AVADA Group Limited 2026 Annual General Meeting CEO's Address
20 November 2026

CEO transition

Before I speak about the year, I would also like to briefly acknowledge my decision to resign as Chief Executive Officer.

It has been a privilege to lead AVADA through what has been a significant period of transformation for the business.

While the decision to step down was not one I took lightly, my focus remains firmly on the business and supporting Lance, the Board and the Executive Leadership Team through an orderly transition.

I remain very proud of what we have achieved together and, importantly, of the stronger foundations we have established for AVADA's future.

It is worth reflecting that as at June 30 Avada has 1704 active traffic controllers, 1028 vehicles and 22 depots.

Year in review

FY26 was a year of renewal, transformation and growth for AVADA.

When I look back over the year, I believe the most important thing we achieved was not simply the growth in revenue. It was the work undertaken to strengthen the underlying business.

We have strengthened leadership, improved operational and commercial discipline, increased financial visibility and continued to build greater accountability across the organisation.

Those foundations are critical if we are to translate revenue growth into sustainable profitability and shareholder returns.

A strong client base

Safety

Let me start with safety, because in our business there is nothing more important.

FY26 represented AVADA's strongest safety performance to date.

Recordable injuries reduced by 53%, while our Total Recordable Injury Frequency Rate, or TRIFR, improved from 5.65 to 2.53 injuries per million hours worked.

This improvement reflects continued investment in critical risk management, Chain of Responsibility compliance, fatigue management, workforce capability, psychosocial health and our digital HSEQ systems.

We are proud of that progress, but we will not become complacent.

Our focus in FY27 remains on serious injury prevention, the effectiveness of our critical controls and continuous improvement so that every person who works for AVADA goes home safely every day.

Operational performance

Operationally, the business made considerable progress during FY26.

We introduced greater discipline around workforce planning, fleet utilisation, contract management, capital allocation and resource deployment.

We also improved our planning and financial reporting, giving our leadership teams much greater visibility of operating performance and enabling earlier and better decision-making.

These improvements are important because AVADA operates at significant scale.

Today we operate from 22 depots, with 1,028 vehicles and 1,704 active traffic controllers, supporting major public and private infrastructure projects across Queensland, New South Wales, Victoria and New Zealand.

Queensland and New South Wales

The strongest evidence of the opportunity available to AVADA can be seen in our two largest markets.

Queensland generated revenue of $112.3 million, up from $105.5 million in FY25.

New South Wales generated $65.1 million, compared with $34.9 million in FY25, an increase of approximately 87%.

Together, Queensland and New South Wales represented approximately 85% of Group revenue.

That performance reflects stronger workforce management, improved fleet utilisation, proactive business development, new customer wins and successful expansion into new locations.

Importantly, it also demonstrates what our operating model is capable of when we combine a strong market position with disciplined execution.

Victoria

Not all areas performed to our expectations.

Victoria continued to face challenging market conditions during FY26, including intense price competition and the impact of unionised labour on major public infrastructure projects.

Those conditions affected earnings and resulted in the $15 million non-cash impairment recognised during the year.

We have responded with operational, commercial and leadership initiatives aimed at improving performance.

Our position is straightforward:
Revenue growth on its own is not enough**.**

We will continue to focus on the quality of revenue, contract margins, resource productivity and commercial discipline.

New Zealand
New Zealand also operated against a challenging economic backdrop, particularly because of reduced public-sector project activity.
However, there has been progress.

The New Zealand business recorded a loss before tax of $2.4 million in FY26, compared with an $11.8 million loss in FY25, which included $9.7 million of impairments.

The Board considered the strategic alternatives for that business, including sale and closure, and determined that continuing to support the current operations and improvement plans represented the best economic option for shareholders.

We continue to focus there on leadership, depot optimisation and business development.

Transformation
Across the broader Group, the transformation program continues.
Our priorities are increasingly moving from building the foundations to extracting the benefits from those foundations.

Our focus is on:

- improving resource utilisation;
- strengthening commercial and contract management;
- building stronger customer relationships;
- improving operational productivity;
- standardising systems and processes;
- strengthening our leadership capability; and
- converting growth into stronger margins and cash generation.

The strategy outlined in the 2026 Annual Report is centred on sustainable organic growth combined with margin improvement through improved resource utilisation and cost management.

Technology and capability
We are also modernising the systems supporting the company.

During FY26 we implemented Phase 1 of our ERP program, strengthened our digital HSEQ environment and completed a cybersecurity review and audit.

Our digital HSEQ transformation is creating a more consistent source of information across the Group, including greater visibility of safety performance, corrective actions, compliance and emerging risks.

This work is ultimately about building a business that can scale without adding complexity at the same pace.

Our people
Transformation ultimately depends on people.

During the year we continued to invest in leadership capability, succession, employee engagement and accountability.

The introduction of our Leadership Forum has provided a stronger connection between the Board, Executive Leadership Team and senior leaders and has helped create greater alignment around AVADA's strategic priorities.

I want to personally thank our people.

Traffic management can be demanding work. Our employees are out on roads and infrastructure projects every day, often working in difficult weather and operating environments.

Their commitment to safety, our customers and each other is what makes AVADA successful.

Eyes ahead
As we move through FY27, our focus is increasingly on profitable growth.

We are operating in an environment where labour, fuel and other input costs continue to place pressure on margins.

Our response is not simply to pursue more revenue.

We are maintaining greater discipline around pricing, project selection, resource utilisation and cost recovery to ensure the work we take on delivers an appropriate return.

That approach is consistent with the risk management measures described in the 2026 Annual Report, including customer contract terms, annual price-rise mechanisms, fuel surcharges, procurement discipline and active monitoring of project margins.

At the same time, we have strong positions in attractive infrastructure markets.

The infrastructure pipeline, particularly in Queensland in the lead-up to the Brisbane 2032 Olympic and Paralympic Games, provides a substantial long-term opportunity for the business.

But our objective is not simply to become a larger company.
Our objective is to become a better-performing company**.**

That means being more selective about the work we pursue, improving margins, increasing workforce and fleet productivity, converting earnings into cash and maintaining the highest standards of safety and service.
FY26 was about strengthening the platform.

FY27 is about translating that stronger platform into improved profitability and sustainable shareholder value.

We still have work to do, but AVADA enters this next phase with stronger leadership, better systems, improved financial flexibility and a clearer strategic direction.

I would like to thank our employees for their commitment, our customers for placing their trust in AVADA, the Board for its support and challenge, and our shareholders for their continued support.

Thank you.

THIS CEO ADDRESS HAS BEEN APPROVED BY THE BOARD OF AVADA GROUP LIMITED

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