BUSINESS CONFIDENCE SURVEY

OVERALL

EFC members who participate in the survey receive a more detailed report, including insights by membership type, product category, and region.

EFC Business Confidence Poll in **Q3 2026 is more positive** compared to the previous quarter. With **strong participation from 101 respondents**, the results show that most of the industry continues to expect growth. **71% of respondents predict an increase in FY2026 sales**, while 22% anticipate a decline, resulting in a **+49% balance of opinion**, up from +40% in Q2, reflecting continued optimism despite a more measured pace of growth.

Demand strengthened in the industrial sector, while the **commercial and institutional sectors remained steady,** according to most respondents. In contrast, **the residential sector** continues to show signs of weakness, with a higher proportion of respondents reporting declining market conditions. **Supply chain conditions continue to improve overall**, with more businesses indicating that previous challenges have been resolved or are easing. However, the **proportion of respondents reporting supply chain challenges affecting customers and service has increased slightly, from 27% in Q2 to 29% in Q3**, suggesting that some disruptions continue to impact operations.

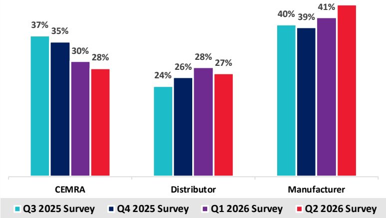
Expectations for the Q3 2026 remain positive, with **61%** of respondents anticipating **moderate growth** (primarily in the 1–10% range), while **11% expect stronger growth**. The **outlook for 2027 remains positive**, with **82%** of respondents expecting their sales to increase. Comments from respondents suggest that although overall business activity continues to grow, with the expansion of data centres contributing significantly to demand, there is increasing concern about weakness in the residential market, ongoing supply chain challenges, trade-related issues, and broader economic uncertainty.

Overall, the results point to a resilient but moderating market, where growth expectations remain positive, supported in part by continued investment in data centres. However, uncertainty persists due to weakness in the residential market, trade-related issues, and ongoing supply chain challenges across the industry.

Survey period: July 7 – July 14, 2026

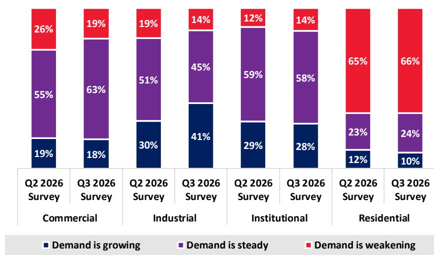
Responses

Q3 2026 Survey Participation - 101
Q2 2026 Survey Participation - 104
Q1 2026 Survey Participation - 123
Q4 2025 Survey Participation - 108



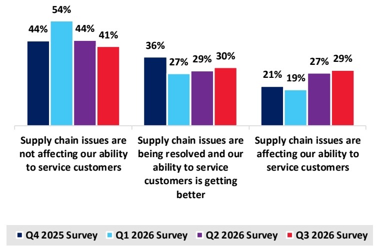
Demand

(Survey Q: Please indicate the status of demand as it relates to your business)



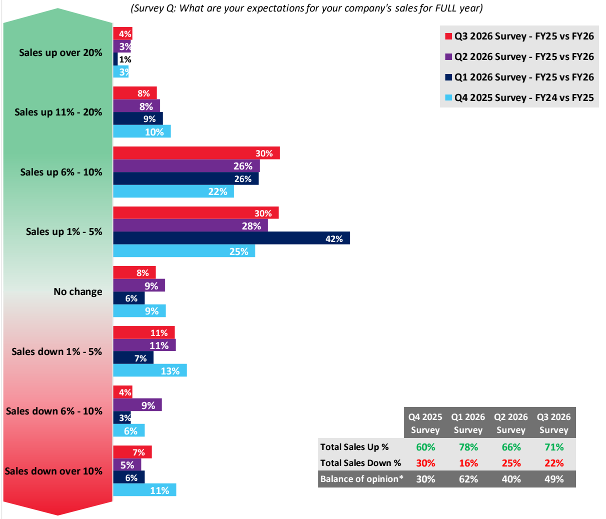
Supply Chain

(Survey Q: Please indicate the status of the supply chain for your products/services)



Sales Growth Survey FY vs Previous FY

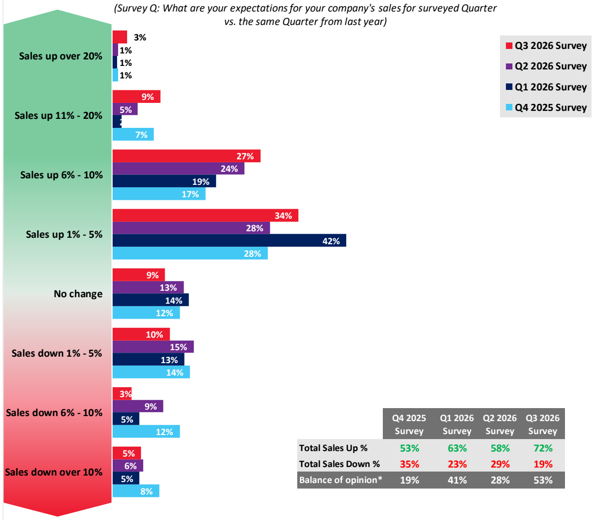
(Survey Q: What are your expectations for your company's sales for FULL year)



	Q4 2025 Survey	Q1 2026 Survey	Q2 2026 Survey	Q3 2026 Survey
Total Sales Up %	60%	78%	66%	71%
Total Sales Down %	30%	16%	25%	22%
Balance of opinion*	30%	62%	40%	49%

Sales Growth Survey Quarter vs Same Quarter Previous Year

(Survey Q: What are your expectations for your company's sales for surveyed Quarter vs. the same Quarter from last year)

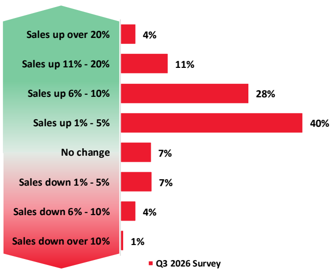


	Q4 2025 Survey	Q1 2026 Survey	Q2 2026 Survey	Q3 2026 Survey
Total Sales Up %	53%	63%	58%	72%
Total Sales Down %	35%	23%	29%	19%
Balance of opinion*	19%	41%	28%	53%

** Percentage of respondent saying "Sales up" minus percentage of respondent saying "Sales down"*

Sales Growth FY 2027 vs FY 2026

(Survey Q: What are your expectations for your company's sales for NEXT year vs. Current Year?)



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