

Annual General Meeting



Chair's Address

20 November 2025

Good morning shareholders and guests, and thank you for joining us today. I'm Peter Jinks, the Chair of the SKS Technologies Group, and I'd like to welcome you all to the 2025 Annual General Meeting.

Before I begin, I'd like to acknowledge the Wurundjeri people of the Kulin nation who are the traditional owners and custodians of the land on which we work each day and on which we meet today, and to pay my respects to their Elders past, present and emerging.

Given we have a quorum, I now declare the meeting open.

In terms of my fellow board members, with me today I have Executive Director, Greg Jinks, as well as our Non-Executive Directors, Antoinette Truda and Terrence Grigg.

Also with us today are our Chief Executive Officer and Joint Company Secretary, Matthew Jinks, our Chief Financial Officer and Joint Company Secretary, Gary Beaton and our Managing director of SKS Indigenous Technologies, Chris Johnson.

And, of course, we also have our auditors from BKM Audit Services, Pearce Stringer, Darren Williams, Jamin Ong and Courtney Woolcock.

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At last year's AGM, I referred to FY24 as a pivotal year for SKS Technologies. It was the first year where our significant year-on-year revenue increases translated into commensurate profits, after several years of reinvestment to support the rollout of our growth strategy.

In characterising FY25 in a similar manner, I'm pleased to say that it was a year of reinforcement, where we built upon the financial success of the previous year to deliver another year of material increases in all earnings metrics, while fortifying our operational platform. Our structures, systems, processes and resources have remained a constant focus for the business, as they are critical enablers of our growth. As a result, they can now sustain and enhance the next phase of our expansion, as we make the continual incremental shifts to a larger, more rigorous, and more accountable business.

While the data centre space attracts significant attention for its accelerating activity rates and enormous potential for our business, we continue to win work in our traditional market sectors. Another arm of our order book diversification is growth across all state-based operations.

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Driven by the many factors, but significantly through cloud migration and fuelled by the advancement and prospects of AI, the data centre market around Australia continues to grow at increasing rates. In 2022, we developed a strategy to capture a share of this market, building a team of highly skilled, data centre experts, even before we had sufficient work in that sector. Since then, our data centre revenue has expanded from zero in FY23 to \$31 million in FY24 and, mostly recently, to \$140 million in FY25. In that short time, we have built a customer bank of global data

centre operators, delivered a multitude of projects and established an enviable reputation for the quality of our work, in often complex environments. The level of confidence in our work is reflected by the fact that each new customer has continued to award projects to us, which has been a driving force in our penetration into the market. In effect, our repeat business rate for data centres is 100%.

You will no doubt have seen our announcement yesterday about our latest contract award for another hyperscale data centre project in western Melbourne, with a contract value of approximately \$130 million for 90MW's of capacity. I believe we can confidently say that our position in the Victorian data centre market is well and truly established.

Given the strength of the market in Melbourne and the level of work we've completed and expect to complete in the short to medium term, we established a site earlier in the year in Derrimut close to our customers and work sites to better service that market.

During FY25, we also completed works on Darwin's NEXTDC D1 data centre, which is a private public sector collaboration with the NT Government. We have since commenced stage 2 of this facility as recently announced, and we anticipate further work in that region given its attractiveness as a gateway to Asia, with increasing connectivity through subsea cabling, strong Defence presence and niche opportunities for sovereign-sensitive storage.

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However, the largest data centre market in the country is in NSW by a long margin, and thus we've been investigating various options to gain a share

of that market for some time. Our strategy to become, amongst other things, a national supplier to the data centre market, lead us to investigating options to capture a piece of the largest market in the country. I'm pleased to inform you that we've now secured our future in that market with the acquisition of Delta Elcom, a Sydney-based, electrical solutions business with an excellent reputation for data centre construction and services, as well as a range of other capabilities and customers that align with those of SKS Technologies. At this stage, we expect settlement of the transaction in mid-January 2026.

Due to our strong cash position of \$42.5 million as at the end of October this year, we will fund \$11.75 million of the acquisition from cash reserves with a further \$2 million of consideration in scrip. An earnout capped at \$1.25 million will also be paid from cash reserves if the earnings target in calendar year 2026 is exceeded.

SKS Technologies and Delta Elcom form a formidable combination of capability, expertise, customer similarities, and like-minded people. The two businesses share complementary strengths in electrical, communications, data infrastructure and audiovisual services and we look forward to working with them on building a greater presence across NSW, not just in the data centre market, but across all our sectors.

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Our FY25 financial and operational performance has delivered significant upside, not just from more of the same work, but from larger value and more complex projects and taking advantage of the efficiencies derived from higher revenue over a stable fixed cost base, which we believe should support in excess of \$350 million of revenue. All earnings metrics

achieved exceptional percentage increases, starting with a 92% revenue increase on FY24 with triple figure percentages for all ensuing metrics.

Such growth takes a constant focus on a range of areas of the business. Winning work is the beginning of the chain, after which the project must be scoped and planned, funded, resourced, and executed to a standard of excellence through constant customer communications and close management of risk mitigation. This growth, on a time scale such as the one we have experienced, has required:

- tight management of cash flows;
- a constant eye on project resourcing and ensuring we have the people we need to deliver large and complex projects;
- processes that are scalable to support the operations and manage our compliance requirements;
- a level of customer interaction and service provision that ensures we win the next project with that customer; and
- close management of margins in a world where variations are the norm...

...and all of this needs to happen with the same rigour and urgency to remain abreast of a rapidly increasing order book.

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It's customary for any chair to thank the employees at events such as this one, but it is difficult to encapsulate the Board and management's appreciation of the triple digit percentage increases backed by an excellent safety record that the wider team has delivered. The level of co-operation necessary to achieve the speed of our growth without a hiccup

cannot be underestimated. Far from determining what we wanted our culture to be, and then setting about shaping it with a specially designed program, the people in our team have formed our culture organically, with the lived values of integrity, teamwork respect and decency naturally infused into everything we do. I believe that our people and our culture give us an enormous competitive advantage that would be extremely difficult to replicate in any deliberate manner.

I would also like to thank our shareholders, many of whom have stuck with the company since well before its turnaround. No-one here today could be unaware of the share price increases over the past year, and we're all so pleased that your trust in our vision has rewarded you. I can assure you that we have never lost sight of our shareholders as a key mainstay of our business and the importance of shareholder returns will continue to underpin everything we do.

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Despite continuing uncertainty in the Australian economy, SKS Technologies expects further revenue growth in FY26, albeit off the back of a higher base, with the Board anticipating sales revenue in the order of \$320 million. This view is founded on the strength of the wider market for our solutions and systems, as well as the strength of our balance sheet to fund further growth and an order book that today sits at the record level of \$304 million.

Lastly, I'd like to make clear that we do not see the recent success of SKS Technologies as an adequate level at which we can rest on our laurels and accept as the new normal. I can attest to the commitment of every person in this business continuing to drive all the processes, projects and

systems to achieve maximum operational efficiency combined with project delivery excellence to reach the next level of our success. We might relax a little over the festive break, but I think everyone has earned that reward. In the new year, we'll be back driving the constant innovation and augmentation that is the hallmark of a prosperous business.

On that note I'd like to wish you all a happy and safe festive season this year, and a year ahead that brings the challenges and opportunities that keep us all engaged in a world that is rapidly changing and developing. That said, I'll hand you over to our Chief Executive Officer, Matthew Jinks, to give you more of a flavour of the operational highlights and financial performance achieved in FY25.

Thank you.

Peter Jinks
Executive Chairman