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ipd group 

ANNUAL REPORT

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ACKNOWLEDGEMENT OF COUNTRY

IPD Group acknowledges that we operate on the traditional lands of First Nations Peoples. We are committed to recognising the rights and culture of Traditional Owners, building community relationships, advancing reconciliation, and paying respects to Elders past and present.

DISCLAIMER

This report contains forward-looking statements based on current expectations, assumptions and information available to IPD Group at the date of publication. These statements involve inherent risks and uncertainties, many outside our control, and actual outcomes may differ materially. Readers are cautioned not to place undue reliance on these statements, which should be read in conjunction with the risk factors and assumptions outlined in this report.

An aerial night photograph of a city, likely London, showing the River Thames and surrounding urban areas. The city lights are visible, and a large plume of white smoke or steam rises from an industrial or port area in the center. The sky is dark blue.

IPD Group is capitalising on infrastructure megatrends in electrification, decarbonisation and digitalisation, delivering sustained growth and shareholder value.

FY25 Highlights

REVENUE

\$354.7m

EBITDA

\$46.4m

EBIT

\$39.2m

TOTAL DIVIDENDS

12.6c

The background of the entire page is a photograph of an industrial facility, likely a refinery or chemical plant, silhouetted against a vibrant orange and red sunset sky. The complex structure of pipes, towers, and scaffolding is visible, with some lights reflecting on the surfaces.

Executing on Data Centre Strategy

Progressing key projects as demand accelerates across the sector

Strong Financial Discipline

Improved cash position with \$20.0m CMI loan repayment, underpinning EPS growth

Record Growth in Hazardous Areas

Strategic wins in Oil & Gas and Grain sectors with two hyper users

Renewed ABB Agreement

Maintained leading distributor position across ABB's Asia Pacific region

Operational Synergies

New colocation sites in Melbourne and Brisbane to drive sales and cost efficiencies

Plug and Receptacle Export Rebound

Minto product line revenue and profit exceeding historical benchmarks

Chair's Letter



Dear Shareholders,

On behalf of the IPD Group Board, it is my pleasure to provide our Annual Report for the financial year ending 30 June 2025 (FY25). FY25 has been another year of earnings growth, operational discipline, and strategic execution for the business. Against a backdrop of continued economic uncertainty in some target market sectors, IPD remained focused on delivering value for customers as a trusted electrical solutions partner.

As a result of these efforts the Group reported statutory Revenue growth of 22.1% and Net Profit After Tax growth of 17.0% over the FY24 prior comparative period.

Performance and Shareholder Returns

IPD's strong cashflow conversion performance at 113.6% was another highlight for the financial year. This result allowed the repayment of \$20 million of a \$40 million bank loan facility related to the acquisition of CMI Operations in FY24, and delivered a year-end Net Cash position of \$9.8 million.

This leaves the Group once again in a very strong financial position, providing investment and capital management flexibility.

Further to these positive financial results, the Board approved total dividend payments to shareholders of 12.6 cents per share (fully franked) for FY25. This equates to shareholder dividends of \$13.1 million and a payout ratio of 50% of NPAT, in line with the Group's dividend policy range of 40–60%. The total dividend of 12.6 cents per share was a 16.7% increase over FY24.

Strategy and Capital Management

From a strategy standpoint, the Board participated in several full day sessions with the IPD leadership team to further develop and refine the Group's strategic plan. The Board is confident that this updated plan will enable all Group businesses to benefit from Australia's accelerating investment in electrification, decarbonisation and industrial automation.

Strategic priorities executed during FY25 included the full integration of CMI Operations into the Group, the continuing extension & diversification of our supply chain, and the opening of new product showrooms and training & office facilities in Brisbane and Melbourne, which will also support the expansion of our hazardous equipment solutions business EX Engineering to the East Coast. The Board is confident that the correct strategy is in place for management, and the broader Group, to execute against the significant growth opportunities seen across a range of our end-markets.

Given the ongoing strength of the Group's balance sheet, capital management remains a key focus area for the Board. This includes prudent evaluation of merger & acquisition opportunities that provide accretive earnings growth and add strategically to the Group.



DIVIDEND

12.6c

UP BY

16.7%

NET CASH

\$9.8m

(FROM \$8.8M
NET DEBT FY24)

Governance and Leadership

With respect to governance, the Board placed particular emphasis across the financial year on succession planning for key roles, AI-related risks and opportunities, cyber security robustness, mandatory climate reporting, and operating/overhead expense management. The Board also undertook Workplace Health & Safety observation walk-throughs in the Group's Sydney and Melbourne premises.

IPD has been well led again across FY25 courtesy of the skills, experience, drive, and continuity of its top-level trio of leaders, CEO Michael Sainsbury, CFO Jason Boschetti, and Director of Strategic Development Mohamed Yoosuff. I remain very confident that this high performing team will continue to optimise shareholder value over the short and long term, whilst ensuring that IPD remains an upstanding corporate citizen in the eyes of all stakeholders. The Board also remains highly confident that the broader senior management team in place across the Group, and in each of the business units, will continue to execute against IPD's strategic priorities in the year ahead.

Outlook

IPD enters FY26 in a position of strength. Demand for integrated electrical solutions continues to grow, driven by infrastructure upgrades, data centre expansion, and decarbonisation objectives across the economy. While the broader commercial construction sector has been weak recently, the Group remains well prepared to support our customers in that space as conditions improve.

Importantly, IPD is a well-diversified business that can move nimbly to capture opportunities as they arise. We continue to integrate and expand previously acquired businesses, with synergies and better ways of operating being realised daily. We are positive the Group's strategic direction is sound and remain focused on innovation, disciplined execution, and shareholder returns.

Closing Remarks

To close, I would like to thank my fellow directors, Michael Sainsbury, Mohamed Yoosuff, and Andrew Moffat, for their considerable input and guidance across the financial year. FY25 was the third full financial year since IPD Group listed in December 2021, and in that time significant value has been generated for our employees, suppliers, customers, and shareholders.

Thank you to all IPD staff and our supply chain partners for sharing your efforts and expertise. I look forward to hosting our Annual General Meeting on 25th November 2025, where we will provide shareholders with an update on trading performance.

Thank you for your continued support and belief in IPD's future.



David Rafter
Chair

CEO Letter



Dear Shareholders,

It is my pleasure to present this update on IPD Group's performance for the 2025 financial year.

FY25 was a year of strong execution and strategic progress. Despite a challenging macroeconomic backdrop, including persistent inflation and elevated interest rates throughout most of the period, our team delivered strong results and have positioned the Group for continued growth.

Our operating model continues to benefit from long-term structural tailwinds, in particular the electrification and decarbonisation of the economy. Our product and service offering continues to evolve in line with customer needs, and our strong balance sheet ensures we are well placed to capture opportunities across a wide range of industries as they arise.

We remained focused on delivering long-term shareholder returns by executing against our strategic priorities, which include expanding the core IPD business, scaling Addelec nationally, further growing EX Engineering and CMI Operations, and consistently enhancing operational efficiency across the Group.

Financial Highlights

FY25 results reflect continued momentum across the Group, with performance supported by disciplined execution and strategic investment.

Our revenue rose 22.1% vs the pcip to \$354.7 million on continued growth in the core IPD business (+5.2% on the pcip), CMI's Minto Plugs (+6.4% on the pro-forma pcip), and EX Engineering (+5.2% on the pro-forma pcip). While commercial construction headwinds affected CMI's Cables business (-10.2% on the pro-forma pcip) and project delays were observed at Addelec (-12.8% on the pcip), these issues are expected to abate moving through FY26. Revenues in the data centre space, a key growth area for the company, increased 33% vs the pcip.

Gross profit of \$121.2 million (+12.4% vs the pcip) reflects downward pressure on gross profit margins as the order book transitions from daily trade to larger and more complex and competitive orders. Pleasingly, operating expenses as a percentage of revenue improved to 21.4% (vs 24.0% in the pcip) on successful completion of additional investment in the operating cost base, which leaves us well placed to efficiently service future growth.

Our EBITDA of \$46.4 million (+19.3% vs the pcip) was at the top end of

guidance provided in May 2025.

The decline in EBITDA relative to pro-forma FY24 was driven by the factors described above, and we are confident in our ability to capitalise on emerging opportunities driven by the transition to renewable energy, increasing demand from data centres, the expansion of electrical infrastructure to support EV chargers and public transport electrification, and a supportive legislative environment.

Cash flow conversion (before interest and tax outflows) was 113.6% for the period, allowing for the repayment of \$20 million of core debt. This saw the Group finish FY25 in a net cash position of \$9.8 million (vs \$8.8 million of net Debt in the pcip) while also declaring dividends of 12.6 cents per share (vs 10.8 cents per share in the pcip).

Strategic Investments and Operational Execution

The core of our business, providing electrical products and services to our long-term customers, continues to grow strongly despite challenging market conditions. As a market leader across power distribution, industrial and motor control, and automation, IPD remains a key trusted partner for businesses across a wide range of industries.

REVENUE

\$354.7m

UP BY

22.1%

EBITDA

\$46.4m

UP BY

19.3%

Our data centre revenue rose 33% vs the pcg during FY25 as we continued to execute against the significant opportunity in this space. This has been achieved across a combination of existing projects and new opportunities as our Data Centre Team continue to expand their product partnerships.

We signed a new four-year agreement with major supplier ABB during FY25. This further extends a 30+ year partnership that has resulted in IPD becoming a leading global distributor of ABB's products.

During the year we opened two new facilities, in Melbourne and Brisbane, which bring the IPD Group businesses together in centralised locations. This supports our national growth strategy and allows us to better support our customers and suppliers.

Our Strategic Advantage – the Connected Group

The acquisition and subsequent integration of the CMI Electrical business have significantly enhanced IPD Group's 'Connected Group' approach, which aims to support our customers through every stage of the electrical value chain. We do this through a range of activities that are complementary to the product sets of each business, including design and

planning, procurement and installation, testing and validation, and operation and maintenance. This model results in a positive "flywheel" effect on our broader business outcomes.

IPD Group's core strategic advantage is built around having a strong customer-centric focus, which has three key pillars:

Deep OEM Partnerships – Multiple, long-term trusted relationships with global leaders including ABB and Emerson. The quality of these partnerships results in long-term pricing stability and supply chain confidence, along with access to co-developed solutions and hard-to-replicate integration.

Multi-Brand Strategy – A multi-brand approach reduces supply risk, improves lead time flexibility, and allows us to tailor solutions for individual customer applications.


High-Touch Technical Model – Our ability to provide design specification, technical, and engineering/compliance advice via highly-trained staff in both Australia and Sri Lanka provides our customers with a clear, quality touchpoint when dealing with mission-critical issues. We also maintain after-sales service throughout project lifecycles.

This approach allows IPD Group to actively support our customers as they shift towards smart energy and digitalisation for their operations.

Outlook

IPD Group remains well positioned to capitalise on multi-year megatrends in electrification, energy efficiency, and digital infrastructure. Our diversified portfolio, strong customer relationships, and disciplined capital management provide a solid foundation for sustainable growth.

I would like to express my sincere gratitude to our customers, employees, suppliers, and shareholders. We look forward to continuing our journey together in the years ahead.



Michael Sainsbury
CEO

What Drives Us

IPD Group unites Addelec, CMI Electrical, Ex Engineering and IPD to deliver complete electrical solutions that enable safer, more sustainable and energy-efficient operations. With over 600 skilled team members, we help shape and support resilient electrical infrastructure that underpins Australia's energy transition and delivers long-term value for customers, communities and stakeholders.

Our Strengths

Trusted Brands

Extensive product portfolio featuring some of the world's most recognised and valued brands.

Industry Scale

One of the largest electrical product distribution networks for commercial and industrial sectors.

Expert Solutions

Deep technical expertise to deliver reliable, compliant electrical solutions with confidence.

Custom Solutions

Flexible, tailored project delivery through our in house manufacturing and engineering capabilities.

Commitment to Safety & Compliance

A legacy of regulated market expertise, delivering safe and industry leading solutions.



Our Purpose

To help build a future where sustainable electrical infrastructure creates a better life for all.

Our Mission

To enhance every aspect of infrastructure through energy efficiency, automation, and secure connectivity, while prioritising the safety and wellbeing of people.

Four Pillars. One Strategy.

Our four strategic pillars define how we turn strategy into results. They focus our resources on the areas that matter most, driving profitable growth, improving efficiency, building long term resilience, and strengthening the talent and partnerships that give us a competitive edge.



Business Growth

- Focused on customer value, market expansion, and accelerated growth.
- Leveraging strong brands and technical expertise to deliver tailored solutions and enter new markets.
- Targeted acquisitions and expansion to strengthen earnings and market share.



Operational Efficiency

- Building scalable, streamlined operations that leverage shared services and synergies.
- Driving cost efficiency and industry reach through standardisation and adoption of emerging technologies.
- Optimising logistics, procurement, and manufacturing processes to support profitable growth.





Sustainability

- Embedding responsible environmental and social practices across the business.
- Reducing reliance on grid energy, transitioning to an electric/hybrid fleet, and improving materials circularity.
- Partnering with industry and communities on initiatives that deliver long-term social benefit.



Our People

- Building a strong, engaged, and diverse workforce aligned to our strategic priorities.
- Focusing on employee wellbeing, safety, and development to enhance performance.
- Attracting and retaining top talent to support expansion and innovation.







Positioned for Growth, Aligned to Global Megatrends

IPD Group aligns its capabilities and strategy with the macro trends shaping industry, infrastructure, and energy markets. We are well positioned to capture long-term growth opportunities while supporting our customers in the transition to safer, smarter, and more sustainable operations.



Complementary Capabilities, Shared Strength

-  **Complete Project Lifecycle Support** – from product supply, design, commissioning, and maintenance.
-  **Sustainability & Future-Focused Solutions** – net zero, electrification, energy efficiency.
-  **Specialist Technical Expertise** – hazardous areas, EV charging, high-voltage, manufacturing.
-  **National Reach & Local Capability** – sales, customer service, and engineering across 13+ locations.



Business Review



High Voltage, EV Charging & Calibration Specialists

Addelec Power Services delivers turnkey electrical infrastructure solutions nationwide, specialising in high-voltage power systems and electric vehicle charging. Our capabilities cover consultation, design, procurement, installation, commissioning, and maintenance, backed by a skilled team of project managers, engineers, and safety specialists.

We also provide specialist services including NATA-accredited calibration, variable speed drive repairs, and authorised servicing for global OEMs such as ABB and Tritium. With technical expertise, national reach, and strong OEM partnerships, Addelec helps customers modernise assets, accelerate electrification, and reduce costs, while strengthening IPD Group's ability to deliver integrated solutions to critical infrastructure sectors.

10 EV Charging Sites

Part of NRMA's national rollout.

\$4M+ Annual Contracts

WSU and Powercor CitiPower agreements.

100% EV Bus Depots

Malaga and Bayswater conversions.



Initiatives & Highlights

- Expanded operations into Queensland, strengthening Addelec's national presence and access to growth markets.
- Achieved ABB Authorised Value Partner status for Motion Services and Electric Vehicle Charging Solutions.
- Integrated Gemtek and IPD Services into Addelec, consolidating EV and service capabilities under one business.
- Implemented a Technician Utilisation strategy, improving workforce efficiency and project delivery performance.
- Secured a turnkey services contract with Sydney Airport, positioning Addelec as a key partner in airport electrical infrastructure projects.

Major Projects

- Public Transport Authority (WA) – Delivered design and construction for the Malaga and Bayswater bus depot upgrades, converting depots to 100% EV operations. Our solutions maximised charging capacity while reducing costs, helping the Public Transport Authority of Western Australia cut emissions and lower long-term fleet operating costs.
- NRMA National EV Charging Rollout – Completed 10 new EV charging sites, providing full electrical infrastructure, battery-integrated chargers, and in-house civil and electrical works, including complex rural and coastal locations.
- Western Sydney University & Powercor CitiPower – Secured multi-year service contracts valued at \$1M and \$3M annually, covering high-voltage asset maintenance for WSU and calibration and testing services for Powercor.

Business Review



Electrical Cable & Coupler Experts for Industry

CMI Electrical is a leading Australian manufacturer and distributor, producing heavy-duty industrial plugs and hazardous area receptacles for industrial, mining, and infrastructure applications. Our Minto plugs and sockets, made at our Lidcombe, NSW facility, are built for harsh environments and trusted in Australia and international markets.

We also distribute market-leading electrical cable brands across Australia, supplying all industry sectors. With over 30 years of experience, a national warehouse network, and technical support, CMI Electrical complements IPD Group's portfolio and supports critical infrastructure in Australia, Southeast Asia, and Oceania.

Minto MkII Plug Series

New stainless-steel 300A and 425A models added.

International Mining Supply

Oyu Tolgoi contract renewed plus new PNG projects.

Melbourne Operations

Noble Park consolidation into IPD Group facility.





Initiatives & Highlights

- Optimised Melbourne operations through integration into the IPD Group Noble Park facility, with new racking systems improving cable storage efficiency, safety, and workflow.
- Invested in laser engraving technology, significantly reducing label marking time and enabling durable stainless-steel labelling for improved product traceability and compliance.
- Launched the Minto MkII plug series, including stainless-steel 300A and 425A restrained plugs, Dummy Plugs, PCI Plugs, and Multipurpose plugs, expanding our premium connector portfolio.
- Implemented a new transport provider, improving delivery flexibility and efficiency while achieving cost savings.
- Enhanced online presence with the launch of a new website, providing improved access to technical product information and strengthening customer support and engagement.

Major Projects

- Large Processing Facility (Tamworth) – Supplied mains and submains cable for a major regional industrial project, supporting reliable power distribution in a challenging location.
- Woodford Youth Detention Centre (QLD) – Delivered long-length submains cable to enable critical facility upgrades, ensuring continuous and safe electrical operation.
- Oyu Tolgoi Copper Mine (Mongolia) – Renewed a three-year supply contract (with a two-year extension option) for Minto low-voltage plugs and receptacles, maintaining a longstanding relationship since 2017 and reinforcing CMI's role in major international mining projects.
- Papua New Guinea Mining Projects – Provided 60A and 150A Minto plugs and receptacles to multiple copper and gold mine sites via our local partner, expanding our international footprint in the mining sector.

Business Review



Specialists in Hazardous Area Electrical Solutions

EX Engineering specialises in hazardous area electrical equipment for industries where safety and reliability are critical, including oil and gas, LNG, manufacturing, and agriculture. We supply, design, modify, and repair EX-rated equipment through an IECEx-certified workshop for local assembly, customisation, and repairs across Ex t, Ex d, Ex e, and Ex n protection types.

As Australia's authorised distributor for R. STAHL, a global leader in explosion-protected electrical products, we hold the largest STAHL stock in the Asia Pacific, helping customers maintain safe operations and minimise downtime in high-risk environments.

25% Inventory Reduction

Stock optimisation improved availability of high-demand products.

Long-Term Supply Contracts Extended

Major LNG company agreement expanded, reinforcing trusted partnership.

DEXEN Enclosure Success

Delivered a scalable custom Remote I/O solution for a major bulk handling company, supporting automation and future system expansion.





Initiatives & Highlights

- Reputation as a trusted niche supplier continues to grow, with more companies turning to EX Engineering for specialist hazardous area solutions.
- Inquiries and revenue are rising year on year, reflecting both market confidence and the company's strengthened sales pipeline.
- DEXEN custom enclosures are gaining momentum, with several previously specialised applications now developed as standard products, creating new market opportunities.
- Focused stock optimisation reduced overall inventory by 25%, while increasing availability of high-demand products to better meet customer needs and improve operational efficiency.

Major Projects

- LNG Company – Extension and expansion of our existing supply contract, reinforcing EX Engineering's role as a trusted long-term partner.
- Bulk Handling Company – Extensive supply of hazardous area equipment to support major network expansion and refurbishment projects.
- LNG Company – Delivery of critical repair services to support the company's significant expansion activities.
- Bulk Handling Company – Successful DEXEN remote I/O project, demonstrating the capability and scalability of our custom enclosure solutions.
- Hydrogen Project – Completion of custom enclosure unit verification and certification for a highly specialised project, highlighting our expertise in emerging energy applications.

Business Review



Power, Motor Control & Automation Solutions

IPD is a leading Australian provider of electrical products and solutions across power distribution, motor control, automation, and energy efficiency. Our capabilities include transactional products, integrated systems, and engineered solutions, supported by a national network of warehouses, technical specialists, and project delivery teams.

We partner with global technology leaders such as ABB, Emerson, Delta, Elsteel, and Belden to service wholesalers, contractors, switchboard builders, OEMs, and system integrators. Combining local agility with global expertise, IPD helps customers improve efficiency, safety, and sustainability across data centres, renewables, utilities, manufacturing and infrastructure projects.

\$1.6M Energy Infrastructure Contract

Industrial communications for a major national project.

Amazon Data Centre Supply

Ongoing delivery of power distribution and busway systems.

160A Distribution Board Launch

New product expands wholesale and project channel sales.



Initiatives and Highlights

- Launched 160A distribution board and ABB electrical metering offers, strengthening sales in the wholesale and project channels.
- Expanded Strategic Solutions Team to drive growth in UPS, motors, and demand creation through consultant engagement.
- Strengthened customer service capability across Australia, Sri Lanka, and Manila, improving efficiency and supporting growth.
- Improved supply chain optimisation, leveraging automation (VLM) and strategic partnerships.
- Achieved strong growth in core motor control, automation, and industrial communications categories.

Major Projects

- Amazon Sydney Data Centres – Ongoing supply of power distribution centres and busway systems, supporting Amazon's expanding data centre infrastructure and reinforcing IPD's presence in this high-growth market.
- Mirvac Harbourside Redevelopment (Sydney) – Designed and supplied power distribution and control systems through Trivantage, enabling a major commercial redevelopment project.
- 101 Collins Street Modernisation (Melbourne) – Delivered advanced motor control systems to upgrade AG Coombs' air handling operations, improving energy efficiency and operational reliability.
- Major Energy Infrastructure Project (under NDA) – Secured a \$1.6M industrial communications contract, strengthening IPD's role in critical national energy infrastructure.
- Bulli & Fraser Coast Council Projects (Regional NSW & QLD) – Awarded \$750K in industrial communications projects, expanding IPD's regional and municipal market footprint.

People & Culture

At IPD Group, our people are at the centre of our success. We are committed to building a diverse, skilled, and engaged workforce that drives business performance and supports sustainable growth.

Through training, internal career development, and a strong focus on safety and wellbeing, we continue to foster a high-performance culture that underpins our broader strategic goals.

Workforce Snapshot

AVERAGE HEADCOUNT

625 employees

GENDER SPLIT

70% 25% 5%

MALE

FEMALE

CHOSE NOT
TO IDENTIFY

CULTURAL DIVERSITY

40⁺ ethnicities

Health, Safety & Wellbeing

- Lost time injuries occurred, with all affected employees successfully supported back to pre-injury duties.
- Introduced monthly safety alerts to strengthen safety awareness across all locations.
- Ensured first aid and warden training coverage at all sites.

Community Connections

- Employees participated in charity initiatives as nominated by them, raising over \$9,000 in FY25, including:
- Cancer Council's Biggest Morning Tea – \$6,274
- Salvo's Christmas Appeal – Food, toy, and hygiene donations
- Say Their Name Day – \$1,052, supporting families impacted by pregnancy and infant loss



At IPD Group

Our people are at the
centre of our success.

5,000+ Training Hours Delivered

Averaging 9 hours of development
per employee.

\$9,000 Raised for Community Causes

Employee-driven initiatives supporting
charities nationwide.

30+ Internal Career Appointments

Strengthening retention and growth
opportunities.

Employee Development & Engagement

- Delivered over 5,000 training hours, averaging 9 hours per employee.
- Supported formal qualifications in cybersecurity, leadership, finance, and project management.
- Made 30+ internal appointments, reinforcing our commitment to career growth and retention.
- Implemented a new HRIS platform to streamline workforce management and prepare for future data driven insights.

ESG & Sustainability

IPD Group is committed to responsible and sustainable business practices, focusing on environmental stewardship, ethical governance, and community contribution.

In FY25, we advanced programs in energy efficiency, fleet electrification, waste reduction, and educational partnerships, creating a clear path to measurable environmental gains. These initiatives align with our long-term ESG objectives and demonstrate our commitment to delivering lasting value for stakeholders and the communities we serve.

175m³ Landfill Waste Eliminated

Through sustainable packaging changes and 100% recycled packing materials.

10 Universities Partnered

Expanding hands-on engineering training across Sri Lanka.

90% Future Fleet Electric or Hybrid

Transition supported by EV chargers at nearly half of Australian sites.



Committed
to Responsible
and Sustainable
Growth



Environmental Initiatives

- **Energy Efficiency & Renewables:** Benchmarking energy use across all sites to achieve our goal of reducing grid-supplied energy by July 2027.
- **Fleet Electrification:** Transition underway, with 3 EVs, 11 hybrids, and a target for 90% of all future fleet purchases to be electric or hybrid. EV chargers now installed at 6 of 13 Australian sites.
- **Waste Reduction & Recycling:** Expanded site programs to recover paper, clear plastic, co-mingled waste, e-waste, copper, metal, toners, batteries, and timber.
- **LED Lighting Upgrades:** Implemented at Belmont, Bendigo, Noble Park, Eastern Creek, and Wetherill Park for improved energy efficiency.
- **Sustainable Packaging:** Replaced polystyrene with corrugated cardboard, eliminating 175m³ of landfill waste, and adopted 100% recycled paper for packing.

Social & Community Initiatives

- **Training Labs:** IPD Colombo established state-of-the-art switchgear labs at the University of Moratuwa and SLIIT, giving entire student cohorts hands-on industry exposure.
- **Training Program Expansion:** Partnerships now span 10 Sri Lankan universities, providing broader access to practical engineering experience.
- **Community Contribution:** Continued APCO membership and local sustainability initiatives, reinforcing our social responsibility commitment.

Governance & Ethical Practices

- Maintained APCO membership, supporting national packaging sustainability goals.
- Enhanced site level waste tracking and reporting for transparency and ESG compliance.
- Advanced ESG readiness, benchmarking energy use and preparing for future regulatory and reporting requirements.



Financial Report

for the year ended 30 June 2025

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Directors' Report

The Directors present their report in compliance with the provisions of the Corporations Act 2001 on the consolidated entity (referred to hereafter as the "Group") consisting of IPD Group Ltd ("IPD Group" or the "Company") and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

Directors of IPD Group Ltd during and since the end of the financial year unless otherwise stated below are:

David Rafter – Independent non-executive Chairman

Andrew Moffat – Independent non-executive Director

Michael Sainsbury – Executive Director

Mohamed Yoosuff – Executive Director

Company Secretary

Jade Cook

Corporate Governance

The Board of Directors and management of IPD Group recognise the importance of, and are committed to, achieving high corporate governance standards. Our key Corporate Governance materials including policies, code of conduct and Board Committee Charters, can be found in the Corporate Governance section of our website within the Investor Relation section.

In accordance with the 4th edition of the ASX Corporate Governance Council's Principles and Recommendations, the Company's Corporate Governance Statement, as approved by the Board, is published and available on the IPD Group's website at <https://ipdgroup.com.au/investors/corporate-governance/>

Principal activities

The Group is a national distributor and service provider to the Australian electrical market. The Group consists of two core divisions:

- the distribution of products for quality global electrical infrastructure brands such as ABB, Elsteel, Emerson & Red Lion; and
- the provision of services, including installation and commissioning, calibration and testing, maintenance and repairs and refurbishment

Products division:

The Group's core focus in the products division is the sale of electrical infrastructure products to customers including switchboard manufacturers, electrical wholesalers, electrical contractors, power utilities, OEMs and system integrators. Within the division there are six key categories of products:

- Power distribution;
- Industrial and motor control;
- Automation and industrial communication;
- Power monitoring;
- Hazardous area equipment; and
- Electrical cables, manufacture & distribution of cable plugs.

In addition to selling products, the Group provides a range of value-added services, including custom assembly, sourcing, engineering design, technical compliance, procurement, transport, storage, regulatory management, technical support, packaging, labelling, inventory management and delivery.

Directors' Report continued

Principal activities continued

Services division:

Within the Group's services division there are five categories of services:

- Installation and commissioning;
- Calibration and testing;
- Maintenance and repairs;
- Electric vehicle solutions; and
- Refurbishment and other.

Review of Operations

	Year ended 30 June 2025 \$ million	Year ended 30 June 2024 \$ million	Movement %
Revenue from ordinary activities	354.7	290.4	22.1%
Gross profit	121.2	107.8	12.4%
Other income	0.4	0.2	100.0%
Operating Expenses	(75.2)	(69.1)	9.4%
EBITDA	46.4	38.9	19.3%
Depreciation and amortisation expenses	(7.2)	(5.8)	24.1%
EBIT	39.2	33.1	18.4%
Interest	(2.0)	(0.7)	185.7%
Profit before income tax	37.2	32.4	14.8%
Income tax expense	(11.0)	(10.0)	10.0%
NPAT	26.2	22.4	17.0%

FY25 Result Overview

IPD Group delivered record revenues and earnings for the year ended 30 June 2025. Sales revenue of \$354.7 million was up 22.1% on the pcg, and despite macroeconomic challenges impacting the commercial construction sector, group revenue was up 1.2% on the pro-forma pcg.

IPD's diversified product offering continues to drive growth in key infrastructure sectors, such as Data Centres and Water & Waste Water. As a result, gross revenues for the core IPD business are up 5.2% on the pro-forma pcg, despite prevailing market headwinds.

The cable division within CMI Operations is primarily attached to the Commercial Construction/Buildings sector, and given wider macroeconomic challenges in commercial construction CMI's cable revenues saw a decline of 10.2% on the pro-forma pcg. Post year-end, additional cable inventory has been procured to support revenue growth through FY26. Despite challenging market conditions in Australia, CMI continues to expand through export markets and pleasingly revenue for CMI's higher-margin Minto Plugs grew 6.4% on the pro-forma pcg.

As previously disclosed, the lower overall gross profit margins within CMI Operations have diluted consolidated Group gross profit margins. For FY25 the gross margin stands at 34.2%, down from the FY24 pro-forma margin of 35.4%, reflecting a shift in the order book from daily trade to larger, more complex and competitive projects.

Pro-forma operating expense as a percentage of revenue improved on the pro-forma pcg, despite inflationary cost pressures and one-off costs opening our new Brisbane and Melbourne offices. The organisation remains committed to improving operational efficiency by harnessing economies of scale and capitalising on both internal and external synergies to drive value creation. As a result of these efforts, IPD is well placed to efficiently service future growth.

Earnings per share of 25.3 cents for FY25 is up 8.6% on the pcg. This growth demonstrates the strength of management's ongoing strategic focus on M&A, and the success of accretive acquisitions made in FY24.

Strong Balance Sheet

As at 30 June 2025, the Group had \$163.9 million of net assets on its balance sheet. Inventory increased by \$3.3 million on pcg, whilst total net working capital decreased during the year as a result of improved vendor supplier terms and diligent debtor management through the year.

In November 2024 IPD Group opened its new Brisbane office within the Brisbane Airport precinct, and in June 2025 the Group opened its new Melbourne office in Noble Park. These expanded facilities, featuring product showrooms and training rooms, foster a collaborative environment to drive strategic sales synergies while supporting future growth across the Group.

After repaying \$20.0 million of core debt during the year, total borrowings reduced to \$11.1 million and the group is now in a Net Cash position of \$9.8 million as at 30 June 2025.

Operating free cash flow (before interest and tax outflows) has continued to increase, rising to \$52.7 million for FY25 with Operating free cash flow conversion (before interest and tax outflows) of 113.6% for FY25 (up from 91.3% in the pcg).

Dividend

On 10 April 2025, IPD Group paid an interim 2025 financial year dividend of \$6.6 million which was equivalent to 6.4 cents per share fully franked.

On 25 August 2025, the Directors declared a final fully franked dividend of 6.2 cents per share, payable on 8 October 2025.

Total dividends declared for FY25 were 12.6 cents per share (FY24 10.8 cents per share), equating to a total payout of \$13.1 million and a payout ratio of 50%.

Directors' Report continued

Principal activities continued

Outlook

Whilst some of our end markets remain challenging, IPD continues to capitalize on emerging opportunities driven by the transition to renewable energy, increasing demand from data centres and associated energy requirements, the expansion of electrical infrastructure to support EV chargers and demand for public transport electrification, and a supportive legislative environment. The Group also remains efficiently positioned to capitalise on an improvement in weaker end markets, notably Commercial Construction & Buildings.

Management remain focused on executing strategic priorities, long-term value creation, adapting to market conditions, and continuing to deliver sustainable growth.

The Board will provide a trading performance update at the IPD Group Limited AGM on 25 November 2025.

Subsequent events

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Meetings of Directors

Directors' Meetings	Board Meetings		Audit and Risk Committee		Nomination and Remuneration Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Mohamed Yoosuff	12	12	–	–	–	–
Michael Sainsbury	12	12	–	–	–	–
David Rafter	12	12	2	2	3	3
Andrew Moffat	12	12	2	2	3	3

Information on Directors

Directors	Relevant interest in Shares
<p>David Rafter <i>Independent, Non-Executive Chairman</i></p> <p>Master of Business Administration – Charles Sturt University</p> <p>Master of Design Science (Facilities Management) – University of Sydney</p>	<p>David has over 30 years' of experience in the building services sector. Major roles across David's career include the CEO of O'Donnell Griffin, a \$600 million electrical engineering/contracting business and CEO of Haden Engineering a \$300 million HVAC construction and service company, both part of the ASX-listed Norfolk Group via an IPO in 2007.</p> <p>Previously, David was an Executive General Manager at Transfield Services, an ASX-listed operations, maintenance and construction services business and the CEO at Web FM, a global provider of construction and facilities management consulting and software solutions.</p> <p>David was appointed as a Director on 14 August 2019 and is a member of the AICD</p> <p>David is a member of the Audit and Risk Committee</p> <p>David is chairman of the Remuneration and Nomination Committee</p> <p>150,000</p>
<p>Andrew Moffat <i>Independent, Non-Executive Director</i></p> <p>Bachelor of Business – Curtin University</p>	<p>Andrew has 23 years' of corporate and investment banking experience, including serving as a director of Equity Capital markets and Advisory for BNP Paribas Equities.</p> <p>Currently a Non-Executive Director of Sports Entertainment Group Limited, 360 Capital Group Limited, ICP Funding Pty Limited and CASL Funder Pty Ltd.</p> <p>Andrew was appointed as a Director on 24 March 2020.</p> <p>Andrew is chairman of the Audit and Risk Committee</p> <p>Andrew is a member of the Remuneration and Nomination Committee</p> <p>312,500</p>
<p>Michael Sainsbury <i>Executive Director & CEO</i></p> <p>Advanced Diploma Business Management – Leadership Management Australia</p>	<p>Michael has over 25 years' experience in sales, business development and management within the electrical industry; he joined IPD in 2013 as the National Sales Manager and has been CEO since 2015.</p> <p>Prior to IPD, Michael spent over 13 years working at Schneider Electric where he held various senior management roles in the electrical solutions and power monitoring space.</p> <p>1,160,952</p>
<p>Mohamed Yoosuff <i>Executive Director of Strategic Development</i></p> <p>Associate of Chartered institute of Management Accountants (ACMA)</p>	<p>Mohamed Yoosuff has been an employee and board member of IPD since 2005.</p> <p>Mohamed Yoosuff held the position of CFO since the inception of IPD Group in 2005. On 1 January 2023 Mohamed Yoosuff was appointed Director of Strategic Development.</p> <p>Previously held various senior management positions in manufacturing and distribution companies, including as CFO of Ludowici Group (a manufacturing and distribution business previously listed on ASX) and as Financial Controller of Otis Elevators.</p> <p>11,331,799</p>

Directors' Report continued

Audited Remuneration Report

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

Directors' interests and remuneration

Non-Executive Director remuneration

Under the Constitution, the Board may decide the total amount paid by the Company to each Director as remuneration for their services as a Director. However, under the Constitution and the ASX Listing Rules, the total amount of fees paid to all Non-Executive Directors in any financial year must not exceed the aggregate amount of Non-Executive Directors fees approved by Shareholders at the Company's general meeting. This amount has been fixed by the Company at \$400,000 per annum.

The total annual Non-Executive Directors' fees agreed to be paid by the Company to:

- the Chairman, David Rafter is \$143,300; and
- the Non-Executive Director, Andrew Moffat is \$94,800.

From listing, Non-Executive Directors fees also include Committee fees of \$8,000 per year for each Board Committee of which they are a Chair and a Committee fee of \$2,000 for each Board Committee of which they are a non-Chair member.

All Non-Executive Directors' fees are inclusive of statutory superannuation contributions.

Executive Director remuneration

IPD has established a number of incentive arrangements to enable attraction, motivation and retention of management and employees.

The remuneration structure for executives of the Company is a mix of fixed remuneration and at-risk, performance-based remuneration to ensure a focus on both short-term and long-term performance, and alignment with shareholder interests. This approach is designed to attract, retain and reward executives to deliver sustainable returns for shareholders.

Key terms of employment contracts

Chief Executive Officer

Details regarding the terms of employment of the CEO and Executive Director, Michael Sainsbury are set out below:

Term	Description
Remuneration and other benefits	Effective from 1 July 2024, Michael Sainsbury is entitled to receive a base salary of \$500,000 (exclusive of superannuation). Michael is also entitled to use of a motor vehicle, laptop and mobile phone provided by the Company.
Short Term Incentives	For FY25, Michael was eligible for cash bonus under IPD's STI which was not achieved. The STI can range from 0% to 50% of Michael's base salary (exclusive of superannuation).
Long Term Incentives	For FY25, Michael participated in IPD's employee incentive plan ("EIP") and was eligible to apply for a grant of Rights under the Plan. The number of Rights to be granted are calculated at 50% of Michael's base salary, exclusive of superannuation.
Termination	<p>Under Michael's employment contract, either Michael or the Company can terminate his employment by giving the other party 3 months' notice (which the Company may pay in lieu of notice of part or all of the notice period).</p> <p>The Company may also summarily terminate Michael's employment contract in certain circumstances, including if Michael engages in serious misconduct, is grossly negligent or incompetent in the performance of his duties, if he commits any serious or persistent breach of the employment contract or any workplace policy or if he is charged with a criminal offence that the Company considers adversely impacts his suitability for employment with the Company.</p>

Executive Director

Details regarding the terms of employment of the Director of Strategic Development and executive director, Mohamed Yoosuff, are set out below:

Term	Description
Remuneration and other benefits	Effective from 1 July 2024, Mohamed Yoosuff is entitled to receive a base salary of \$341,668 (exclusive of superannuation). Mohamed is also entitled to a motor vehicle allowance of \$51,096 per annum and use of a laptop and mobile phone provided by the Company.
Short Term Incentives	For FY25, Mohamed was eligible for a cash bonus under IPD's STI which was not achieved. The STI can range from 0% to 50% of Mohamed's base salary (exclusive of superannuation).
Long Term Incentives	For FY25, Mohamed participated in IPD's EIP and was eligible to apply for a grant of Rights under the Plan. The number of Rights to be granted are calculated at 25% of Mohamed's base salary, exclusive of superannuation.
Termination	<p>Under Mohamed's employment contract, either Mohamed or the Company can terminate his employment by giving the other party 3 months' notice (which the Company may pay in lieu of notice of part or all of the notice period).</p> <p>The Company may also summarily terminate Mohamed's employment contract in certain circumstances, including if Mohamed engages in serious misconduct, is grossly negligent or incompetent in the performance of his duties, if he commits any serious or persistent breach of the employment contract or any workplace policy or if he is charged with a criminal offence that the Company considers adversely impacts his suitability for employment with the Company.</p>

Directors' Report continued

Audited Remuneration Report continued

Executive Key Management remuneration

Details regarding the terms of employment of the Chief Financial Officer (CFO), Jason Boschetti, are set out below:

Term	Description
Remuneration and other benefits	Effective from 1 July 2024, Jason Boschetti was entitled to receive a salary of \$340,000 (exclusive of superannuation). Jason is also entitled to use of a motor vehicle, laptop and mobile phone provided by the Company.
Short Term Incentives	For FY25, Jason was eligible for a cash bonus under IPD's STI which was not achieved. The STI can range from 0% to 50% of Jason's half-year salary (exclusive of superannuation).
Long Term Incentives	For FY25, Jason participated in IPD's EIP and was eligible to apply for a grant of Rights under the Plan. The number of Rights to be granted are calculated at 25% of Jason's base salary, exclusive of superannuation.
Termination	<p>Under Jason's employment contract, either Jason or the Company can terminate his employment by giving the other party 3 months' notice (which the Company may pay in lieu of notice of part or all of the notice period).</p> <p>The Company may also summarily terminate Jason's employment contract in certain circumstances, including if Jason engages in serious misconduct, is grossly negligent or incompetent in the performance of his duties, if he commits any serious or persistent breach of the employment contract or any workplace policy or if he is charged with a criminal offence that the Company considers adversely impacts his suitability for employment with the Company.</p>

Executive incentive arrangements

Short-term incentives

The Company has established a short-term incentive (**STI**) program under which cash awards may be payable to participants, subject to the satisfaction of specified performance criteria. The Company's executive employment contracts recognise the potential for the award of STIs in future year.

Under the STI program, the Board may, in its absolute and sole discretion, determine the participation in, the amount of and performance criteria for the STI program for any given year. Performance criteria may include:

- individual performance criteria tailored to each respective role; and/or
- the Company's financial performance against criteria set by the Board for the relevant financial year and may include measures such as statutory or pro-forma EBITDA, EBIT or NPAT targets.

The STI for the period ended 30 June 2025 was structured on the following basis:

- Michael Sainsbury is entitled to a cash bonus under IPD's STI award for stretch performance, measured against group EBIT performance. The maximum cash bonus for Michael for FY25 has been set at \$250,000 (inclusive of superannuation), which is 50% of Michael's base salary (exclusive of superannuation) for FY25.
- Mohamed Yoosuff is entitled to a cash bonus under IPD's STI award for stretch performance, measured against group EBIT performance. The maximum cash bonus for Mohamed for FY25 has been set at \$170,834 (inclusive of superannuation), which is 50% of Mohamed's base salary (exclusive of superannuation) for FY25.
- Jason Boschetti is entitled to a cash bonus under IPD's STI award for stretch performance, measured against group EBIT performance. The maximum cash bonus for Jason for FY25 has been set at \$170,000 (inclusive of superannuation), which is 50% of Jason's half year base salary (exclusive of superannuation) for FY25.

There were no STI awards granted to Michael Sainsbury, Mohamed Yoosuff and Jason Boschetti for the financial year ended 30 June 2025.

Equity incentives

The Company has established the EIP to assist in the motivation, reward and retention of senior management and other IPD employees from time to time. The EIP is designed to align the interests of senior management and other employees with the interests of Shareholders by providing an opportunity for employees to receive equity interests in the Company subject to the satisfaction of certain performance conditions. IPD may offer additional incentive schemes to the management and employees over time.

The EIP is a long-term incentive plan, under which options or performance rights to subscribe for or be transferred Shares (Plan Awards) may be offered to eligible employees (including a director employed in an executive capacity or any other person who is declared by the Board to be eligible) selected by the Directors at their discretion.

For the year ended 30 June 2025, the Company has granted Performance Rights to key management personnel as follows:

- Michael Sainsbury CEO and Executive Director – 57,332 Performance Rights, calculated by dividing 50% of Michael's annual base salary by the Volume Weighted average Price (VWAP) of the company's shares on the ASX during the 20 trading days immediately prior to 1 July 2024, rounded to the nearest whole number of Rights.
- Mohamed Yoosuff Executive Director – 19,589 Performance Rights, calculated by dividing 25% of Mohamed's annual base salary by the Volume Weighted average Price (VWAP) of the company's shares on the ASX during the 20 trading days immediately prior to 1 July 2024, rounded to the nearest whole number of Rights.
- Jason Boschetti – 19,493 Performance Rights, calculated by dividing 25% of Jason's annual base salary by the Volume Weighted average Price (VWAP) of the company's shares on the ASX during the 20 trading days immediately prior to 1 July 2024, rounded to the nearest whole number of Rights.

Michael Sainsbury and Mohamed Yoosuff (the executive directors), Jason Boschetti (executive key management) as well as other senior managers are the only employees who received Performance Rights pursuant to the FY25 award under the EIP.

Plan Awards will not be listed and may not be transferred, assigned or otherwise dealt with except with the approval of the Directors. Plan Awards will only vest where the vesting conditions (if any) and any other relevant conditions advised to the participant by the Directors have been satisfied or as otherwise permitted under the EIP. The Directors may determine such conditions (including vesting conditions) at their discretion. An unvested Plan Award will lapse in a number of circumstances including where performance conditions (if any) are not satisfied within the relevant time period, the participant deals with the Plan Award in breach of the rules of the EIP, or in the opinion of the Directors, a participant has acted fraudulently or dishonestly.

If a participant's employment or engagement with IPD terminates before the Plan Awards have vested, the Plan Awards that have not vested will lapse, unless the invitation provides otherwise or the Directors in their absolute discretion determine that some or all of the unvested Plan Awards will be treated in another manner. Where Plan Awards have vested prior to the termination of a participant's employment or engagement with IPD the participant will have a period of time to exercise the vested Plan Awards before they lapse.

On the occurrence of certain events (such as the making of a takeover bid for the Company or the approval of a scheme of arrangement in relation to the Company), unless otherwise provided for in the terms of specific Plan Awards, the Directors may in their absolute discretion determine that some or all Plan Awards vest, lapse, become forfeited or are subject to amended conditions. If there are certain variations of the share capital of the Company including a capitalisation or rights issue, subdivision, consolidation or reduction in share capital, the Directors may make such adjustments as they consider appropriate under the EIP, in accordance with the provisions of the ASX Listing Rules.

Unless and until Shares are allocated following a Plan Award vesting and, where required, being exercised, the holder has no interest in those Shares and has no rights to dividends and no rights to vote at meetings of the Company. Shares issued upon vesting and, where required, exercise, of the Plan Awards will upon allotment rank equally in all respects with other Shares, except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.

For so long as Shares are Listed, the Company will apply for quotation on ASX of the Shares issued under the EIP. No Plan Awards or Share may be offered under the EIP if to do so would contravene the Corporations Act, the ASX Listing Rules or instruments of relief issued by ASIC from time to time. The EIP provide the Board with broad clawback powers if, for example, the participant has acted fraudulently or dishonestly, or is in breach of his or her obligations to IPD.

The Board may at any time amend all or any provisions of the EIP or the terms or conditions of any Plan Award granted under the EIP, subject to limited restrictions on amendments that adversely affect the existing rights of a holder of Plan Awards.

The exercise by the Board of any discretion granted under the EIP or the terms of a Plan Award will not constitute an amendment of the provisions of the EIP. The Board may at any time waive in whole or in part any terms or conditions (including any vesting conditions) in relation to any Plan Awards granted under the EIP. The Board may, at any time, terminate or suspend the EIP.

Directors' Report continued

Audited Remuneration Report continued

The Key Terms of the current award under the EIP are summarized in the table below

Vesting conditions	<p>The Performance Rights are subject to performance conditions as follows:</p> <ul style="list-style-type: none">• 50% of a Participant's Performance Rights will be tested against the Company's total shareholder return (TSR) for FY25 in comparison to the TSR achieved by a comparator group (TSR Rights); and• 50% of a Participant's Performance Rights will be tested against the Company's NPAT for FY25 (NPAT Rights). <p>In addition to these performance conditions, the Performance Rights will only vest at their respective Vesting Date.</p> <p>Performance conditions</p> <p><i>TSR Rights</i></p> <p>The Company's TSR will be assessed against the performance of the companies included in the S&P/ASX Small Ordinaries Index over the relevant performance period.</p> <p>The performance period is the period from 1 July 2024 to 30 June 2025.</p> <p><i>NPAT Rights</i></p> <p>The Company's NPAT will be calculated using the Company's financial performance as reported in the Company's audited full year audited results for FY25, excluding:</p> <ul style="list-style-type: none">• one-off or extraordinary revenue items;• revenue received in the form of government grants, allowances, rebates or other hand-outs;• revenue or profit that has been 'manufactured' to achieve the performance condition; and• profits and acquisition related expenses from any unbudgeted acquisitions completed during FY25. <p>Vesting Date</p> <p>In addition, even if either of the performance conditions are satisfied, Performance Rights will only vest if the Participant continues to be employed by the Company and has not given notice on the following dates:</p> <ul style="list-style-type: none">• 1/3 of a Participant's Performance Rights that have satisfied the relevant performance condition will vest on 30 September 2025;• 1/3 of a Participant's Performance Rights that have satisfied the relevant performance condition will vest on 30 September 2026; and• 1/3 of a Participant's Performance Rights that have satisfied the relevant performance condition will vest on 30 September 2027, <p>(with each of 30 September 2025, 30 September 2026 and 30 September 2027 being a Vesting Date).</p> <p>Calculation of the performance conditions and achievement against the performance conditions and vesting schedule will be determined by the Board in its absolute discretion, having regard to any matters that it considers relevant (subject to the stated exclusions from NPAT calculations applying in all cases).</p>
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Why were the vesting conditions chosen?**Performance conditions**

The performance condition for the TSR Rights was chosen to align the interests of the executives and senior management with shareholder interests in optimising TSR (including the value of any dividend) and achieving TSR when compared to a comparator group of listed companies. The Board believes that TSR is an appropriate performance condition as it links executive reward to the Company's relative share performance which is consistent with creating shareholder value relative to the Company's peer group. The Board believes that the S&P/ASX Small Ordinaries Index represents an appropriate comparator group of listed companies as it represents a meaningful statistical sample and an appropriate group of alternative potential investments for shareholders with which to compare the Company's performance.

The performance conditions for the NPAT Rights were chosen to align the interests of the executives and senior management with shareholder interests in optimising the potential funds of the Company available for distribution to Shareholders as dividends and to provide an incentive for the executives to focus on the Company's effective management of, treasury and tax matters.

Vesting Dates

The Vesting Dates have been set to assist the Company in the ongoing retention of the executives and senior management.

Vesting and expiry of Performance Rights

Unless the Board exercises a discretion available to it under the EIP:

- in the event that either performance condition is not achieved, the Performance Rights relating to that performance condition will lapse; and
- if the Participant ceases to be employed or has given notice before any of the Vesting Dates, the Performance Rights that have not yet vested at that time will lapse.

Otherwise, Performance Rights will vest on satisfaction of both the relevant performance condition and the Participant's continued employment (without having given notice) at the relevant Vesting Date for the Performance Right.

Cash settlement

On vesting, the Company may exercise its discretion to make cash payments in lieu of allocating Shares to satisfy the Performance Rights.

Change of control and other circumstances which may trigger early vesting

In the event of a change of control of the Company, the Board may determine that the Performance Rights vest in accordance with the EIP, notwithstanding that the performance milestones have not been achieved, but only if the change of control of the Company is triggered by a person who does not control the Company at the time the Performance Rights are issued achieving control of more than 50% of the ordinary voting securities in the Company.

The Plan Awards issued under the EIP are the Performance Rights referred to above.

On the 30th of June 2025 the Performance vesting conditions for the FY25 Performance Rights were not achieved. Michael Sainsbury forfeited the 57,332 Performance Rights that were granted during FY25, Mohamed Yoosuff forfeited the 19,589 Performance Rights that were granted during FY25 and Jason Boschetti forfeited the 19,493 Performance Rights that were granted during FY25.

Other information about Directors' interests and benefits

Directors are reimbursed for properly documented and incurred travelling and other expenses in connection with and returning from Board or Committee meetings and general meetings. Non-Executive Directors may be paid such additional remuneration as the Directors consider to be appropriate where a Director performs extra services which are in addition to the ordinary duties of a director of the Company.

There are no retirement benefit schemes for Directors, other than statutory superannuation contributions. Chapter 2E of the Corporations Act prohibits a company from giving a financial benefit to a related party (including any Director) without the prior approval of its members by ordinary resolution, unless an exemption applies.

Directors' Report continued

Audited Remuneration Report continued

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity for the year ended 30 June 2025 are set out below:

	Base salary \$	STI \$	Non- monetary Benefits \$	Super- annuation \$	Long Term Benefits \$	Equity settled \$	Total \$
2025							
Non-executive directors							
David Rafter	128,520	–	–	14,780	–	–	143,300
Andrew Moffat	85,022	–	–	9,778	–	–	94,800
Total	213,542	–	–	24,558	–	–	238,100
Executive directors							
Michael Sainsbury	527,500	–	65,276	30,000	13,732	–	636,508
Mohamed Yoosuff	407,932	–	–	30,000	5,694	–	443,626
Total	935,432	–	65,276	60,000	19,426	–	1,080,134
Executive key management							
Jason Boschetti	349,100	–	21,058	30,000	–	–	400,158
Total	349,100	–	21,058	30,000	–	–	400,158
2024							
Non-executive directors							
David Rafter	121,982	–	–	13,418	–	–	135,400
Andrew Moffat	80,901	–	–	8,899	–	–	89,800
Total	202,883	–	–	22,317	–	–	225,200
Executive directors							
Michael Sainsbury	494,200	117,500	41,681	27,500	12,755	235,000	928,636
Mohamed Yoosuff	396,690	85,417	–	39,278	5,711	85,417	612,513
Total	890,890	202,917	41,681	66,778	18,466	320,417	1,541,149
Executive key management							
Jason Boschetti	322,150	78,750	–	27,500	–	78,750	507,150
Total	322,150	78,750	–	27,500	–	78,750	507,150

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed Remuneration \$	At risk – STI \$	At risk – LTI \$
2025			
Non-executive directors			
David Rafter	143,300	–	–
Andrew Moffat	94,800	–	–
Executive directors			
Michael Sainsbury	636,508	–	–
Mohamed Yoosuff	443,626	–	–
Executive key management			
Jason Boschetti	400,158	–	–

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed Remuneration \$	At risk – STI \$	At risk – LTI \$
2024			
Non-executive directors			
David Rafter	135,400	–	–
Andrew Moffat	89,800	–	–
Executive directors			
Michael Sainsbury	576,136	117,500	235,000
Mohamed Yoosuff	441,679	85,417	85,417
Executive key management			
Jason Boschetti	349,650	78,750	78,750

Directors' Report continued

Audited Remuneration Report continued

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Shares	Balance at the start of the year	Received as part of remuneration	Additions	Disposals	Balance at the end of the year
Non-executive directors					
David Rafter	150,000	–	–	–	150,000
Andrew Moffat	504,946	–	–	(192,446)	312,500
Executive directors					
Michael Sainsbury	1,039,988	120,964	–	–	1,160,952
Mohamed Yoosuff	11,284,704	47,095	1,000,000	(1,000,000)	11,331,799
Executive key management					
Jason Boschetti	46,607	15,200	13,510	–	75,317

Performance Rights

The number of performance rights in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Performance Rights	Balance at the start of the year	Granted	Forfeited	Exercised	Balance at the end of the year
Executive directors					
Michael Sainsbury	203,606	57,332	(57,332)	(120,964)	82,642
Mohamed Yoosuff	78,244	19,589	(19,589)	(47,095)	31,149
Executive key management					
Jason Boschetti	36,734	19,493	(19,493)	(15,200)	21,534

Share based payments

The table below discloses the number of outstanding performance rights and share based payments granted during the current financial year.

Shares	Financial Year	Performance rights series	Effective grant date	Number granted	Grant date fair value \$	Vesting date
Executive directors						
Michael Sainsbury	2025	Tranche 1	9/12/2024	19,111	44,299	Forfeited
	2025	Tranche 2	9/12/2024	19,111	44,299	Forfeited
	2025	Tranche 3	9/12/2024	19,110	44,297	Forfeited
Mohamed Yoosuff	2025	Tranche 1	9/12/2024	6,530	15,137	Forfeited
	2025	Tranche 2	9/12/2024	6,530	15,137	Forfeited
	2025	Tranche 3	9/12/2024	6,529	15,134	Forfeited
Jason Boschetti	2025	Tranche 1	9/12/2024	6,498	15,062	Forfeited
	2025	Tranche 2	9/12/2024	6,498	15,062	Forfeited
	2025	Tranche 3	9/12/2024	6,497	15,060	Forfeited
Michael Sainsbury	2024	Tranche 2	8/12/2023	18,900	61,499	30/09/2025
	2024	Tranche 3	8/12/2023	18,900	61,499	30/09/2026
Mohamed Yoosuff	2024	Tranche 2	8/12/2023	6,870	22,354	30/09/2025
	2024	Tranche 3	8/12/2023	6,869	22,351	30/09/2026
Jason Boschetti	2024	Tranche 2	8/12/2023	6,334	20,610	30/09/2025
	2024	Tranche 3	8/12/2023	6,333	20,607	30/09/2026
Michael Sainsbury	2023	Tranche 3	9/12/2022	44,842	73,335	30/09/2025
Mohamed Yoosuff	2023	Tranche 3	9/12/2022	17,410	28,472	30/09/2025
Jason Boschetti	2023	Tranche 3	9/12/2022	8,867	14,501	30/09/2025

Michael Sainsbury was issued 120,964 shares, Mohamed Yoosuff was issued 47,095 and Jason Boschetti was issued 15,200 shares during the financial year ended 30 June 2025.

This concludes the remuneration report, which has been audited.

Directors' Report continued

Indemnification of officers and auditors

During the financial period, the Company paid a premium in respect of a contract insuring Directors of the Company, the Company secretary, and all executive officers of the Company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial period, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

Auditor's independence declaration

The auditor's independence declaration is included on page 43 of the Annual Report.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 24 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 24 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Rounding off of amounts

The Company is a company of the kind referred to in the Class order 2016/191 – *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Class Order amounts in the Directors' report and the consolidated financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.


This Directors' report is signed in accordance with a resolution of Directors made pursuant to s298 (2) (a) of the Corporations Act 2001.

On behalf of the Directors



David Rafter
Director

Sydney, 25 August 2025



Michael Sainsbury
Director

Sydney, 25 August 2025

Auditor's Independence Declaration



PKF(NS) Audit & Assurance Limited Partnership
ABN 91 850 861 839

755 Hunter Street, Newcastle West NSW 2302
Level 8, 1 O'Connell Street, Sydney NSW 2000

Newcastle T: +61 2 4962 2688 F: +61 2 4962 3245

Sydney T: +61 2 8346 6000 F: +61 2 8346 6099

info@pkf.com.au

www.pkf.com.au

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of IPD Group Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

PKF

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STobutt

SCOTT TOBUTT
PARTNER

25 AUGUST 2025
SYDNEY, NSW

PKF(NS) Audit & Assurance Limited Partnership is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separately owned legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s). Liability limited by a scheme approved under Professional Standards Legislation.

Independent Auditor's Report



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755 Hunter Street, Newcastle West NSW 2302
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IPD GROUP LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of IPD Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising material accounting policy information and other explanatory information, the consolidated entity disclosure statement, and the directors' declaration of the Company and the consolidated entity comprising the Company and the entities it controlled at the year end or from time to time during the financial year.

In our opinion, the financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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Key Audit Matters (cont'd)

1. Revenue from contracts with customers
(Refer Note 5) \$354.68million

Why significant

Revenue from contracts with customers was a key audit matter given the:

- magnitude of the amount;
- number of different revenue streams and types of variable consideration given the diversity of products and services; and
- complexity of the contractual arrangements.

We have also focused on revenue recognition as the Group uses complex manual calculations, dependent on information from multiple billing systems, to determine the timing of revenue recognition and the value of contract liabilities for the relevant financial period for each revenue stream.

How our audit addressed the key audit matter

We assessed the Group's accounting policy in light of the requirements of Australian Accounting Standards and developed an understanding of the key terms of the arrangements with customers and performance obligations.

Our procedures included, amongst others:

- tested on a sample basis whether revenue had been recorded at the correct amount and in the correct period, in accordance with the Group's revenue recognition policy. This included assessing whether:
 - evidence of an underlying arrangement with the customer existed;
 - appropriate performance obligations and consideration had been identified;
 - amounts allocated to the performance obligations were made with reference to their standalone selling prices, where relevant; and
 - the timing of revenue recognition had been appropriately considered for each revenue stream in accordance with its performance obligations.
- considered and assessed the adequacy of the Group's disclosures of revenue from contracts with customers in accordance with Australian Accounting Standards.

Independent Auditor's Report continued



Key Audit Matters (cont'd)

2. Inventory Valuation and Existence (Refer Note 10) \$82.19million

Why significant

Inventory was a key audit matter due to the:

- financial significance of inventory to the consolidated balance sheet
- the geographically diverse locations where inventory is stored; and
- the principles applied in the determining the valuation of inventory.

We also considered the accounting treatment in line with the requirements of AASB 102 Inventories.

How our audit addressed the key audit matter

We focused our efforts on developing an understanding and testing the methodology for which the Group recognises and measures inventory. We considered the appropriateness of the Group's accounting policies to requirements of Australian Accounting Standards.

In obtaining sufficient, appropriate audit evidence, our procedures included, amongst others:

- attending, observing and assessing stocktakes performed by the Group at a sample of locations and performing independent test counts where appropriate;
- reviewing the application of the Group's cycle count procedures;
- obtaining confirmations of inventories held at a sample of locations;
- evaluating whether any required adjustments identified from our count attendance, cycle count procedures or confirmations were appropriately reflected;
- testing, for a sample of inventory items, whether the cost was recorded at the correct amount;
- compared the carrying value to the NRV to identify projects with potential impairments;
- assessing the Group's inventory provisioning policy by comparing the prior period inventory provision to inventory sold below cost or written off in the current period; and
- evaluating the related financial statement disclosures for consistency with Australian Accounting Standards requirements.



Key Audit Matters (cont'd)

3. Impairment testing of goodwill and other intangible assets (Refer Note 13) \$78.42million

Why significant

At the end of each reporting period, the Group is required to determine whether there is any indication that the intangible assets are impaired under AASB 136 Impairment of Assets. Goodwill amount of \$76.7m is assessed for impairment on an annual basis.

The Group uses the "value-in-use" methodology in determining the recoverable amount which measures the present value of future cashflows expected to be derived from these assets.

The evaluation of the recoverable amount requires the Group to exercise significant judgment, which include:

- 5-year cash flow forecast;
- Growth rates;
- Terminal growth factor; and
- Discount rate.

The outcome of the impairment assessment could vary if different assumptions were applied. As a result, the evaluation of the recoverable amount of goodwill and other intangible assets is a Key Audit Matter.

How our audit addressed the key audit matter

As part of our procedures, we assessed the Group's determination of Cash Generating Units (CGUs). Our procedures included but were not limited to the following:

- assessing reasonableness of the budget approved by the Board by comparing the budget to actuals and other financial information;
- reviewing key assumptions in the forecast cash flows by comparing to historical results and industry forecasts;
- assessing the discount rate applied by comparing the Weighted Average Cost of Capital to industry benchmarks;
- reviewing the mathematical accuracy of the cash flow models;
- assessing management's sensitivity analysis and performing independent assessment in relation to key assumptions including discount rate, growth rate and terminal value; and
- assessing the appropriateness of the disclosures including those relating to sensitivities in the assumptions used, included in Note 13.

Other Information

Other information is financial and non-financial information in the annual report of the Group which is provided in addition to the Financial Report and the Auditor's Report. The directors are responsible for Other Information in the annual report.

The Other Information we obtained prior to the date of this Auditor's Report was the director's report. The remaining Other Information is expected to be made available to us after the date of the Auditor's Report.

Independent Auditor's Report continued



Other Information (cont'd)

Our opinion on the Financial Report does not cover the Other Information and, accordingly, the auditor does not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information in the Financial Report and based on the work we have performed on the Other Information that we obtained prior the date of this Auditor's Report we have nothing to report.

Directors' Responsibilities for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the consolidated entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:



Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the consolidated entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and other related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the consolidated entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the group financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report continued



Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of IPD Group Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

PKF

PKF

A handwritten signature in black ink, appearing to read "STobutt", with a long horizontal stroke extending to the right.

SCOTT TOBUTT
PARTNER

25 AUGUST 2025
SYDNEY, NSW

Directors' Declaration

In the directors' opinion:

- a. the attached financial statements and notes comply with the Corporations Act 2001, Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- b. the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- c. the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- d. the information disclosed in the attached consolidated entity disclosure statement is true and correct; and
- e. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

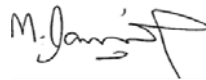
Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors



David Rafter
Director

Sydney, 25 August 2025



Michael Sainsbury
Director

Sydney, 25 August 2025

Consolidated Statement of Profit or Loss

for the year ended 30 June 2025

	Note	Year ended 30 June 2025 \$'000	Year ended 30 June 2024 \$'000
Revenue from continuing operations	5	354,683	290,423
Materials and consumables used		(233,489)	(182,649)
Other income	5	1,013	926
Employee benefits expenses		(56,120)	(50,040)
Freight and delivery expenses		(6,158)	(6,118)
Depreciation and amortisation expenses	6	(7,249)	(5,818)
Occupancy costs		(2,569)	(2,094)
Finance costs	6	(2,749)	(1,527)
Other expenses		(10,172)	(9,540)
Acquisition costs		–	(1,221)
Profit before income tax		37,190	32,342
Income tax expense	7	(11,004)	(9,978)
Profit after income tax expense for the year		26,186	22,364
Earnings per share			
Basic earnings per share (cents per share)	23	25.3	23.3
Diluted earnings per share (cents per share)	23	25.2	23.1

The consolidated statement of profit or loss should be read in conjunction with the Notes to the financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2025

	Note	Year ended 30 June 2025 \$'000	Year ended 30 June 2024 \$'000
Profit after income tax for the year		26,186	22,364
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences in translation of foreign operations		(281)	(43)
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Actuarial revaluation gain		30	27
Total comprehensive income for the year attributable to the owners of IPD Group Ltd		25,935	22,348

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the Notes to the financial statements.

Consolidated Statement of Financial Position

as at 30 June 2025

	Note	30 June 2025 \$'000	30 June 2024 \$'000
Current assets			
Cash and cash equivalents	8	20,855	22,284
Trade and other receivables	9	64,951	70,712
Inventories	10	82,195	78,918
Other assets		1,199	1,422
Total current assets		169,200	173,336
Non-current assets			
Property, plant and equipment	11	4,678	4,445
Right of use assets	12	18,670	12,078
Intangible assets	13	78,417	78,404
Deferred tax assets	14	4,054	4,510
Total non-current assets		105,819	99,437
Total assets		275,019	272,773
Current liabilities			
Trade and other payables	15	71,788	67,840
Current tax liabilities	17	1,245	2,176
Lease liability	12	4,922	3,992
Provisions	18	5,689	6,359
Total current liabilities		83,644	80,367
Non-current liabilities			
Lease liability	12	15,524	9,612
Provisions	18	682	614
Borrowings	16	11,100	31,100
Deferred tax liabilities	19	150	339
Total non-current liabilities		27,456	41,665
Total liabilities		111,100	122,032
Net assets		163,919	150,741
Equity			
Issued capital	20	96,188	95,639
Reserves	21	34	575
Retained earnings		67,697	54,527
Total equity		163,919	150,741

The consolidated statement of financial position should be read in conjunction with the Notes to the financial statements.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2025

	Issued capital \$'000	Retained earnings \$'000	Reserves \$'000	Total \$'000
Balance at 1 July 2023	31,580	40,961	374	72,915
Profit for the year	–	22,364	–	22,364
Other comprehensive income for the year (net of tax)	–	27	(43)	(16)
Total comprehensive income	–	22,391	(43)	22,348
Dividends paid (note 22)	–	(8,825)	–	(8,825)
Share issue	64,059	–	244	64,303
Balance at 30 June 2024	95,639	54,527	575	150,741
Balance at 1 July 2024	95,639	54,527	575	150,741
Profit for the year	–	26,186	–	26,186
Other comprehensive income for the year (net of tax)	–	30	(281)	(251)
Total comprehensive income	–	26,216	(281)	25,935
Dividends paid (note 22)	–	(13,046)	–	(13,046)
Share issue (note 20)	549	–	(260)	289
Balance at 30 June 2025	96,188	67,697	34	163,919

The consolidated statement of changes in equity should be read in conjunction with the Notes to the financial statements.

Consolidated Statement of Cash Flows

for the year ended 30 June 2025

	Year ended 30 June 2025 \$'000	Year ended 30 June 2024 \$'000
Cash flows from operating activities		
Receipts from customers	396,924	313,305
Payments to suppliers and employees	(344,215)	(277,830)
Finance costs paid	(1,980)	(334)
Income taxes paid	(11,330)	(11,776)
Net cash generated by operating activities	39,399	23,365
Cash flows from investing activities		
Proceeds from the sale of property, plant and equipment	229	268
Payment for property, plant and equipment	(2,068)	(1,701)
R&D expenditure	(174)	(89)
Acquisition of subsidiary, net of cash acquired	-	(99,817)
Acquisition advisory costs	-	(3,516)
Net cash used in investing activities	(2,013)	(104,855)
Cash flows from financing activities		
Repayment of lease liabilities	(5,803)	(4,270)
Dividends paid	(13,046)	(8,825)
Proceeds from the issue of shares	-	65,008
(Repayment)/proceeds from borrowings	(20,000)	31,100
Net cash generated from/(used in) financing activities	(38,849)	83,013
Net increase/(decrease) in cash and cash equivalents	(1,463)	1,523
Cash and cash equivalents at the beginning of the financial year	22,284	20,757
Effects of exchange rate changes on cash	34	4
Cash and cash equivalents at the end of the financial year	20,855	22,284

The consolidated statement of cash flows should be read in conjunction with the Notes to the financial statements.

Notes to the Financial Statements

1. Basis of preparation

These general-purpose financial statements for the year ended 30 June 2025 have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The financial report complies with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board.

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair values of the consideration given in exchange for assets.

The principal accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

The accounting policies that are material to the consolidated entity are set out below.

2. Material accounting policy information

a. Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. IPD Group Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements. Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 30.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Notes to the Financial Statements continued

2. Material accounting policy information continued

b. Business combinations

Business combinations are accounted for by applying the acquisition method which requires an acquiring entity to be identified in all cases. The acquisition date under this method is the date that the acquiring entity obtains control over the acquired entity.

The fair value of identifiable assets and liabilities acquired are recognised in the consolidated financial statements at the acquisition date.

Goodwill or a gain on bargain purchase may arise on the acquisition date, this is calculated by comparing the consideration transferred and the amount of non-controlling interest in the acquiree with the fair value of the net identifiable assets acquired. Where consideration is greater than the net assets acquired, the excess is recorded as goodwill. Where the net assets acquired are greater than the consideration, the measurement basis of the net assets is reassessed and then a gain from bargain purchase recognised in profit or loss.

All acquisition-related costs are recognised as expenses in the periods in which the costs are incurred except for costs to issue debt or equity securities.

Any contingent consideration which forms part of the combination is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured, and the settlement is accounted for within equity. Otherwise, subsequent changes in the value of the contingent consideration liability are measured through profit or loss.

c. Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Group have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Group are:

Sale of goods

Sale goods consist of industrial electrical products, including engineered solutions, direct to the "end user" customer and to the electrical wholesale markets. Revenue is recognised when the performance obligations have been satisfied, which is upon delivery of the goods.

Rendering of services

Rendering of services relates to the testing, calibration and repair of electrical testing and measurement equipment.

Revenue is recognised when the control of the promised goods and services is passed to the customer, typically upon performance or delivery of such goods and services. Accordingly, for the revenue streams described above, revenue is recognised at the point in time as the goods are delivered and services are performed.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

Other income

Other income is recognised on an accruals basis when the Group is entitled to it.

d. Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

e. Taxation

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

Notes to the Financial Statements continued

2. Material accounting policy information continued

Tax consolidation

IPD Group Limited ("the Group") and its 100% owned Australian subsidiaries are part of a tax consolidated group. As a result, members of the group have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly owned subsidiaries on a pro-rata basis. In addition, the agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax obligations. At the balance date, the possibility of default is remote. The head entity of the tax consolidation is the Group.

The Group has recognised the current tax liability of the tax consolidated group.

Members of the tax consolidated group are part of a tax funding agreement. The tax funding agreement provides for the allocation of current and deferred taxes to members of the tax consolidated group in accordance with their taxable income for the year. The allocation of taxes under the tax funding agreement is recognised as an increase/decrease in the subsidiaries' intercompany accounts with the head entity. The Group has applied the group allocation approach to determine the appropriate amount of current and deferred tax to allocate to each member of the tax consolidated group.

f. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred.

g. Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

h. Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the Group, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Plant and Equipment	3–10 years
Furniture, Fixtures and Fittings	4–10 years
Motor Vehicles	4–5 years
Leasehold improvements	Over the period of the lease

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

i. Right of use assets

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

j. Financial Instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition the Group classifies its financial assets at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Group uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Notes to the Financial Statements continued

2. Material accounting policy information continued

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables, bank and other loans and lease liabilities.

k. Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

l. Intangible assets

Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

- i. the consideration transferred;
- ii. any non-controlling interest; and
- iii. the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired in a business combination.

Under the 'full goodwill method', the fair values of the non-controlling interests are determined using valuation techniques which make the maximum use of market information where available.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is not amortised but is tested for impairment annually and is allocated to the Group's cash generating units or groups of cash generating units, which represent the lowest level at which goodwill is monitored but where such level is not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

Changes in the ownership interests in a subsidiary are accounted for as equity transactions and do not affect the carrying values of goodwill.

m. Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

n. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

o. Leases

At inception of a contract, the Group assesses whether a lease exists i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset – i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Group's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes to the Financial Statements continued

2. Material accounting policy information continued

Exceptions to lease accounting

The Group has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

p. Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

q. Warranty provisions

Warranty provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income.

r. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

s. Share based payments

The Company has established the EIP to assist in the motivation, reward and retention of senior management and other IPD employees from time to time. The EIP is designed to align the interests of senior management and other employees with the interests of Shareholders by providing an opportunity for employees to receive equity interests in the Company subject to the satisfaction of certain performance conditions. IPD may offer additional incentive schemes to the management and employees over time.

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

t. Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Notes to the Financial Statements continued

2. Material accounting policy information continued

u. Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

Foreign operations

Foreign subsidiary transactions and balances are translated at the closing rate at the end of each reporting period. Exchange differences arising on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised in equity.

v. Research and Development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

w. New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

In June 2024, the AASB issued a new standard AASB 18 Presentation and Disclosure in Financial Statements, which will be effective for the Group from 1 July 2027 and is required to be applied retrospectively. AASB 18 will replace AASB 101 Presentation of Financial Statements and introduces new requirements to improve entities' reporting of financial performance and give investors a better basis for analysing and comparing entities. These requirements aim to improve comparability in the income statement, enhance transparency of management-defined performance measures and provide useful grouping of information in the financial statements. The Group continues to assess the impact of adopting AASB 18.

There are no other new standards or amendments to existing standards that are not yet effective which are expected to have a material impact on the Group's financial statements.

x. Rounding of amounts

The Company is a company of the kind referred to in the Class order 2016/191 – *ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Class Order amounts in the Directors' report and the consolidated financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

3. Critical accounting estimates and judgments

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 26 for further information.

Revenue from contracts with customers involving sale of goods

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Net realisable value of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The realisable value is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect the recoverable amount of inventory.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Notes to the Financial Statements continued

4. Segment Information continued

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

4. Segment Information

Operating segments are reported in a manner which is consistent with the internal reporting provided to the CODM as defined above. The CODM have been identified as the Board of Directors for the Group.

The internal reports reviewed by the Board, which are used to make strategic decisions, are separated into the Group's key market segments Products division and Services division:

Operating segments have been defined as:

- Products division – core focus in the products division is the sale of electrical infrastructure products to customers including switchboard manufacturers, electrical wholesalers, electrical contractors, power utilities, OEMs and system integrators
- Services division – provision of services, including installation and commissioning, calibration and testing, maintenance and repairs and refurbishment

The accounting policies of the reportable secondary segments are the same as the Group's accounting policies.

	Products division \$'000	Services division \$'000	Total \$'000
Year ended 30 June 2025			
Revenue from external customers	334,527	20,156	354,683
Other revenue/income	279	119	398
Total revenue from ordinary activities	335,421	20,275	355,696
Earnings before Interest, Tax, Depreciation and Amortisation	48,309	(1,882)	46,427
Depreciation and amortisation expense			(7,249)
Interest expense			(1,988)
Profit before income tax			37,190
Income Tax			(11,004)
Net profit after income tax			26,186

Year ended 30 June 2024	Products division \$'000	Services division \$'000	Total \$'000
Revenue from external customers	270,682	19,741	290,423
Other revenue/income	165	28	193
Total revenue from ordinary activities	270,847	19,769	290,616
Earnings before Interest, Tax, Depreciation and Amortisation	37,957	933	38,890
Depreciation and amortisation expense			(5,818)
Interest expense			(730)
Profit before income tax			32,342
Income Tax			(9,978)
Net profit after income tax			22,364

The Group's assets were not split by reportable secondary operating segment as the CODM do not utilise this information for the purposes of resource allocation and assessment of segment performance.

5. Revenue and other income

	2025 \$'000	2024 \$'000
Revenue from external customers	354,683	290,423
Other Income		
Recoveries	211	49
Profit from sale of fixed assets	172	120
Interest income	615	733
Other Income	15	24
Total other income	1,013	926
Total revenue and other income	355,696	291,349

Notes to the Financial Statements continued

4. Segment Information continued

Disaggregation of revenue

	2025 \$'000	2024 \$'000
The disaggregation of revenue by types of goods and services:		
Power distribution	128,835	124,517
Cables	74,358	35,837
Hazardous area equipment	42,923	27,805
Motor control	37,007	29,397
Automation and communications	29,875	33,949
Power monitoring	15,643	13,511
Services	20,156	19,741
Other	5,886	5,666
Total revenue from external customers	354,683	290,423

6. Expenses

	2025 \$'000	2024 \$'000
Depreciation		
Plant and Equipment	1,825	1,831
Buildings ROU	5,124	3,821
Plant and Equipment ROU	139	2
Amortisation		
Intangibles	161	164
Total depreciation and amortisation	7,249	5,818
Finance costs		
Bank charges	146	64
Interest expense	2,603	1,463
Total finance costs	2,749	1,527

7. Income tax expense

	2025 \$'000	2024 \$'000
Income tax expense		
Current tax expense		
Local income tax-current period	11,057	10,097
Adjustments recognised for prior periods	(225)	(25)
Deferred tax expense		
Origination and reversal of temporary differences	172	(94)
Total income tax expense	11,004	9,978
Profit before income tax expense	37,190	32,342
Tax at the statutory tax rate of 30% (2024: 30%)	11,157	9,703
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:	(153)	275
Income tax expense	11,004	9,978

8. Cash and cash equivalents

	2025 \$'000	2024 \$'000
Cash at bank	20,855	22,284
Cash and cash equivalents	20,855	22,284
Cash and cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash and cash equivalents	20,855	22,284
Balance as per statement of cash flows	20,855	22,284

Notes to the Financial Statements continued

9. Trade and other receivables

	2025 \$'000	2024 \$'000
Trade receivables	65,734	71,462
Provision for impairment	(783)	(750)
Trade and other receivables	64,951	70,712

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Impairment of receivables

	2025 \$'000	2024 \$'000
Balance at beginning of the year	750	569
(Write off)/additional impairment loss recognised	33	181
Balance at end of year	783	750

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

	Trade receivables \$'000	Credit loss allowance	Provision for impairment \$'000
Current	62,098	0.4%	(268)
0 – 30 days	2,612	7.3%	(190)
31 – 60 days	227	22.0%	(50)
61 – 90 days	594	26.3%	(156)
90+ days	203	58.6%	(119)
Total trade receivables	65,734		(783)

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

10. Inventories

	2025 \$'000	2024 \$'000
Finished goods	81,113	78,374
Work in progress	1,082	544
Total Inventories	82,195	78,918

Write-downs of inventories to net realisable value during the year were \$Nil (2024: \$ Nil).

11. Property, plant and equipment

	Plant and Equipment \$'000	Computer Equipment \$'000	Furniture, Fixtures and Fittings \$'000	Motor Vehicles \$'000	Leasehold Improvements \$'000	Total \$'000
Year ended 30 June 2025						
Balance 1 July 2024	849	1,010	584	1,272	730	4,445
Additions	323	241	160	618	726	2,068
Disposals	–	–	(11)	–	–	(11)
Foreign exchange on translation	–	–	1	–	–	1
Depreciation expense	(225)	(633)	(143)	(447)	(377)	(1,825)
Balance at 30 June 2025	947	618	591	1,443	1,079	4,678
Year ended 30 June 2025						
Cost	4,933	4,755	1,847	3,327	2,750	17,612
Accumulated depreciation	(3,986)	(4,137)	(1,256)	(1,884)	(1,671)	(12,934)
Balance at 30 June 2025	947	618	591	1,443	1,079	4,678

Notes to the Financial Statements continued

11. Property, plant and equipment continued

	Plant and Equipment \$'000	Computer Equipment \$'000	Furniture, Fixtures and Fittings \$'000	Motor Vehicles \$'000	Leasehold Improvements \$'000	Total \$'000
Year ended 30 June 2024						
Balance 1 July 2023	382	970	494	1,106	1,021	3,973
Additions	273	612	114	672	132	1,803
Additions through the acquisition of entity	442	–	128	–	29	599
Disposals	(9)	–	(17)	(84)	–	(110)
Foreign exchange on translation	–	11	–	–	–	11
Depreciation expense	(239)	(583)	(135)	(422)	(452)	(1,831)
Balance at 30 June 2024	849	1,010	584	1,272	730	4,445
Year ended 30 June 2024						
Cost	4,470	4,506	1,327	3,236	2,193	15,732
Accumulated depreciation	(3,621)	(3,496)	(743)	(1,964)	(1,463)	(11,287)
Balance at 30 June 2024	849	1,010	584	1,272	730	4,445

12. Leases

Right-of-use assets

	Buildings \$'000	Motor Vehicles \$'000	Total \$'000
Year ended 30 June 2025			
Balance at the beginning of the year	12,078	–	12,078
Additions to right-of-use assets	11,145	710	11,855
Depreciation charge	(5,124)	(139)	(5,263)
Balance at the end of year	18,099	571	18,670
Year ended 30 June 2024			
Balance at the beginning of the year	12,297	2	12,299
Additions to right-of-use assets	3,600	–	3,600
Depreciation charge	(3,819)	(2)	(3,821)
Balance at the end of year	12,078	–	12,078

Lease liabilities

	< 1 year \$'000	1 – 5 years \$'000	> 5 years \$'000	Total undiscounted lease liabilities \$'000	Lease liabilities are included in this Statement of Financial Position \$'000
June 2025					
Lease liabilities	6,038	13,714	3,579	23,331	20,446
June 2024					
Lease liabilities	4,326	10,134	241	14,701	13,604

Right-of-use assets and lease liabilities

The Group has leases for various network sites and motor vehicles. Rental contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment.

Notes to the Financial Statements continued

13. Intangible assets

	2025 \$'000	2024 \$'000
Goodwill	76,704	76,704
Development costs	1,713	1,700
Closing Balance	78,417	78,404

Reconciliation of the written-down value at the beginning and end of the current and previous financial year is set out below:

	Goodwill \$'000	Development costs \$'000	Total \$'000
Year ended 30 June 2025			
Balance at the beginning of the year	76,704	1,700	78,404
Additions	–	174	174
Amortisation charge	–	(161)	(161)
Balance at the end of the year	76,704	1,713	78,417

Goodwill impairment was assessed on the basis that IPD, EX Engineering and CMI Operations are identifiable cash-generating business units.

	IPD \$'000	EX Engineering \$'000	CMI Operations \$'000	Total \$'000
Balance at 30 June 2025	10,459	9,092	57,153	76,704

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 5 year projection period using a steady rate, together with a terminal value.

Key rate assumptions included in the current financial year impairment assessment are set out in the following table:

	IPD %	EX Engineering %	CMI Operations %
Discount rate – pre-tax	8%	8%	8%
Long-term annual growth rate	4%	4%	2%

Forecast transaction volumes are the key drivers in determining the cashflow projection for each CGU. In the event that transaction volumes do not reach the levels forecast there is a risk that the forecast cashflows are not sufficient to support the carrying value of goodwill and an impairment charge may be reported in a future accounting period.

Sensitivity to change assumptions:

Increases in discount rates or changes in other key assumptions may cause the recoverable amount to fall below carrying values. Based on current economic conditions and CGU performances, there are no reasonably possible changes to key assumptions used in the determination of CGU recoverable amounts that would result in material impairment to the consolidated entity.

14. Deferred tax assets

	2025 \$'000	2024 \$'000
Deferred tax assets		
Provisions and accruals	2,225	2,364
Right of use assets	530	464
Section 40-880 deduction – Acquisition and legal costs	796	1,179
Subsidiary acquisition costs	503	503
Other	–	–
Total deferred tax assets	4,054	4,510

	2025 \$'000	2024 \$'000
The movement of net deferred tax assets during the year is as follows:		
Opening balance	4,510	3,796
Amount recognised in profit and loss	(23)	(237)
Amount recognised in equity	(385)	619
Adjustments recognised for prior periods	(48)	28
Additions through business combinations	–	304
Closing balance	4,054	4,510

15. Trade and other payables

	2025 \$'000	2024 \$'000
Trade payables	60,243	51,870
Other payables	11,545	14,749
Contingent consideration ⁱ	–	1,221
Total trade and other payables	71,788	67,840

- i. Represents contingent consideration on the acquisition of EX Engineering Pty Ltd. The Earn Out amount of \$1,221,000 was calculated as the Actual FY24 EBITDA minus the Actual FY23 EBITDA, times a pre-determined multiplier up to a maximum aggregate Purchase Price of \$11,400,000.

Notes to the Financial Statements continued

16. Borrowings

	2025 \$'000	2024 \$'000
Working capital facility ⁱ	–	–
Acquisition debt facility ⁱⁱ	11,100	31,100
Total facility	11,100	31,100
Current	–	–
Non-current	11,100	31,100
Total facility	11,100	31,100

16.1 Facilities

During the financial year, the Group had the following borrowing facilities established:

- The Group had a \$10,000,000 working capital finance facility available to meet working capital requirements which expired on 30 January 2025. (2024: \$10,000,000).
- The Group had a \$40,000,000 acquisition debt facility available to fund the acquisition of CMI Operations Ltd. On 28 October 2024, the facility was reduced to \$31,100,000. On 21 February 2025, \$10,000,000 of acquisition debt was repaid and the facility reduced to \$21,100,000. On 30 May 2025, a further \$10,000,000 of acquisition debt was repaid and the facility reduced to \$11,100,000. \$11,100,000 has been drawn as at 30 June 2025.

16.2 Loan covenants

The borrowing facilities are subject to certain financial covenants and these are assessed at the end of each quarter. The loans will be repayable immediately if the covenants are breached. The Group is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period.

17. Current tax liabilities

	2025 \$'000	2024 \$'000
Income tax payable	1,245	2,176
Total Income tax payable	1,245	2,176

18. Provisions

	2025 \$'000	2024 \$'000
Current		
Warranties	309	235
Provision of employee benefits	5,380	6,124
Total current provisions	5,689	6,359
Non-current		
Provision of employee benefits	682	614

19. Deferred tax liabilities

	2025 \$'000	2024 \$'000
Deferred tax liabilities		
Depreciation	148	337
Unrealised foreign exchange losses	2	2
Total deferred tax liabilities	150	339

	2025 \$'000	2024 \$'000
The movement of net deferred tax liabilities during the year is as follows:		
Opening balance	339	701
Amount recognised in profit and loss	(189)	(331)
Additions through business combinations	–	(31)
Closing balance	150	339

Notes to the Financial Statements continued

20. Issued capital

		2025 \$'000	2024 \$'000
103,693,582 fully paid ordinary shares (2024: 103,380,078)		96,187,921	95,638,743
Movement:			
Date	Details	\$	Number of Shares
1 July 2024	Opening balance	95,638,743	103,380,078
	<i>Movement:</i>		
30 September 2024	Performance Rights – Shares Issued	549,178	313,504
30 June 2025	Closing Balance	96,187,921	103,693,582

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2024 Annual Report.

21. Reserves

	2025 \$'000	2024 \$'000
Foreign currency translation reserve	(382)	(101)
Share based payments reserve	416	676
Total reserves	34	575

Foreign currency translation reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share based payments reserve

The reserve is used to recognise the equity-settled transactions with employees based on the fair value of the equity instruments at the date at which they are granted. The fair value is determined using either the Binomial or Back-Scholes model taking into account the terms and conditions upon which the instruments were granted.

22. Dividends

The following dividends were declared and paid:

	2025 \$'000	2024 \$'000
Final ordinary fully franked dividend of 6.2 cents per share (2024: 4.7 cents per share)	6,410	4,070
Interim ordinary fully franked dividend of 6.4 cents per share (2024: 4.6 cents per share)	6,636	4,755
Total dividends declared and paid	13,046	8,825

On 25 August 2025, the Directors declared a final dividend of 6.2 cents per share fully franked with an ex-dividend date of 23 September 2025, record date of 24 September 2025 and payable on 08 October 2025.

Franked dividends declared or paid during the year were franked at the tax rate of 30%.

Franking credits account

	2025 \$'000	2024 \$'000
The franking credits available for subsequent financial years at a tax rate of 30%	27,894	24,057

The above available balance is based on the dividend franking account at year end adjusted for:

- Franking credits that will arise from the payment of the current tax liabilities;
- Franking debits that will arise from the payment of dividends recognised as a liability at the year end;
- Franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.

The ability to use the franking credits is dependent upon the Company's future ability to declare dividends.

Notes to the Financial Statements continued

23. Earnings per share

	Year ended 30 June 2025 Cents per share	Year ended 30 June 2024 Cents per share
Basic earnings per share	25.3	23.3
Diluted earnings per share	25.2	23.1

Reconciliation of earnings used in calculating earnings per share

	Year ended 30 June 2025 \$'000	Year ended 30 June 2024 \$'000
Net profit	26,186	22,364

Reconciliation of shares used in calculating earnings per share

	Year ended 30 June 2025 No.	Year ended 30 June 2024 No.
Opening and closing balance of shares for the period	103,380,078	86,365,798
Shares issued	313,504	17,014,280
Closing balance of shares for the period	103,693,582	103,380,078
Weighted average number of ordinary shares used in the calculation of basic earnings per share	103,615,420	96,039,605
Shares deemed to be issued for no consideration in respect of:		
Employee performance Rights	246,410	617,355
Closing number of shares deemed to be issued for the period	103,939,992	103,997,433
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	104,094,385	96,642,191

24. Remuneration of auditors

During the financial year, the following fees were paid or payable for services provided by PKF, the auditor of the company, its network firms and unrelated firms:

	2025 \$'000	2024 \$'000
Audit services – PKF Audit and Assurance		
Auditing and reviewing the financial statements	248	287
Other services PKF		
Taxation service	29	21
Other consulting services	–	3
Tax due diligence relating to business acquisitions	–	15
Investigating the accountant's report and due diligence relating to business acquisitions	–	96
Total remuneration of auditors	277	422

25. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 2:

	Principal place of business/ Country of Incorporation	Percentage Owned (%) 2025	Percentage Owned (%) 2024
Addelec Power Services Pty Ltd	Australia	100	100
Control Logic Pty Ltd	Australia	100	100
High Technology Control Pty Ltd	Australia	100	100
IPD Colombo (PVT) Ltd	Sri Lanka	100	100
IPD Services Pty Ltd	Australia	100	100
EX Engineering Pty Ltd	Australia	100	100
CMI Operations Pty Ltd	Australia	100	100

Notes to the Financial Statements continued

26. Share based payments

At 30 June 2025 the Group has the following share-based payment schemes:

The Company has established the EIP to assist in the motivation, reward and retention of senior management and other IPD employees from time to time. The EIP is designed to align the interests of senior management and other employees with the interests of Shareholders by providing an opportunity for employees to receive equity interests in the Company subject to the satisfaction of certain performance conditions. IPD may offer additional incentive schemes to the management and employees over time.

The EIP is a long-term incentive plan, under which options or performance rights to subscribe for or be transferred Shares (Plan Awards) may be offered to eligible employees (including a director employed in an executive capacity or any other person who is declared by the Board to be eligible) selected by the Directors at their discretion.

The invitations issued to eligible employees will include information such as the amount required to be paid for the Plan Award (if any), vesting conditions and any trading restrictions on dealing with Shares allocated on vesting or exercise of a Plan Award. Upon acceptance of an invitation, the Directors will grant Plan Awards in the name of the eligible employee. On vesting, one Plan Award is exercisable into or entitles the holder to one Share. Unless otherwise specified in an invitation, the Directors have the discretion to settle Plan Awards with a cash equivalent payment.

Share based payments granted during the current financial year:

Performance rights series	Effective grant date	Number granted	Grant date fair value \$	Vesting date
Tranche 1	9/12/2024	74,014	171,564	Forfeited
Tranche 2	9/12/2024	74,014	171,564	Forfeited
Tranche 3	9/12/2024	74,017	171,571	Forfeited

Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects on non-transferability, performance hurdles, and employment considerations.

Performance rights series	Grant date fair value	Rights life	Dividend yield \$
Tranche 1	\$2.32	1 Year	4.46%
Tranche 2	\$2.32	2 Years	4.46%
Tranche 3	\$2.32	3 Years	4.46%

	2025 \$'000	2024 \$'000
Movement in share-based payments reserve		
Balance at 1 July	676	433
Recognised for the year:		
– Performance rights granted	416	627
– Performance rights forfeited	(127)	(28)
Total recognised for the year	289	599
– Exercise of performance rights	(549)	(356)
Balance at 30 June	416	676

	Weighted Average Fair Value \$	Number of LTI issued
Details of LTI movement are as follows:		
Balance at 30 June 2023		674,742
– Performance rights granted	3.25	211,163
– Performance rights exercised	4.85	(251,593)
– Performance rights forfeited	1.64	(16,957)
Balance at 30 June 2024		617,355
– Performance rights granted	2.32	222,044
– Performance rights exercised	1.75	(313,504)
– Performance rights forfeited	2.72	(279,485)
Balance at 30 June 2025		246,410

Notes to the Financial Statements continued

27. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk) and credit risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments.

Foreign currency risk

Foreign currency forward contracts are used in the normal course of day-to-day business to hedge exposure to fluctuations in foreign exchange.

The maturity, settlement amounts and the average contractual exchange rates of the consolidated entity's outstanding forward foreign exchange contracts at the reporting date were as follows:

	Sell Australian dollars \$'000		Average exchange rates	
	2025	2024	2025	2024
Buy US dollars				
<i>Maturity</i>				
0 – 3 months	591	357	0.6508	0.6540
4 – 6 months	–	–	–	–
Buy Euros				
<i>Maturity</i>				
0 – 3 months	1,767	22	0.5640	0.6069
4 – 6 months	–	–	–	–
Buy Japanese Yen				
0 – 3 months	15	–	94.2750	–
4 – 6 months	–	–	–	–

The carrying amount of the consolidated entity's foreign currency-denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets \$'000		Liabilities \$'000	
	2025	2024	2025	2024
US dollars	290	34	–	–
Euros	5	4	–	–
New Zealand dollars	–	12	–	–
Total	295	50	–	–

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position:

2025	1 year or less \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Non-derivatives				
<i>Non-interest bearing</i>				
Trade payables	60,243	–	–	60,243
Other payables	11,545	–	–	11,545
<i>Interest bearing – fixed rate</i>				
Lease liability	6,038	13,714	3,579	23,331
Debt facility	–	11,100	–	11,100
Total non-derivatives	77,826	24,814	3,579	106,219
Derivatives				
Forward foreign exchange contracts net settled	–	–	–	–
Total derivatives	–	–	–	–

Notes to the Financial Statements continued

27. Financial instruments continued

2024	1 year or less \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Non-derivatives				
<i>Non-interest bearing</i>				
Trade payables	50,448	–	–	50,448
Other payables	17,391	–	–	17,391
<i>Interest bearing – fixed rate</i>				
Lease liability	4,326	10,134	241	14,701
Debt facility	–	31,100	–	31,100
Total non-derivatives	72,165	41,234	241	113,640
Derivatives				
Forward foreign exchange contracts net settled	–	–	–	–
Total derivatives	–	–	–	–

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value

28. Key management personnel

The individuals within the Group who have been determined to be Key Management Personnel ('KMP') for the period ended 30 June 2024 are those people who have the authority and responsibility for planning, directing and controlling the Group's activities, either directly or indirectly. The Group's key management personnel are the Directors of the company.

Compensation

The aggregate compensation made to key management personnel of the Group is set out below:

	2025 \$'000	2024 \$'000
Short term employee benefits	1,371	1,537
Post employment benefits	90	94
Long term benefits	19	18
Share based payments	–	399
Total remuneration of key management personnel	1,480	2,048

29. Related party transactions

There were no related party transactions for the year ended 30 June 2025 (2024: None).

30. Parent entity

The following information has been extracted from the books and records of the parent, IPD Group Ltd and has been prepared in accordance with Accounting Standards. The financial information for the parent entity, IPD Group Ltd has been prepared on the same basis as the financial statements except as disclosed below.

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of the parent entity. Dividends received from associates are recognised in the parent entity profit or loss, rather than being deducted from the carrying amount of these investments.

	30 June 2025 \$'000	30 June 2024 \$'000
Assets		
Total current assets	100,673	101,770
Non-current assets	141,339	137,263
Total assets	242,012	239,033
Liabilities		
Current liabilities	66,206	68,412
Non-current liabilities	23,904	39,755
Total liabilities	90,110	108,167
Equity		
Issued capital	96,188	95,639
Share-based payments reserve	416	676
Retained earnings	55,298	34,551
Total equity	151,902	130,866
Summarised statement of profit and loss		
Profit for the year	33,793	16,403

Notes to the Financial Statements continued

31. Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

32. Shareholders information

Distribution of shareholders

As at 25 August 2025, the distribution of shareholding was as follows:

Size of shareholding	Shares held	Percentage of Issued Share Capital	Number of shareholders	Distribution of shareholders
1 – 1,000	1,165,433	1.12%	2,558	47.64%
1,001 – 5,000	4,800,950	4.63%	1,940	36.13%
5,001 – 10,000	3,259,711	3.14%	447	8.33%
10,001 – 100,000	8,687,889	8.38%	383	7.13%
Over 100,000	85,779,599	82.72%	41	0.76%
Total	103,693,582	100.00%	5,369	100.00%

Substantial shareholdings

The number of shares held by the substantial shareholders listed in the Company's register of substantial shareholders as at 25 August 2025 were:

Shareholder	Number of shares	% Held
Mohamed Yoosuff and Mary Yoosuff	11,331,799	10.93%
MA Asset Management Ltd	10,276,024	9.91%
Keith William Toose & Kirry Elizabeth Toose	5,812,079	5.61%
Greencape Capital Pty Ltd	5,312,843	5.12%

Twenty largest shareholders

Shareholder	Number of shares	% Held
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	27,232,192	26.26%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	13,429,926	12.95%
MOHAMED YOOSUFF	11,331,799	10.93%
CITICORP NOMINEES PTY LIMITED	5,970,545	5.76%
KEITH WILLIAM TOOSE + KIRRY ELIZABETH TOOSE	5,812,079	5.61%
BNP PARIBAS NOMINEES PTY LTD	2,700,915	2.60%
MIRRABOOKA INVESTMENTS LIMITED	2,500,000	2.41%
MRS DORIS MARIE ROBINSON	1,793,452	1.73%
UBS NOMINEES PTY LTD	1,740,633	1.68%
MR AHMAD AMIRI	1,410,648	1.36%
CITICORP NOMINEES PTY LIMITED	1,281,227	1.24%
CERTANE CT PTY LTD	1,162,669	1.12%
MICHAEL SAINSBURY	1,160,952	1.12%
ANACACIA PTY LTD	1,140,966	1.10%
MRS LYN JO-AN LINDEN	1,000,000	0.96%
CERTANE CT PTY LTD	930,353	0.90%
ANDREW MAN-TAT CHAN + KWAN-CHING WONG	802,842	0.77%
MR TERRENCE AUSTIN CHAPMAN + MRS ARZU AYLIN CHAPMAN	578,181	0.56%
BNP PARIBAS NOMINEES PTY LTD	419,612	0.40%
CL AUST PTY LTD	374,965	0.36%
Total top 20 shareholders	82,773,956	79.83%

Shareholders with less than a marketable parcel

As at 25 August 2025, there were 342 shareholders holding less than a marketable parcel of 138 ordinary shares in the company, totalling 34,320 ordinary shares.

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Notes to the Financial Statements continued

33. Company information

Directors	David Rafter, Chairman, Non-executive director Andrew Moffat, Non-executive director Michael Sainsbury, CEO Mohamed Yoosuff, Director of Strategic Development
Company secretary	Jade Cook
Notice of annual general meeting	The annual general meeting of IPD Group Limited will be held on the 25 November 2025
Registered office	43-47 Newton Road Wetherill Park NSW 2164 Phone: 1300 556 601
Principal place of business	43-47 Newton Road Wetherill Park NSW 2164 Phone: 1300 556 601
Share register	Computershare Yarra Falls 452 Johnston Street, Abbotsford, Vic 3067 Phone: (03) 9415 5000
Auditor	PKF Level 8, 1 O'Connell Street Sydney NSW 2000
Stock exchange listing	IPD Group Limited shares are listed on the Australian Securities Exchange (ASX code: IPG)
Website	www.ipdgroup.com.au

Consolidated Entity Disclosure Statement

The table below includes the consolidated entity information required by section 295 of the *Corporations Act 2001* (Cth):

Entity Registered Name	Entity Type	Percentage of share capital held (%)	Country of incorporation	Tax residency	
				Australian or foreign	Foreign jurisdiction
IPD Group Limited	Body Corporate	100.00	Australia	Australian	N/A
Addelec Power Services Pty Ltd	Body Corporate	100.00	Australia	Australian	N/A
Control Logic Pty Ltd	Body Corporate	100.00	Australia	Australian	N/A
High Technology Control Pty Ltd	Body Corporate	100.00	Australia	Australian	N/A
IPD Services Pty Ltd	Body Corporate	100.00	Australia	Australian	N/A
Ex Engineering Pty Ltd	Body Corporate	100.00	Australia	Australian	N/A
CMI Operations Pty Ltd	Body Corporate	100.00	Australia	Australian	N/A
IPD Colombo (PVT) Ltd	Body Corporate	100.00	Sri Lanka	Foreign	Sri Lanka

Corporate Directory

Registered office

43 Newton Road,
Wetherill Park NSW 2164
Tel: (02) 9645 0777

Web: www.ipdgroup.com.au

Company Secretary

Jade Cook

Auditor

PKF(NS) Audit & Assurance Limited
Partnership
Level 8, 1 O'Connell Street
Sydney NSW 2000
Tel: (02) 8346 6000

Web: www.pkf.com.au

Shareholder Registrar

Computershare Investor
Services Pty Limited
GPO Box 2975
Melbourne VIC 3001

Contact details

Address: Locked Bag A14
Sydney South NSW 1235

Tel: (Australia) 1300 850 505
(Overseas) +61 3 9415 4000

Web: www.investorcentre.com/au

IPD Group Investor Relations

investorrelations@ipdgroup.com.au

