



SUPPLY NETWORK LIMITED

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ASX Release

23 October 2026

Chairman's Address

Please find attached the Chairman's Address to Shareholders being delivered to the Annual General Meeting today at 2:00pm.

Authorised by the Company Secretary

Robert Coleman

Chief Financial Officer/Secretary

Telephone: + 61 2 8624 8077

SNL Chairman's Address to the 2026 Annual General Meeting

Introduction

Although there are many familiar faces at today's Annual General Meeting of our Company, there is one person whose absence makes the room feel a bit empty, and without whom none of us would be here.

It was with great sadness that on 19 August 2026, almost 50 years to the day since this business was established, we lost a true gentleman – the founder of our company - Harry Forsyth.

Supply Network began in 1976 as Leyspares in the family home of Harry and his wife Elaine in Sydney. Harry was steadfast in his support of the company, overseeing its transition to a listed, professionally governed organisation, while always retaining a culture firmly rooted in family and long-term relationships with suppliers, staff and customers. His leadership laid the foundations for the steady, profitable growth that has continued to this day.

Harry will be dearly missed by many in this company and our industry who knew or had the good fortune to work with him. We were so much looking forward to recognising Harry's achievements with him in person today, and we were devastated by the news of his passing.

On behalf of all shareholders, we express our sincere condolences to his son Greg and all of the Forsyth family.

While today is a formal meeting, it is also a recognition of Harry's achievements and a tribute to his legacy.

Key FY2026 financial highlights

The FY2026 results have previously been reported to ASX and detailed in the Annual Report. However, I would like to acknowledge another year of exceptional financial performance, the key highlights of which were:

- Sales revenue of \$403.1 million represented growth of 15.5% and pleasingly remained broadly based across geographies, customer segments, vehicle models and product groups;
- Profit after tax of \$47.6 million represented basic earnings per share growth of 17.3%;
- Return on capital invested remained high at 31.9%; and
- Dividends paid increased to 74.0 cents per share, the 10th consecutive year of dividend increases, with the FY2026 final dividend of 44.0 cents per share, paid earlier this month, also increased.

These are all short term measures of the Group's success. More importantly for the long term, I believe that by firmly maintaining our focus on improving customer service, we continued during the year to develop trust with our customers, trust with our suppliers and trust with our staff.

Network development update

The continued organic growth of the Multispares network in Australia and New Zealand remains our primary strategic goal and the extent of our activity this year demonstrates the progress we have made.

There were a number of major milestones. In particular, we renewed our focus on Multispares' network and operating systems in New Zealand and our investment peaked in the second half of FY2026 with:

- The opening of a new branch at Rosedale in North Auckland in March 2026, which has been performing ahead of expectations;
- A racking expansion at our Hamilton distribution centre, completed in June 2026, which provided the capacity we need to support the next few years of growth; and
- Major steps towards closer integration of operating systems and personnel in New Zealand and Australia.

Australia was also busy with the full integration of our Pemulwuy (Sydney) and Truganina (Melbourne) distribution centres (DCs) following commencement of operations at the Truganina DC extension in June 2025. This was a critical infrastructure project, demonstrating a rational approach to DC network expansion with the flexibility and scalability needed to support future growth.

I stated in the Chairman's Address last year that while the physical development of branches provides tangible evidence of our growth and future capacity, it is only one of many critical factors upon which Multispares' network strength and competitive position is built. Network efficiency, the use of information technology (IT), product range and branch configuration are all significant foundations for the Company's competitive advantages.

In this regard, the phased development and implementation of several major IT system upgrades in Australia and New Zealand were successfully completed during the year. These included:

- The transition to a browser based, sales interface designed to improve workflow;
- The development of new capabilities on our warehouse scanning apps; and
- The transition to a new ERP backbone.

These upgrades went live in April 2026, removing roadblocks to process improvement that will increase efficiency, reduce the cost of doing business, and support our ongoing focus on customer service.

Future expansion

Considered, long-term planning is a feature of decision making at Multispare. This is reflected in the Company's ongoing preparation for further significant expansion of the Australian branch network in FY2027 and FY2028.

Solid progress has been made throughout the year on key projects including:

- The relocation of the Toowoomba (Queensland) branch earlier this month to a newly developed site which has more than doubled operating capacity.
- A tripling of the footprint of the Eagle Farm (Brisbane) branch, which will significantly improve service to the fast-growing corridor from North Brisbane to the Sunshine Coast.
- A doubling of the footprint of the Canberra (ACT) branch, which will improve customer service in the ACT and surrounding regional markets.
- The relocation of the Kwinana (WA) branch, scheduled for the third quarter of FY2027, to a newly developed site with almost three times the current capacity, delivering a significant investment in the total stock holding of our WA network; and
- A recent purchase of land in Penrith (Sydney), allowing the construction of a new branch which will improve services in Sydney's rapidly growing north-west region and relieve congestion at Pemulwuy. The expected total cost for the development and fitout of the new Penrith branch will be around \$9 million and we plan to have the site open for trade in the first quarter of FY2028.

Market dynamics

The global aftermarket parts industry for truck and bus is estimated to be growing at about 7% p.a. As this industry grows, the OEs (being the vehicle manufacturers and their franchise networks) have continued losing market share to sophisticated and regionally focused independent suppliers offering high-quality alternatives to genuine parts at lower price points and with more tailored customer services.

As mentioned at last year's AGM, the Board and management are monitoring industry developments including in the OE manufacturing landscape, vehicle drivetrains, fleet operating priorities, and the use of diagnostics and other vehicle servicing technologies. We will continue to adapt, evolve, and strengthen our core competencies so that we are prepared for the opportunities these developments create and any business risks that might arise.

Safety

Throughout our journey of transformational growth, we have remained committed to investing in our people, improving our safety systems and ensuring that safety is considered in every decision and interaction, reinforcing a culture built on care, accountability and continuous improvement. In particular, management has focused on the prevention of workplace injuries from two of our biggest areas of operational risk – hazardous manual tasks and traffic management – and our leaders have undertaken additional training to strengthen their ability to foster psychologically safe workplaces, support employee wellbeing and contribute to a positive, respectful and inclusive culture.

In short, we strive to embed safety into our operating culture and to ensure every employee returns home safely every day.

Staff

On behalf of the Board, I would like to thank our Managing Director, Geoff Stewart, his senior leadership team and all 600+ members of Multispare's staff, without whom our operating results in FY2026 would not have been possible. The Board commends their application and dedication throughout the year, in particular for their efforts in maintaining customer service standards while successfully navigating the challenges of our network expansion and major IT infrastructure implementation.

I also note the appointment of Brad Allison as Group General Manager of Multispare in May 2026. This appointment was a natural development following years of significant growth, evolving demands on the Managing Director, and the need for focused management of our trading entities. Brad has been with Multispare since 2007 in various sales and senior management roles and we congratulate him on his appointment.

Outlook

We have previously flagged that for FY2027, our revenue growth target is around \$50 million. While noting the general slowdown in economic activity, I am pleased to advise, at this early stage of the new financial year, we are happy with progress towards this target.

We maintain a positive long-term outlook on growth and, as outlined today, we have plans in place to continue recent sales momentum.

I am pleased that you have been able to join us today and look forward to providing a further update on the Company's performance for the half year.