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ASX Announcement

26 August 2026

RECORD FY26 RESULT AND STRONG FY27 GROWTH PIPELINE

Record earnings, strong cash generation and leverage within target range provide a strong platform for disciplined growth in FY27.

Kelsian Group Limited (ASX:KLS) ('**Kelsian'**) today reported its full year results for the twelve months ended 30 June 2026 ('**FY26**') delivering strong revenue growth and margin expansion across all geographies and underlying EBITDA at the top end of the guidance range.

Financial Highlights[1]

- **8.8% increase** in revenue to $2,402.7 million;
- **10.8% increase** in Underlying EBITDA[2] to $315.8 million;
- **14.5% increase** in Underlying EBIT[2] to $155.7 million;
- **17.2% increase** in Underlying Net Profit After Tax, before Amortisation (Underlying NPATA) to $111.1 million; excluding $14.5m of one-off costs (after tax) associated with the Tourism Portfolio divestment and new finance systems costs;
- **16.6% increase** in Statutory Net Profit After Tax to $63.5 million;
- **Strong net operating cashflow** of $220.1 million, and cash conversion of 91.4%;
- **Leverage[3] of 2.46x**, within Kelsian's target range of 2.0x to 2.5x and down from 2.74x at December 2025; and
- Fully franked **final dividend increased to 10.0 cents per share**, taking the full-year dividend to 18.0 cents per share (FY25: 17.5 cents per share).

Operational, Strategic and Commercial Highlights

- Continued strong performance in the United States with growth from new and existing industrial employee shuttle contracts, corporate and technology shuttle services, and charter;
- Contract revenue indexation mechanisms continued to provide effective protection against movements in key operating cost inputs including fuel, labour and maintenance expenses;
- Bankstown rail replacement bus services operated for the full year;
- Signed a two-year extension for Sydney Region 6 bus services from 1 July 2026 on improved terms, while operational performance across Sydney improved during the year;
- Successfully commenced the Ipswich and Logan bus services contract, representing Kelsian's first competitively tendered bus contract in Queensland;

- Awarded Liverpool bus contracts in the UK commencing January 2027, validating the UK strategy; and acquired South Wales Transport, to strengthen Kelsian's position ahead of further UK regional bus franchising;
- Awarded new long-term ferry contracts in Auckland, New Zealand and entered an agreement to acquire Belaire Ferries establishing a strategic platform for growth in New Zealand;
- Continued progress towards completion of the Tourism Portfolio[4] divestment to Journey Beyond (see separate ASX Release dated 26 August 2026 for update reflecting removal of SeaLink Rottnest from the transaction perimeter); and
- Successfully went live with the new global finance platform on 1 July 2026.

Kelsian Group CEO, Graeme Legh, said: "This record result demonstrates the resilience of our business model and the quality and defensive nature of our earnings. More than 90% of FY26 revenue was contracted or non-discretionary in nature, supporting predictable and defensive cashflows.

"Strong operational execution and the benefits of our diversified portfolio underpinned the result despite inflationary pressures and significant fuel price volatility.

"Kelsian provides transport services that play an important role in keeping communities connected. With households increasingly focused on transport affordability and governments investing in more frequent, reliable and accessible public transport, we see a structural opportunity to support increased patronage and sustained mode shift.

"We enter FY27 with a stronger balance sheet and established growth platforms across several geographies. In the United States, continued investment across technology, energy, data centre and major infrastructure is supporting demand for employee transportation services. In the UK, the transition to bus franchising across regional UK represents a significant capital-light growth opportunity, while our core Australian and New Zealand markets provide further opportunities to grow our contracted transport operations.

"Our approach to growth remains disciplined. We will focus on our core strengths, target long-term defensive earnings and selectively deploy capital to opportunities that meet our strategic and financial return hurdles and support sustainable long-term shareholder value," he said.

FY27 Outlook[5]

Kelsian enters FY27 with strong operational momentum, a strengthened balance sheet and a substantial pipeline of organic and in-organic growth opportunities.

Kelsian anticipates FY27 Underlying EBITDA of between $320 million and $335 million, assuming no significant deterioration in the operating environment and no material change to the current structure of the business. FY27 guidance includes approximately $3.5 million of mobilisation costs relating to the new Kangaroo Island ferry contract, carried over from FY26.

FY27 guidance includes the Tourism Portfolio for the entire year. As the Tourism Portfolio transaction (excluding SeaLink Rottnest) remains subject to ACCC, and FIRB approvals, change of control consents for key contracts and authorisations, as well as other customary conditions, the impact of this transaction on FY27 guidance will be dependent on the timing of completion. Kelsian intends to update FY27 guidance when the impact of the transaction can be appropriately assessed.

Kelsian's growth strategy is focused on three complementary pillars: protecting and growing core markets; selective international growth and pursuing strategic opportunities that enhance capability, scale or geographic reach and meet Kelsian's financial return hurdles.

Key FY27 priorities include continuing operational improvement across Australian Bus; mobilising the new Kangaroo Island ferry contract; managing the expected wind-down of Bankstown rail replacement bus services in 1HFY27; satisfying the conditions precedent and completing the orderly separation of the Tourism Portfolio (excluding SeaLink Rottnest) from the retained Marine operations; and capitalising on growth opportunities, particularly in the United States and United Kingdom.

The Group will continue to apply its Capital Management and Allocation Framework, maintaining balance sheet discipline and requiring growth investments to be aligned with strategy, earnings accretive and deliver returns above the Group's investment hurdles.

Final Dividend and Dividend Reinvestment Plan

The Board has declared a fully franked final dividend of 10.0 cents per share, taking the full-year dividend to 18.0 cents per share. Kelsian's dividend reinvestment plan (DRP) is offered to shareholders in Australia, New Zealand, the United Kingdom, Jersey, Canada and Qualified Institutional Buyers in the United States. Under the DRP, Kelsian shares will be issued at the average of the daily volume weighted average market price of Kelsian shares sold on ASX during the 10 trading days commencing 18 September 2026, with no discount. Shareholders resident outside of Australia should refer to the attached Eligibility Notice for their jurisdiction which has been updated due to regulatory changes in the USA. The DRP rules and most up to date Eligibility Notice and available on the investor relations section of the Kelsian website: www.kelsian.com/investor

FY26 Results Briefing Webinar

Kelsian Group CEO Graeme Legh and Group CFO Andrew Muir, will host a results briefing webinar, today at 9.30am (Sydney time), with a conference call facility available for those wanting to ask questions.

To register for the webinar, please click here: **https://webcast.openbriefing.com/kls-fyr-2026/**
To register for the teleconference: **https://s1.c-conf.com/diamondpass/10056172-wqjuy2.html**

Post the event the webinar will be available on the Kelsian website: https://www.kelsian.com/investor

Authorised for lodgement with the ASX by the Board

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ABOUT KELSIAN

Kelsian is a leading global operator of bus, motorcoach, and marine services, trusted by governments and private clients to deliver safe, reliable, and sustainable passenger transport solutions.

With over 35 years of experience, Kelsian connects people and places across complex urban and regional networks in Australia, the UK, Singapore, the USA, and the Channel Islands. Our innovative customer focused operations enable our partners to improve efficiency, mobility and achieve their sustainability goals.

Our businesses include Transit Systems - one of Australia's largest public bus operators, All Aboard America! Holdings, Inc. (AAAHI) - the second-largest motorcoach operator in the USA; Tower Transit - spearheading bus franchising in the UK and Singapore; and SeaLink Marine & Tourism - providing ferry services that connect commuters, support tourism and regional communities in Australia.

As a leader in low and zero-emission transport, Kelsian is helping shape the future of sustainable mobility.

As at 30 June 2026, Kelsian employs over 13,300 people and operates 6,317 buses, and 122 vessels that delivered more than 384 million customer journeys over the last year.

For more information visit **www.kelsian.com**

IMPORTANT NOTE

Basis of preparation and non-IFRS information

a) Information in this announcement is provided as at the date of this announcement unless specified otherwise.
b) Kelsian's financial results are reported under International Financial Reporting Standards (IFRS). This announcement may include certain non-IFRS measures including "underlying" or "normalised" results, which are used internally by management to assess the performance of the business.
c) Non-IFRS measures, and any statements relating to FY27, have not been subject to audit or audit review.

Forward-looking statements

All forward-looking statements contained in this announcement reflect Kelsian's views held at the date of this announcement. This announcement contains certain forward-looking statements and references which, by their very nature involve inherent risks and uncertainties. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Kelsian Group, and its directors, officers, employees, advisers and agents, that may cause actual results to differ materially from those expressed or implied in such statements. Actual results, performance or outcomes may differ materially from any projections and forward-looking statements and the assumptions on which those assumptions are based.

You should not place undue reliance on forward-looking statements and neither Kelsian Group nor any of its directors, officers, employees, advisers or agents assume any obligation to update such information. Kelsian Group does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements or to otherwise update any forward-looking statements whether as a result of new information, future events or otherwise, after the date of this document.

All forward-looking statements in this document assume and are subject to no material change in economic conditions, trading conditions, currency exchange or interest rates assumptions.

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[1] *All comparative references are to the twelve months ended 30 June 2025 unless otherwise stated.*

[2] *Adjusted for one-off costs associated with acquisition, Tourism Portfolio divestment and Group finance system implementation costs.*

[3] *Leverage calculated as LTM Underlying EBITDA, pre-AASB 16 and excluding SPV earnings and indebtedness.*

[4] *Refer Kelsian ASX Releases of 24 February 2026 and 2 April 2025 for identified Tourism Portfolio business units to be divested, as updated by the ASX release of 26 August 2026 regarding the exclusion of SeaLink Rottnest from the transaction perimeter.*

[5] *Refer important notes on page 4.*

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ATTACHMENT

DRP Eligibility Notice to Nominees and Shareholders Resident Outside Australia

Kelsian Group Limited ACN 109 078 257 (ASX:KLS) ('**KLS**') has adopted a Dividend Reinvestment Plan ('**DRP**') which allows certain eligible KLS shareholders to reinvest all or part of any dividend paid on their fully paid ordinary shares ('**Shares**') in additional Shares ('**New Shares**').

Capitalised terms used and not otherwise defined in this notice have the meanings given to them in the DRP Rules effective 28 February 2024 ('**DRP Rules**'). The DRP Rules and a copy of the DRP Instruction Form is available at www.kelsian.com/investor or by logging into the InvestorServe portal at https://www.investorserve.com.au.

The price per New Share and other information about dividends declared by KLS from time to time will be set out in an Appendix 3A.1 *Notification of Dividend / Distribution* that KLS is required to lodge with ASX ('**Dividend Notification**'), which will be available at: www.asx.com.au.

The DRP Rules, DRP Instruction Form and Dividend Notification are collectively referred to as the '**DRP Documents**'.

The DRP Documents do not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, the DRP Documents may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of KLS with registered addresses in New Zealand to whom the offer of the New Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

The DRP Documents have not been registered, filed with or approved by any New Zealand regulatory authority. The DRP Documents are not a product disclosure statement under New Zealand law and are not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Canada

The DRP Documents constitute an offering of the New Shares in Canada in all its Provinces (the '**Provinces**') where existing shareholders of KLS are resident. The DRP Documents are not, and under no circumstances are to be construed as, an advertisement or a public offering of securities in the Provinces.

No securities commission or other authority in the Provinces has reviewed or in any way passed upon the DRP Document, the merits of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Provinces.

Any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws, which may require resales to be made in accordance with an exemption from prospectus requirements. Such resale restrictions do not apply to a first trade in a security (such as New Shares) of a foreign issuer (such as KLS) that is not a reporting issuer in Canada through an exchange or market outside of Canada (such as ASX).

KLS as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon KLS or its directors or officers. All or a substantial portion of the assets of KLS and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against KLS or such persons in Canada or to enforce a judgment obtained in Canadian courts against KLS or such persons outside Canada.

United States

The DRP Documents do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 ('US Securities Act') and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

In particular, the only shareholders of KLS in the United States who may participate in the DRP are "qualified institutional buyers" (as defined in Rule 144A under the US Securities Act) and officers and directors of KLS and its subsidiaries.

Any US shareholder wishing to participate in the DRP must complete and return to KLS a US investor certificate making certain customary representations. This certificate is available on request from the share registry by contacting enquiries@boardroomlimited.com.au.

United Kingdom

The DRP Documents have not been delivered for approval to the Financial Conduct Authority ("FCA") in the United Kingdom and no prospectus (within the meaning of Regulation 21 of The Public Offers and Admissions to Trading Regulations 2024 ("POATRs")) has been published or is required to be published in respect of the New Shares.

The DRP Documents relate to an offer of securities that falls within paragraph 8 of schedule 1 to the POATRs on the basis that it relates to dividends paid out to existing shareholders in the form of shares of the same class as the shares in respect of which such dividends are paid. The DRP Documents contain information on the number and nature of the shares and the reasons for and details of the offer of New Shares under the DRP.

The DRP Documents are issued on a confidential basis to existing shareholders of KLS and the New Shares may not be offered or sold in the United Kingdom except pursuant to an exemption from the general prohibition on offers of relevant securities to the public in the United Kingdom. The DRP Documents should not be distributed, published or reproduced, in whole or in part, nor may their contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended ("FSMA")) received in connection with the offer or sale of the New Shares has been, and only will be, communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to KLS.

In the United Kingdom, the DRP Documents are being made available only to, and are directed at, persons (i) who fall within Article 43 (members of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (SI 2005/1529), or (ii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which the DRP Documents relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on the DRP Documents.

Jersey

No offer or invitation to subscribe for New Shares may be made to the public in Jersey. The DRP is available in Jersey only to existing shareholders of KLS and to the extent they constitute less than 50 persons.

Nominees

Nominees and custodians may not distribute any DRP Document, and may not permit any beneficial shareholder to participate in the DRP, in any country outside Australia, Canada, Jersey, New Zealand, the United Kingdom, and the United States of America except "qualified institutional buyers", as defined in Rule 144A under the US Securities Act of 1993, except, with the consent of KLS, to beneficial shareholders resident in certain other countries where KLS may determine it is lawful and practical to make the DRP available.

Issued on: 26 August 2026