Annual General Meeting

Chief Executive Officer's Address

26 November 2026

Thank you, Chairman. Good morning shareholders and guests.

As you're all no doubt aware, FY26 was the third consecutive year of exceptional results for SKS Technologies. But while the financial results are an obvious demonstration of our success, I'm particularly pleased with what has been achieved across our operations with:

- the successful delivery and expansion of major projects;
- the broadening of our customer base;
- the integration of Delta Elcom;
- the development of our people and technical capabilities; and
- the strengthening of the systems and infrastructure that support the Group.

I will return to FY26 shortly, but in the meantime, I want to acknowledge the recent change in sentiment towards data centres and businesses associated with their development.

While we take these concerns as legitimate considerations, we believe it necessary to distinguish between a reassessment of investment valuations and the rationale for the underlying demand for the infrastructure itself.

As the Chair noted, we have seen little impact from this change in sentiment across the continuum of current and future work. None of our signed contracts for current projects have been cancelled or reduced, and there is nothing abnormal in the pipeline of work under tender. Equally, new tenders across industry sectors continue to emerge as opportunities for our business.

With respect to NEXTDC, all contracted work is substantially completed and we have no other material opportunities under consideration. Tender activity and negotiations

for contracts in the data centre space are also continuing unhampered by these events.

Our register of open tenders is currently 14% higher than it was when we reported our FY26 results in August, and under a key tenet of our strategy, we continue to target work across industry sectors to diversify our revenue.

Work under tender in our traditional sectors has increased by 33.6% over the last three years, highlighting the source of our sustained revenue growth in traditional work. You'll note that since February 2026, our pipeline of work in tender has more than tripled. The higher level of work targeted is in response to increased speed of project delivery and conversion from work on hand to revenue as projects progress.

One of the most notable contributors to our growth has been our ability to target attractive projects, secure contracts, and deliver work with the efficiency and excellence that builds strong returns and drives repeat work.

Work on hand currently sits at $206 million compared to $312 million at the beginning of FY27, reflecting the scale and pace of delivery related to the current project portfolio.

As existing projects convert into revenue, the company remains focused on securing new contract opportunities to replenish the order book and support its continued growth trajectory.

While data centres have become an increasingly significant contributor to Group revenue, it's important to recognise that SKS's growth has never been dependent on a single market or sector. Over many years, we have deliberately invested in building a strong and diversified business across a range of services and systems. We've established long-term relationships and a reputation for quality and reliability across government, defence, corporate, retail, education, healthcare and a range of other sectors.

The strength of this strategy is evident in the sustained growth of revenue from the traditional business, which has increased from $83 million in FY23 to $140.3 million in FY26.

These results demonstrate that the underlying business is strong, continues to expand and provides meaningful diversification across customers, industries and project types. While we remain confident in the long-term opportunities presented by data centres, our established markets are an important source of resilience and ensure that we are not reliant on any one sector to sustain our growth ambitions.

Looking backwards, I'm pleased to report a third consecutive year of substantial earnings growth in FY26, with all key financial metrics recording double- and triple-digit percentage increases. Revenue increased by 33% to $347.93 million on an 80% rise in EBITDA to $42.43 million. Pre-tax profit was up by 89% to $39.35 million, while after-tax profit almost doubled, rising by 93% to $27.11 million.

These are clearly excellent results, but I'd also like to note that our earnings growth outpaced our revenue growth, reflecting the economies of scale and greater operating leverage that we've been able to realise from a larger business base. It shows that we are not simply becoming a larger business, but with the disciplined project execution that we pursue, a more profitable one. Higher margins do not simply mean that we are enjoying higher pricing. We remain competitive in the marketplace, as evidenced by the continuing stream of tenders that we win. In addition, our margin growth has also come from our unerring focus on operational efficiency right across the business, and a constant questioning of the processes and systems to ensure that they facilitate rather than hamper our productivity and our excellence in project execution. Off the back of this ongoing efficiency drive, our before-tax profit margin for the year rose to 11.2% off the back of the 8% achieved in FY25.

Earnings per share almost doubled, increasing by 91% to 23.45 cents from 12.26 cents in FY25. The full year dividend, reflecting the Board's confidence in the business's future performance and prospects, was 10 cents per share, which is a 66.7% increase on the 6 cents per share full-year dividend that was paid for FY25.

A quick overview of the quantum of our earnings increases since FY23 puts into context the magnitude of our growth over a relatively short period of time. The most noticeable element of these successive increases is the sustained manner in which

profits significantly outperform revenue, which is evidence of the productivity focus that has been central to our operations for many years.

Our balance sheet is another testament to our substantial growth in scale, as we strengthened its financial capacity and maintained a relatively conservative approach to debt and capital management. I'd also like to note that our working capital needs to date have been supported by internally generated cash rather than capital raisings or long -term borrowings.

I'm pleased to report that cash generation remained equally strong, with cash from operations rising by 30.5% to $45.66 million compared with FY25 and expanding by an annual average of 150% since FY22. As you can see, net cash flows also remained strong, but decreased in the second half-year due to the cash component of $10.88 million for the purchase of Delta Elcom as well as a substantially higher dividend payment for FY26 that was almost four and a half times higher than in FY25.

Consequently, cash reserves reached another record high of $49.6 million, up 52.7% from the $32.48 million achieved in FY25.

Perhaps the most notable measure of improvement in cash reserves is a comparison between the $3.37 million achieved in FY24 and the almost $50 million achieved in FY26. Cash is particularly important in a project-based business such as SKS Technologies where the timing differences between project mobilisation, expenditure, variation claims and customer payments can be difficult to predict, creating further demands on working capital. That said, our working capital of $15.63 million is also worth highlighting, having remained largely consistent with that of FY25, despite the acquisition.

Based on our robust cash position and sizeable bank facilities, and unhindered by any long-term debt, we're pleased to note that we have the funding flexibility and capacity to pursue further growth without materially compromising our ability to fund the next phase of expansion.

In terms of a flavour of the types of major projects we do, we announced that we'd secured the contract for the new Footscray Hospital in December 2021, having led the

technology design phase within the construction consortium for the previous two years. Project scope covered:

- audio-visual systems across clinical, education, training and public spaces;
- digital signage and wayfinding;
- patient check-in, journey management and queuing systems; and
- internet protocol television distribution and integrated communications.

The work involved in these complex operating environments is very specialised and different from what we do for clients in other market sectors. We're not talking about rooms with different sized TV's and video conferencing screens. For example, in an operating theatre environment there is a requirement for integrated surgical imaging, high-definition video displays, cameras and routing of medical images to multiple screens, including the ability to share procedures with other locations. These projects showcase our innovation, skills and expertise, and demonstrate capabilities that extend beyond conventional electrical contracting into sophisticated digital building infrastructure.

We completed works at Footscray Hospital in December 2025.

Also in December 2025, we commenced work on a data centre project for Stack Infrastructure in Melbourne's west called MEL02A. Initially awarded and announced as $130 million project for a 90MW facility in November 2025, SKS Technologies was then awarded a contract for an additional 36MW valued at $80 million in April this year, bringing the total megawatts to 126MW and the combined project value to $210 million.

The expanded scope of the project included medium- and high-voltage electrical works, which are also more specialised than standard electrical projects. Unlike an ordinary building, a data centre cannot tolerate an interruption to its power supply. Even a relatively brief outage can disrupt critical computing operations, cloud services and business systems, so their electrical infrastructure must be designed and built with exceptionally high standards of reliability, redundancy and safety to maintain the data centre's performance.

The project is significant for SKS Technologies for a number of reasons, not least, its scale, the requirement for sophisticated technical capability, and the increased contract which reflects the customer's confidence in our ability to deliver to a high standard. The project is scheduled for completion in the third quarter of FY27.

FY26 was another important year in the development of SKS Indigenous Technologies, demonstrating the successful combination of commercial performance with meaningful economic advancement and employment opportunities for Indigenous Australians. Revenue increased by almost 6% to $28.6 million, while annual Indigenous employment expenditure doubled to $6 million. The business ended the year with 45 employees, including 27 electrical apprentices, two of whom are female, and seven fully-qualified A-Grade electricians. The growing apprentice workforce is particularly significant in establishing pathways into skilled employment and creating the foundations for a sustainable pipeline of qualified Indigenous tradespeople.

SKS Technologies continued to strengthen its sustainability performance during FY26, recognising that a workplace safety focus, responsible environmental management, Indigenous participation and sound governance are integral to the long-term success of the business.

One of our greatest achievements for the year is our safety performance. Despite the substantially expanded workforce, the Group recorded zero lost time injuries during 1.5 million productive hours across all projects. For the twelfth consecutive year, we can also say that we have not had a serious injury.

A priority during FY26, and continuing into this year, has been preparation for the new climate-related financial disclosure regime that now applies to the business with the first report due at the end of FY27. Having assessed itself as a Group 3 reporting entity, the business has been strengthening its governance, risk management, data collection and reporting systems. From 1 July 2026, we began collecting the information required for the first sustainability disclosures in our FY27 Annual Report, with scope 3 emissions reporting commencing in FY28.

I'm pleased to report that in FY26 SKS Technologie's continuing fleet upgrade to more fuel-efficient vehicles has resulted in a lesser increase in CO_2 emissions in FY26 than

it might have otherwise recognised, given the substantial increase in operational activity.

Our strategy continues to steer our growth plans, providing the framework for discussions, decision-making, resource allocation, people development, and the identification of opportunities across the board for sustainable, profitable growth.

At its core, it's about maximising the skills and resources we have to expand our capabilities and our reach to deliver increasingly complex projects. Our work in the data centre space is an example of this strategy in action, exploring and identifying new horizons, investing in the skills and resources to pursue them, and building a strong and lasting core base of customers who return to our offering for their projects time and again.

In terms of strategy execution in FY26, the acquisition and full integration of Delta Elcom was a significant strategic milestone under the growth arm of our strategy. The newly merged group provides an established base of resources and customers in the New South Wales market.

As well as the various financial metrics which provide a clear picture of our performance, we also:

- secured our largest contract to date with the $210 million data centre for Stack Infrastructure;
- secured large contracts for traditional work for customers such as Coles, Ernst and Young, and the Australian Defence Force;
- significantly increased cash reserves;
- grew revenue from the traditional business by 16% to diversify our earnings; and
- achieved another increase to our banking facilties, this time by 62.5% to $52 million.

These achievements indicate that we are not pursuing growth for growth's sake, but actively expanding technical capabilities, geographic reach, and financial capacity to appropriately support a much larger business.

Equally important is our commitment to operational excellence. As the business grows, maintaining rigorous project management, disciplined tendering, effective cost control, strong cash conversion and consistent high delivery becomes increasingly important. We realise that growth alone is not the end game. It must be accompanied by sustainable margins, sound financial management and the ability to deliver at scale.

Our exceptional safety record sits at the heart of our operational excellence, with zero injuries during FY26. When you consider the 22.7% increase in employees and the 32.1% increase in productive hours, the significance of this performance comes into sharper focus. We also continued to invest in recruitment, employee induction and training, and introduced a leadership program identifying future talent in branches across all states and territories.

Our margin focus speaks for itself when you consider the translation of revenue growth into even stronger earnings growth. The additional value is being captured through careful tendering, project cost control and operational efficiency.

Throughout the year, a range of projects were undertaken to strengthen our operating platform, including new hardware, Point Cloud 3D scanning technology, more rigorous cybersecurity controls and an enhanced management system.

Ultimately, our strategy is our blueprint, connecting the opportunities we pursue with the capabilities we build and the standards by which we measure ourselves. It provides a consistent direction for the business and ensures that our growth is deliberate, disciplined and focused on capturing and creating value for the longer-term.

As the chair noted, it's business as usual. From an operational perspective, our focus in FY27 and beyond is to convert the opportunities in front us into profitable, deliverable work with the optimal bank of resources, capabilities and equipment to facilitate the momentum we have today into the future.

You also heard the Chair's words on the external environment; that we are conscious of the recent caution in investment markets about data centres, their timing and the returns on proposed AI-related investment. However, we believe it is important to

distinguish short-term changes in sentiment with the underlying structural demand for data centre capacity. And the growth in AI is only one driver. Cloud computing, data storage, digital services, and the increasing electrification of the economy all require substantial and continuing investment in digital infrastructure.

Recent analysis by the Reserve Bank shows that data centre investment has increased by ten times over the past three years, and is expected to remain significant. Our priority is to manage the risks and opportunities in the current environment to strengthen our competitive position and capture value where we can. Ultimately, we are building a larger, more capable and increasingly diversified business with the operational depth to deliver complex projects across multiple sectors, while maintaining the discipline and execution standards that have underpinned our success to date.

In closing, I echo the Chairs words in thanking our dedicated team of employees and our committed shareholders, and I also wish you all a merry Christmas, a well-deserved rest over the break and a productive and exciting 2027.

Thank you.

Matthew Jinks
Chief Executive Officer