

FY25 Unaudited Results Presentation

29 August 2025



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\$ references in AUD unless noted.

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Today's Presenters



Ben Harrison **Chairman of the Board**

Mr Harrison has 15 years of experience in advising and investing in companies.

Mr. Harrison is a partner and Chief Investment Officer of Altor Capital and is active in the private equity and private credit sectors in Australia.

Mr Harrison currently holds board and advisory roles with several private and public companies. Mr Harrison's extensive investment, financial background and experience provides key leadership to the HighCom Board.



Todd Ashurst **Group Chief Executive Officer**

Todd Ashurst, DSM joined Highcom Group after 32 years of military service where he rose to the rank of Brigadier (One Star General). He had several senior command and executive appointments within the senior leadership group of the Australian Defence Force including on operational service.

Todd is a proven strategic leader with a strength in collaborative stakeholder engagement, change management and systems thinking. He has led multiple complex multi-billion-dollar projects and contracts.

Todd was appointed as Group Chief Operating Officer on 13 February 2024 and as General Manager Technology Division from 1 July 2024.

He was appointed the Group Chief Executive Officer in March 2025.



Martyn Dominy **Group Chief Financial Officer**

Martyn has joined Highcom as the Group Chief Financial Officer overseeing financial custodianship of the Australian and US operations in May 25. As an experienced senior executive, Martyn has successfully worked across multiple infrastructure sectors including defence manufacturing, aviation, rail, shipping and property where he supported Boards and Executive teams through turnaround and growth plans.

During his career he has managed investment portfolios and led capital raisings across both debt and equity. He has assisted infrastructure businesses to refinance major debt portfolios that were used to fund expansion programs of growth asset infrastructure. Martyn is experienced at developing and implementing growth strategies that have successfully increased both EBITDA and enterprise value for shareholders.

Overview FY25 – Unaudited Results



1

Stabilisation

- New Group Executive Team
- Reduced operating costs and overheads
- Moved superseded inventory, converted to cash
- Reduced total inventory from \$17m to \$14m

2

Efficiencies

- Moved the business towards an agile and scalable model
- Processes streamlined
- Improved supply chain planning and product management

3

Turnaround

- XTclave™ recommissioning completed & new product development commenced
- Organisation has undergone successful transformation
- Returned the group to positive EBITDA
- US Armor and Technology positioned for growth

Revenue

\$48.1m

Up By 6% on FY24

Gross Profit

\$11.0m

Down By \$2.4m on FY24

EBITDA

\$0.2m

Up +9.8m on FY24

NPAT/(LOSS)

(\$1.2m)





Up +10.8m on FY24

Cash Balance

\$5.8m

Down By 0.4m on FY24

Key Snapshot for FY25 – State of Play

Issue	Strategy	Progress
Cash management	<ul style="list-style-type: none"> The business continues to actively manage cash and control expenses. 	
Excess Inventory	<ul style="list-style-type: none"> Remained focused on controlling inventory levels and reduce excess and superseded inventory of older product models. This impacted Gross Margins in FY25 but has successfully reduced impaired inventory holdings. Supply chain reform implemented resulting in efficiencies 	
XTClave recommissioned in USA	<ul style="list-style-type: none"> The XTClave was successfully recommissioned and handed over to the US operation in July 2025 	
Full business review and restructure	<ul style="list-style-type: none"> A full business review has been completed and is now in the execution and implementation phase into FY26. Major programs of work include product range reduction and improved sales and marketing efforts, a restructure of sales staff locations to reach broader markets and targeting of multi-channel revenue streams including a revised partner program structured to encourage repeat sales. All these efforts combined with new product delivery in FY26 will increase Gross Margin. 	

Corporate Snapshot



Capital Structure

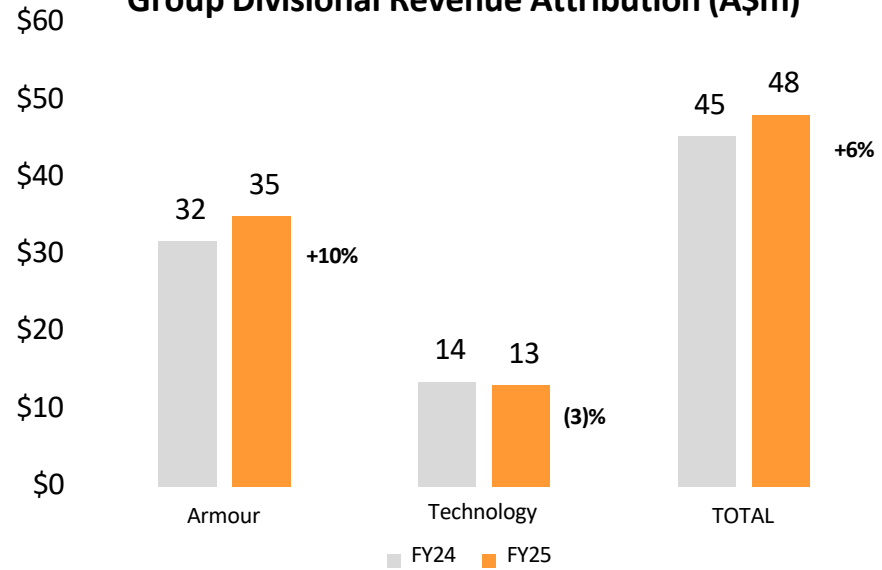
Shares Outstanding	102,682,672
12 Month Share Price Range	0.12 – 0.50
Market Capitalisation (28/8/25)	\$45.1m

Cash & Borrowings

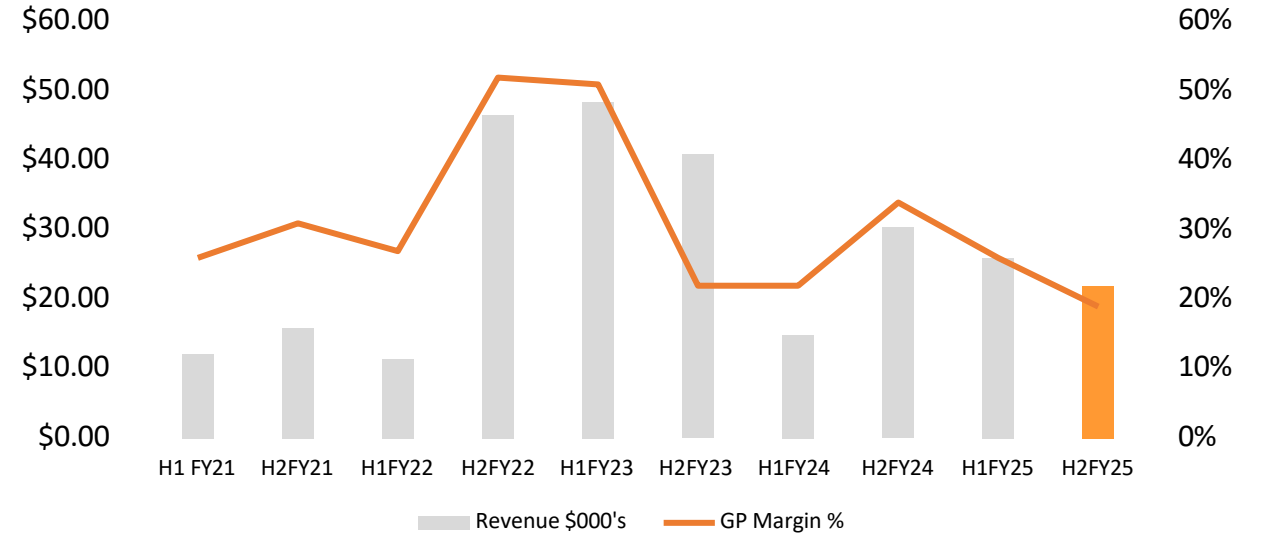
Cash Balance (30 June 2025)	\$5.8m
Borrowings	NIL

FY25 Results – Key Highlights

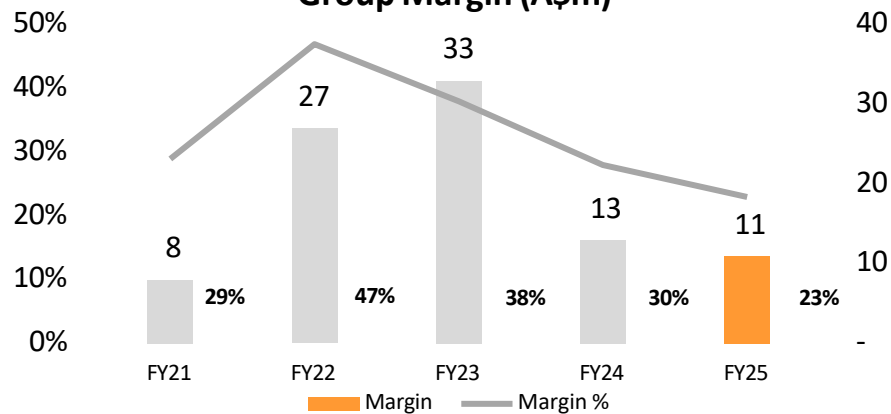
Group Divisional Revenue Attribution (A\$m)



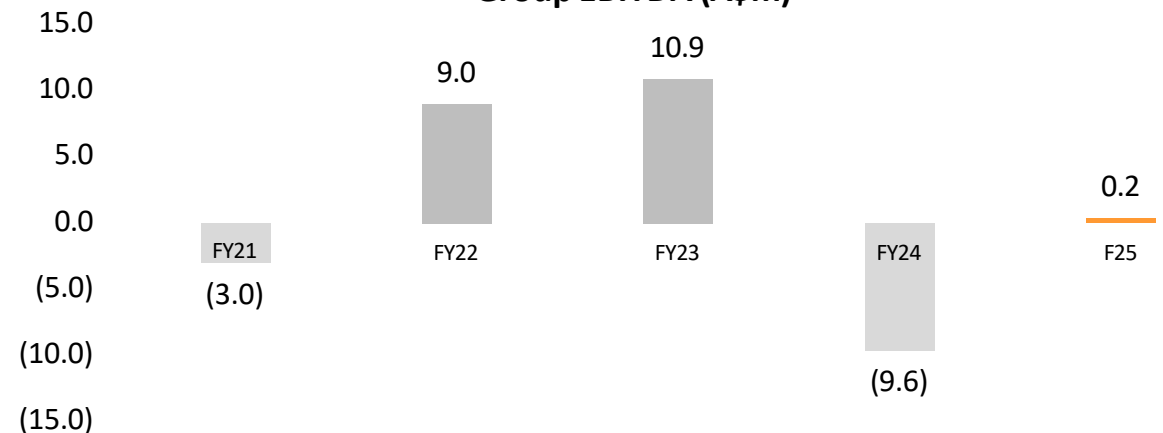
Group Revenue (A\$m) & Gross Margin %



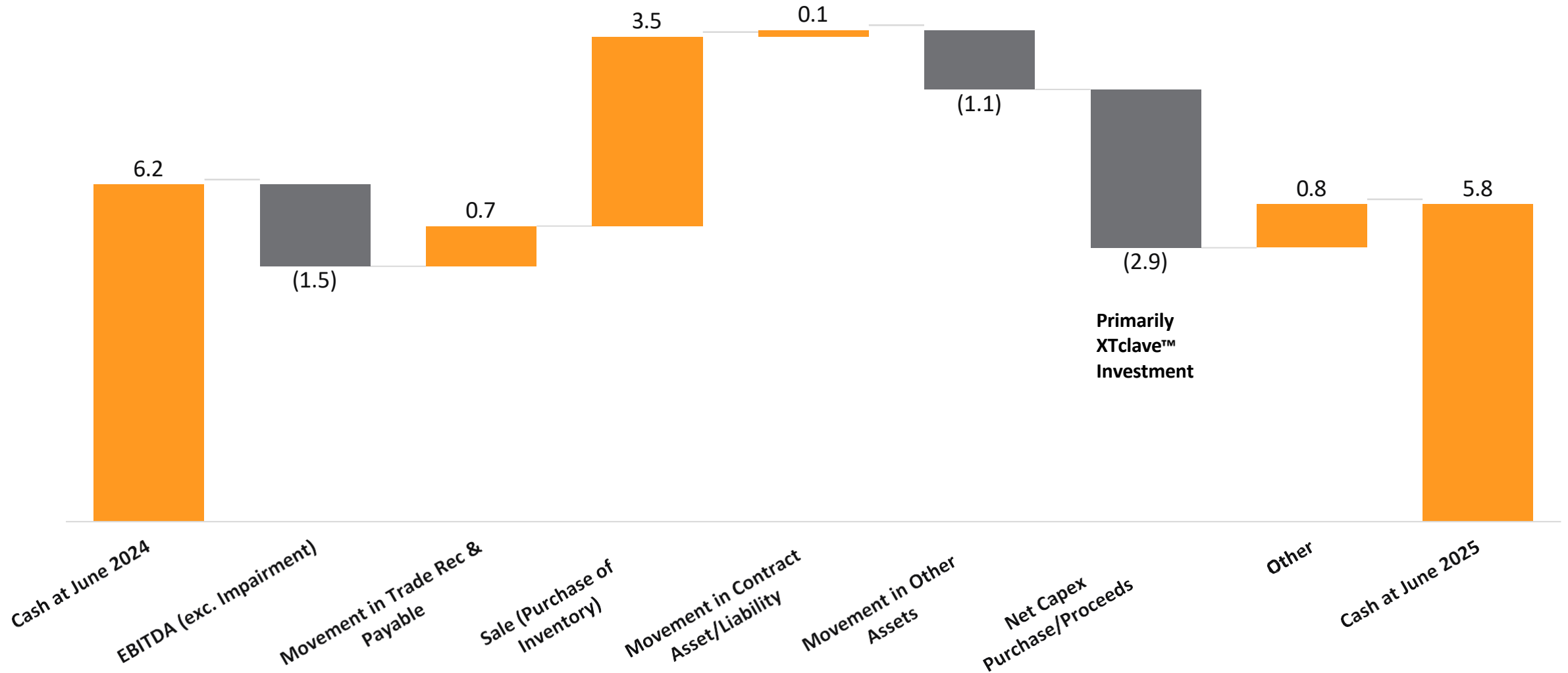
Group Margin (A\$m)



Group EBITDA (A\$m)



Cashflow Waterfall (\$m)



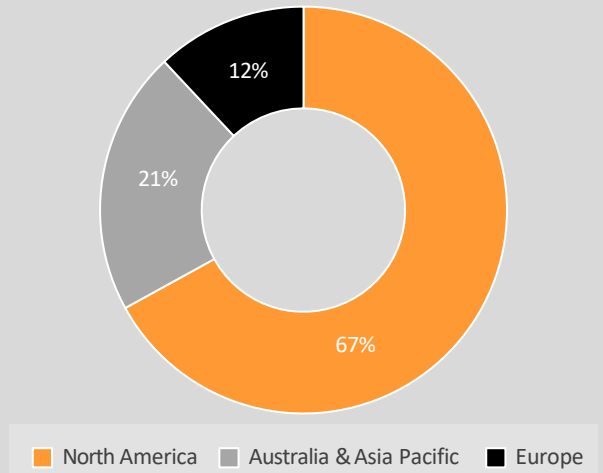
Group Overview

HighCom Technology



- Total Revenue \$13m
 - Product sales during the year \$9m
 - Consulting and support services revenue \$4m
- Gross Profit Margin 28%
- EBITDA Contribution \$3.6m or 27%
- Delivery of the L156 order, resulted in revenue being booked in FY26. Had it been delivered in FY25, revenue would have been \$15m+ with an improved EBITDA.
- FY26 presents the opportunity to further expand business lines into the Australian Government and international agencies

FY25 Revenue by Customer Country

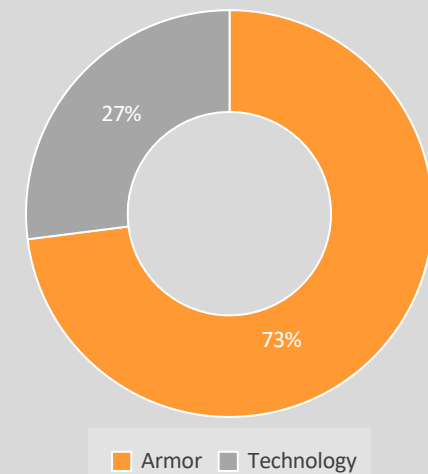


HighCom Armor



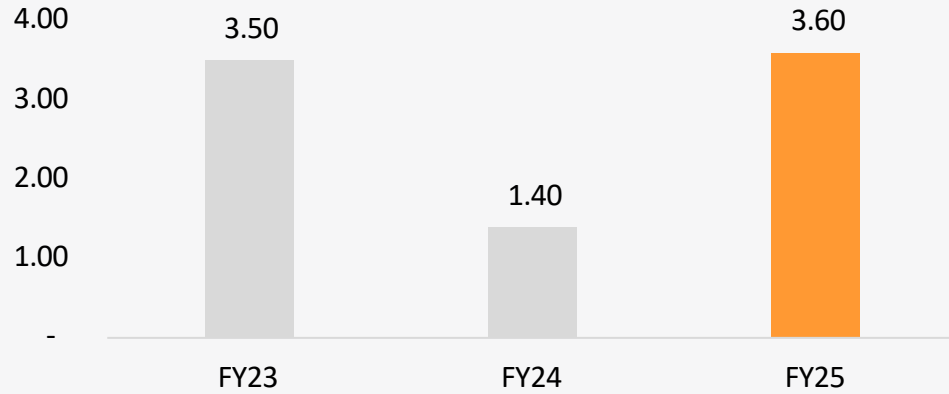
- Product sales during the year \$35m
- Gross Profit Margin 21%
- Written down inventory impacted GP margins by 3%. Excluding impaired inventory sales, Gross Margin would have been 24% and EBITDA \$1.7m
- EBITDA Contribution \$1.3m or 4%
- FY26 presents the opportunity to increase sales through the expansion of XTClave™ producing higher margins products

FY25 Revenue by Segment

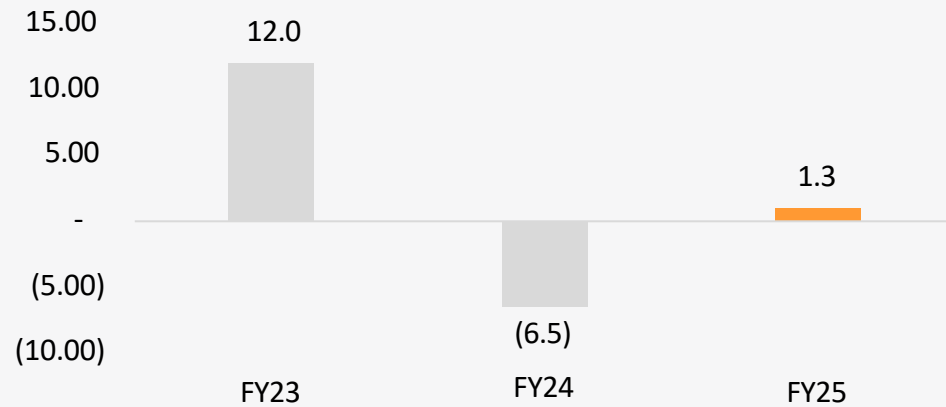


FY25 EBITDA Breakdown

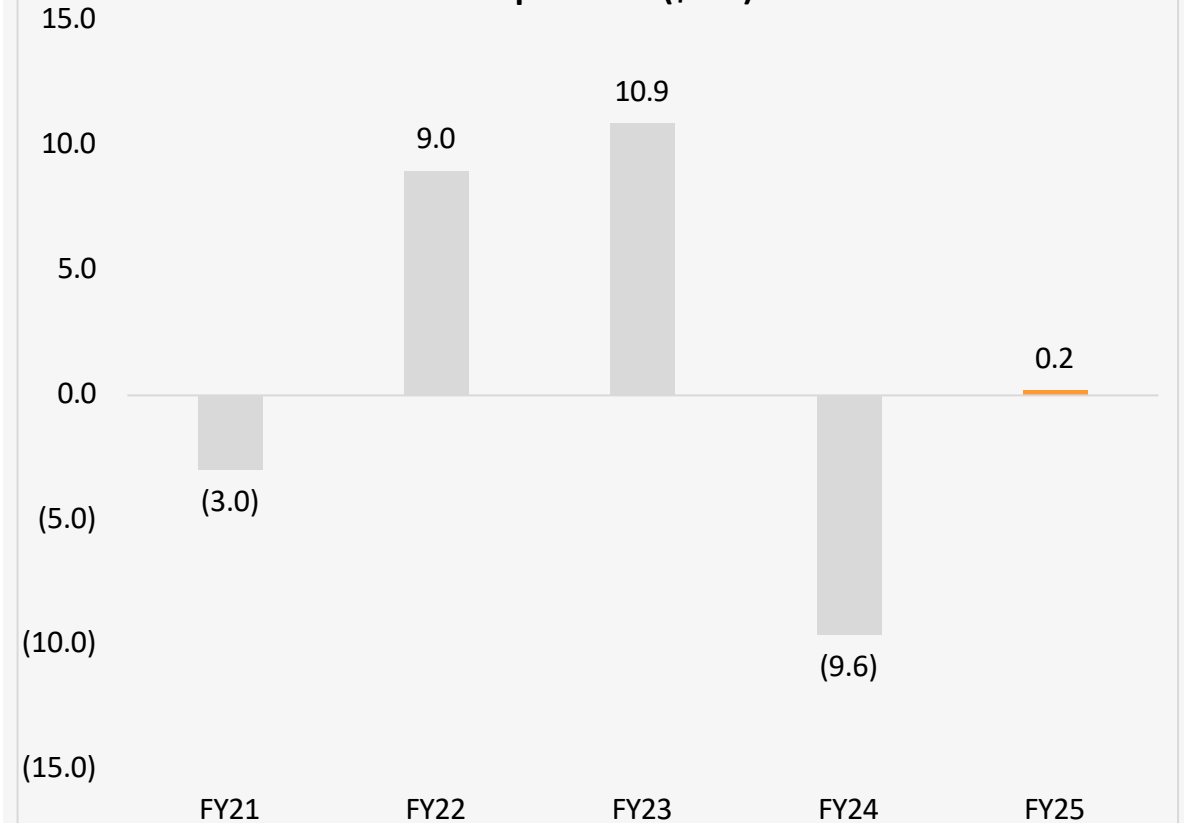
Technology EBITDA (\$Am)



Armor EBITDA (\$Am)



Group EBITDA (\$Am)



HighCom Armor- Overview

- Designs, manufactures, and supplies advanced ballistic personal protection: Body Armor, Helmets, Shields and Armor Panels & Platform Structures.

Key Customers:

Global militaries



National Security



US Law Enforcement



First Responders



Locations:



Global Manufacturing,
R&D, US Sales &
Distribution Centre –
Columbus, OH, USA



International Sales –
Canberra, ACT, Australia

- FY25 sales \$35m with EBITDA of \$1.3m
- Restructured sales team to support sales channel diversification across five key regions of the USA
- Sales & Marketing focus on moving the last remaining superseded or previously impaired stock. Impacting margins.
- Government business development team remain fully engaged with US and international militaries and US federal law enforcement who are keenly anticipating XTclave™ products.
- US industry wide short-term impact resulting from the new US Administration slowdown in Government spending

HighCom Armor - XTclave™ Update

- The XTclave™ was successfully handed over to the US team in preparation for production of the next generation of armour products by HighCom.
- The Xtclave™ is operational and remains under engineering control whilst new products are developed and certified. These products are new to the market and will be some of the lightest, thinnest and strongest available.
- The XTclave™ is producing small batch runs, with full scale production planning underway.



Handover of XTclave™ Recommissioning in Columbus (19 July 2025)

FY25 Transformation Initiatives

1

Production Optimisation

- Enhanced supply chain planning optimising raw material purchases.
- Tariff impact marginal, costs will be passed to customers
- Improved delivery timelines (bulk and quick-ship options)

2

Product Refresh

- Reduce current product range, minimize bespoke offerings, prepare for new XTclave™ products.
- Plan a three-tier product portfolio – same protection levels but different price points based on raw materials used, production method, weight and thickness (Icon, Enhanced, Superior Ranges).
- Sold superseded in-stock models through discounting, to convert inventory into cash.

3

Sales Diversification

- Sales channel diversification planning to pursue future Government tenders
- Establishment of a partner B2B portal
- New website delivered to grow B2C sales with future option for civilian sales.

4

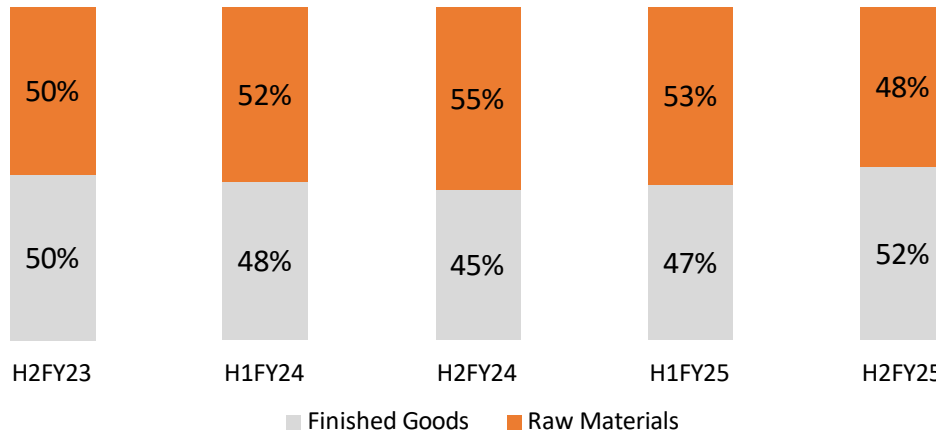
XTClave™

- Research and Development established in the US factory
- Ten new products under development, that will be market leading, lighter and stronger
- Commenced work with the US Department of Defense on next generation armour, utilising XTclave™ technology

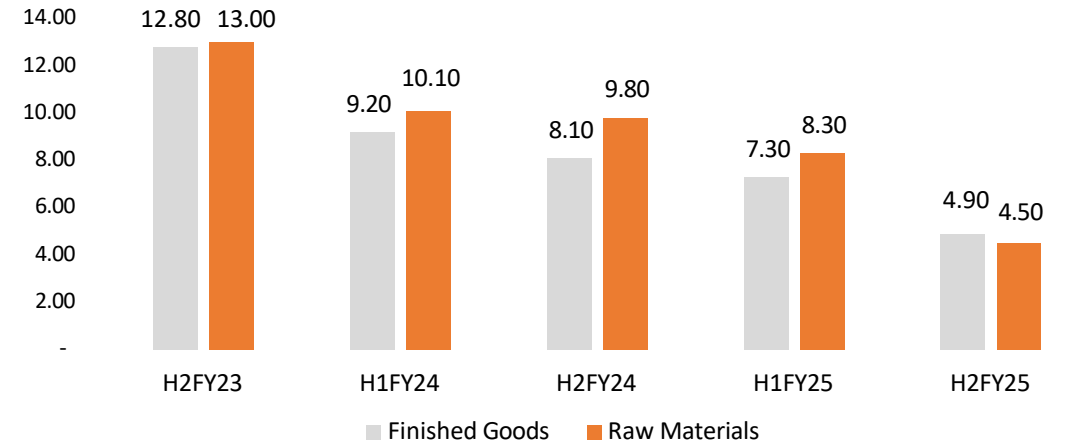
Highcom Armour: Inventory Management



Highcom Armour
Finished Goods & Raw Materials (%)



Highcom Armour Finished Goods & Raw Materials
(USD\$M)



- The company remains focused on its supply chain and inventory management, utilising working capital efficiently.
- During FY25 targeted sales and marketing campaigns moved superseded stock. Pricing was set at a level which has resulted in converting inventory to cash, noting the overall Gross Margin was impacted.
- Product review has reduced previous model range and raw material. This has made space for the ten new products under development (including new raw material to be stocked) that will be manufactured in the XTclave™.

- Co-located with Corporate Headquarters in Canberra, ACT, Australia.
- Focused on manufacturing and supplying Australian Department of Defence and Security Agencies with world-leading products:



Systems – Small and Medium UAS solutions and sensor payloads



Solutions – CUAS detectors and effectors



Support - System Integration, Logistics, Training & Service Support

- During FY25, the HighCom Technology business successfully delivered a variety of engineering, maintenance and logistic support services under existing contracts awarded by the Commonwealth of Australia's (CoA) Department of Defence, for Small Unmanned Aerial Systems (SUAS).
- At the end of the reporting period, the Technology business had delivered AUD\$13m in product and services revenue, with EBITDA contribution of AUD\$2.7m or 21%
- In November 2024, AeroVironment expanded HighCom's Exclusive Reseller Agreement to include Medium UAS (MUAS) systems. This has broadened the product range capability offerings to customers.
- Highcom Technology business development continues to concentrate on sales and services to existing customers as well as identifying new opportunities related to adjacent technologies.



HighCom Technology – L156

- In May 2025, HighCom Technology was awarded a significant contract under Defence Project L156 to provide Counter-Unmanned Aerial Systems (CUAS).
- The Australian Defence Force committed a total contract value of \$16.9m distributed across 11 vendors, including HighCom Technology (\$2.6 m) and four other Australian companies.
- Defence is seeking to test and evaluate a range of market offerings in counter-drone equipment for the ADF. These systems are designed for portable drone detection and defeat, helping personnel identify and neutralize unmanned aerial threats in operational environments.
- High Com Technology's CUAS solution for dismounted troops is combat proven and provides real-time threat detection and engagement. These products were delivered in Q1 FY26 and will be part of Defence trials in Q2 FY26.



Maintain Strategy



REINFORCE SUCCESS

Continue to invest in the areas of our business that have been successful.



SEEK ADJACENCIES

Opportunities that extend our reach and can draw on our experiences and expertise.




CREATE OUR FUTURE

Invest in organic expansion opportunities to create new products and service offerings for sustained future growth and profitability.

FY26 Outlook

- There is increasing commitment by countries to increase defence expenditure (e.g. UK recently committed to move to 2.5% by 2027, and 3% by next Parliament).
- The rising frequency of civil unrest and domestic disturbances is expected to prompt law enforcement agencies to increase expenditure in their capabilities. Urban security concerns, especially in high-crime or politically unstable regions, are also fueling demand from private security and civilian markets.
- There remains an increasing focus on autonomous solutions that provide asymmetric advantages, including uncrewed systems, and integrated payloads for surveillance, electronic warfare and communications.


- HighCom has demonstrated financial recovery in FY25, returning to profitability, driven by increased sales, cost controls and reductions, with inventory management initiatives.
- Highcom Armor cost base has been stabilised to support future growth without adding additional costs.
- New XTclave product range will achieve higher margins improving gross profits in FY26
- Highcom Technology business will continue to return strong EBITDA performance
- While some short-term challenges remain in Q1 FY26 awaiting current US Administration funding release, long term thematic for defence and security remains very positive
- Board and management team continue to focus on driving sales growth, new product development, factory optimisation and full capacity commercialisation of the XTClave™.

Three tactical helmets in a desert tan color are arranged in a row on top of a black, ruggedized equipment case. Each helmet is equipped with a gold-colored mounting bracket and a communication system. The background is dark and out of focus.

Q&A

FY25 Results Presentation

29 August 2025

Three tactical helmets in a desert tan color with black and gold-colored mounting brackets are arranged in a row on top of a black, textured tactical equipment case. The helmets are shown from a side-rear perspective, highlighting the mounting hardware. The background is a dark, solid color.

APPENDIX

FY25 Results Presentation
29 August 2025

Summary Income Statement

Key Financial Highlights

Summary Income Statement (A\$m)	FY23	FY24	FY25
Revenue	89.4	45.3	48.1
COS	(55.7)	(31.9)	(37.1)
Gross Profit	33.7	13.4	11.0
<i>Gross Margin</i>	<i>38%</i>	<i>30%</i>	<i>23%</i>
EBITDA	10.9	(9.6)	0.2
Net Profit/(Loss)	6.1	(12.0)	(1.2)

Summary Financial Position



Key Financial Highlights

Summary Financial Position (A\$m)

FY24

FY25

Current Assets

28.3

25.9

Non-Current Assets

11.4

14.5

Total Assets

39.7

40.4

Current Liabilities

8.6

9.5

Non-Current Liabilities

0.2

1.2

Total Liabilities

9.9

10.7

Total Net Assets/(Liabilities)

30.8

29.8

Equity

30.8

29.8