ASX Announcement

20 November 2026

Managing Director's Address to Shareholders at Verbrec's 2026 Annual General Meeting

Verbrec Limited (ASX : VBC) (**Verbrec** or the **Company**) issues the following address script delivered by Verbrec's Managing Director, Mark Read at the Company's 2026 Annual General Meeting.



Thank you, Phillip.

I would like to begin by acknowledging the Traditional Custodians of the lands on which each of us is joining today, and pay my respects to their Elders past, present and emerging.

As the Chair has said, FY2026 was the year Verbrec moved from turnaround to growth.

When we presented our results in August, I showed a slide listing the ten commitments this Board and management team have made to shareholders over the past three years. They ranged from returning to profit and restoring a net cash position, to reinstating the dividend, growing through strategic acquisitions and delivering against our FY2026 guidance. Ten commitments, ten delivered.

Today I want to spend less time on last year and more on:

- Where our growth is coming from,
- What makes Verbrec different
- The markets we are positioned in
- And the work we have won since 30 June 2026



Verbrec is a business that provides Engineering Enabled Lifecycle Solutions primarily to the Energy, Water and Mining markets across Australia and the Pacific.

What makes Verbrec different is that we work across the entire life of an asset leveraging our engineering strength.

- We advise, plan and secure.
- We design and engineer.
- We control, automate and integrate.
- We build, commission and operate.
- We improve, optimise and extend.
- And at the end of an asset's life, we decommission, repurpose and close it out.



As the Chair explained in his address, we are growing.

In FY2026 revenue was up 52% and Adjusted EBITDA up 47%.

We also have great visibility of our forward pipeline.

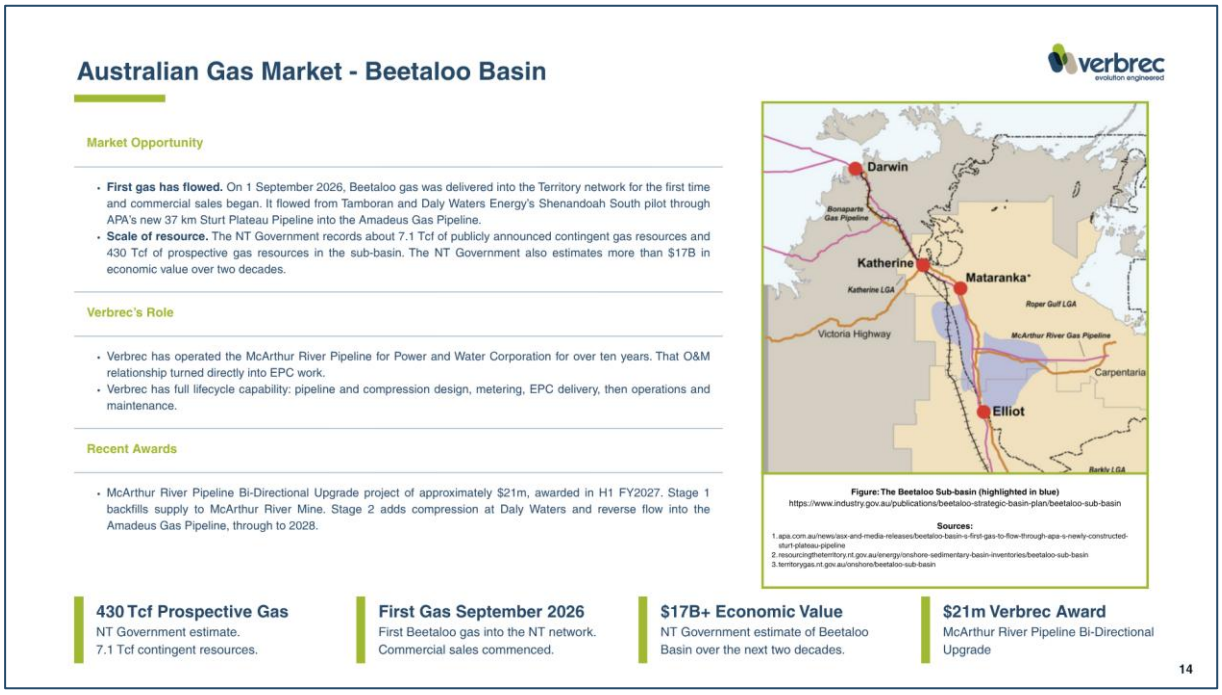
At 30 June 2026, work in hand was up 77% to $78 million, and our opportunity pipeline had more than doubled, to $277 million. We only count an opportunity in that pipeline once we have submitted an active proposal to the client and we only count workload that is likely to be expended in the next 12 months. We only consider the next 12 months of workload from our long-term O&M contracts for example.

Half of our revenue is repeatable or recurring, earned under multi-year panel agreements and operations and maintenance contracts. That annuity-style revenue is the product of our relationship client model.

So, with that, what are the key things that are going to facilitate more growth and expanding margins in the future?

For me, the major focus items are:

- Moving toward our stated goal of 8-10% EBITDA margins over time,
- The integration of Alliance Automation.
- Prudent use of our strong balance sheet to fund strategic acquisitions that expand Verbrec's capability and reach, and
- Taking advantage of growth markets where we can expand and add value to our clients, which I'll get into more in the next slides.



How can Verbrec take advantage of our core markets in the coming years, starting with the Australian Gas Market.

Australia's gas system is entering a period of sustained reinvestment. AEMO's 2026 Gas Statement of Opportunities forecasts that additional supply will be needed in most scenarios from 2030, as production from legacy southern fields declines.

The Beetaloo Basin in the Northern Territory is one of the most significant new sources of supply.

In September this year, Beetaloo gas flowed into the Territory network for the first time and commercial sales began.

The Northern Territory Government estimates more than $17 billion in economic value over the next two decades.

Verbrec has operated the McArthur River Pipeline for Power and Water Corporation for more than ten years.

In June we announced that this relationship had turned into a $21 million engineering, procurement and construction contract, the McArthur River Pipeline Bi-Directional Upgrade.

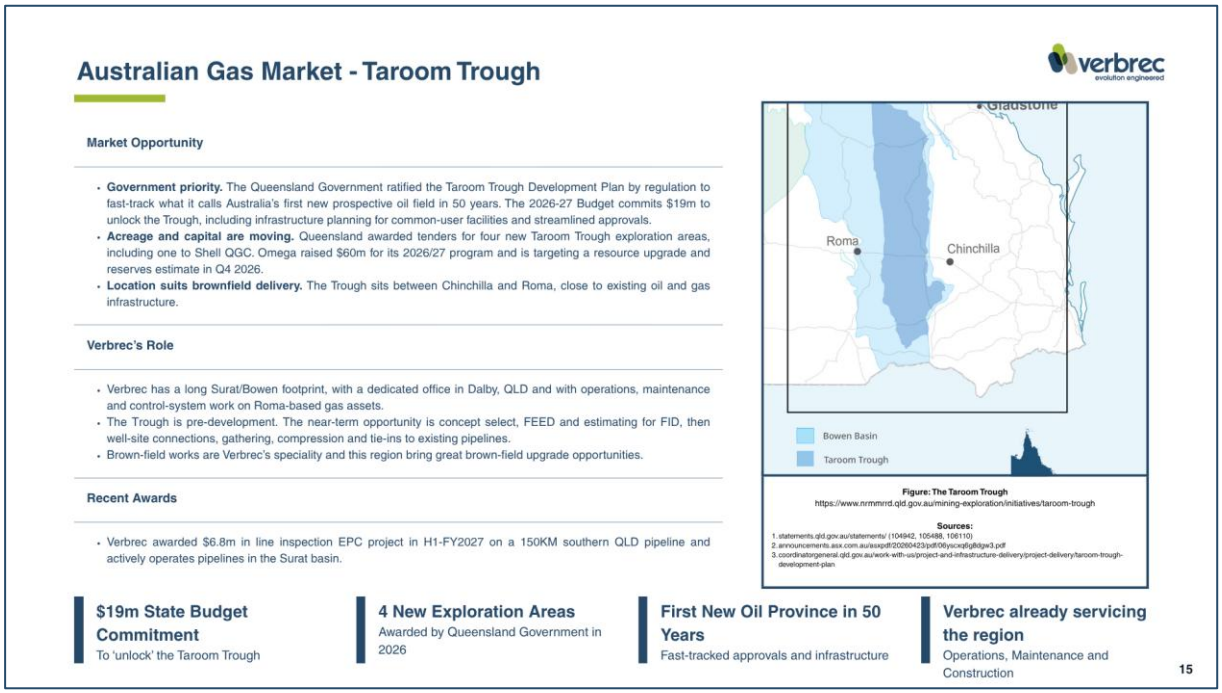
That is our model in action. We were embedded with the client as the operator, and that relationship turned into a major capital project.

We are also actively working with Beetaloo Energy on their assets in the region.

Sources from the presentation slide

Figure: https://www.industry.gov.au/publications/beetaloo-strategic-basin-plan/beetaloo-sub-basin

1. apa.com.au/news/asx-and-media-releases/beetaloo-basin-s-first-gas-to-flow-through-apa-s-newly-constructed-sturt-plateau-pipeline
2. resourcingtheterritory.nt.gov.au/energy/onshore-sedimentary-basin-inventories/beetaloo-sub-basin
3. territorygas.nt.gov.au/onshore/beetaloo-sub-basin



In Queensland, the Taroom Trough is at an earlier stage, but it is moving.

The Queensland Government has ratified the Taroom Trough Development Plan to fast-track what it describes as Australia's first new prospective oil field in 50 years. The 2026-27 State Budget commits $19 million to unlock the Trough.

The Trough sits between Chinchilla and Roma, close to existing oil and gas infrastructure, which suits brownfield delivery.

Verbrec has a long footprint in the Surat and Bowen basins, with an office in Dalby and operations, maintenance and control system work on gas assets in the region.

We specialise in complex brownfield delivery, so we have high hopes for the future work stemming from the region.

In August we announced a $6.8 million contract to engineer and build in-line inspection facilities on a 150-kilometre gas pipeline in southern Queensland, a pipeline we also operate under a multi-year operations and maintenance contract.

Sources from the presentation slide

Figure: https://www.nrmmrrd.qld.gov.au/mining-exploration/initiatives/taroom-trough

1. statements.qld.gov.au/statements/ (104942, 105488, 106110)
2. announcements.asx.com.au/asxpdf/20260423/pdf/06yscxq6g8dgw3.pdf
3. coordinatorgeneral.qld.gov.au/work-with-us/project-and-infrastructure-delivery/project-delivery/taroom-trough-development-plan



Water is now our second largest sector. It grew from 7% of revenue in FY2025 to 21% in FY2026, largely because Alliance Automation brought relationships with most of the major water utilities in Australia.

In October we announced approximately $22 million of water contracts won since the start of the financial year. The largest is the design and construction of the new headworks at the Levin Wastewater Treatment Plant for Horowhenua District Council in New Zealand, valued at $15.1 million New Zealand Dollars. It is the first of a series of upgrades the Council has planned at that plant, and it gives us a reference project for similar work across New Zealand.

In New Zealand, the Government's 'Local Water Done Well' reforms have identified around NZ$47.9 billion of water services investment over the next ten years.

Alongside Levin, Verbrec and Alliance Automation have won around $9.6 million of electrical, control system and automation work with water utilities, mainly in South Australia and Queensland. Much of it comes through panels and framework agreements, which gives us a repeating base of work.

Sources from the presentation slide

Figure: https://www.horowhenua.govt.nz/Growth-Projects/Projects/Projects/Levin-Wastewater-Treatment-Plant-upgrades

1. insidewater.com.au/water-sector-transition-price-reviews
2. awa.asn.au/resources/latest-news/balancing-the-boom-navigating-rapid-growth-climate-pressures-and-rising-costs
3. sawater.com.au/__data/assets/pdf_file/0017/1026071/SA-Water_2023-24-Annual-Report.pdf
4. smartwatermagazine.com/news/smart-water-magazine/western-australia-backs-water-future-record-aud-27-billion-budget
5. beehive.govt.nz/release/local-water-done-well-victory-ratepayers



Cyber security for operating assets is a key growth area we are focused on, and what our fully owned subsidiary, Alliance Automation excels at.

Verbrec's strategic acquisition of Alliance Automation with its Operational Technology and Cyber capabilities, is well placed support our client's protection of their assets.

Those with a keen eye on developments in the digital economy will have noticed the almost weekly media reports of targeted disruption to critical infrastructure assets such as water utilities, manufacturing facilities, and energy infrastructure, in some cases causing significant physical damage. What is particularly concerning is that many of these attacks exploit relatively basic vulnerabilities in poorly secured industrial systems, highlighting the scale of the cybersecurity investment potentially required by our clients.

Operational Technology – OT for short – is the hardware and software that controls this critical infrastructure. It is this OT that is being hacked and hacking is on the rise, most likely being supercharged by AI. Attack on OT is a developing national security issue for many countries.

In Australia, enhanced requirements under the Security of Critical Infrastructure Act commenced this year. The risk management program obligations cover energy, water and sewerage, and data storage, which are our core markets.

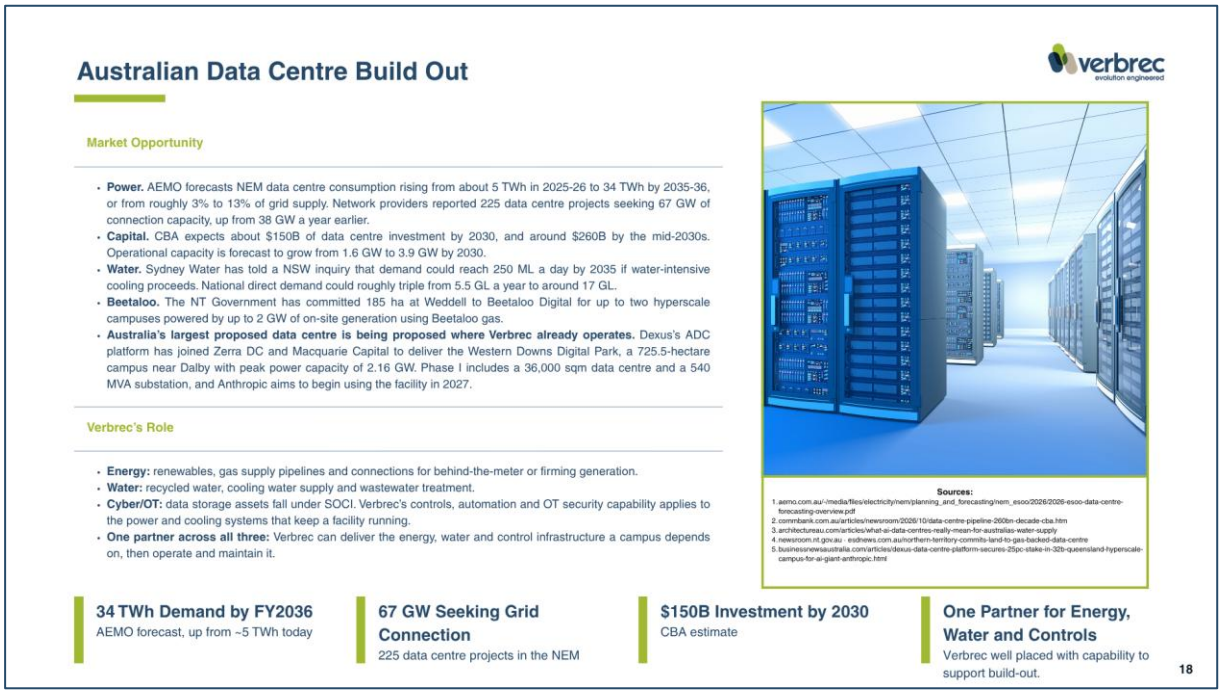
As incidents of cyber-attacks and disruption become more prevalent, the need for specialised solutions for critical infrastructure and operating assets will grow.

Many utilities still rely on control systems such as SCADA and PLCs that were designed decades ago, with little thought for cyber security.

Alliance Automation designs and maintains those control systems, so it can secure them while the plant keeps running. Assessment work leads to remediation, monitoring and ongoing support, and as obligations evolve, uplift programs create follow-on work.

Sources from the presentation slide

1. cyber.gov.au/sites/default/files/2026-10/2025 26%20ACTR_Factsheet_Critical%20Infrastructure.pdf
2. legislation.gov.au/F2026L00701 · hwlebsworth.com.au/uncrimping-the-cirmp-risk-management-changes-for-critical-infrastructure-with-more-on-the-way
3. processonline.com.au/content/process-control-systems/article/from-smart-to-vulnerable-the-hidden-costs-of-the-digitalisation-of-utilities-1071182842



Finally, data centres. Data centre build-out brings together all three of the capabilities I have just described. Energy, water and cyber security.

AEMO forecasts that data centre consumption in the National Electricity Market will rise from about 5 terawatt hours today to 34 terawatt hours by 2035-36, or from roughly 3% to 13% of grid supply.

Network providers report 225 data centre projects seeking 67 gigawatts of connection capacity.

Several of the largest proposals are in regions where we already work.

In the Northern Territory, the Government has backed a gas-fuelled data centre industry built on Beetaloo gas.

In Queensland, a large data centre campus has been proposed in the Western Downs near Dalby, where we have an office and operate gas infrastructure.

So where does Verbrec fit in all this.

Well, what a data centre campus depends on, we already deliver.

That includes gas supply, compression and metering for on-site or firming generation. It includes water supply, recycled water and wastewater treatment, and the automation, control and cyber security systems that keep power and cooling running.

Sources from the presentation slide

1. aemo.com.au/-/media/files/electricity/nem/planning_and_forecasting/nem_esoo/2026/2026-esoo-data-centre-forecasting-overview.pdf
2. commbank.com.au/articles/newsroom/2026/10/data-centre-pipeline-260bn-decade-cba.htm
3. architectureau.com/articles/what-ai-data-centres-really-mean-for-australias-water-supply
4. newsroom.nt.gov.au ·esdnews.com.au/northern-territory-commits-land-to-gas-backed-data-centre
5. businessnewsaustralia.com/articles/dexus-data-centre-platform-secures-25pc-stake-in-32b-queensland-hyperscale-campus-for-ai-giant-anthropic.html



In closing.

FY2026 was the year Verbrec moved from turnaround to growth. FY2027 is about building on that platform.

We are a business that provides Engineering Enabled Lifecycle Solutions.

We work with our clients across the entire life of their assets, in the markets where Australia and New Zealand are investing: energy, water, mining including cyber security for operating assets and data centres.

Our priorities for the years ahead are the ones I outlined earlier:

- moving towards our goal of 8 to 10% EBITDA margins over time,
- Completing the integration of Alliance Automation,
- Converting our pipeline in the growth markets I have spoken about today, and
- Using our strong balance sheet prudently, including for acquisitions that add capability and reach.

I would like to thank our people across Verbrec for their hard work through a year of real change, the Board for its support and challenge, and you, our shareholders, for your continued confidence.

We are only at the beginning of this growth phase, and I am excited about what lies ahead for Verbrec.

I will now hand the meeting back to our Chair, Phillip Campbell, to address the business of the meeting.

ASX Announcement

Authorised for release by the Board of Directors of Verbrec Limited.

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About Verbrec

Verbrec is an engineering and digital transformation business, providing a comprehensive range of integrated services across the entire life cycle of an asset. Verbrec plays a vital role in delivering the infrastructure underpinning Australia's energy security. We serve the mining, energy, water and defence markets across Australia and the Pacific.

Verbrec is an Australian Securities Exchange listed company (ASX:VBC).

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Such statements represent Verbrec's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political and social risks, contingencies and uncertainties.

These forward-looking statements are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Verbrec and its related bodies corporate and affiliates (and each of their respective directors, securityholders, officers, employees, partners, agents, advisers and management), and could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements or any projections and assumptions on which those statements are based.

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