncertainty Relating to Going Concern (continued)

Equity Raising History

Date	Amount Raised *	Issue Price (cents per share)	Number of Shares
FY 2023			
8 March 2023	3,400,000	5.2	65,384,616
FY 2024			
13 May 2024	2,954,524	3.5	84,414,958
FY 2025			
9 October 2024	432,875	3.0	14,429,150
13 December 2024	292,300	3.0	9,743,333
FY 2026			
23 July 2025	1,611,159	3.0	53,705,288
14 May 2026	1,964,930	2.0	98,246,500
2 June 2026	155,000	2.0	7,750,000
29 June 2026	375,000	2.0	18,750,000

* Excludes capital raising costs.

- The potential to renegotiate and/or extend debt facilities including but not limited to convertible notes, short-term and other loans as demonstrated in the following two tables; and

Convertible Note History

Date Raised	Amount \$	Initial Maturity date	Converted to Short Term loan \$	Repaid \$	Total \$	Maturity extended to
FY 2023	4,600,000	FY 2024	(600,000)	(202,536)	3,797,464	**
FY 2024	6,811,500	FY 2026	-	(252,536)	6,558,964	**
FY 2025	-		-	-	-	
FY 2026	-		-	-	-	
	<u>11,411,500</u>		<u>(600,000)</u>	<u>(455,072)</u>	<u>10,356,428</u>	

** These notes have been extended past their initial maturity dates. Refer note 18(c) for further details on current maturity dates.

Notes to the Financial Statements for the year ended 30 June 2026

Note 1 Summary of Material Accounting Policies (continued)

(c) Material Uncertainty Relating to Going Concern (continued)

Other Loans History

Date Raised	Amount \$	Initial Maturity date	Transferred from convertible notes \$	Converted to equity \$	Repaid \$	Total \$	Maturity extended to
FY 2025	7,625,000	FY 2026	600,000	-	(50,000)	8,175,000	***
FY 2026	7,489,032	FY 2027/8	-	(1,645,000)	(1,050,000)	4,794,032	***
	<u>15,114,032</u>		<u>600,000</u>	<u>(1,645,000)</u>	<u>(1,100,000)</u>	<u>12,969,032</u>	

*** These loans have been extended past their initial maturity dates. Refer note 18(f) and 18(g) for further details on current maturity dates.

- In the event that revenue growth continues to be slower than anticipated, the Directors are confident they have the ability to raise additional funds through share issues and placements to sophisticated investors as supported by the above track record tables.

The Directors also note the following:

- A major contributing factor to the decline in revenue in the year to 30 June 2026 was the company's change in business planning. The Bambach business continues to focus on maintaining safe manufacturing margins supported by a focus on the renewable energy sector and purchased product to sell into previously manufactured product clients. This resulted in a shift in capital employed to re-position the factory while investing in the lateral business opportunities, refer below;
- The company has revised its business strategy for Bambach to include purchased imported product delivered into the domestic market;
- Through disciplined management, EGY has maintained both value and margin (before allocation of overheads) in the Bambach order book and the current sales orders and enquiries remain strong. The benefits of this strategy will be further unlocked upon finalisation of the review and adoption of a balanced capital structure which permits the Company to fully realise the business plan trajectory;
- In July 2025, 53,705,288 fully paid ordinary shares in Energy Technologies Limited were issued under a share placement, in settlement of \$1,545,000 of short term loans plus accrued interest of \$66,159;
- In May 2026, the company raised gross proceeds of \$1,964,930 through the issue of 98,246,500 fully paid ordinary shares;
- In June 2026, the company raised gross proceeds of \$530,000 through the issue of 26,500,000 fully paid ordinary shares;
- Loans of \$6,835,000 were raised during the year; and
- In March 2026, the company announced the acquisition, through its wholly owned subsidiary Cogenic Pty Ltd, of Maradin Ltd's Laser Optical Engineering IP portfolio;

This technology allows for a full laser projection solution, through Laser Beam Scanning (LBS), using Micro-Electro-Mechanical Systems (MEMS) which enables large scanning angles at a very precise control. The technology is and will continue to be used for projection of images for smart glasses, Extended Reality (XR), Augmented Reality (AR), Virtual Reality (VR), Defence, Aerospace and incorporates both ultra-near eye display and direct retina display.

Target markets for the technology are Defence, Aerospace, Virtual Reality, Augmented Reality and Lifestyle.

Notes to the Financial Statements for the year ended 30 June 2026

Note 1 Summary of Material Accounting Policies (continued)

(c) Material Uncertainty Relating to Going Concern (continued)

Matters that have already occurred post the reporting date:

- In July 2026, the company announced that its 100% owned subsidiary Cogenic Pty Ltd signed a Master License Agreement with Amalgamated Vision, a Brentwood, Tennessee deep tech company. The deal secures the relationship of developing a lightweight, low-power and high-performance optical platform that underpins the Maradin technology, resulting in a heads-up display solution, in conjunction with AV for their ongoing product development specifically for AFWERX (USA Air Force work project) and NASA (The National Aeronautics and Space Administration). The end product, in the form of military grade wearable heads-up display, is the physical glasses heads up display solution which will have specific hardware and multiple software overlays. The drivers of this product will result in a heads up display utilising Cogenic's Laser Beam Scanning (LBS) technology;
- In August 2026 the EGM ratified the issue of an aggregate of 124,746,500 fully paid ordinary shares in the Company to sophisticated and professional investors at an issue price of \$0.02 (2 cents) per share, which issues occurred on 14 May 2026, 2 June 2026 and 29 June 2026. This refreshes EGY's capacity to raise additional capital (refer note 27);
- Continuous dialogue with lenders and noteholders who continue to provide support to the group. Written confirmation of this fact has been received from stakeholders which underpins this critical ongoing financial support post balance date. To this end, it is further noted that no convertible notes or short-term loans have been repaid post year end; and
- Further working capital has been provided by way of unsecured loans of \$1,180,000 received post balance date (refer note 27).

Matters expected to occur in the view of the Directors:

- The Group expects to continue receiving support from its financiers, shareholders and other stakeholders who continue to support the group including the period subsequent to this report - as is evidenced by the written confirmations received from stakeholders;
- The potential to renegotiate and/or extend debt facilities as well as to raise additional working capital (as and when required);
- Projected forecasts include further equity raisings in FY2027 and a reduction of debt. The forecasts also include a revenue stream from the acquired Maradin technology, including a 5% royalty on gross sales of finished product under licence as announced on 23 July 2026; and
- As is prudent for a Group of this size, and consistent with the factors noted above, the directors continue to manage the working capital and capital expenditure requirements in the best interests of shareholders. This includes the preparation, and review of cash flow forecasts and other longer-term projections which in the view of the Directors align with the strategy of the Group to achieve growth predominantly through the Cogenic and Bambach businesses.

Management have prepared a cash flow projection (including the above assumptions) for the period to 30 September 2027 and a FY2026-27 budget that supports the ability of the Group to continue as a going concern. As a consequence of these matters, the Directors believe the Group will continue as a going concern and it is appropriate to prepare these financial statements on that basis.

In the event that the Group is unable to achieve the matters detailed above, it may not be able to continue as a going concern and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial statements.

No adjustments have been made to the recoverability and classification of recorded asset values and the amount and classification of liabilities that might be necessary should the Group and company not continue as going concerns.

(d) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Energy Technologies Limited (EGY) at the end of the reporting period. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is included in Note 12 to the financial statements.

Notes to the Financial Statements

for the year ended 30 June 2026

Note 1 Summary of Material Accounting Policies (continued)

(d) Principles of Consolidation (continued)

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in the subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statements showing profit or loss and other comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (ie. transactions with owners in their capacity as owners).

(e) Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

Where measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in the profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations are expensed.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase. A gain from a bargain purchase is accounted for in the income statement at the acquisition date.

(f) Property, plant and equipment

Each class of Plant and equipment is stated at fair value as indicated, less accumulated depreciation and any impairment in value.

Increases in the carrying amount arising on revaluation of plant and equipment are credited to an asset revaluation reserve. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Depreciation is calculated on a diminishing value basis over the estimated useful life of the asset as follows:

Leasehold Improvements	2.5% to 25%
Plant and equipment	5% to 25%

(g) Revenue recognition

Revenue is recognised using the 5-step process:

- 1 Identifying the contract with a customer;
- 2 Identifying the performance obligations;
- 3 Determining the transaction price;
- 4 Allocating the transaction price to the performance obligations; and
- 5 Recognising revenue when/as performance obligation(s) are satisfied.

Notes to the Financial Statements

for the year ended 30 June 2026

Note 1 Summary of Material Accounting Policies (continued)

(g) Revenue recognition (continued)

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of goods

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Other income

Other income is recognised when it is received or when the right to receive payment is established.

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Dividends

Revenue is recognised when the shareholders' right to receive the payment is established.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is recognised as a reduction against the asset and then released to profit or loss over the expected useful life of the related asset as a reduced depreciation charge.

(h) Contributed equity and other contributed equity

Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Other contributed equity

Capital contributions received in advance of share allotment is recognised at the fair value of the consideration received by the Company as other contributed equity.

Any transaction costs arising on the related equity issuance are recognised directly in equity as a reduction of the share proceeds received.

Notes to the Financial Statements

for the year ended 30 June 2026

Note 1 Summary of Material Accounting Policies (continued)

(h) Contributed equity and other contributed equity (continued)

Earnings per share and headline earnings per share

Earnings per share is based on earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares on issue during the year.

(i) Intangible assets

Computer Software

Computer software is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful life of the software, being three to four years, from the date it is available for use. The useful life, amortisation method and residual value are reviewed at each reporting date and revised prospectively where required.

Intellectual Property

Intellectual property is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over its estimated useful life of ten years from the date the intellectual property is available for use. Intangible assets are assessed for impairment whenever indicators of impairment exist in accordance with AASB 136 Impairment of Assets. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in profit or loss.

(j) New and amended standards adopted by the group

No new and/or revised Standards and Interpretations have been required to be adopted, and/or are applicable in the current year by/to the Group, as standards, amendments and interpretations which are effective for the financial year beginning on 1 July 2025 are not material to the Group.

(k) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates

(i) Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the revaluation surplus or in the income statement, as set out above.

(ii) Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturer's warranties (for plant and equipment), lease terms (for leased equipment), long term sales projections and customer requirements (for intangible assets) 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 lives are made when considered necessary.

(iii) Provision for expected credit loss

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 using a provision matrix.

Notes to the Financial Statements

for the year ended 30 June 2026

Note 1 Summary of Material Accounting Policies (continued)

(k) Critical Accounting Estimates and Judgements (continued)

(iv) Impairment of Inventory

In assessing the impairment of inventory, management has identified inventory that did not show any movement for 12 months based on sales and evaluated the extent to which this inventory will not be sold. While this evaluation was done by management who are experienced and knowledgeable, there is still a significant amount of estimation and judgement involved in arriving at the amount to be provided. Details of the number of years' worth of future sales are on hand in inventory, by line item, at each period end and a progressive provision formula is used as a basis for management's assessment of the impairment required.

(v) Deferred Tax Asset

A deferred tax asset is recognised on unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. The group used the following criteria:

- * Whether it will be probable that the entity will have taxable profits before the unused tax losses will expire based on the budgets for the following financial year; and
- * Whether it is probable that taxable profits will be available against which the unused tax losses can be utilised. To determine the probability that the taxable profit will be available against which the unused tax losses can be utilised, the group has reviewed its forecasts for the foreseeable future and compared that to its total tax losses.

(vi) Right-of-use lease liability and right-of-use assets

The group has applied judgement to determine the lease term for some of the lease contracts, in which it is a lessee, that include renewal options. The assessment of whether the group is reasonably certain to exercise such options impacts the lease term, which affects the amount of lease liabilities and right-of-use assets recognised. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or to not exercise a termination option. The economic incentives considered include factors such as the anticipated benefits from the location of the property, levels of construction development and competition in the area, ability to attract foot traffic, and the availability of suitable alternative properties. Extension options (or periods after termination options) are included in the lease term if the lease is reasonably certain not to be terminated. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and is within the control of the lessee. The majority of extension and termination options held are exercisable by the group in conjunction with the respective lessor, based on the fair market rental at that time.

Key Judgements

i) Going Concern: Refer to details in Note 1(c).

ii) Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Notes to the Financial Statements for the year ended 30 June 2026

	Consolidated	
	2026	2025
	\$	\$
Note 2 Revenue and Other Income		
(a) Revenue		
Sale of goods transferred at a point in time	3,945,722	8,068,791
Sale of goods transferred over time	-	-
	3,945,722	8,068,791
(b) Other Income		
Finance revenue	3,686	452
Net gain on disposal of property, plant and equipment	3,251	-
Other income	41,494	9,838
Total Other Income	48,431	10,290
	3,994,153	8,079,081
(c) Revenue by Geographic Segment		
Australia	3,922,652	8,006,431
New Zealand	16,670	62,360
Other countries	6,400	-
	3,945,722	8,068,791
(d) Major Customers		
During the current financial year 26.6% of the group's revenue was derived from two customers (FY 2025: no single customer exceeded 10% of the group's revenue).		

Note 3 Loss before Income Tax

Included in the determination of Loss before income tax are the following expenses:

Expenses

Cost of Sales

Cost of Goods Sold	2,296,375	4,788,987
Factory direct expenses less recovery	3,230,386	3,382,406
Freight	166,922	387,267
Inventory write down and manufacturing variances	530,693	1,061,917
	6,224,376	9,620,577
Gross Loss % - pre inventory write down	(44.30%)	(6.07%)

Finance Costs

Borrowing costs	277,477	137,287
Interest expense	3,880,775	2,591,614
Lease finance charges	160,158	189,250
	4,318,410	2,918,151

Notes to the Financial Statements

for the year ended 30 June 2026

	Consolidated	
	2026	2025
	\$	\$
Note 3 Loss before Income Tax (continued)		
Depreciation and Amortisation		
Depreciation of property, plant and equipment	835,724	924,396
Amortisation of intangible assets	52,658	68,813
Depreciation of right of use assets	751,889	738,108
	1,640,271	1,731,317
Employment Related Expenses		
Employee benefits expense	2,446,953	2,831,268
Defined superannuation contributions expense	256,944	317,176
Other		
Short term lease payment	14,148	16,159
Net loss on disposal of property, plant and equipment	-	8,307
Note 4 Income Tax Expense		
(a) The components of Income tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) Reconciliation of the prima facie tax on loss to income tax expense:		
Prima facie tax on loss before income tax at 25% (2025: 25%)	(3,120,984)	(2,748,083)
Tax effect of:		
- Other non-allowable items	(60,616)	(128,532)
- Current year tax losses not brought to account.	3,181,600	2,876,615
Income tax expense	-	-

Notes to the Financial Statements for the year ended 30 June 2026

Note 5 Key Management Personnel Compensation

Compensation of Key Management Personnel

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2026 and the comparative year.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	Consolidated	
	2026	2025
	\$	\$
Short term employee benefits	805,554	925,575
Post employment benefits	74,081	81,255
	879,635	1,006,830

Short-term employee benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to KMP.

Post employment benefits

These amounts are the current year's estimated cost of providing for superannuation contributions made during the year and post-employment life insurance benefits.

Share based payments

The Group has a share option plan to incentivise certain employees and key management personnel. The share option plan is subject to participants meeting service condition (continuous employment with the Group) at the vesting date. The options are issued for nil consideration. There are no performance conditions.

During the financial year NIL unlisted options were granted (2025: NIL). The share-based payment expense for unlisted options for the year was \$NIL (2025: \$NIL).

	Consolidated	
	2026	2025
	\$	\$

Note 6 Auditors' Remuneration

Remuneration of the auditor of the parent entity:

Crowe Audit Australia

Audit Services

Audit of financial report	228,100	280,096
Total Remuneration of the auditor of parent entity	228,100	280,096

Remuneration of **other auditors** for:

Tax compliance services	-	1,250
	-	1,250

Notes to the Financial Statements for the year ended 30 June 2026

Note 7 Dividends

No dividends have been paid or proposed by the parent entity for the year ended 30 June 2026 (2025: Nil).

Note 8 Earnings per Share

(a) Reconciliation of earnings to profit or loss:

	Consolidated	
	2026	2025
	\$	\$
Loss	(12,483,938)	(10,992,331)
Result attributable to non-controlling interest	6,990	1,106
Loss used to calculate basic and diluted EPS	<u>(12,476,948)</u>	<u>(10,991,225)</u>

(b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

Weighted average number of dilutive options outstanding

Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS

	2026	2025
	Number	Number
	510,354,109	437,782,783
	-	-
	<u>510,354,109</u>	<u>437,782,783</u>

Note 9 Cash and Cash Equivalents

Cash at bank and on hand

	274,850	60,284
	<u>274,850</u>	<u>60,284</u>

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents

	274,850	60,284
	<u>274,850</u>	<u>60,284</u>

Notes to the Financial Statements for the year ended 30 June 2026

Consolidated

2026 2025
\$ \$

Note 10 Trade and Other Receivables

CURRENT

Trade receivables	574,553	1,158,172
Less: provision for expected credit loss	(25,000)	(25,000)
	549,553	1,133,172
Other receivables	66,987	54,375
	616,540	1,187,547

Trade receivables are pledged as security in favour of Earlypay Cashflow Finance Pty Ltd for the Secured Debtor Finance Facility (refer Note 18).

Note 11 Inventories

At cost

Raw materials and stores	839,664	922,799
Work in progress	123,908	323,168
Finished goods	2,282,624	2,906,806
	3,246,196	4,152,773
Allowance for obsolete and slow-moving inventory	(225,000)	(225,000)
	3,021,196	3,927,773

In FY2026, \$443,986 (2025: \$536,770) of inventory write down following a continued detailed review of inventory items by location and including slow moving stock.

Inventories are pledged as security in favour of Earlypay Cashflow Finance Pty Ltd for the Secured Trade Finance Facility (refer Note 18).

Note 12 Controlled Entities

Controlled Entities	Country of Incorporation	Percentage Owned (%)*	
Parent Entity:		2026	2025
Energy Technologies Limited	Australia		
Subsidiaries of Energy Technologies Limited:			
Bambach Wires & Cables Pty Limited	Australia	100	100
Cogenic Pty Limited	Australia	100	100
Dulhunty Engineering Limited (previously D Power International Limited) **	British Virgin Islands	51	51

* Percentage of voting power is in proportion to ownership.

** Dulhunty Engineering Limited is a dormant entity.

Notes to the Financial Statements

for the year ended 30 June 2026

	Consolidated	
	2026	2025
	\$	\$
Note 13 Property, Plant and Equipment		
Leasehold Improvements		
Leasehold improvements at independent valuation	1,025,805	1,025,805
Less: accumulated depreciation	(194,757)	(102,418)
Net carrying value	831,048	923,387
Plant and Equipment		
Plant and equipment at cost or independent valuation	8,202,195	8,203,716
Less: accumulated depreciation	(1,565,031)	(821,873)
	6,637,164	7,381,843
Capital Work in Progress	569,652	569,652
Total Property, Plant and Equipment	8,037,864	8,874,882

(a) Movements in Carrying Amounts

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

	Capital Work In Progress	Leasehold Improvements	Plant and Equipment	Total
	\$	\$	\$	\$
Consolidated:				
Carrying amount at the beginning of the year	569,652	923,387	7,381,843	8,874,882
Additions	-	-	-	-
Depreciation expense	-	(92,339)	(743,385)	(835,724)
Disposals	-	-	(1,294)	(1,294)
Carrying amount at the end of the year	569,652	831,048	6,637,164	8,037,864

Plant and equipment has been secured by way of a loan facility in favour of Grow Funding Pty Ltd.

(b) Revaluation of Property, Plant and Equipment to fair value

(i) General

The Group's plant and equipment and leasehold improvements are stated at their revalued amounts, being the fair value (as determined by an independent valuer) at the date of revaluation, less any subsequent accumulated depreciation and subsequent impairment losses. The last external independent valuation was conducted at 30 June 2024. The Group carries out independent valuations every five years at minimum or when there are indicators that fair value has materially moved since the previous assessment.

Notes to the Financial Statements for the year ended 30 June 2026

Note 13 Property, Plant and Equipment (continued)

(b) Revaluation of Property, Plant and Equipment to fair value (continued)

(ii) Valuation Techniques

AASB 13 Fair Value Measurement requires the valuation technique used to be consistent with one of the following valuation approaches:

- Market approach: techniques that use prices and other information generated by market transactions for identical or similar assets;
- Income approach: techniques that convert future cash flows or income and expenses into a single discounted present value; and
- Cost approach: techniques that reflect the current replacement cost of an asset at its current service capacity.

(iii) Fair Value Measurement

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into, as follows:

- Level 1: Measurements based on quoted prices in active markets for identical assets that the entity can access at the measurement date;
- Level 2: Measurements based on inputs other than the quoted prices included in Level 1, but that are observable for the asset, either directly or indirectly; and
- Level 3: Measurements based on unobservable inputs for the asset or liability.

The valuation of the assets was largely based on Level 3 inputs. The fair value of the plant and equipment and leasehold improvement was predominantly determined based on the market approach whereby the valuers researched industry relevant marketplaces for market evidence of recent sales and offerings, sourced market opinions from industry experts as well as utilised their own database resources and industry experience. In some instances they adopted the cost approach or a combination of the cost and market approaches where there has been minimal or no reliable market evidence to compare with the subject assets. The valuers also considered the physical deterioration, functional obsolescence and economic obsolescence of the assets.

(iv) Fair Value under AASB13

The fair value of group Plant and Equipment and Leasehold Improvements under fair value was \$9,140,994 at 30 June 2024. The Board adopted this value, which resulted in an increase in net plant and equipment value of \$185,543 in the group at 30 June 2024. The revaluation amount was recognised in the Asset Revaluation Reserve. A deferred tax liability of \$586,911 at 30 June 2026 (2025: \$658,300) in respect of the revaluation, has been set off against tax losses available to offset any liability arising upon a disposal of plant and equipment. Refer Note 19(d). EGY has no plans to dispose of its plant and equipment.

(v) Recurring fair value measurements:

	Consolidated	
	2026	2025
	\$	\$
Plant and equipment	6,637,164	7,381,843
Leasehold improvements	831,048	923,387
Total non-financial assets recognised at fair value	7,468,212	8,305,230

The highest and best use of the assets is the fair market value in continued use, using the market approach technique. The carrying amount of the above assets that would have been recognised had the assets been carried under the cost model is \$5,120,566.

Notes to the Financial Statements for the year ended 30 June 2026

Note 13 Property, Plant and Equipment (continued)

(c) Capital Work in Progress – Silicone Cable Project

Bambach Wires & Cables Pty Limited (Bambach), has been awarded a Sovereign Industrial Capability Priority Grant in 2021, to improve Australian manufacturing capability to support the Continuous Shipbuilding Program which includes rolling submarine acquisition, land combat, protected vehicles and technology upgrade. The project cost was estimated at \$1.74m of which the Federal Government will contribute up to \$1.34m.

	Consolidated	
	2026	2025
	\$	\$
Costs incurred to date	1,873,240	1,873,240
Less: grants received	(1,303,588)	(1,303,588)
	569,652	569,652

Note 14 Intangible Assets

Computer software at cost	446,226	273,272
Less: accumulated amortisation	(233,744)	(181,086)
	212,482	92,186
Intellectual property at cost	965,791	-
Less: accumulated amortisation	-	-
	965,791	-
Total Intangible Assets	1,178,273	-

Movements in Carrying Amounts

	Intellectual Property \$	Software \$	Total \$
Consolidated:			
Carrying amount at the beginning of the financial year	-	92,186	92,186
Additions (a)	965,791	172,954	1,138,745
Amortisation expense	-	(52,658)	(52,658)
Carrying amount at the end of the financial year	965,791	212,482	1,178,273

(a) On 23 March 2026 EGY announced the acquisition of the Maradin Laser Optical Engineering Intellectual Property Portfolio. The initial instalment for USD \$135,000 (AUD \$186,928) was paid in April 2026. The remaining instalments are payable as follows:

- (i) USD \$150,000 (AUD \$218,373) due 6 months from first settlement;
- (ii) USD \$150,000 (AUD \$218,373) due 12 months from first settlement; and
- (iii) USD \$235,000 (AUD \$342,117) due 18 months from first settlement.

Notes to the Financial Statements

for the year ended 30 June 2026

Consolidated

2026	2025
\$	\$

Note 15 Right of Use Assets and Lease Liabilities

Right of Use Assets

Office, warehouse and factory premises	4,842,715	4,486,720
Less: accumulated depreciation	(3,043,012)	(2,346,373)
	1,799,703	2,140,347
Plant and equipment	276,246	276,246
Less: accumulated depreciation	(159,035)	(103,785)
	117,211	172,461
Total Right of Use Assets	1,916,914	2,312,808

The group has leased office, warehouse and factory premises under agreements with various expiry dates, some with options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Office, warehouse and factory premises	Plant and equipment	Total
	\$	\$	\$
Carrying amount at the beginning of the financial year	2,140,347	172,461	2,312,808
Additions	355,995	-	355,995
Depreciation expense	(696,639)	(55,250)	(751,889)
Carrying amount at the end of the financial year	1,799,703	117,211	1,916,914

Lease Liabilities

The group has entered into a number of lease agreements in respect of fixed property used for factory, warehousing, offices and branch trading facilities. These leases generally have an initial three to ten-year lease term with options to renew at market-related rentals. Annual escalations from 6% to 10% are common to all leases.

Notes to the Financial Statements

for the year ended 30 June 2026

Consolidated	
2026	2025
\$	\$

Note 15 Right of Use Assets and Lease Liabilities (continued)

Lease liabilities are presented in the statement of financial position as follows:

CURRENT

Office, warehouse and factory premises	1,463,102	1,058,072
Plant and equipment	70,775	59,700
	<u>1,533,877</u>	<u>1,117,772</u>

NON-CURRENT

Office, warehouse and factory premises	1,328,218	1,784,826
Plant and equipment	75,823	136,655
	<u>1,404,041</u>	<u>1,921,481</u>
Total lease liabilities	<u>2,937,918</u>	<u>3,039,253</u>

Total payments in relation to the above on an undiscounted basis:

1 year or less	1,662,435	1,272,256
Between 1 and 5 years	1,507,201	2,125,675
	<u>3,169,636</u>	<u>3,397,931</u>

Additional profit or loss and cash flow information on lease liabilities

Amounts recognised in the statement of profit or loss and other comprehensive income:

Depreciation	751,889	738,108
Lease finance charges	160,158	189,250

Amounts recognised in the statement of cash flows:

Net repayment of lease liabilities	457,330	358,798
Lease finance charges	160,158	189,250
Total cash outflow in respect of leases in the year	<u>617,488</u>	<u>548,048</u>

Notes to the Financial Statements

for the year ended 30 June 2026

		Consolidated	
		2026	2025
		\$	\$
Note 16 Other Assets			
CURRENT			
Prepayments		123,971	130,997
		<u>123,971</u>	<u>130,997</u>
NON-CURRENT			
Deposits		94,889	94,889
		<u>94,889</u>	<u>94,889</u>
Note 17 Trade and Other Payables			
CURRENT			
Unsecured liabilities:			
Trade payables		1,564,484	1,330,996
BAS payable		1,796,621	705,527
Accrued expenses		5,272,834	2,627,373
Other payable Maradin	14(a)	436,746	-
		<u>9,070,685</u>	<u>4,663,896</u>
NON CURRENT			
Other payable Maradin	14(a)	342,117	-
		<u>342,117</u>	<u>-</u>

Notes to the Financial Statements for the year ended 30 June 2026

	Note	Consolidated	
		2026	2025
		\$	\$
Note 18 Borrowings			
CURRENT			
Secured borrowings:			
Debtor finance facility	(a)	361,387	900,020
Trade finance facility	(b)	367,206	1,355,529
Convertible notes	(c)	10,356,428	4,191,500
Loan from former director	(d)	190,000	190,000
Grow equipment finance loan	(e)	538,489	435,739
Procure equipment finance loan		-	62,243
Short term loans	(f)	4,982,180	4,750,000
		16,795,690	11,885,031
Unsecured borrowings:			
Short term loans	(g)	6,586,852	3,115,000
		6,586,852	3,115,000
Total Current Borrowings		23,382,542	15,000,031
NON-CURRENT			
Secured borrowings:			
Convertible notes	(c)	-	6,570,000
Grow equipment finance loan	(e)	90,184	590,034
		90,184	7,160,034
Unsecured Borrowings:			
Other loans	(g)	1,400,000	310,000
		1,400,000	310,000
Total Non-Current Borrowings		1,490,184	7,470,034
Total Borrowings		24,872,726	22,470,065
Total current and non-current secured borrowings:			
Debtor finance facility		361,387	900,020
Trade finance facility		367,206	1,355,529
Grow equipment finance loan		628,673	1,025,773
Loan from former director		190,000	190,000
Short term loans		4,982,180	4,750,000
Procure equipment finance loan		-	62,243
Convertible notes		10,356,428	10,761,500
		16,885,874	19,045,065

Notes to the Financial Statements for the year ended 30 June 2026

Note 18 Borrowings (continued)

- (a) Secured Debtor finance facility with Earlypay Cashflow Finance Pty Ltd. This facility is drawn down to amount \$361,387 as at 30 June 2026. Interest is charged on the facility at rate of 11.00% which is 1.85% less the base rate which is currently 12.85%. There is no maturity date for this facility.
- (b) Secured Trade finance facility with Earlypay Cashflow Finance Pty Ltd. This facility is drawn down to amount \$367,206 as at 30 June 2026. Term charges 5.85% per 120 days. There is no maturity date for this facility.
- (c) Convertible Notes issued of \$10,356,428 to noteholders. These notes have a face value of \$1.00, attract a coupon rate of 10.00% and a default rate of 15.00% applies. These notes are convertible at a share price of \$0.08 per note.

Of these notes, \$983,964 matures month on month, or as agreed between the parties, \$6,167,464 matures in September 2026 and \$3,205,000 matures in March 2027. All notes can be paid back by the company at their discretion. The maturity dates of convertible notes of \$2,020,000, which are included in the \$6,167,464 maturing in September 2026, have been extended until September 2027. Refer note 27.

- (d) Secured loan from former director of EGY for \$190,000. Interest rate 10.00% per annum. Maturity Date is as agreed by the parties.
- (e) Secured Equipment Finance loan. Interest rate 13.81% per annum and lender Grow Funding Pty Ltd. Loan matures August 2027.
- (f) Short term loans of \$1,482,180 from shareholders and convertible note holders, which are secured loans maturing in March 2027. These loans incur an interest rate of 20.00% per annum.

A \$6,000,000 line of credit has been provided by a shareholder and convertible note holder, to be drawn upon as required, and is in place until March 2027. The interest rate on the facility is 18.00% per annum. A total of \$3,500,000 has been drawn down and is a secured loan.

- (g) Unsecured loans of \$7,986,852 from sophisticated and professional investors, of which \$1,660,000 matures in September 2026, \$4,926,852 matures in March 2027 and \$1,400,000 matures in September 2027. These loans incur an interest rate of 18.00% per annum.

Summary of financing facilities in place at 30 June 2026:

Financing facilities:

	Total facility amounts at year end \$	Amount drawn at year end \$
Debtor finance and trade finance facility	7,400,000	728,593
Short term loans	8,069,032	8,069,032
Other loans	1,400,000	1,400,000
Grow equipment finance loan	628,673	628,673
Convertible notes	10,356,428	10,356,428
Loan from former director	190,000	190,000
Credit standby arrangement	6,000,000	3,500,000
Total financing facilities	34,044,133	24,872,726
Unused financing facilities available at year end		9,171,407

Notes to the Financial Statements

for the year ended 30 June 2026

	Note	Consolidated	
		2026	2025
		\$	\$
Note 19 Tax			
(a) Deferred Tax Assets			
		-	-
		-	-
(b) Reconciliation			
(i) Gross Movements			
The overall movement in the deferred tax account is as follows:			
Opening balance		-	-
Charged to the income statement	4	-	-
Closing balance		-	-
(ii) Deferred Tax Assets			
The movement in deferred tax assets for each temporary difference during the year is as follows:			
Employee and other provisions			
Opening balance		-	-
Charged to the income statement		-	-
Closing Balance		-	-
(c) Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(k) occur are:			
Temporary differences		314,059	271,890
Tax losses: capital losses		1,142,682	1,142,682
Tax losses: operating losses		19,746,367	16,568,262
Less potential tax loss benefits offset against deferred tax liability - refer (d)		(586,911)	(658,300)
Tax losses: operating losses net of offsets*		19,159,456	15,909,962
(d) Deferred tax liability is offset against unrecognised tax losses:			
Revaluation of property, plant and equipment		586,911	658,300
Less: Offset of unrecognised tax loss benefit		(586,911)	(658,300)
Net deferred tax liability		-	-

*Tax Losses of \$19,159,456 have not been brought to account as it is unlikely that these losses will be utilised in the near future.

Notes to the Financial Statements

for the year ended 30 June 2026

Consolidated

2026	2025
\$	\$

Note 20 Provisions

Employee Entitlements

Current	636,207	614,355
Non-current	55,707	18,157
	691,914	632,512

Reconciliation:

Opening balance	632,512	863,559
Leave accrued	485,769	437,705
Leave paid/taken	(426,367)	(668,752)
Closing balance	691,914	632,512

Note 21 Issued Capital

Number of Ordinary shares fully paid 624,699,059 (2025: 446,247,271):	52,634,060	48,686,337
	52,634,060	48,686,337

Ordinary Shares

	2026 Number	2025 Number	\$	\$
At the beginning of reporting period	446,247,271	422,074,788	48,686,337	48,055,587
Shares issued during year				
23/07/2025 issued at \$0.03	53,705,288	-	1,611,159	-
14/05/2026 issued at \$0.02	98,246,500	-	1,964,930	-
02/06/2026 issued at \$0.02	7,750,000	-	155,000	-
29/06/2026 issued at \$0.02	18,750,000	-	375,000	-
09/10/2024 issued at \$0.03	-	14,429,150	-	432,875
17/12/2024 issued at \$0.03	-	9,743,333	-	292,300
Capital transaction costs	-	-	(158,366)	(94,425)
At reporting date	624,699,059	446,247,271	52,634,060	48,686,337

Terms and conditions:

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the company, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

Notes to the Financial Statements

for the year ended 30 June 2026

	Note	Consolidated	
		2026	2025
		\$	\$
Note 22 Reserves			
Foreign currency	(a)	(1,988,070)	(1,992,926)
Asset revaluation	(b)	8,005,351	8,005,351
		6,017,281	6,012,425

Movement in each class of reserves during the current year and previous year as set out below:

	Foreign Currency	Asset Revaluation	Total
	\$	\$	\$
Balance at 1 July 2024	(1,991,803)	7,955,351	5,963,548
Foreign currency translation	(1,123)	-	(1,123)
Revaluation carried out		50,000	50,000
Balance at 30 June 2025	(1,992,926)	8,005,351	6,012,425
Foreign currency translation	4,856	-	4,856
Balance at 30 June 2026	(1,988,070)	8,005,351	6,017,281

- (a) The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.
- (b) The reserve records revaluations of property, plant and equipment.

Notes to the Financial Statements

for the year ended 30 June 2026

Note 23 Parent Entity Disclosure

(a) Statement of financial position

	2026	2025
	\$	\$
Total Current Assets	6,118,156	7,518,904
Total Non-Current Assets	16	37
Total Assets	6,118,172	7,518,941
Total Current Liabilities	27,369,035	14,763,301
Total Non-Current Liabilities	1,400,000	6,880,000
Total Liabilities	28,769,035	21,643,301
Net Liabilities	(22,650,863)	(14,124,360)
Equity		
Issued capital	52,634,060	48,686,337
Accumulated losses	(75,781,059)	(63,306,833)
Share based payment reserve	496,136	496,136
Total Deficiency in Equity	(22,650,863)	(14,124,360)

(b) Financial Performance

Loss for the year after income tax	(12,474,226)	(10,944,577)
Other comprehensive income	-	-
Total Comprehensive Loss	(12,474,226)	(10,944,577)

(c) Parent entity result includes impairment of related party loans of \$8,170,326 (2025: \$8,444,571).

(d) The parent entity has co-guaranteed finance facilities with subsidiary Bambach Wires & Cables Pty Limited to a maximum drawdown limit of \$7.4m (Guarantees FY2025: \$7.4m).

(e) Contingent Liabilities of the Parent Entity – Refer to Note 25.

(f) Commitments for the acquisition of Property, Plant and Equipment by the parent entity Nil (2025 \$Nil).

Consolidated

2026	2025
\$	\$

Note 24 Capital and Leasing Commitments

(a) Short term leases

Non-cancellable short-term leases contracted for but not capitalised in the financial statements.

Payable — minimum lease payments

not later than 12 months

13,200	14,400
13,200	14,400

(b) Capital Expenditure Commitments

As at 30 June 2026, no deposits have been made for capital equipment (FY2025: \$NIL).

Notes to the Financial Statements

for the year ended 30 June 2026

Note 25 Contingent Liabilities

John Fielding Limited

Previous financial statements of the company have noted a contingent liability to John Fielding Limited for services carried out prior to 30 June 1995 in regard to amendments to income tax returns. During the current financial year the contingent liability has now been assigned to Margaret Jan Stokes. However, in accordance with the contract no fee is payable until a cash benefit is received by the Company in relation to the amendments. At this stage no cash benefit has been received by the Company. The maximum liability is \$130,241.

	Consolidated	
	2026	2025
	\$	\$
Note 26 Cash Flow Information		
(a) Reconciliation of Cash Flow from Operating Activities with Net Loss after Income Tax		
Net loss after income tax	(12,483,938)	(10,992,331)
<u>Adjusted for non cash transactions</u>		
Depreciation of non-current assets	835,724	924,396
Amortisation of intangibles	52,658	68,813
Depreciation on right of use assets	751,889	738,108
Unrealised foreign exchange movements	9,710	(2,246)
Net (gain) loss on disposal of property, plant and equipment	(3,251)	8,307
Interest repayment on loan amalgamation	21,852	-
Accrued interest converted to equity	66,159	-
Accrued interest and borrowing costs capitalised to short term loans	632,180	-
Lease finance charges	160,158	189,250
<u>Changes in assets and liabilities</u>		
(Increase) / decrease in trade and other receivables	571,007	970,831
(Increase) / decrease in inventories	906,577	904,102
Increase / (decrease) in trade payables and accruals	3,970,045	2,144,386
(Increase) / decrease in other current assets	7,026	(42,165)
(Increase) / decrease in other non-current assets	-	7,162
Increase / (decrease) in provisions for employee entitlements	59,402	(231,047)
Net Cash outflow from operating activities	<u>(4,442,802)</u>	<u>(5,312,434)</u>

Notes to the Financial Statements for the year ended 30 June 2026

Note 26 Cash Flow Information (continued)

(b) Reconciliation of liabilities arising from financing activities

		Non cash changes					
		30/06/25	Cash flows	Transaction Costs	Lease extension	Debt to equity conversion	30/06/26
	Note	\$	\$	\$	\$	\$	\$
Convertible notes	18	10,761,500	(405,072)	-	-	-	10,356,428
Loan from former director	18	190,000	-	-	-	-	190,000
Debtor finance facility	18	900,020	(538,633)	-	-	-	361,387
Trade finance facility	18	1,355,529	(988,323)	-	-	-	367,206
Grow equipment finance loan	18	1,025,773	(397,100)	-	-	-	628,673
Procure equipment finance loan	18	62,243	(62,243)	-	-	-	-
Other loans (i)	18	8,175,000	5,785,000	654,032	-	(1,645,000)	12,969,032
Lease liabilities	15	3,039,253	(617,488)	160,158	355,995	-	2,937,918
Total		25,509,318	2,776,141	814,190	355,995	(1,645,000)	27,810,644

(i) The \$5,785,000 balance comprises gross proceeds of \$6,835,000, net of \$1,050,000 loan repayments during the financial year under review.

Note 27 Events After the Reporting Period

The following matters have occurred post reporting date:

- Unsecured short-term loans of \$1,180,000. These loans incur an interest rate of 18% per annum;
- The maturity dates of convertible notes of \$2,020,000, included in current liabilities in the balance sheet, have been extended until September 2027. Accordingly, these convertible notes whilst technically current at balance sheet date, now retain characteristics of a non-current liability post balance sheet date;
- In August 2026 the EGM ratified the issue of an aggregate of 124,746,500 fully paid ordinary shares in the Company to sophisticated and professional investors at an issue price of \$0.02 (2 cents) per share, which issues occurred on 14 May 2026, 2 June 2026 and 29 June 2026. This refreshes EGY's capacity to raise additional capital;
- On 28 August 2026 EGY issued 46,000,000 options over ordinary shares, including 26,000,000 to KMP. The options have an exercise price of \$0.024 and expire 3 years from date of issue; and
- On 23 July 2026, EGY announced a License agreement (MLA) with Amalgamated Vision. This MLA will only produce revenue when the development of wearables is agreed by all parties, and the agreement states a revenue share of 5% on all revenues generated by the parties. It is for project work developing a lightweight, low-power and high-performance optical platform. While no extra cost will be borne by EGY, allocated resources will be used that are not matched with contracted revenue in the initial period.

Other than the matters disclosed above, no other matter or circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect, the Group's operations, results or state of affairs in future financial years.

Notes to the Financial Statements

For the year ended 30 June 2026

Note 28 Related Party Transactions

No loans were made, guaranteed or secured by any entity in the Group to any group of key management personnel or related entities during the financial year (FY2025: \$NIL).

Loan by former Director to the company

The loan from former director and CEO Alfred Chown comprises principal of \$190,000 (2025: \$190,000). The maturity date is as agreed between the parties. The loan bears interest at the rate of 10% per annum. During the financial year under review, interest accruing on the loan amounted to \$19,000 (2025: \$19,000). At balance date, total interest accruing on the loan amounted to \$60,296 (2025: \$41,296).

Directors Fees

Included in other payables and accrued expenses are unpaid parent entity directors fees of \$95,833 (2025: \$50,000).

Also in other payables and accrued expenses are unpaid subsidiary entity directors fees of \$66,000 (2025: \$54,000).

Note 29 Financial Risk Management Disclosures

(a) Capital Risk Management

Energy Technologies Limited (EGY) manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the potential return to stakeholders through the optimum balance of debt and equity. This strategy remains unchanged from FY2025.

The capital structure of the EGY Group consists of cash and cash equivalents, debt and equity attributable to equity holders of the EGY parent and to its operating subsidiary.

Operating cash flows are used to maintain and expand the Group manufacturing and distribution asset base as well as to meet routine outflows including tax and the repayment of maturing debt.

The totals for each category of financial instruments are as follows:

	2026	2025
	\$	\$
Financial Assets		
Cash and cash equivalents	274,850	60,284
Trade and other receivables	616,540	1,187,547
Other assets	94,889	94,889
	986,279	1,342,720
Financial Liabilities		
Trade and other payables	9,412,802	4,663,896
Borrowings	24,872,726	22,470,065
Lease liabilities	2,937,918	3,039,253
	37,223,446	30,173,214

Notes to the Financial Statements

for the year ended 30 June 2026

Note 29 Financial Risk Management Disclosures (continued)

(b) Financial Risk Management

In common with other businesses the EGY Group is exposed to risks that arise from the use of financial instruments. This note describes the objectives, policies and processes for managing those risks and the methods used to measure them. The EGY Group's financial instruments consist mainly of equipment finance loans, facilities with banks, convertible notes, invoice finance facility, trade finance facility, short term loans, accounts payable and leases. There have been no substantive changes in the EGY Group's level of exposure to financial instrument risks or the objectives and processes for managing those risks from previous periods unless otherwise stated in this note.

(i) Financial Risk Management Objectives

The Board of Directors has overall responsibility for the determination of the EGY Group financial risk management framework and, whilst retaining ultimate responsibility for them, it has delegated authority for the design and implementation of operating processes ensuring effective risk management to the EGY Group's corporate treasury and finance function, which provides services to the business including negotiation and co-ordination of finance facilities, and the monitoring and management of the financial risks as they relate to the operations of the Group. The Board receives regular reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the set objectives to control risk.

Overall the risk management strategy seeks to assist the Group in meeting its financial targets as well as minimising the potential adverse effects on financial performance. The main exposures to financial instrument risk experienced by the EGY Group are credit risk, liquidity risk and market risk (including currency risk and interest rate risk). The EGY Group does not enter into financial instruments, including derivative financial instruments, for speculative purposes.

(ii) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the EGY Group. This arises principally from the Group's trade receivables. For the EGY Group this risk has been determined as low.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the Consolidated Statement of Financial Position.

The Group has a general policy of only dealing with creditworthy counterparties. As well, a credit check system is also in place and credit checks are obtained from a reputable external source for selected new and overseas customers. Overseas customers' trade terms include use of documentary credit bank facilities in customer locations deemed at risk, as well as collateral payment. There are no material amounts of collateral held as security at 30 June 2026.

(iii) Liquidity Risk

Prudent liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flow and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following table details the Group's remaining contractual maturity for its financial instrument liabilities. The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The table includes both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Notes to the Financial Statements

for the year ended 30 June 2026

Note 29 Financial Risk Management Disclosures (continued)

b) Financial Risk Management (continued)

CONSOLIDATED ENTITY	Weighted Average Interest Rate – %		1 year or less \$		Between 1 and 5 years \$		Remaining contractual maturities \$	
	2026	2025	2026	2025	2026	2025	2026	2025
Non-derivatives								
<i>Non-interest bearing</i>								
Trade payables	-	-	1,564,484	1,330,996	-	-	1,564,484	1,330,996
BAS payable	-	-	1,796,621	705,527	-	-	1,796,621	705,527
Other payables	-	-	5,709,580	2,627,373	342,117	-	6,051,697	2,627,373
<i>Interest bearing - variable</i>								
Debtor finance facility	11.00	10.25	371,189	922,767	-	-	371,189	922,767
Trade finance facility	17.79	17.79	373,158	1,434,828	-	-	373,158	1,434,828
<i>Interest bearing - fixed</i>								
Grow equipment finance loan	13.81	13.81	596,333	550,462	91,744	642,204	688,077	1,192,666
Procureit equipment finance loan	15.80	15.80	-	66,413	-	-	-	66,413
Lease liabilities	5.72	5.89	1,662,435	1,272,256	1,507,201	2,125,675	3,169,636	3,397,931
Loan from former director	10.00	10.00	209,000	250,296	-	-	209,000	250,296
Convertible notes	12.28	10.00	8,795,476	5,299,588	2,310,477	7,856,913	11,105,953	13,156,501
Short term loans	18.15	18.00	13,037,424	5,916,671	-	3,488,071	13,037,424	9,404,742
Other loans	18.00	18.00	-	-	1,715,518	389,306	1,715,518	389,306
Total non-derivatives			34,115,700	20,377,177	5,967,057	14,502,169	40,082,757	34,879,346

Notes to the Financial Statements

for the year ended 30 June 2026

Note 29 Financial Risk Management Disclosures (continued)

(b) Financial Risk Management (continued)

(iv) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the EGY Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk within acceptable parameters, while achieving optimum return.

(v) Foreign currency risk management

The EGY Group is exposed to currency risk on investments that are denominated in a currency other than the respective functional currencies of Group entities, primarily the Australian dollar (AUD). The Group's investments in, and loans to, its subsidiaries are not hedged as these positions are considered to be long term in nature.

The carrying amount of the EGY Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Liabilities		Assets	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
US Dollars	787	-	-	17
Israeli New Shekel	27	-	-	-
Total	814	-	-	17

(vi) Foreign currency sensitivity analysis

A movement in foreign currency by 10% against the Australian dollar would have an immaterial impact on the loss for the year.

(vii) Interest Rate Risk Management

The EGY Group is exposed to interest rate risk on cash and cash equivalents, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest bearing financial instruments. The EGY Group does not use derivatives to mitigate these exposures. Details of the EGY Group's financial instruments are reflected in Notes 15, 18 and 29(b) of the financial report.

(viii) Interest rate sensitivity analysis

The following analysis indicates the effect of a 2% or 200 basis point increase or decrease in nominal interest rates, based on exposures in existence at the reporting date, and holding all other variables constant. This represents management's assessment of the reasonably possible change in interest rates as at that date.

	Consolidated	
	2026	2025
	\$'000	\$'000
Change in Net Profit/Equity:		
Interest rise by 2% (200 basis points)	(15)	(45)
Interest cut by 2% (200 basis points)	15	45

Consolidated Entity Disclosure Statement as at 30 June 2026

Name of entity	Type of entity	Country of Incorporation	Australian or foreign tax resident	Jurisdiction for foreign tax residency	% of share capital held directly or indirectly by Energy Technologies Limited
Energy Technologies Limited	Body Corporate	Australia	Australian	N/A	N/A
Bambach Wires & Cables Pty Limited	Body Corporate	Australia	Australian	N/A	100%
Cogenic Pty Limited	Body Corporate	Australia	Australian	N/A	100%
Dulhunty Engineering Limited	Body Corporate	British Virgin Islands	Foreign	British Virgin Islands	51%

KEY ASSUMPTIONS AND JUDGEMENTS

Determination of Tax Residency

Section 295 (3A) of the Corporations Act 2001 requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed in the context of an entity which was Australian resident. "Australian resident" has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted and which could give rise to a conclusion of different residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

➤ Australian Tax Residency

The Consolidated entity has applied current legislation and judicial precedent including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR2018/5.

➤ Foreign Tax Residency

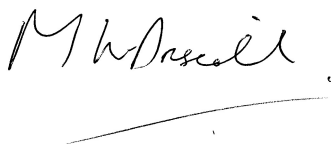
The Consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisors in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Directors' Declaration

The directors of Energy Technologies Limited declare that:

1. the financial statements and notes, as set out on pages 19 to 54, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the consolidated entity.
2. the Chief Executive Officer and Chief Financial Officer have each declared that:
 - (a) the financial records of the consolidated entity for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the Australian Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.
3. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
4. the information disclosed in the consolidated entity disclosure statement on page 55 is true and correct.

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

A handwritten signature in black ink, appearing to read "Matthew Driscoll", with a long horizontal line underneath it.

Matthew Driscoll
Director

30 September 2026

Independent Auditor's Report To the Members of Energy Technologies Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Energy Technologies Limited (the Company) and its subsidiaries (collectively "the Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, the consolidated entity disclosure statement as at 30 June 2026; and notes to the financial statements including a summary of material accounting policies as at 30 June 2026, and the directors' declaration.

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) in the financial statements, which indicates that the Group incurred a net loss after tax and excluding minority interest of \$12,476,948 (2025: loss of \$10,991,225). During the year the Group incurred net cash outflows from operating activities \$4,442,802 (2025: net cash outflow of \$5,312,434). At 30 June 2026, the Group had a net deficiency in equity of \$22,650,863 (30 June 2025 net deficiency in equity of \$14,124,360). In addition, at 30 June 2026, the Group had a net current asset deficit (i.e., current liabilities in excess of current assets) of \$30,586,754 (2025: net current asset deficit of \$16,089,453). As stated in Note 1(c), these events or conditions, along with other matters as set forth in Note 1(c), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Some of the Crowe personnel involved in preparing this document may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation to Crowe's personnel involved in preparing this document, please speak to your Crowe adviser.

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately-owned organisation and/or its subsidiaries.

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Key Audit Matters

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 30 June 2026 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, 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 the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities with the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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 the 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, action taken to eliminate threats or safeguards applied.

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 the 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 the auditor's 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 pages 13 to 17 of the Directors' Report for the year ended 30 June 2026

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

Responsibilities

The directors of the Group 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.



Crowe Audit Australia



Antony Barnett
Senior Partner

Melbourne
30 September 2026

ASX Additional Information

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 31 August 2026.

(a) Distribution of equity securities

The number of shareholders, by size of holding, in each class of share are:

Ordinary shares

		Number of holders	Number of shares
1	- 1,000	597	68,766
1,001	- 5,000	63	150,719
5,001	- 10,000	41	305,414
10,001	- 100,000	119	4,844,859
100,001	and over	229	619,329,301
		1,049	624,699,059

The number of shareholders holding less than a marketable parcel of shares are:

737	1,018,704
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(b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

No	Name	No. of shares	%
1	BNP Paribas Nominees Pty Ltd <HUB24 Custodial Service Ltd>	124,214,734	19.88
2	HSBC Custody Nominees (Australia) Limited	37,562,527	6.01
3	Kamaso Pty Ltd <Woolford Family A/C>	23,993,206	3.84
4	AFNI Pty Ltd <AFNI A/C>	21,855,385	3.50
5	Johan Pty Ltd	19,519,231	3.12
6	Windpac Pty Ltd <David Earl Slack S/F A/C>	18,444,063	2.95
7	Mutual Trust Pty Ltd	13,872,527	2.22
8	Juris Asset Management Pty Ltd <Grech Superannuation A/C>	12,500,000	2.00
9	Megjen Nominees Pty Ltd <Megan Jones Family A/C>	12,500,000	2.00
10	NBJ Nominees Pty Ltd <Nathan Jones Family A/C>	12,500,000	2.00
11	Advance Cables Pty Ltd	10,782,839	1.73
12	Leo Barry Pty Ltd	10,000,000	1.60
13	Starway Corporation Pty Ltd <Giles Super Fund A/C>	9,909,644	1.59
14	Howe Automotive Limited	9,808,346	1.57
15	One Managed Investment Funds Limited <TI Growth A/C>	9,269,808	1.48
16	Alfred John Chown	8,243,575	1.32
17	Parmelia Pty Ltd	7,391,609	1.18
18	Mr Andrew Hluchanic & Mrs Christine Hluchanic	6,974,064	1.12
19	Dasi Investments Pty Ltd	6,777,700	1.09
20	Mr Benjamin Williams <Williams & Krivsky A/C>	6,776,208	1.09
		382,895,466	61.29

ASX Additional Information (continued)

(c) Substantial shareholders

The number of shares held by substantial shareholders are:

	Number of Shares
BNP Paribas Nominees Pty Ltd <HUB24 Custodial Service Ltd>	124,214,734
HSBC Custody Nominees (Australia) Limited	37,562,527

(d) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

Corporate Governance Statement

The Company's corporate governance practices are discussed below. Energy Technologies Limited and the Board of Directors are committed to achieving and demonstrating the highest standards of corporate governance. Energy Technologies Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th Edition) published by the ASX Corporate Governance Council. Details of the corporate governance report are available on the Group website at <https://www.energytechnologies.com.au>

The Board of Directors guides and monitors the business and affairs of Energy Technologies Limited and its subsidiaries ("the Group") on behalf of the shareholders, by whom they are elected and to whom they are accountable. The Board is responsible for the overall corporate governance of the Group. To assist the Board in discharging its responsibilities the Board has adopted principles of corporate governance that are considered appropriate for the present size of the Group. Where it is not appropriate, cost effective or practical to comply fully with the Corporate Governance Principles and Recommendations, this fact has been disclosed together with reasons for the departure.

Consistent with the ASX recommendations, the Group's corporate governance practices are regularly reviewed. This statement has been approved by the Board and the information in this statement is current as at 30 September 2026.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1: Board and Management Responsibilities

A listed entity should disclose:

- a) *the respective roles and responsibilities of its board and management; and*
- b) *those matters expressly reserved to the board and those delegated to management.*

The Board is responsible for, and has the authority to determine, all matters relating to the running of the Company including the policies, operational practices, management and objectives of the Company. In carrying out its responsibilities, the Board undertakes to serve the interest of shareholders diligently and fairly. It is the role of management to manage the Company in accordance with the directives of the Board.

Accordingly, certain functions and roles are reserved to the Board under the Board Charter, and certain others are delegated to the senior executives of the Group.

The responsibilities of the Board include:

- Appointment of senior executives and the determination of their terms and conditions including remuneration and termination;
- Driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- Approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- Approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- Approving the annual, half yearly and quarterly accounts;
- Approving significant changes to the organisational structure;
- Approving the issue of any shares, options, equity instruments or other securities in the Company (subject to compliance with ASX Listing Rules);
- Ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- Recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them (in accordance with the ASX Listing Rules); and
- Meeting with the external auditor, at their request, without management being present.

A schedule of directors' meetings and attendances is detailed in the directors' report.

Delegation to the CEO

The Board has delegated responsibility for implementing EGY strategic direction and for the operation and day to day administration of the company to the CEO and executive management.

Corporate Governance Statement (continued)

Recommendation 1.2: Appointment of Directors and election

A listed entity should disclose:

- a) *undertake appropriate checks before appointing a person or putting forward to security holders a candidate for election, as a director; and*
- b) *provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.*

The experience, qualification and background of each Director is thoroughly assessed before appointment. This information is provided to shareholders through announcement to the market.

Information on each Director's background and qualification can be found on page 6 of the Annual Report. The Company issues written notice of appointment for new Directors or senior executives setting out the terms and conditions relevant to that appointment and the expectations of the role of the director. The Company also provides an induction process which provides key information on the nature of the business and its operations.

When considering the appointment of a new Director, the Board may engage the services of an executive recruitment firm to assist in identifying suitable candidates to be shortlisted for consideration for appointment to the Board and to carry out appropriate reference checks before the Board makes an offer to a preferred candidate.

Newly appointed directors must stand for reappointment at the next subsequent AGM or General Meeting. The Notice of Meeting for the AGM provides shareholders with information about each Director standing for election or re-election including details of relevant skills and experience.

Recommendation 1.3:

A listed entity should have a written agreement with each director and executive setting out the terms of their appointment.

New Directors consent to act as a director and receive a formal letter of appointment which sets out duties and responsibilities, rights, and remuneration entitlements.

Recommendation 1.4: Company Secretary

The company secretary of a listed entity should be accountable directly to the chair, on all matters to do with the proper functioning of the board.

EGY's Company Secretary fulfils a broad range of management responsibilities in addition to company secretarial duties. As a result, the formal reporting line of the Company Secretary is to the CEO. For any matter relevant to the company secretarial duties or conduct of the Board, the Company Secretary has an indirect reporting line, and is accountable, to the Chair of the Board.

The responsibilities of the Company Secretary include:

- advising the board and committee on governance issues;
- monitoring adherence to company policies;
- communicating with the ASX as required;
- co-ordinating and timing despatching of Board and committee papers; and
- ensuring that the business at Board and committee meetings are accurately captured in the minutes.

Recommendation 1.5: Diversity

A listed entity should:

- a) *have a diversity policy which includes requirements for the board to or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;*
- b) *disclose that policy or a summary of it; and*
- c) *disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:*
 1. *the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or*
 2. *if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.*

Corporate Governance Statement (continued)

Recommendation 1.5: Diversity (continued)

The Company has adopted policies in relation to employment and recruitment which require the introduction of new staff and management of the Group's employees on a non-discriminatory basis. Hiring policies are backed by policies in relation to Sexual Harassment and Grievance and Dispute Handling. However, the Group has not disclosed its policy concerning diversity, its measurable objectives for achieving gender diversity and its progress towards achieving those objectives.

The Board continues to monitor diversity across the organisation. Due to the size of the Group, the Board does not consider it appropriate at this time to formally set measurable objectives for gender diversity. The Company's policies are intended to ensure that equal opportunity is given to all potential employees, and that increasing gender diversity at all levels will be encouraged. The Board will keep the gender composition of its workforce under review.

In accordance with this policy, the Board provides the following information pertaining to the proportion of women across the organisation at the date of this report:

Sixteen per cent (16%) of all the Group's employees are women.

Recommendations 1.6: Board Review

A listed entity should:

- a) *have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and*
- b) *disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

The Board of EGY conducts its performance review of itself on an ongoing basis throughout the year. The small size of the Group and hands on management style requires an increased level of interaction between Directors throughout the year. Board members meet amongst themselves both formally and informally. The Chairman in his role speaks with each director individually regarding board performance. The Board considers that the current approach that it has adopted with regard to the review of its performance provides the best guidance and value to the Group given its size.

Recommendations 1.7: Senior Executive Reviews

A listed entity should:

- a) *have and disclose a process for periodically evaluating the performance of its senior executives; and*
- b) *disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

The Remuneration Committee and the Board undertake a performance review of the CEO and senior executive performance on an ongoing basis throughout the year, including setting targets. The Board considers that the current approach that it has adopted with regard to the review of its performance provides the best guidance and value to the Group given its size.

Principle 2: Structure the board to add value

The composition of the Board is structured to efficiently discharge its responsibilities and duties. EGY's Constitution provides for a minimum of three directors and a maximum of twenty.

Recommendation 2.1: Nomination Committee

The Board of a listed entity should:

- a) *have a nomination committee which:*
 1. *has at least three members, a majority of whom are independent directors; and*
 2. *is chaired by an independent director;**and disclose:*
 3. *the charter of the committee;*
 4. *the members of the committee; and*
 5. *as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*
- b) *if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable to discharge its duties and responsibilities effectively.*

Corporate Governance Statement (continued)

Recommendation 2.1: Nomination Committee (continued)

EGY has a formally elected merged Nomination and Remuneration Committee consisting of the Board members and accordingly is made up of three independent non-executive directors.

Although formally constituted, the board as a whole continues to fulfil these functions. Board members meet both formally and informally and maintain a strong interaction between directors and senior management, enabling the board to assess that the appropriate balance of skills, knowledge, experience, independence and diversity is in place to enable the board to discharge its duties and responsibilities effectively.

For Directors retiring by rotation, the Board assesses that director in his/her absence before recommending re-election.

Recommendation 2.2: Board skills matrix

The listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

The Board of Directors is currently comprised of a Chairman, together with two non-executive Directors. The Board considers that a diversity of skills, knowledge, experience, backgrounds and gender is in place to effectively govern the business. The current Board profile addresses this with the following experience, skills and qualifications represented on the Board:

- an extensive range of business and senior executive experience;
- experience on listed and unlisted company and boards as executive and non-executives and committee members;
- understanding the sectors in which the Company operates in including the energy sector, laser optical engineering, resources industry, infrastructure, construction;
- relevant operational experience in strategic planning, executive management; mergers and acquisitions, risk management, financial markets, contract negotiation and people management;
- financial and corporate governance acumen with finance sector and audit committee roles experience; and
- an understanding of the health and safety challenges of the business.

Recommendations 2.3, 2.4, 2.5: Board Composition, Independence of Directors and Chairman

Recommendation 2.3:

A listed entity should disclose:

- a) *the names of the directors considered by the board to be independent directors;*
- b) *if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and*
- c) *the length of service of each director.*

Corporate Governance Statement (continued)

Recommendation 2.3: (continued)

The composition of the Board is determined in compliance with the Company's constitution. The names of the directors of the company in office at the date of this report, their term of office and their skills, experience and relevant expertise are detailed in the directors' report. The position and term in office of each Director at the date of this report is as follows:

Name of Director	Position	Term in Office	
		Years	Months
Matthew Driscoll	Chairman/Non-Executive Director	9	10
Doron Eldar	Non-Executive Director	-	7
Kurt Hansen	Non-Executive Director	-	1

The Company has a majority of independent directors on the board. Executive director Alfred John Chown resigned on 23 January 2026.

The non-executive directors are materially independent in complying as a director who is not a member of management and is a Non-Executive Director and who:

- is not a substantial shareholder (under the meaning of Corporations Act 2001) of the Group or an officer of, or otherwise associated, directly or indirectly, with a substantial shareholder of the Group;
- has not within the last three years been employed in an executive capacity by the Group or another Group member, or been a Director after ceasing to hold any such employment;
- is not a principal of a professional adviser to the Group or another Group member;
- is not a significant consultant, supplier or customer of the Group or another Group member, or an officer of or otherwise associated, directly or indirectly, with a significant consultant, supplier or customer; and
- has no significant contractual relationship with the Group or another Group member other than as a Director of the Group.

Recommendation 2.4:

The majority of the Board of a listed entity should be independent Directors.

During the 2026 financial year, in accordance with the definition of independence above, two directors were considered independent, with executive director Alfred Chown not considered independent. On 23 January 2026 executive director Alfred Chown resigned and independent director Doron Eldar was appointed. On 18 August 2026 independent director Anthony L Smith resigned and independent director Kurt A Hansen was appointed. The board will continue to review this position and appoint further non-executive independent directors as appropriate to the size and requirements of the company. There are procedures in place, as agreed by the board, to enable Directors to seek independent professional advice on issues arising in the course of their duties at the Group's expense.

Recommendation 2.5:

The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.

Under EGY's Constitution, the Board elects a Chairman from amongst the non-executive Directors. If a Chairman ceases to be an independent Director then the Board will consider appointing a lead independent Director. EGY's current Chairman, Matthew Driscoll, is considered an independent director. The Directors consider that the current Chairman of the Board is appropriate for the size and nature of operations of the Group.

Corporate Governance Statement (continued)

Recommendation 2.6: Professional Development

The listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

The formal letter of appointment and an induction pack provided to Directors contain sufficient information to allow the new Director to gain an understanding of:

- The rights, duties and responsibilities of Directors;
- The role of Board Committees;
- The roles and responsibilities of the Chairman; and
- EGY's financial, strategic, and operational risk management position.

Each Director has the right of access to all relevant Company information and to the Company's executives. The Directors also have access to external resources as required to fully discharge their obligations as Directors of the Company. The use of this resource is coordinated through the Chairman of the Board.

The Company has processes in place to review the performance of the Board and its committees and individual Directors, give consideration to corporate governance matters, including the relevance of existing committees and to review its own and individual Directors' performance. The Chairman is responsible for monitoring the contribution of individual Directors and consulting with them in any areas of improvement.

Principle 3: Instil a culture of Acting lawfully, ethically and responsibly

Recommendations 3.1 and 3.2: Code of Conduct

A listed entity should articulate and disclose its values and:

- a) *have a code of conduct for its directors, senior executives and employees; and*
- b) *disclose that code or a summary of it.*

The Board acknowledges the need for continued maintenance of the highest standards of Corporate Governance Practices and ethical conduct by all Directors and employees of the Group.

The Company has developed a Code of Conduct, an Employee Handbook and a comprehensive suite of policies which have been approved by the Board and apply to all employees, officers and Directors. This set of policies is reviewed and may be amended as necessary to ensure it continues to reflect the best practices necessary to consider legal obligations, maintain the Company's integrity and comply with the reasonable expectations of the Company's shareholders.

The Code of Conduct, Employee Handbook and Policy Statements set out a number of overarching principles of ethical behaviour which include:

- Personal and Professional Behaviour;
- Conflict of Interest;
- Public and Media Comment;
- Use of Company Resources;
- Security of Information;
- Intellectual Property/Copyright
- Discrimination and Harassment;
- Corrupt Conduct;
- Occupational Health and Safety;
- Legislation;
- Fair Dealing;
- Insider Trading;
- Responsibilities to Investors;
- Breaches of the Code of Conduct; and
- Reporting Matters of Concern.

Training about the Code of Conduct is part of the induction process for new EGY employees.

Corporate Governance Statement (continued)

Recommendation 3.3:

A listed entity should:

- a) have and disclose a whistleblower policy; and
- b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.

The Company's Whistleblower Policy is disclosed in the Company's Corporate Governance documents and on the EGY website. The policy identifies the types of concerns that may be reported under the policy and how and to whom reports should be made. It also explains how the confidentiality of the whistleblower is safeguarded and outlines the processes for follow up investigation.

Recommendation 3.4:

A listed entity should:

- a) have and disclose an anti-bribery and corruption policy; and
- b) ensure that the board or a committee of the board is informed of any material breaches of that policy.

The Company's Anti-bribery Policy is disclosed in the Company's Corporate Governance documents and on the EGY website. The policy acknowledges the criminal and civil penalties that may be incurred if the company is involved in bribery or corruption and prohibits the giving of bribes or other improper payments or commissions. The policy identifies the types of concerns that may be reported under the policy and how and to whom reports should be made.

Principle 4: Safeguard the integrity of corporate reports

The following structure is set up to independently verify and safeguard the integrity of financial reporting.

Recommendation 4.1: Audit Committee

A board of a listed entity should:

- a) have an audit committee which:
 1. has at least three members, all of whom are non-executive directors and a majority of whom are independent; and
 2. is chaired by an independent director, who is not the chair of the board, and disclose:
 3. the charter of the committee;
 4. the relevant qualifications and experience of the members of the committee; and
 5. in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard that integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

The Board has established an Audit and Risk Committee. The names and qualifications of those appointed to the audit and risk committee for the year ended 30 June 2026 and their attendance at meetings of the committee are included in the directors' report. During the 2026 financial year the audit and risk committee consisted of the Board and accordingly was made up of a majority of independent directors, refer 2.3 Board Composition, and included three members, with independent director Matthew Driscoll as Chairman of the Audit and Risk Committee. Following the resignation of executive director Alfred Chown and the appointment of non-executive director Doron Eldar, the audit and risk committee consisted of all independent non-executive directors. The Chief Financial Officer is invited to audit and risk committee meetings at the discretion of the committee. The external auditor meets with members of the committee at least twice during the year.

It is the Audit and Risk Committee's responsibility to ensure that an effective internal control framework exists within the entity. This includes both internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial and non-financial information. It is the committee's responsibility for the establishment and maintenance of a framework of internal control of the Group.

Corporate Governance Statement (continued)

Recommendation 4.1: Audit Committee (continued)

The responsibilities of the audit and risk committee include:

- Assessing whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. Each reporting period the external auditor provides an independence declaration in relation to the audit or review; and
- Providing advice to the Board in respect of whether the provision of the non-audit services by the external auditor is compatible with the general standard of independence of auditors imposed by the Corporations Act 2001.

The Company does not have an internal audit function due to the size and lack of complexity of the Company. The Company's Board and Management oversee the key areas of the business including the risk management and internal control processes of the Company and evaluate and look for opportunities to continually improve the effectiveness of these processes.

Recommendation 4.2:

The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

To assist the Board in approving the Company's financial statements, the CEO and the CFO/Company Secretary are required to present a declaration with regard to the integrity of the financial statements to confirm to the Board that the Company's financial statements present a true and fair view in all material respects of the Company's financial condition and that operational results are in accordance with applicable accounting standards and the Corporations Act.

Recommendation 4.3:

A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

As outlined in Recommendation 4.1 above, the audit and risk committee responsibilities include ensuring the reliability of financial and non-financial information. In addition, all market releases are reviewed by the board of EGY and require a resolution from the board approving the release.

Principle 5: Make timely and balanced disclosure

Recommendation 5.1: Disclosure

A listed entity should:

- have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and*
- disclose that policy or a summary of it.*

The Company has a Continuous Disclosure policy to ensure compliance with ASX Listing Rules and Corporations Act obligations to keep the market fully informed of any information which may have material effect on the price or value of its securities. The policy is reviewed regularly and disclosed in the Company's Corporate Governance documents on its web site.

Recommendation 5.2:

A listed entity should ensure that its board receives copies of all material announcements promptly after they have been made.

The Company Secretary in consultation with the CEO and Directors is responsible for communications with the ASX. The Company Secretary reports to the Board on matters that were either notified or not notified to the ASX. Directors receive copies of all announcements immediately after notification to the ASX. All ASX announcements are available on the EGY website.

Corporate Governance Statement (continued)

Recommendation 5.3:

A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

The Board of Directors approves all substantive presentations prior to release, including those required to be disclosed under listing Rule 3.1. Presentations in this category including those to be released at the Annual General Meetings are released on the ASX Market Announcements Platform ahead of the presentation.

Principle 6: Respect the rights of shareholders

Recommendation 6.1: Information on website

A listed entity should provide information about itself and its governance to investors via its website.

EGY's website at www.energytechnologies.com.au provides detailed information about its business and operations. Details of EGY's Board Members can be found here.

The Company's, and subsidiary Bambach Wires & Cables Pty Limited, website contains extensive information about the board and management and provides helpful information to shareholders. It allows shareholders to view ASX and media releases; various investor presentations; a copy of the most recent Annual Report and Annual Reports for at least the two previous financial years; and the notice of meeting and accompanying explanatory material for the most recent Annual General Meeting.

Shareholders can find information about EGY's corporate governance on its website. This includes EGY's Constitution, Board and Board Charters, and an extensive list of other Policies that support corporate governance.

Documents published on the EGY website include:

- Constitution;
- Corporate Governance Statement;
- Board Charter;
- Audit and Risk Committee Charter;
- Whistle-Blower Policy;
- Securities Trading Policy; and
- Anti-Bribery Policy.

Recommendation 6.2: Investor relations

A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

EGY is committed to communicating effectively with its shareholders and making it easier for shareholders to communicate with the Group.

EGY promotes effective communication with shareholders and encourages effective participation at general meetings, information is communicated to shareholders:

- Through the release of information to the market via the ASX;
- Through the Annual Report, half yearly report and quarterly reports;
- Through the distribution of the annual report and notices of annual general meeting;
- Through shareholder meetings and investor relations presentations;
- The external auditors are required to attend the annual general meeting and are available to answer any shareholder questions about the conduct of the audit and preparation of the audit report; and
- Informal meetings and factory site visits with shareholders are also held from time to time. A regular newsletter is produced which is available on request.

Corporate Governance Statement (continued)

Recommendation 6.3: Participation at meetings

A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.

Notices of meeting sent to EGY's shareholders comply with the "Guidelines for notices of meeting" issued by the ASX in August 2007. Shareholders are invited to submit questions before the meeting and, at the meeting, the Chairman attempts to answer as many of these as is practical.

The Chairman also encourages full participation of attending shareholders at the Annual General Meeting to maintain a high level of accountability and allow shareholders to identify the Company's strategies and goals. The Chairman may respond directly to questions or, at his discretion, may refer a question to another Director or senior management.

New Directors or Directors seeking re-election are given the opportunity to address the meeting and to answer questions from shareholders.

Recommendation 6.4:

A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by poll rather than by a show of hands.

EGY recognises the principle of "one security one vote" in deciding the votes of shareholders at general meeting. Proxy results are calculated prior to the meeting and are reported to all shareholders present by the Chairman. A show of hands by shareholders present is supported by a poll based on the proxy vote and shareholders present on all substantive resolutions.

Recommendation 6.5:

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

The Company encourages electronic communication directly via email with shareholders at all times. Shareholders have the option of electing to receive all shareholder communications by e-mail. EGY provides a printed copy of the Annual Report to only those shareholders who have specifically elected to receive a printed copy.

Principle 7: Recognise and manage risk

Recommendation 7.1: Risk Committee

A board of a listed entity should:

- a) *have a committee or committees to oversee risk, each of which:*
 1. *has at least three members, all of whom are non-executive directors and a majority of whom are independent; and*
 2. *is chaired by an independent director, who is not the chair of the board, and disclose:*
 3. *the charter of the committee;*
 4. *the members of the committee; and*
 5. *as at the end of each reporting period the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*
- b) *if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.*

The Audit and Risk Committee meets at least 2 times a year and completes a Risk and Compliance checklist to recognise and manage risk. Details of the structure and Charter of the Audit and Risk Management Committee are set out in Recommendation 4.1.

The Group also takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

Corporate Governance Statement (continued)

Recommendation 7.2: Risk Review

The board or a committee of the board should:

- a) *review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and*
- b) *disclose, in relation to each reporting period, whether such a review has taken place.*

The Audit and Risk Committee is responsible for reviewing risk management policies and for satisfying itself that EGY has a sound system of risk management and internal control that is operating effectively. The Audit and Risk Committee also reviews and approves EGY's main identified risk exposures and the actions being taken to mitigate those risks and reports to the board on material matters.

The Board identifies potential areas of business risk arising from changes in the financial and economic circumstances of its operating environment. It regularly assesses the Company performance in light of risks identified.

The Board has several mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic business plan, which encompasses the entity's vision, mission and strategy statements, designed to meet stakeholder's needs and manage business risk;
- Implementation of Board-approved operating plans and budgets and board monitoring of progress against these, including the establishment and monitoring of key performance indicators (KPI's) of both a financial and non-financial nature;
- The establishment of committees to report on specific business risks, including for example, such matters as occupational health and safety;
- Regular management meetings involving executive directors, specified executives, and staff during which reports are given on production, sales, financial, compliance and strategic issues and decisions taken on operating matters, or referred to the Board;
- Regular report from the CFO and COO which assist in discharging the Board's responsibility to manage the Group's financial risks; and
- The Board holds discussion of issues raised in the shareholder open days, in addition to the AGM, as well as other shareholder communications, to ensure that the Board is cognizant of the diverse needs of various stakeholders and assist in identifying the risks the business may face if those needs are not met, as well as specifically review and update the corporate strategy as necessary.

Recommendation 7.3: Internal Audit

A listed entity should disclose:

- a) *If it has an internal audit function, how the function is structured and what role it performs; or*
- b) *If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.*

The Board does not have an established internal audit function, given the size of its operation, although as part of the Company's strategy to implement an integrated framework of control, the Board requests the external auditors review internal control procedures. Recommendations once presented are considered by the Board through that Audit and Risk Committee.

The risk management functions of the board are summarised under recommendations 7.1 and 7.2.

Recommendation 7.4: Sustainability Risks

A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.

The Audit and Risk Committee informally monitors and manages the Group's exposure to economic, environmental and social responsibility risks. The Board considers that the current approach that it has adopted with regard to the sustainability risk management process is appropriate to the size and nature of operations of the Group.

Corporate Governance Statement (continued)

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1: Remuneration Committee

A board of a listed entity should:

- a) have a remuneration committee which:
 1. has at least three members, all of whom are non-executive directors and a majority of whom are independent; and
 2. is chaired by an independent director, and disclose:
 3. the charter of the committee;
 4. the members of the committee; and
 5. as at the end of each reporting period the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Board has established a Nomination and Remuneration Committee. The Committee is responsible for determining and reviewing compensation arrangements for executive directors and key management personnel and reporting its recommendations. It is also responsible for share option schemes, incentive performance packages, and compliance with superannuation requirements, termination entitlements, fringe benefits policies and professional indemnity and liability insurance policies as applicable.

The names of the members of the nomination and remuneration committee and their attendance at meetings of the committee are detailed in the directors' report. This committee consists of the Board members and accordingly is currently made up of three independent non-executive directors. Executive director Alfred Chown resigned on 23 January 2026.

Refer 2.1 Nomination Committee. The CEO and CFO are invited to remuneration committee meetings, as required, to discuss senior executives and staff performance and remuneration packages.

The charter in relation to the remuneration committee is disclosed in the Company's Corporate Governance documents.

There are no schemes for retirement benefits other than statutory superannuation for non-executive directors.

Corporate Governance Statement (continued)

Recommendation 8.2: Executive and Directors Remuneration Policies

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

A Remuneration Report required under Section 300A(1) of the Corporations Act is provided in the Directors' Report which forms part of the Annual Report.

Remuneration levels are set to attract and retain appropriately qualified and experienced directors, senior executives and staff to run the consolidated entity. The board considers that the remuneration structure will be able to attract and retain the best executives with the necessary incentives to work to grow long-term shareholder value.

The remuneration committee obtains independent advice as necessary on the appropriateness of remuneration packages, given trends in comparative companies both locally and internationally. The remuneration committee reviews executive packages by reference to company performance, executive performance, comparative industry information and relevant independent advice. The performance of executives is measured against criteria agreed which includes the forecast growth of the Company's turnover and production targets and shareholders' value.

The Company's non-executive directors are paid directors' fees for their normal performance of duties as a director.

The amount of remuneration for all directors and the highest paid executives, including all monetary and non-monetary components, are detailed in the Directors' Report.

Recommendation 8.3: Equity based Remuneration Scheme

A listed entity which has an equity-based remuneration scheme should:

- a) *have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and*
- b) *disclose that policy or a summary of it.*

A revised Directors Equity Plan was established in 2017 and approved by shareholders at the 2020 Annual General Meeting. On 3 August 2026 shareholders approved an Equity Incentive Plan at an Extraordinary General Meeting. Executives and employees are also entitled to participate in the EGY Equity Incentive Plan (EIP). The EIP is part of the remuneration package of the Group's directors, senior management and sales personnel. Options under this plan will vest if the participant remains employed for the agreed vesting period.

The decision on whether to exercise the options is up to the participant, thereby limiting the economic risk of participating in the scheme.

Recommendation 9.1:

A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.

The current board of directors speak the language in which board and security holder meetings are held or corporate documents are written.