



Investor Presentation

*Divestment of Competency Training &
Acquisition of Alliance Automation*

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Competency Training Divestment

1 Divestment

- Verbrec signed an agreement to sell Competency Training to RelyOn for \$11.5 million up-front cash consideration.
- Competency Training contributed \$7.8 million in revenues in FY2025.
- The transaction is expected to complete before end of calendar year 2025.
- Upon completion, all staff, training facilities and equipment of Competency Training will transfer to RelyOn.

2 Strategic Rationale

The sale will allow Verbrec to further strengthen its balance sheet. The resulting funds will allow Verbrec to invest in delivering shareholder returns through organic growth opportunities and acquisitions that support Verbrec's purpose of 'enabling a sustainable future for our clients and their customers'.

Upon completion of the transaction, Verbrec will be a more focused business with its core engineering, asset management and operations & maintenance capabilities deployed to provide services across the entire asset lifecycle of our client's assets.

3 Growth Initiatives

Growth initiatives may include:

- Organic growth by way of investment in capability to improve traction in energy transition, provide further geographic expansion and capital investment to reduce ongoing costs; and
- Inorganic growth by way of acquisitions which complement Verbrec's strategy, leading to increased revenues through improved client access for capability that is in demand in the energy transition and automation space.

Alliance Automation Acquisition

1 Acquisition

- Verbrec has signed an agreement to acquire Alliance Automation from Telstra for \$5.5 million up-front cash consideration (as adjusted for customary working capital and net debt position).
- The headline purchase price is a 5 x multiple of FY2025 EBITDA of \$1.1 million.
- The transaction is expected to complete before end of calendar year 2025.
- On a pro-forma basis, the transaction is expected to add over \$60 million in annualised revenue and will result in a combined group with approximately 700 team members across 18 locations across Australia and New Zealand.

2 Strategic Rationale & Synergies

- The transaction enhances Verbrec's digital capability. Alliance Automation has a strong focus on Industry 4.0 and the convergence of information technology and operational technology, enabling a sustainable future for its clients and their customers.
- Alliance Automation and Verbrec share a common set of core relationship clients. Alliance Automation is an ideal fit for Verbrec's integrated delivery model, delivering solutions across the entire asset lifecycle.
- With a growing market share in cyber security for physical operational technology and a developing capability in machine learning and artificial intelligence, Alliance Automation is positioned to address client asset needs, today and in the future.

3 Opportunities

- The transaction expands Verbrec's combined capability and geographic footprint. Verbrec will pursue opportunities to grow revenues through expanded services to a common client base. Verbrec can more effectively deliver services across the entire asset lifecycle and enable a sustainable future for our clients and their customers.
- Verbrec's current management team have a strong track record of improving business performance, having improved Verbrec's EBITDA margins from (0.6%) in FY2023 to 9.2% in FY2025. Both Verbrec and Alliance Automation management teams are confident of improving the merged Group's EBITDA margins in the near term.

ALLIANCE AUTOMATION OVERVIEW

Alliance Automation is one of Australia's largest independent electrical engineering and industrial automation professional services providers, offering unique turn-key solutions to sector-specific issues.

Alliance Automation specialises in Industrial Automation Solutions, Program & Project Management, Cyber Security & OT Infrastructure Services, Electrical Engineering and Operational Technology Data & Digital Solutions with a developing capability in Machine Learning and AI.

Founded in 2010, Alliance Automation has grown to 11 offices across Australia with approximately 275 professional staff servicing over 325 clients annually.

Verbrec and Alliance Automation share a common client base and service tier one customers, including BHP, Rio Tinto, Santos, Origin Energy, SA Water and more.

The specialist services Alliance Automation provides has built-in structural tailwinds in a high growth industry.

15 YEARS

Alliance Automation was founded in 2010.

\$62.4 MILLION

Alliance Automation generated \$62.4m in revenues in FY2025.

\$23.6 MILLION

Alliance Automation generated \$23.6m in gross profits in FY2025.

AI

Alliance Automation has a developing capability in machine learning and artificial intelligence.



INDUSTRY 4.0

Alliance Automation is a specialist provider of Industry 4.0 industrial automation solutions.

CLIENTS

Established Tier 1 customer base in critical industries.

MARKET

Alliance Automation services the mining, energy, infrastructure, and water industries.

COVERAGE

Alliance Automation has 11 offices in Australia with over 275 professional staff.

STRATEGIC ALIGNMENT



1 Purpose

Enabling a sustainable future for our clients and their customers.

2 Revenue Diversification

The transaction presents an opportunity to diversify the combined group's revenues. Verbrec traditionally sources the majority of its revenues from the Energy sector. Alliance Automation traditionally sources the majority of its revenues from Water, Wastewater and Mining sectors.

3 Client outreach

The combined group has opportunities to expand revenues through expanded services to a common client base and opportunity to cross-sell to new clients introduced as a result of the transaction.

4 Common journey

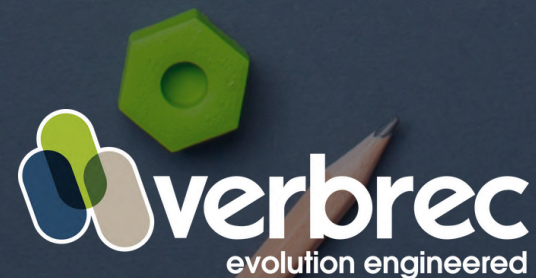
The groups share a common journey, culture and background.

5 Management & people

Verbrec and Alliance Automation have a strong management team and shared core values.

6 Scale & geographical footprint

Additional scale will produce opportunities for growth, synergistic expense reductions and opportunities to expand services across a wider geographic footprint.



CLIENT OPPORTUNITY

Expand services offering across a broad client base



AGGREGATED ACCOUNTS

FY2025

	Verbrec FY2025 \$'000	Alliance Automation FY2025 \$'000	Indicative Aggregation Pro-Forma \$'000	Competency Training Divestment FY2025 \$'000	Indicative Aggregation (Continuing Operations) Pro-Forma \$'000
Revenue	85,617	62,415	148,032	(7,761)	140,271
Gross Profit	31,957	23,606	55,563	(4,850)	50,713
Gross Margin (%)	37.3%	37.8%	37.5%	62.5%	36.2%
EBITDA	7,942	1,113	9,055	(1,938)	7,117
Adjustment for share based performance rights expense	907	-	907	-	907
Adjustment for one-off expenses and discontinued costs prior to Completion	-	946	946	-	946
Adjusted EBITDA	8,849	2,059	10,908	(1,938)	8,970

The above table is provided as a pro-forma, unaudited and indicative aggregation of Verbrec Limited after divestment of Competency Training (each based on FY2025 audited accounts) and acquisition of Alliance Automation (based on FY2025 unaudited management accounts).

The above table does not consider any expected or planned synergies and optimisations post integration that have already been discussed with Alliance Automation management.

INDICATIVE SYNERGIES

1 Revenue Growth & Synergy Opportunities

- The acquisition of Alliance Automation will provide growth opportunities and synergies to the combined group.
- Through an expanded national footprint, enhanced capability, increased headcount and a common set of core clients, the group is well positioned for revenue growth.
- Verbrec and Alliance Automation derive their revenue from different industry sectors, resulting in a resilient and diversified revenue baseline.
- Management have considered an indicative roadmap of non-labour synergies that will be pursued. Initial points of interest include realising savings through general office & sundry expenses, ICT system consolidation, insurance consolidation, reduction in travel and combined motor vehicle spend and synergies from combining regional office space.

2 Track Record

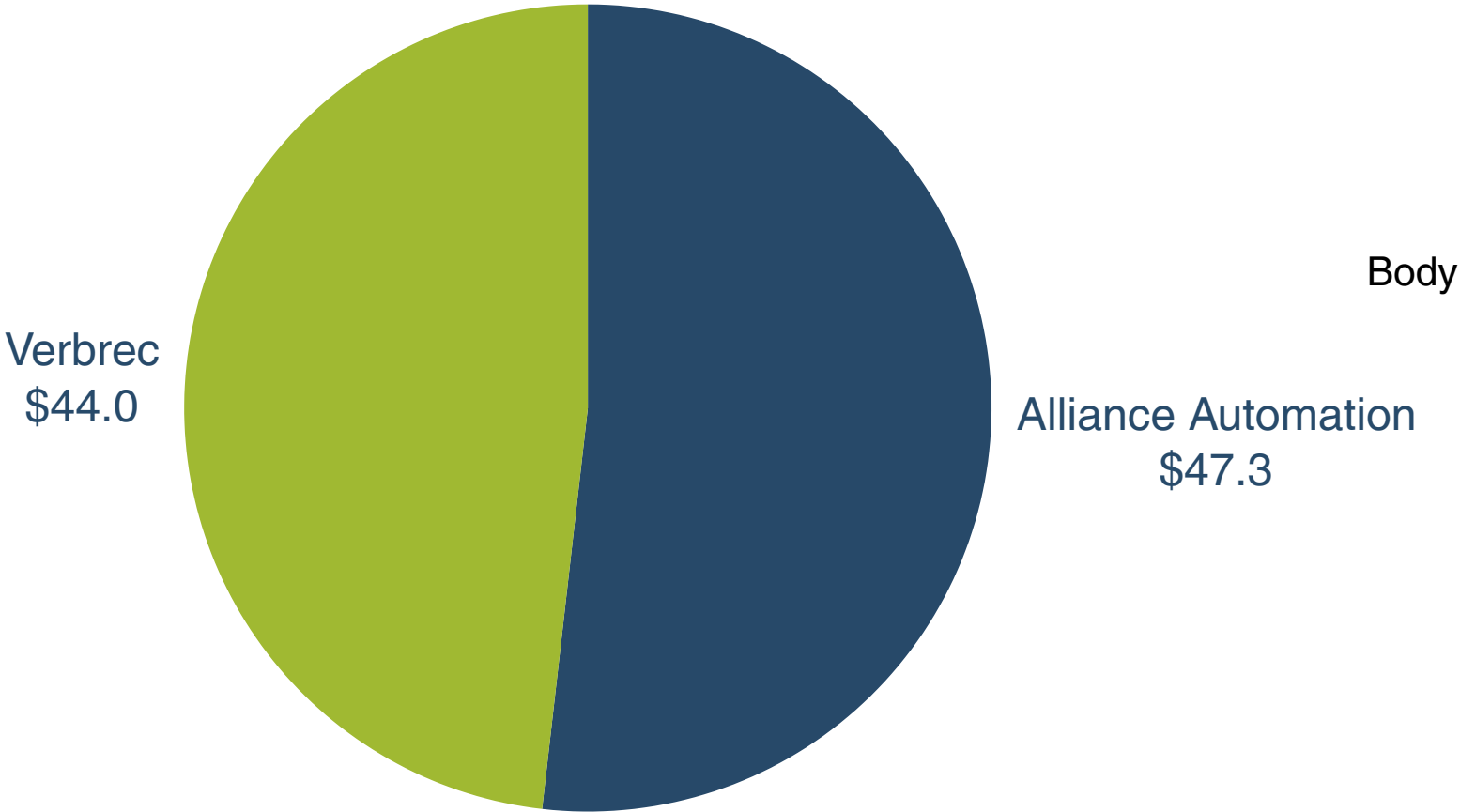
Verbrec's current management team have a strong track record of improving business performance, having improved Verbrec's EBITDA margins from (0.6%) in FY2023 to 9.2% in FY2025. Both Verbrec and Alliance Automation management teams are confident of improving the merged Group's EBITDA margins in the near term.

3 Goal

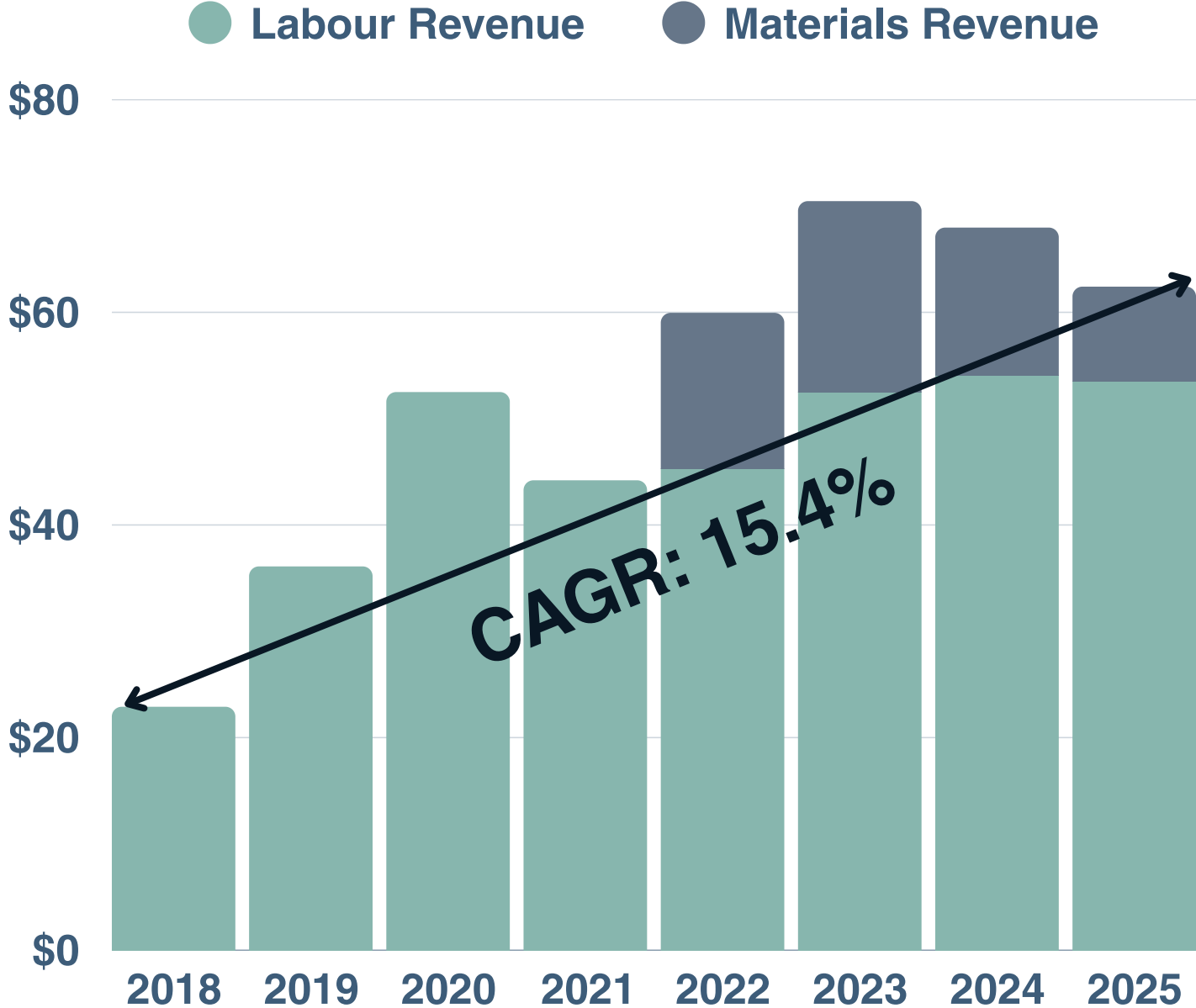
Verbrec aims to increase revenues, enhance project delivery to reduce cost of goods sold and realise synergies in expenses to bring the combined group's EBITDA margin to 8.0% - 10.0%.

REVENUE PERFORMANCE & WORK IN HAND

Work in Hand (\$m)



Alliance Automation Revenue Performance (\$m)



Prior to FY2022, Alliance Automation labour revenues and material revenues were not reported separately.

CORE SERVICES & CAPABILITY

1

Industrial Automation Solutions

- Turn-key project delivery.
- DCS, PLC, SCADA standards and design.
- Advanced process control and process and machine safety.

2

Program and Project Management

- Program & project delivery and planning.
- Principle contractor design and construct.
- Cost and risk management.
- Subcontractor and vendor management.

3

Cyber & OT Infrastructure Services

- Cyber security consulting.
- OT systems network design.
- 24x7 network operations.

4

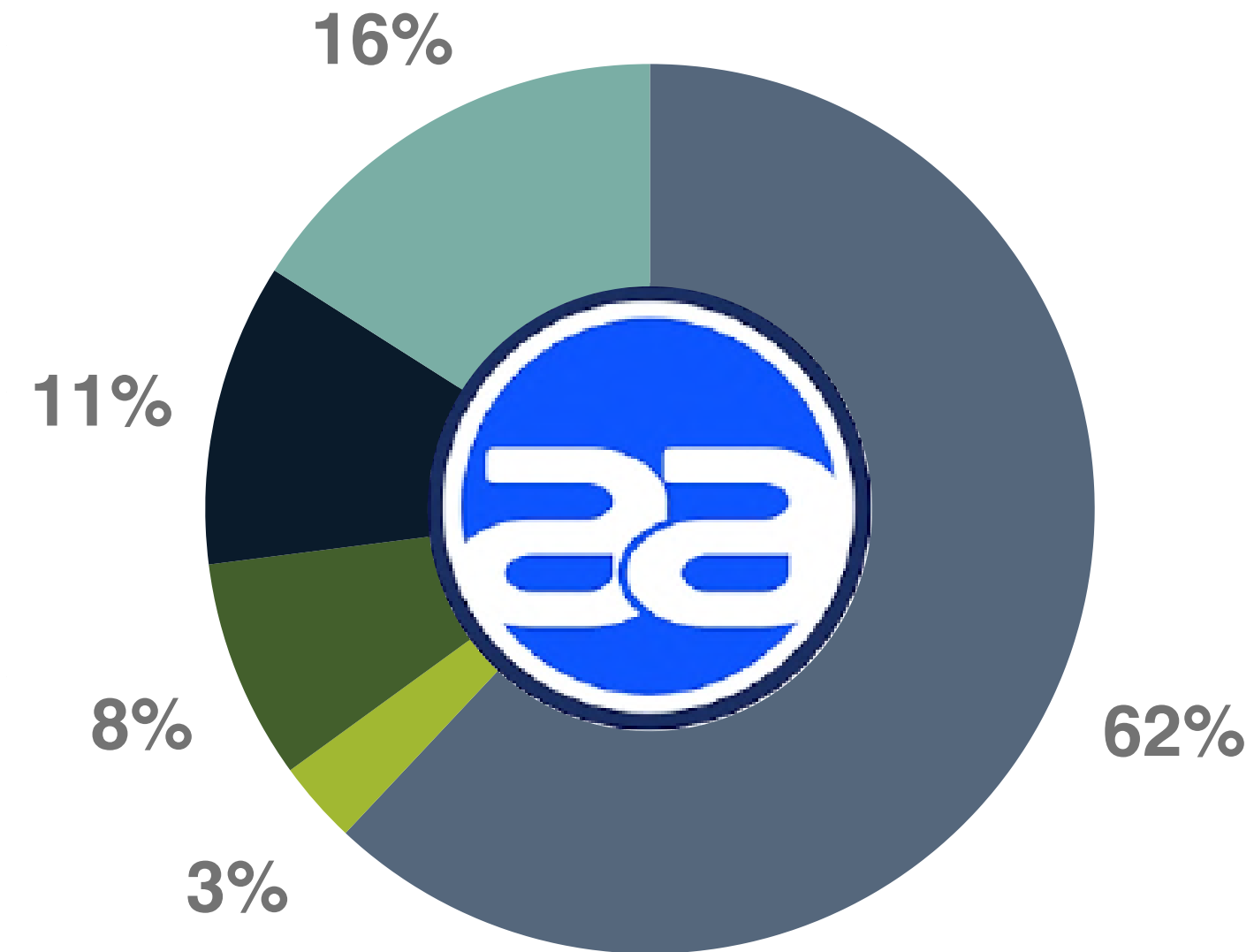
Electrical Engineering

- Analysis, load and fault studies.
- MV / LV design.
- Field instruments & final control elements.
- MCC and panel design.
- Switch room and switchboard design.

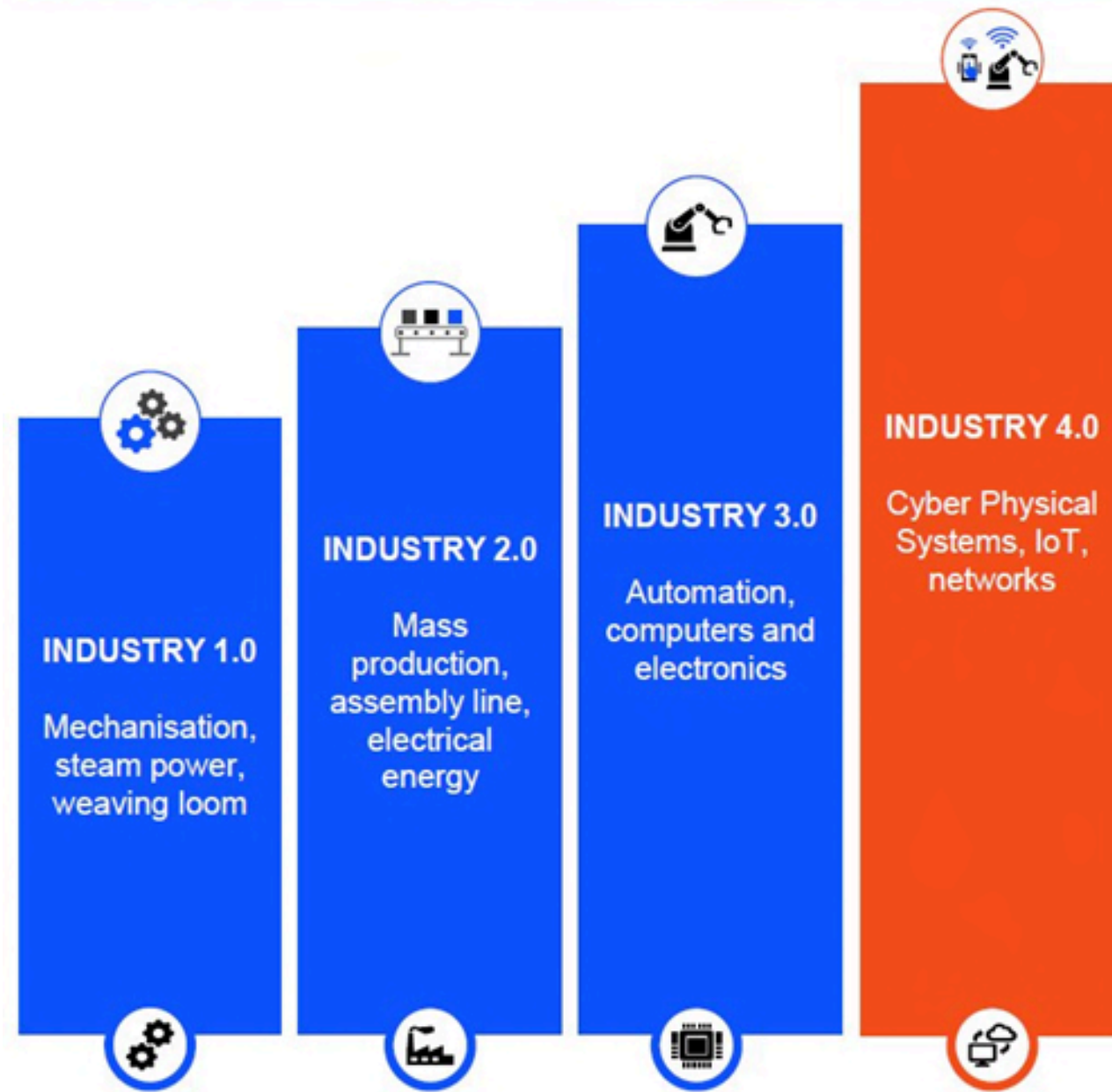
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Operational Technology Data & Digital Solutions

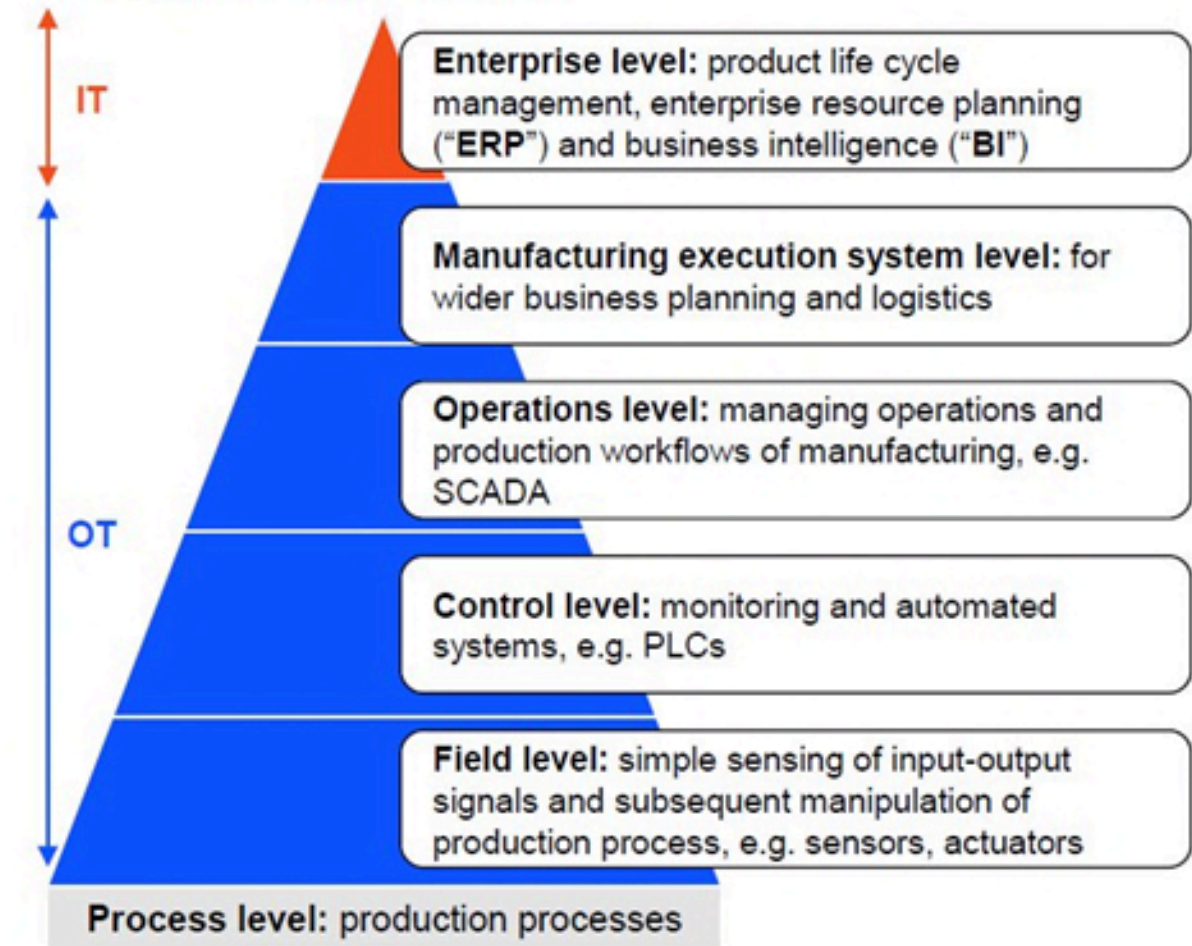
- Information system design and data analytics.
- Predictive analytics, machine learning and artificial intelligence.
- Operational technology data integration & governance.



INDUSTRY DRIVERS



- Smart Integration
- Seamless Data Flow
- Predictive Maintenance
- Cyber security Needs
- IoT Impact
- Operational Transformation



INDUSTRY
4.0

56%

of global manufacturers are piloting smart manufacturing, 20% are using it at scale and 20% are planning to invest.

CYBER SECURITY

is considered by global manufacturers to be the # 2 external business risk, rising fast year over year.

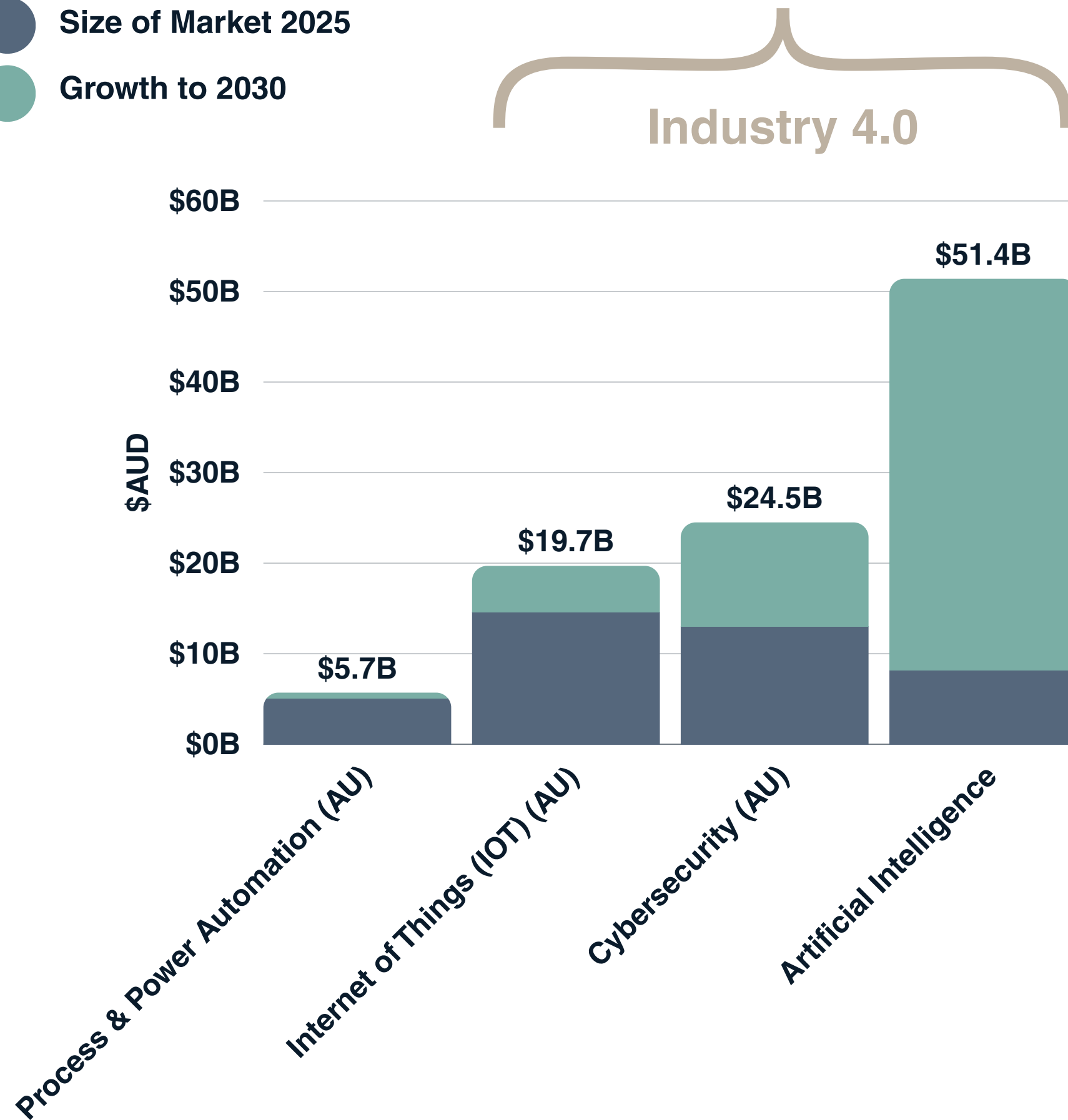
95%

Global manufacturers have either invested or plan to invest in artificial intelligence and machine learning in the next five years.



MARKET OUTLOOK

- Size of Market 2025
- Growth to 2030



1 Demand

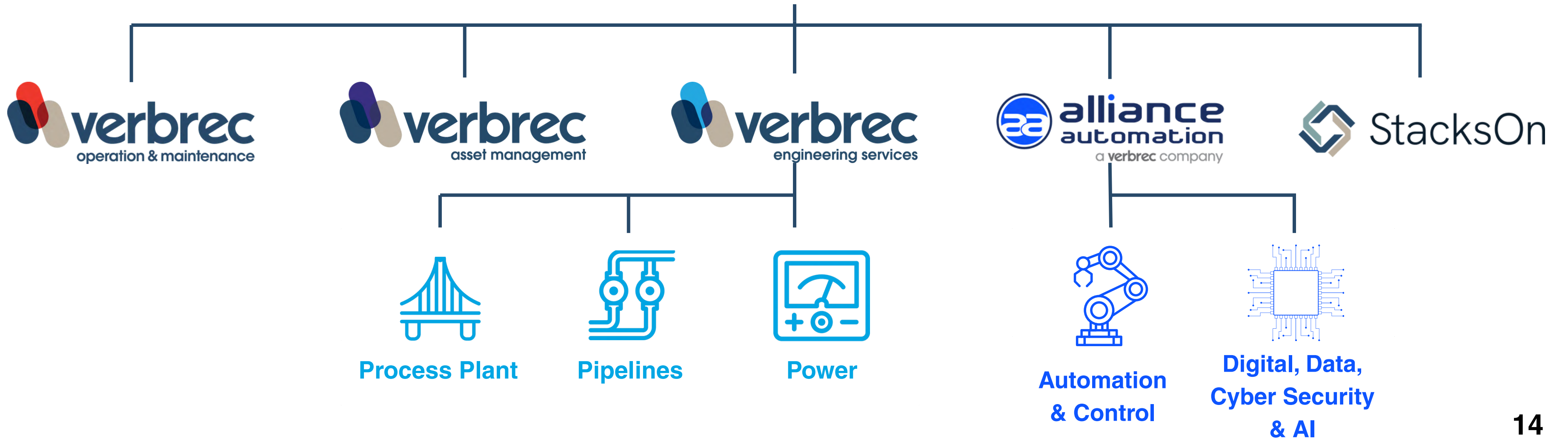
- Rising domestic labour costs and reshoring trends due to supply chain disruptions are fueling the need for automation and modern technology.
- Industrial automation demand increasing due to needs for efficiency, safety and smart factories, driven by labour cost reductions and agile manufacturing.

2 Growth

- The IOT market is driven by adopting new technologies, increased automation, government initiatives and investments.
- The IOT industry supports a wide array of sectors experiencing structural tailwinds, providing solutions to enhance efficiency and safety.
- Critical infrastructure operators now face prescriptive risk-management duties covering 22 asset classes, forcing rapid modernisation of operational-technology cyber security defenses.
- There is a strong implementation across all industries due to the increasing need for real time data and information.
- Alliance Automation has a developing capability in artificial intelligence and machine learning to address the Industry 4.0 trend.

IBISWorld: C2439
 Mordor Intelligence: Australia Cybersecurity Market Size and Share
 NextMSC: Australia Industrial Process Automation Market
 Statista: Internet of Things - Australia, Artificial Intelligence - Australia

Retain Strong Brand



VERBREC PARTNERSHIP MODEL



Verbrec's Partnership Model

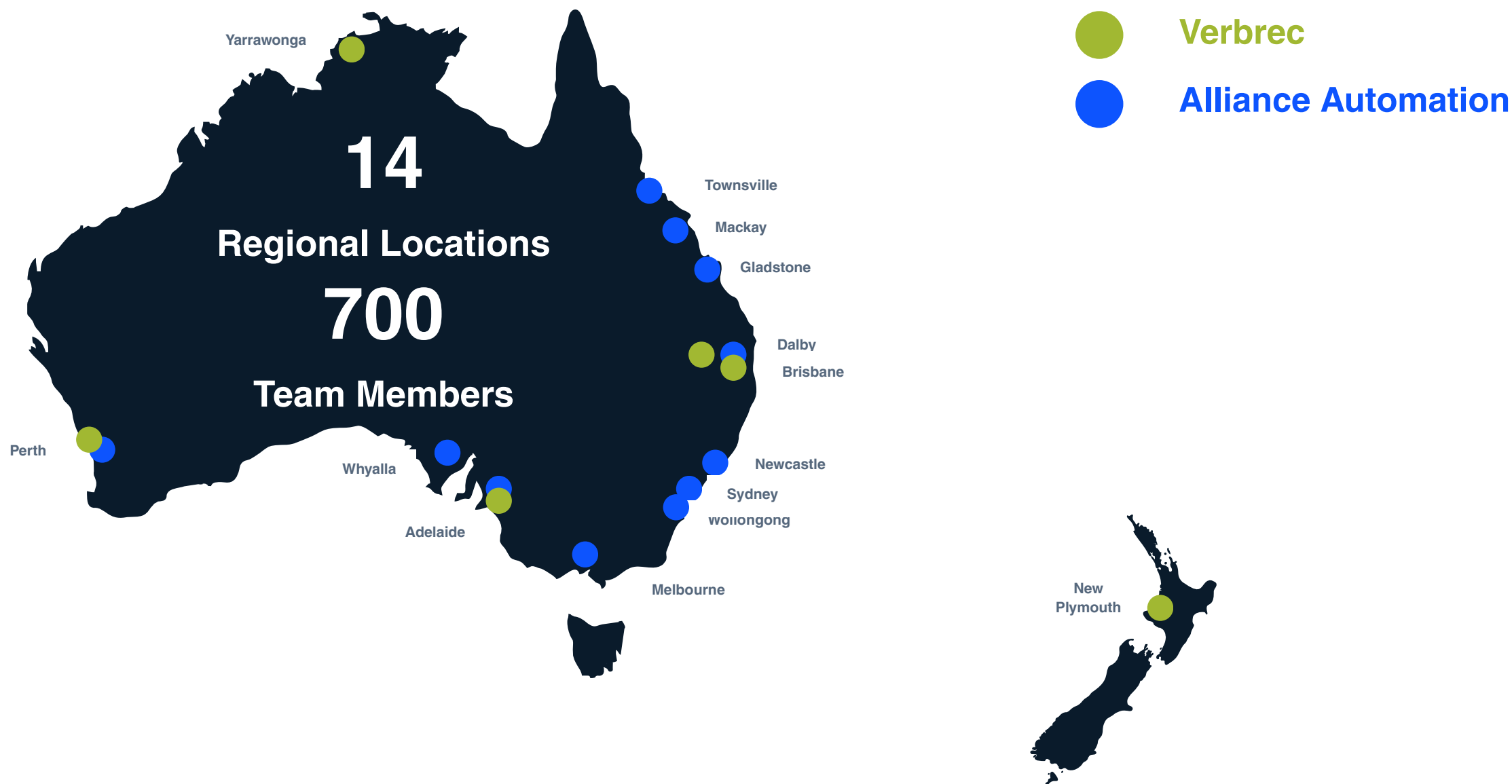
Adding value to every stage in the lifecycle of an asset



LIFECYCLE OF AN ASSET



GEOGRAPHIC REACH & EXPANSION



1 Greater Footprint

The transaction increases Verbrec's footprint to 14 regional locations spread across 18 offices and workshop locations across Australia and New Zealand.

2 Servicing our clients where they are

By expanding the combined group's geographic footprint, Verbrec is poised to service clients more effectively by having highly qualified personnel in the locations where the clients, and their assets are based.

3 Opportunities

There are opportunities to realise growth, enhance staff retention, improve group capability and reduce costs by consolidating office locations at an appropriate time.

MARKET SECTORS

1

Water & Wastewater

Alliance Automation's longest-served industry. Alliance Automations' strength is in the wealth of experience in the deliver and support of electrical, instrumentation and automation solutions, providing strong differentiation compared to competitors.

2

Mining

Alliance Automation has a proven track record in the delivery of projects and support services in this industry, cultivating long-term trusted relationships. Alliance Automation is supporting recurring projects with their blue-chip customers.

3

Energy

Alliance Automation's engineering and support team is highly experienced and respected within the energy industry, having been involved in the delivery of some of the largest projects in Australia and the Southern Hemisphere.

4

Manufacturing

The combination of decades of experience across the manufacturing sector and quality assured processes has facilitated Alliance Automation's deployment of industry best practice solutions.

5

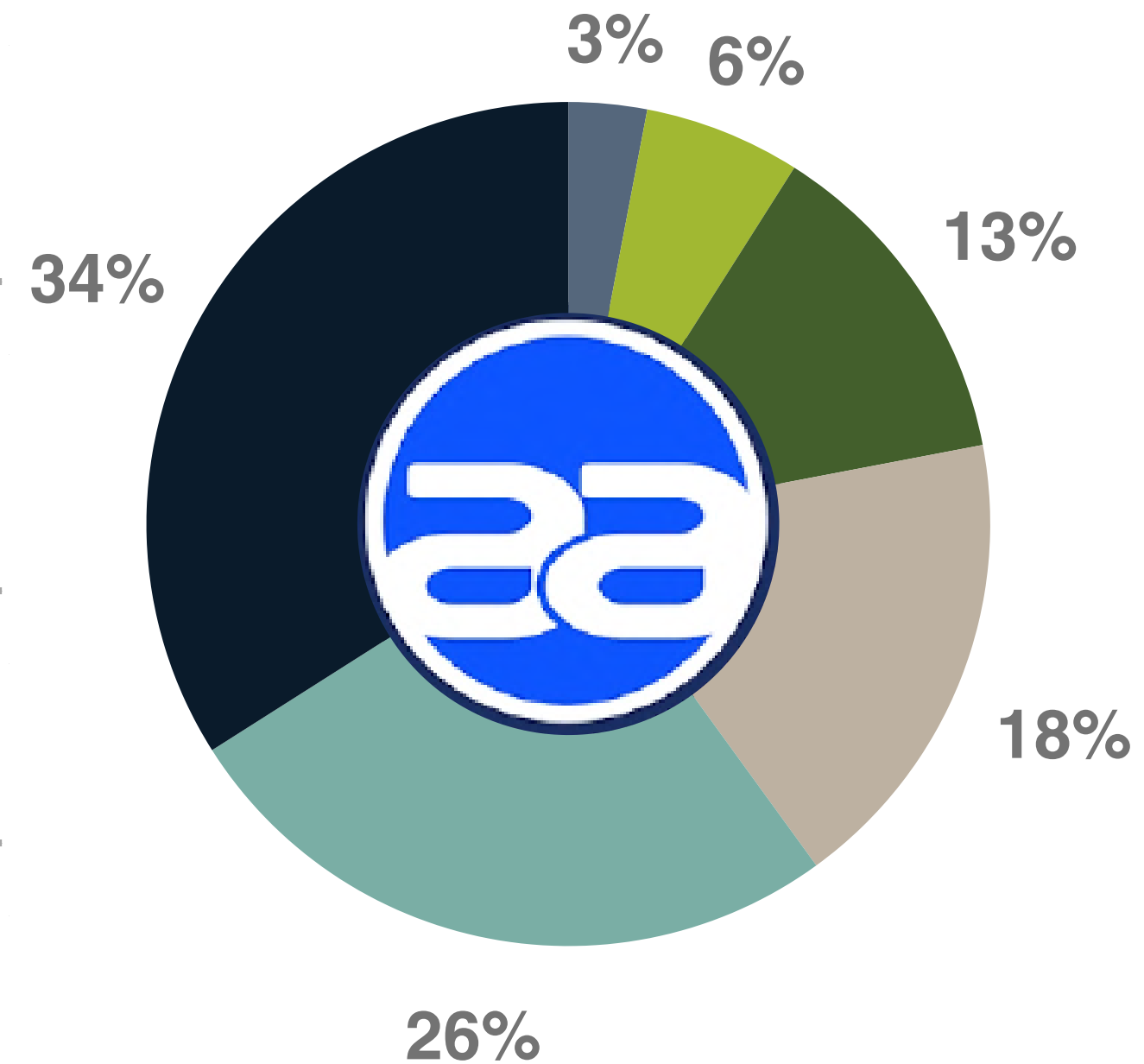
Infrastructure

Alliance Automation experience in multi-disciplined industrial automation and electrical services, value-added solutions, consultancy and support across the infrastructure sector has created ongoing, valued and respected relationships with the industry.

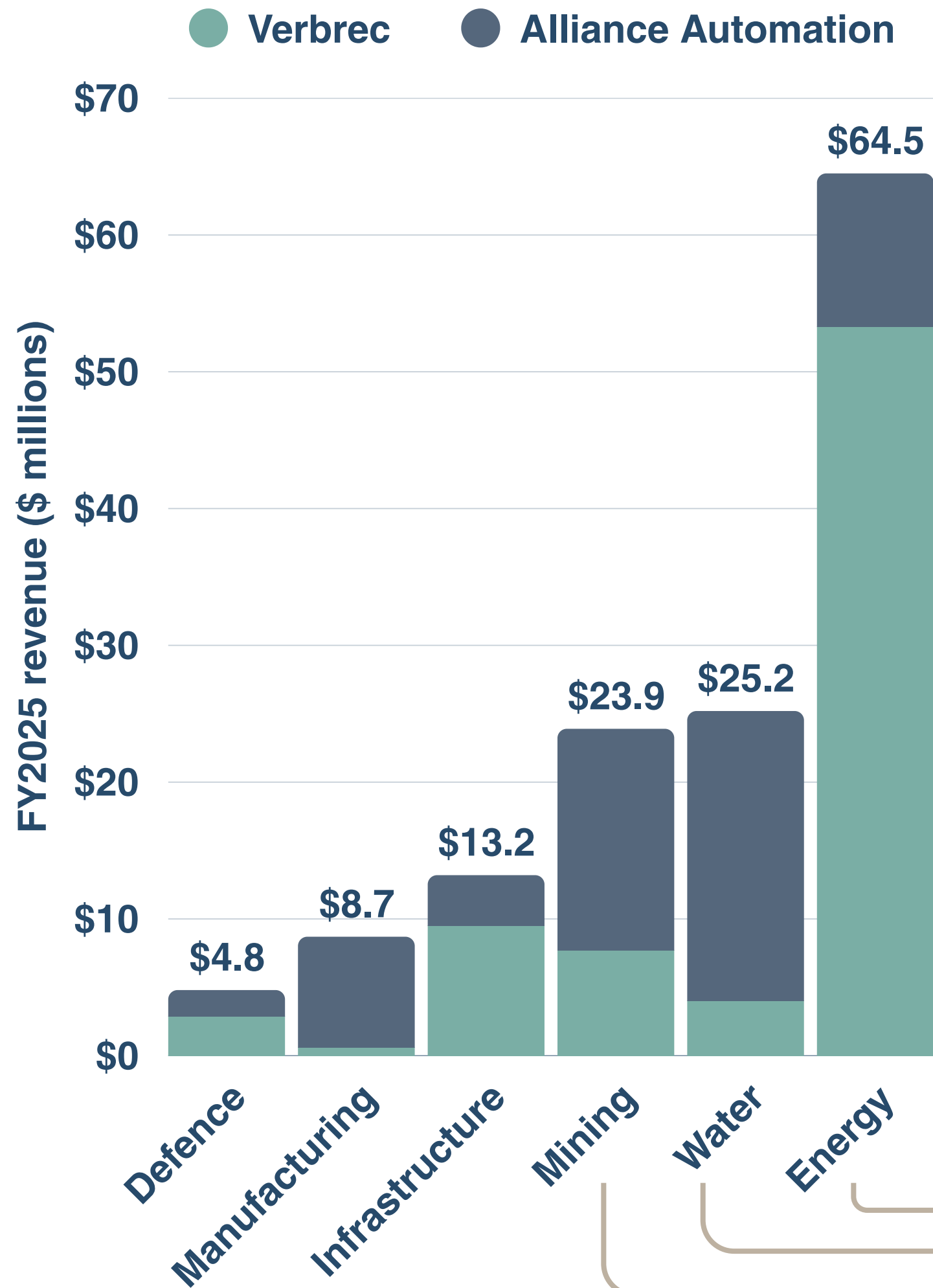
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Defence

The fastest growing industry in Alliance Automation's portfolio involves enhancing critical defence assets. Alliance Automation is an accredited supplier in the design and delivery of Defence projects nationally.



INDUSTRY SECTORS



Fits Verbrec's strategy while **balancing:**

1. Energy Security / Transition
2. Water Security
3. Sustainable Mining

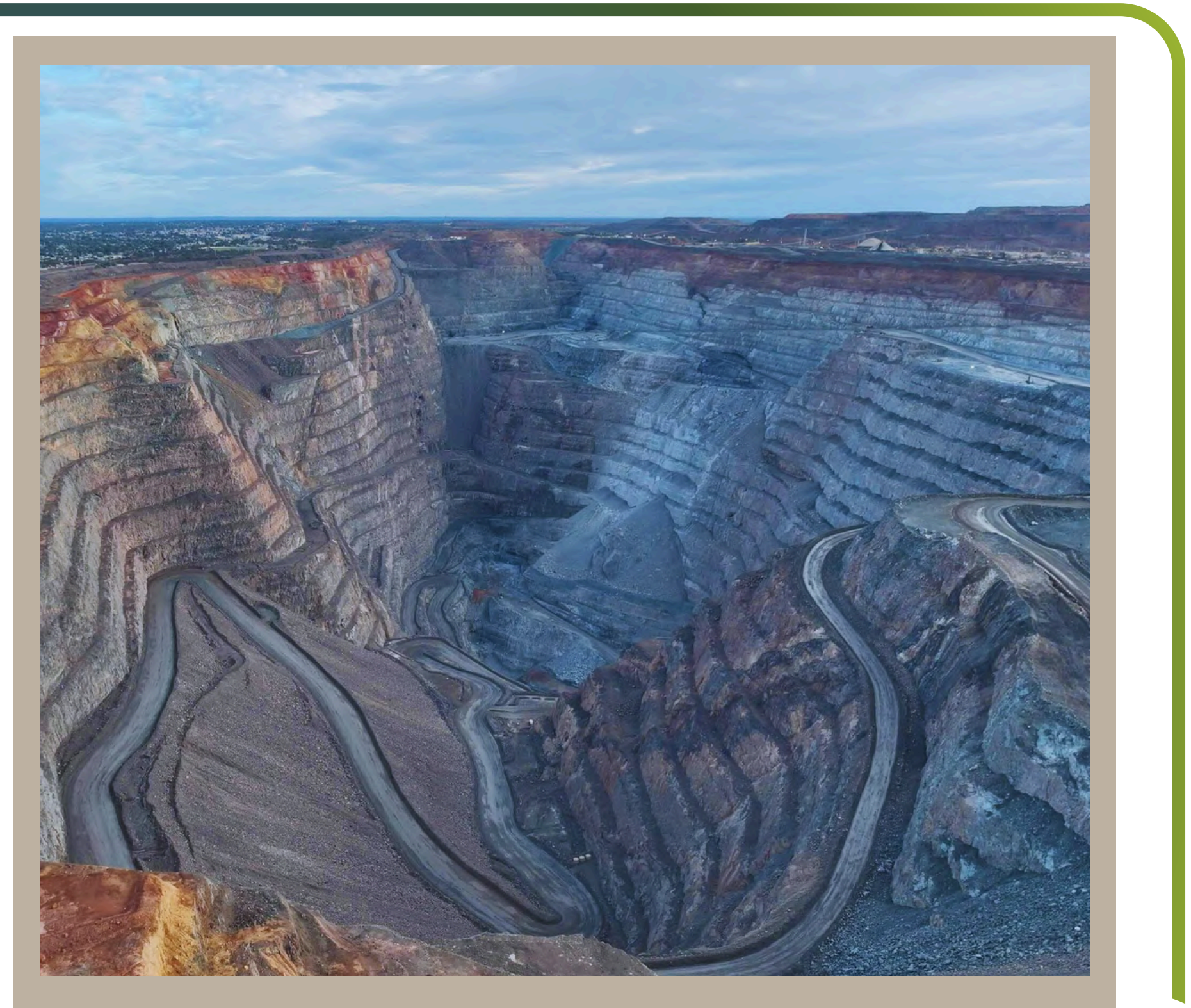
PROJECT HIGHLIGHT

Northern Star KCGM DCS Modernisation Project

Alliance Automation has been engaged to undertake the modernisation of the Distributed Control System (DCS) at Kalgoorlie Consolidated Gold Mine (KCGM) Operations at the flagship 'Super Pit'.

This is recognised as one of the largest automation modernisation projects within Australia's gold sector.

The project aims to upgrade legacy automation infrastructure to enhance operational reliability and integration across mining and processing systems.



PROJECT HIGHLIGHT

Alliance Automation entrusted to build Fortescue's consolidated energy data reporting platform

Alliance Automation were engaged by Fortescue to design and build a central OT platform that consolidated all the energy data (timestamped and RAW) from multiple Fortescue sites.

Fortescue selected the Aveva PI system as their preferred technology option and Alliance Automation being as a Aveva PI certified partner were contracted to deliver the requirements.

The scope of work was delivered and being continually supported by the Alliance Automation Western Australia engineering office.

Fortescue Energy Program Manager, attested 'we are delighted that Alliance Automation have delivered our energy data consolidation and governance project and they continue to support us locally'



PROJECT HIGHLIGHT

Alliance Automation contribution to South Australia Project of the Year

Remote clean drinking water project delivered by John Holland Guidera O'Connor (JHGO) Joint Venture and Alliance Automation announced as the South Australia Project of the Year.

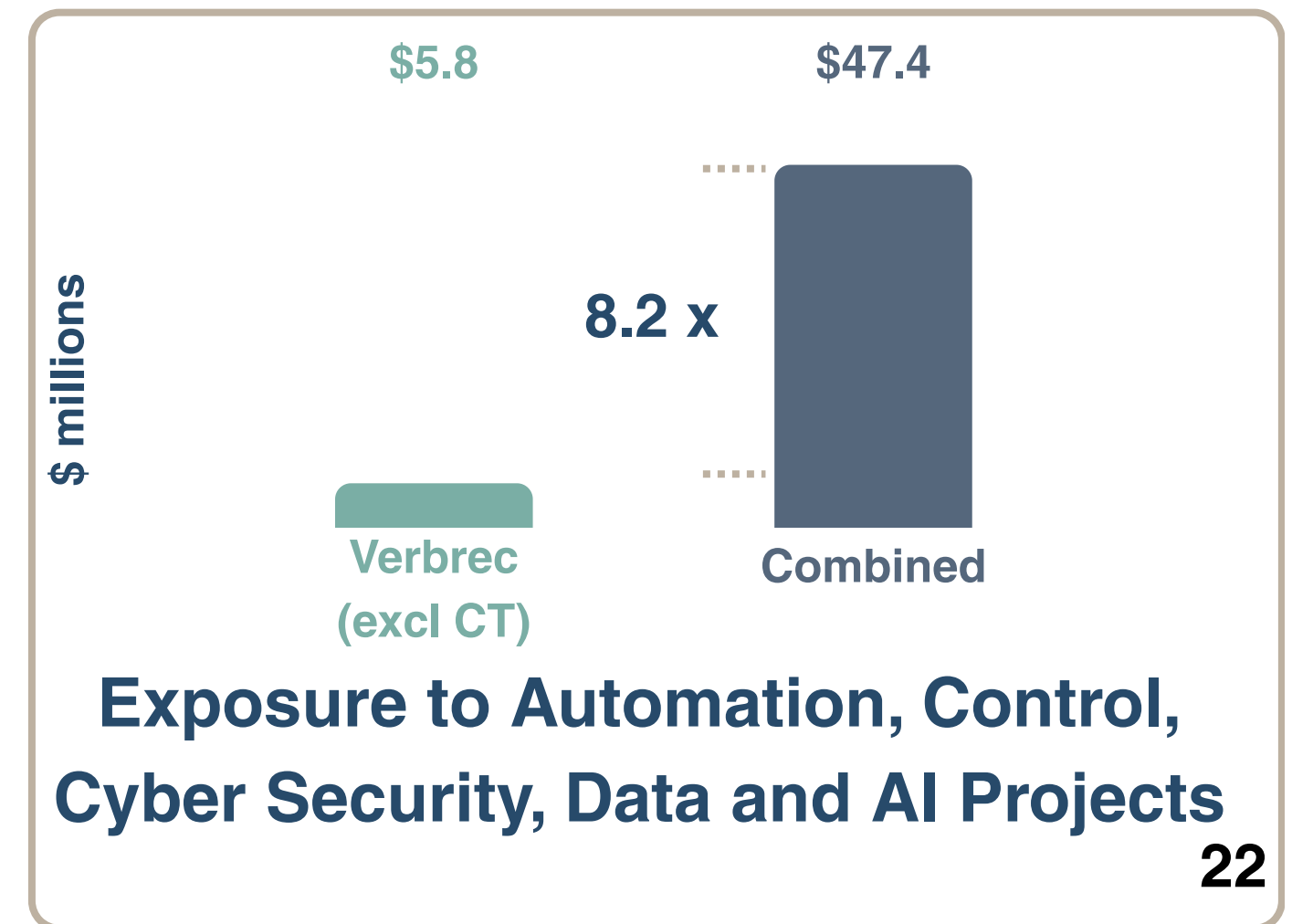
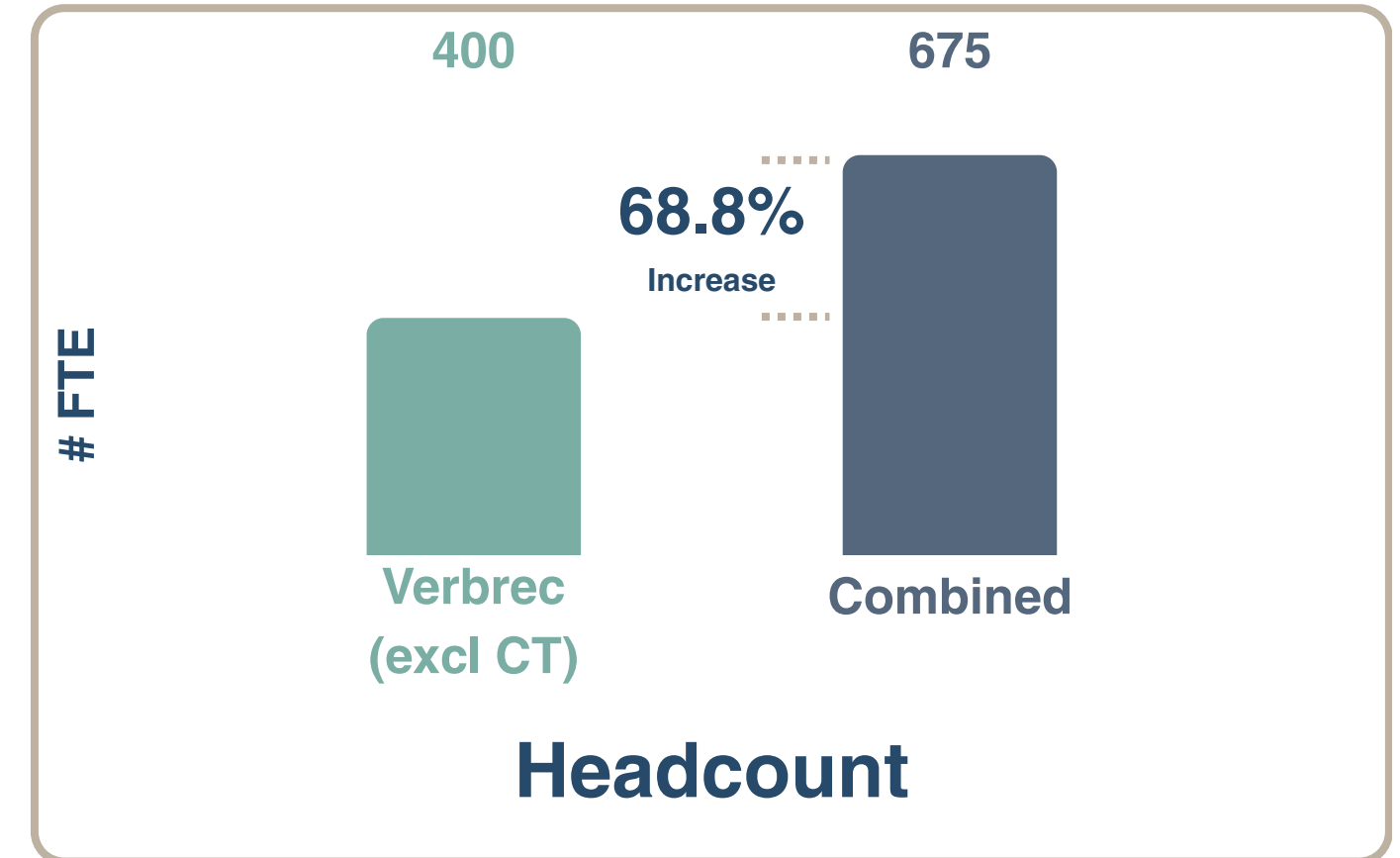
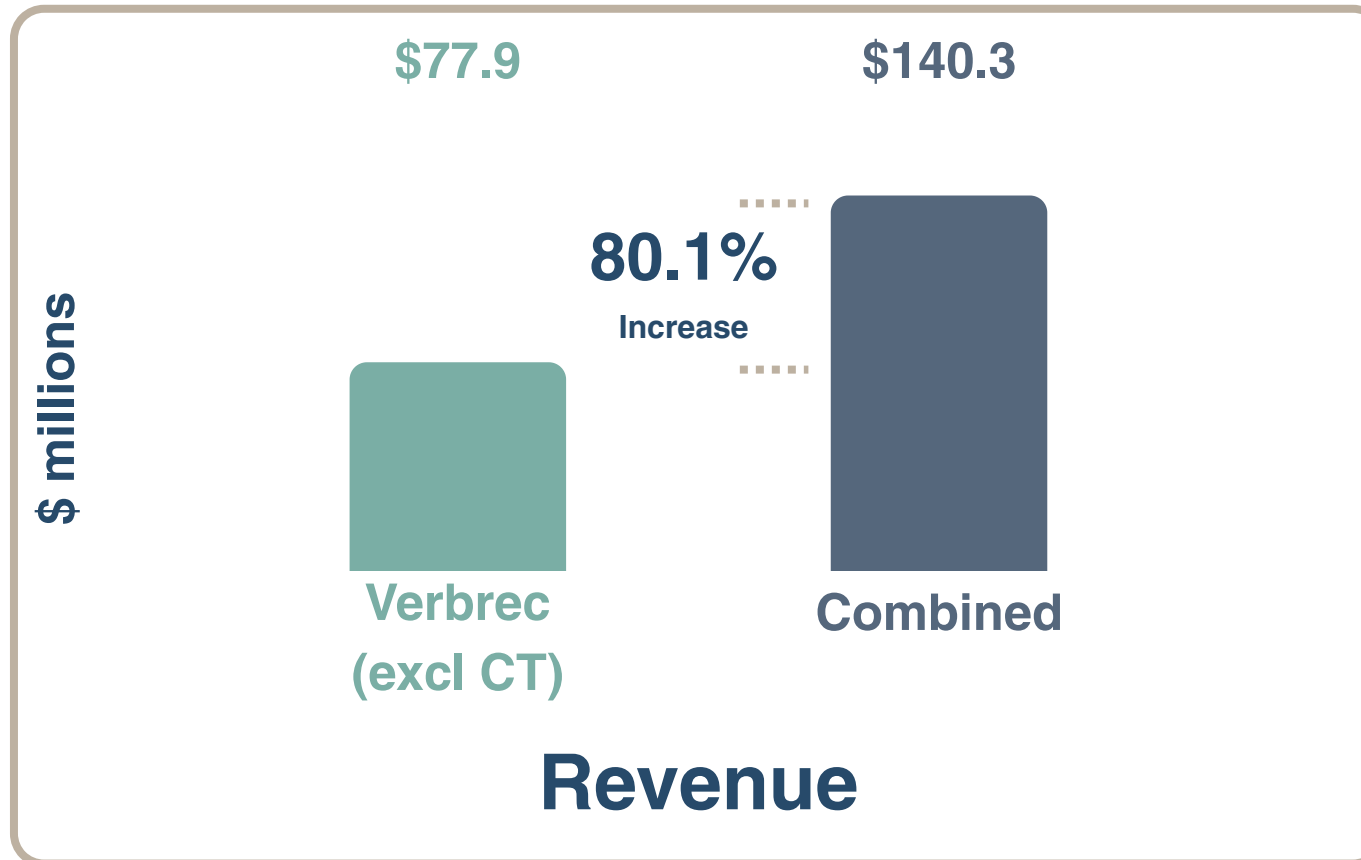
The South Australia Regional Desalination Plants Project, delivered by the JHGO joint venture, was announced as a model of engineering excellence, providing sustainable potable water to remote communities in Oodnadatta, Marla and Maree.

Engineers Australia named the Regional Desalination Plants Project at the recent 2024 South Australia 'Engineers Australia Excellence Awards' event in Adelaide. Alliance Automation worked closely with JHGO to provide the Electrical and Controls Integration scope of works, which included design, construct and installation of all required equipment and the integration into the SA Water SCADA system.



Indicative Financial Metrics - Aggregated based on FY2025 accounts

**STRONGER
TOGETHER**



SUMMARY

1 Purpose

Enabling a sustainable future for our clients and their customers.

2 Competency Training Divestment

- Verbrec signed an agreement to sell Competency Training to RelyOn for \$11.5 million up-front cash consideration (as adjusted for customary working capital and net debt position).
- The sale will allow Verbrec to further strengthen its balance sheet. The resulting funds will allow Verbrec to invest in delivering shareholder returns through organic growth opportunities and acquisitions that support Verbrec's purpose of 'enabling a sustainable future for our clients and their customers'.
- The transaction is expected to complete before end of calendar year 2025.

3 Alliance Automation Acquisition

- Verbrec signed an agreement to acquire Alliance Automation from Telstra for \$5.5 million up-front cash consideration (as adjusted for customary working capital and net debt position).
- On a pro-forma basis, the transaction adds over \$60 million in annualised revenue and will result in a combined group with approximately 700 team members across 18 locations across Australia and New Zealand.
- The strategic direction of Verbrec and Alliance Automation are strongly aligned.
- By significantly expanding Verbrec's enhanced digital and automation capability, Verbrec is poised to maximise its integrated delivery model and reinforce its reputation as the recognised partner for a sustainable future.
- The transaction is expected to complete before end of calendar year 2025.

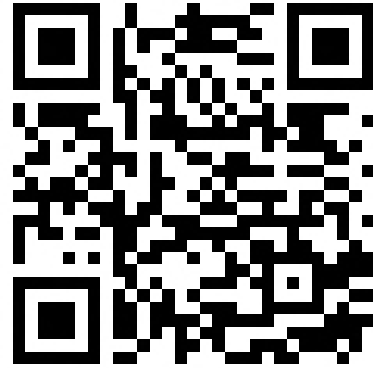
4 Growth

- The transaction expands Verbrec's combined capability and geographic footprint. Verbrec will pursue opportunities to grow revenues through expanded services to a common client base.
- Verbrec can more effectively deliver services across the entire asset lifecycle and enable a sustainable future for our clients and their customers.

5 Synergies

- The acquisition of Alliance Automation will provide growth opportunities and synergies to the combined group.
- Verbrec's current management team have a strong track record of improving business performance, having improved Verbrec's EBITDA margins from (0.6%) in FY2023 to 9.2% in FY2025. Both Verbrec and Alliance Automation management teams are confident of improving the merged Group's EBITDA margins in the near term.
- Verbrec aims to increase revenues, enhance project delivery to reduce cost of goods sold and realise synergies in expenses to bring the combined group's EBITDA margin to 8.0% - 10.0%.

ABOUT VERBREC



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About Verbrec

Verbrec is a leading engineering, asset management, project delivery, operations & maintenance, training and mining technology service provider that supports customers across Australia, New Zealand, Papua New Guinea and beyond. The Company serves the energy, infrastructure, and mining industries through technical specialties; asset management, automation and control, pipelines, power, process plant and training, with capabilities that span across the entire life cycle of an asset. Verbrec is an Australian Securities Exchange listed company (ASX:VBC).

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ACN: 127 897 689

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