31 August 2026

ASX ANNOUNCEMENT
SIMONDS GROUP LTD 2026 FINANCIAL YEAR RESULTS

Simonds Group Limited (Simonds, Group or Company) (ASX: SIO), has today released its Appendix 4E and unaudited Preliminary Financial Report for the year ended 30 June 2026 (FY26).

Simonds reported an Earnings Before Interest Tax Depreciation and Amortisation (EBITDA) of $42.5 million and a net profit after tax (NPAT) at a group level of $10.5 million.

Unaudited results for the financial year ended 30 June 2026:

	FY26 $ million	FY25 $ million
Revenue	$729.1	$665.6
Earnings before interest, tax, depreciation and amortisation	$42.5	$24.0
Net profit after tax reported	$10.5	$1.0

FY26 HIGHLIGHTS

- **Growth in NPAT:** Achieved NPAT (Net Profit after Tax) of $10.5 million, representing a 950% increase on FY25 and the highest NPAT result since the Company was listed.
- **Revenue expansion:** Revenue from operations increased to $729.1 million, up 9.5% from $665.6 million in FY25. Growth was driven by a 16.1% increase in site starts, the full-year contribution from Dennis Family Homes, improved sales conversion rates and continued expansion of alternative sales channels.
- **EBITDA improvement:** EBITDA increased by 76.8% to $42.5 million, reflecting the successful implementation of the Group’s overarching strategy to increase operating leverage, increase margins and disciplined cost management. EBITDA margin expanded to 5.8%, up from 3.6% in FY25.
- **Healthy liquidity position:** Liquidity remained strong at $39.1 million as at 30 June 2026, comprising $16.5 million in cash on hand and $22.6 million in undrawn banking facilities, providing capacity to continue investing in growth initiatives and operational capability while supporting sustainable long-term performance.
- **Dennis Family Homes integration:** The successful integration of Dennis Family Homes contributed to FY26 performance. The acquisition expanded the Group's product range, regional market reach, display footprint, workforce capability and customer pipeline, while delivering procurement, product, operational and back-office scale benefits that supported volume and revenue growth.
- **Western Australian expansion:** The Group established the Simonds Homes WA joint venture with Atlas to support geographic expansion into the Western Australian market. The joint venture recorded a start-up loss of $0.3 million (on a proportional basis relative to the Group's interest in the joint venture), reflecting establishment and early trading costs consistent with the investment phase of a new market entry.

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FY26 OVERVIEW

Commenting on SIO's results for FY26, CEO & Executive Chair Rhett Simonds said:

"Simonds Group is pleased to announce its FY26 results, delivering the highest NPAT since listing and an overall strong financial performance.

Our statutory NPAT of $10.5 million, up 950% on FY25, reflects the benefits of a more diversified operating model, disciplined execution and ongoing operational improvement across the business.

FY26 was a significant year of operational delivery and strategic maturity for the Group. The multi-channel strategy implemented over the preceding 18 months matured during the year, supporting broader exposure to retail customers, wholesale and developer partners, projects, medium-density opportunities and completed or near-complete housing product. This channel diversity increased the Group's ability to respond to affordability pressures, changing buyer preferences, land availability and investor demand.

Over the financial period the Group further invested in the strength of the executive leadership team, which underpinned the delivery of the FY26 result and further supports the delivery of the Group's strategic plan.

Affordability pressures, interest rates and cost-of-living challenges continued to influence residential housing demand throughout FY26. Against this backdrop, we continued to refine our product mix to align with customer needs, while maintaining retail detached housing as the foundation of the business and leveraging alternative channels to provide additional scale, volume and earnings resilience.

The establishment of a 50/50 joint venture with Atlas in Western Australia further strengthened our growth platform, expanding the Group's geographic footprint and creating additional opportunities to support future growth.

With a strong and diversified operating platform, a broader market presence and an enhanced channel mix, Simonds enters FY27 well positioned to capitalise on emerging opportunities and continue delivering sustainable long-term growth for our shareholders."

GROUP FINANCIAL RESULTS REPORTED FOR FY26

Commentary for key financial statement items for the Group as at 30 June 2026 were:

- Our statutory NPAT of $10.5 million reflects the benefits of a more diversified operating model, disciplined execution and continued operational improvement across the business.
- Gross margin for the year increased to 24.0%, compared with 22.3% in FY25, an improvement of approximately 175 basis points. Margin expansion was driven by disciplined pricing, effective procurement management, favourable mix benefits and continued gains from construction productivity initiatives, and the progressive realisation of Dennis Family Homes.
- The Group had available liquidity of $39.1 million, comprising cash of $16.5 million and undrawn facilities of $22.6 million. The reduction in available liquidity primarily reflected the $7.1 million settlement of Dennis Family Homes deferred consideration and increased investment in working capital to support higher inventory and site start activity, partially offset by the year's improved trading result.

- Net operating cash flows for the year were $25.3 million, compared with $39.4 million in FY25, a decrease of $14.1 million. The decrease principally reflected working capital movements associated with higher inventory and site start activity, partially offset by the stronger earnings result.

GOVERNANCE

As announced to the ASX on 25 August 2026, a shareholder proposes to move resolutions at an upcoming general meeting of the Company requesting that an independent forensic accountant investigates certain matters affecting the Company and related parties. The Group is committed to strong governance. Prior to receiving notice of these proposed resolutions, on 4 August 2026 the Board established a committee of the independent directors to oversee inquiries into related matters.

OUTLOOK AND FUTURE DEVELOPMENTS

The Board expects the demand environment to remain influenced by interest rates, customer borrowing capacity, land availability, affordability, government housing policy and consumer confidence.

Despite these ongoing market dynamics, Simonds is well positioned through its diversified multi-channel model, expanded brand portfolio, broader product offering and continued focus on operational discipline.

In FY27, Simonds will focus on growing medium-density, investor and alternative channels, enhancing product and pricing solutions that address affordability, and increasing conversion across retail and regional markets. Management also remains focused on procurement, construction productivity and cost efficiency initiatives, while continuing to invest in data, automation and AI-enabled capabilities to strengthen customer experience and operational performance.

Integrating and solidifying operations in Western Australia will remain a priority, expanding the Group's geographic footprint and creating additional opportunities for future growth.

DIVIDENDS

The Board is giving consideration to the payment of a dividend for the period ended 30 June 2026. The details of any dividend will be confirmed following completion of the audit.

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Authorised for lodgement by the Simonds Group Limited Board of Directors.

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