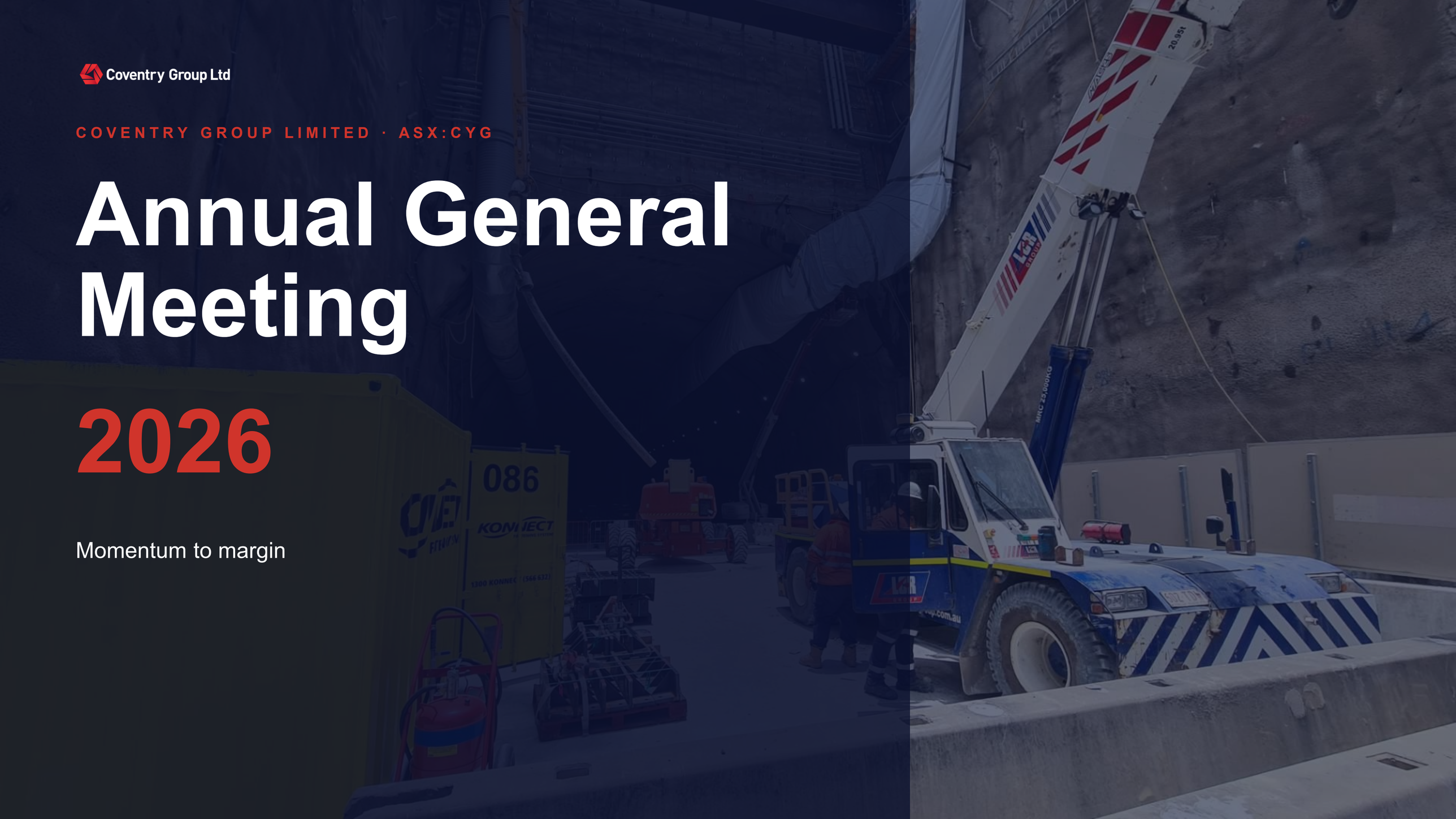
Coventry Group Ltd

COVENTRY GROUP LIMITED · ASX:CYG

Annual General Meeting

2026

Momentum to margin



What we said, we delivered

The priorities we set through FY26 have been delivered, and the results are now flowing through.

Take out $10m of cost

Delivered in FY26. The full annualised benefit is now in the cost base.

Reduce inventory

Down $10.6m to $78.4m at 30 June 2026, and broadly flat in Q1 on higher sales.

Reset the balance sheet

Comprehensive balance sheet and inventory review completed. A clean base for FY27.

Secure funding

NAB facility extended to August 2028. Covenants met for the September 2026 quarter.

Complete major projects

ERP, CFS Mackay relocation and other major site projects complete, with capex now held below $3m.

Return to earnings growth

Three consecutive quarters of EBITDA improvement. Q1 FY27 EBITDA up 87% on pcp.

EBITDA before significant items, excluding AASB 16 — non-IFRS measure, constant currency, unaudited. All items previously disclosed; refer to the FY26 Annual Report and the Q1 FY27 Trading Update.

FY26: reset delivered, turnaround under way

A difficult first half, a materially stronger second half, and the foundations reset for FY27.

REVENUE[2]

$375.3m

+2.8% vs FY25

EBITDA[1] [2]

$9.4m

2H $6.2m vs 1H $3.2m

STATUTORY NPAT

$(15.2)m

Incl. $15.7m significant items

78% non-cash

ANNUALISED COST-OUT

$10m

Target delivered in FY26

INVENTORY REDUCTION

$10.6m

To $78.4m at 30 June 2026

NAB FACILITY

Aug 2028

Extended by 12 months

WHERE THE BOARD FOCUSED

Leadership and plan
Backing new management to stabilise and simplify the Group

Balance sheet integrity
Comprehensive balance sheet and inventory review

Funding
Covenant waivers and facility extension with a supportive NAB

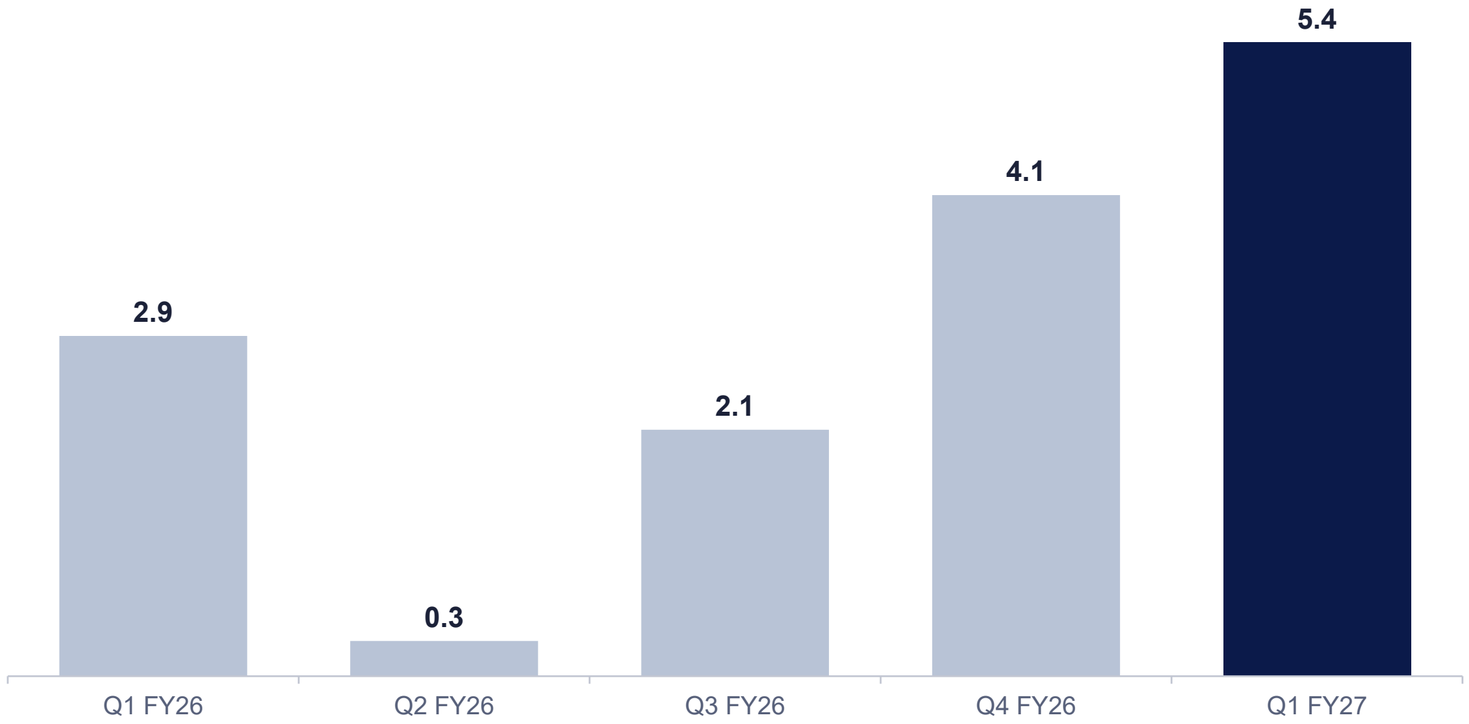
Shareholder value
Strategic review launched in January 2026

[1] EBITDA before significant items, excluding AASB 16 — non-IFRS measure, not audited. [2] Revenue and EBITDA presented on a constant currency basis. Refer to the FY26 Annual Report and Full Year Results presentation.

Momentum has carried into FY27

Three consecutive quarters of EBITDA improvement since the near-breakeven result in Q2 FY26.

QUARTERLY EBITDA[1] [2] · $M



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consecutive quarters of EBITDA improvement

+87%

Q1 EBITDA growth on the prior corresponding period

Q1 FY27 is the strongest quarter since

Q1 FY25

[1] EBITDA is unaudited normalised EBITDA before significant items, excluding AASB 16 — a non-IFRS measure. [2] Presented on a constant currency basis, restating New Zealand results at the prior corresponding period's average NZD/AUD rate. On a reported basis, Q1 FY27 EBITDA would be approximately $0.12m lower. Quarterly figures are unaudited.

Q1 FY27: strongest quarter in two years

Higher sales, stronger gross margin and a lower cost base delivered EBITDA of $5.4m, up 87% on Q1 FY26.

SALES[2]

$100.1m

+1.3% vs Q1 FY26

+1.6% vs Q4 FY26

EBITDA[1] [2]

$5.4m

+87% vs Q1 FY26 ($2.9m)

+31% vs Q4 FY26 ($4.1m)

GROSS MARGIN

42.0%

Up ~50 bps vs Q1 FY26

OPERATING COSTS

−$1.5m

−3.9% vs Q1 FY26

Despite inflationary pressures

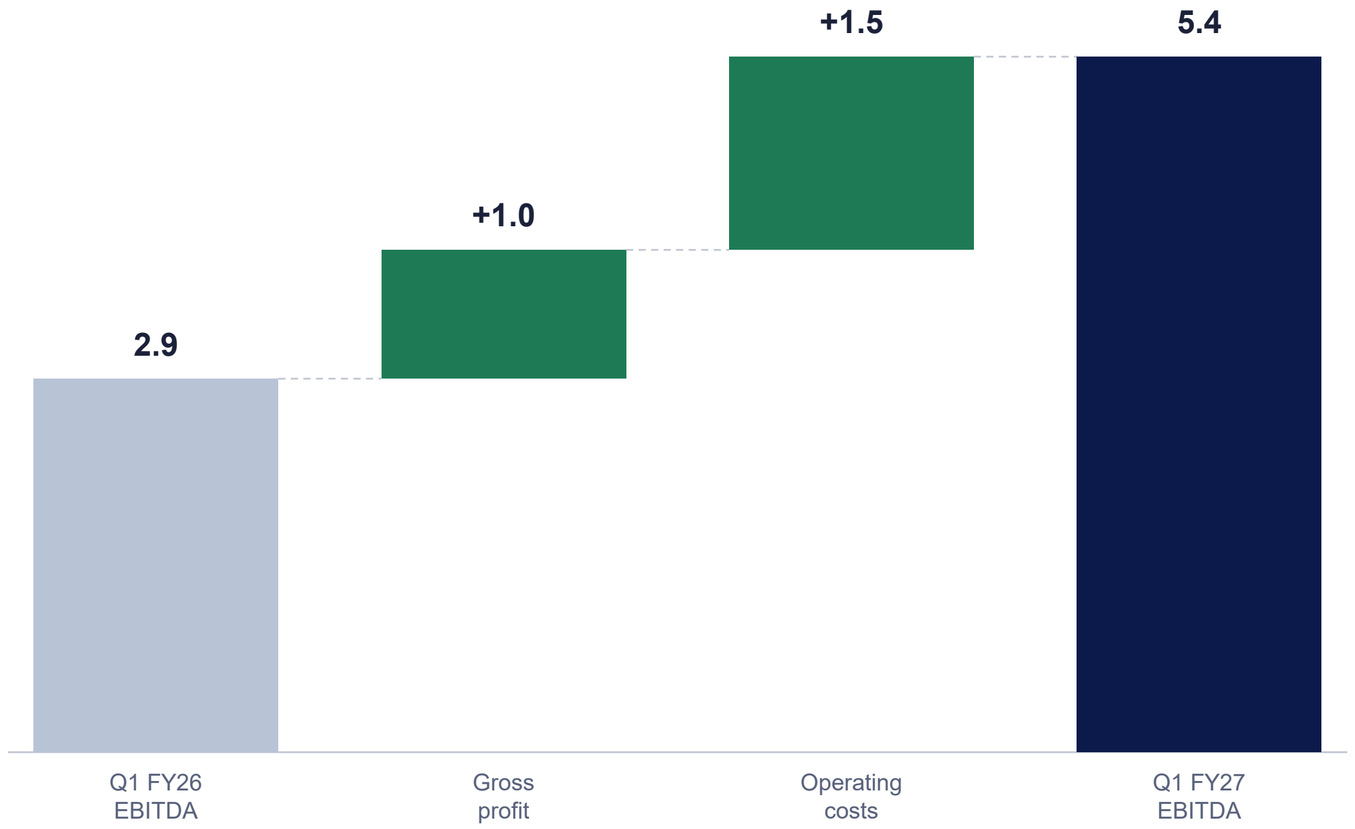
Segment sales and Group EBITDA · $m	Q1 FY27	Q1 FY26	Change	Q4 FY26	Change
Trade Distribution	62.5	58.5	+6.9%	58.6	+6.6%
Fluid Systems	37.6	40.4	−6.9%	39.9	−5.7%
Group sales	**100.1**	**98.9**	**+1.3%**	**98.5**	**+1.6%**
Group EBITDA[1] [2]	**5.4**	**2.9**	**+86.9%**	**4.1**	**+30.9%**

[1] EBITDA is unaudited normalised EBITDA before significant items, excluding AASB 16 — a non-IFRS measure. [2] Presented on a constant currency basis, restating New Zealand results at the prior corresponding period's average NZD/AUD rate. On a reported basis, Q1 FY27 EBITDA would be approximately $0.12m lower. Unaudited. Source: Q1 FY27 Trading Update released to ASX on 16 October 2026.

What drove the improvement

The $2.5m EBITDA uplift on Q1 FY26 was driven primarily by margin and cost discipline.

Q1 FY26 TO Q1 FY27 EBITDA[1] [2] · $M



TRADE DISTRIBUTION

+6.9% sales vs Q1 FY26

Led by a strong performance from Konnect in Australia and improving momentum in New Zealand.

FLUID SYSTEMS

~70 bps gross margin uplift vs Q1 FY26

Sales 6.9% lower on project timing and tighter end markets, with margin and cost discipline maintained.

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Market conditions

Strength in construction and infrastructure is offsetting softer conditions in Fluid Systems' end markets, Tasmania and Victoria.

FLUID SYSTEMS

Mining & industrial

Softer

- Project timing shifted activity between periods
- Mining volumes holding up, but capex constrained
- Maintenance and engineering demand deferred

Q1 IMPACT
Sales −6.9%; gross margin up ~70 bps

FLUID SYSTEMS & TRADE DIST.

Tasmania & Victoria

Softer

- Activity softer than other states across both segments
- Solid project pipeline, with deferred project starts
- Pricing and cost discipline maintained

Q1 IMPACT
Weighing on both segments in Q1

TRADE DISTRIBUTION

Construction & infrastructure

Strong

- Multi-residential and warehouse construction
- Significant public infrastructure pipeline
- Renewable energy and structural fabrication

Q1 IMPACT
Konnect Australia leading +6.9% segment growth

TRADE DISTRIBUTION

New Zealand

Improving

- Momentum improving through Q1
- Government-backed transport and water infrastructure pipeline
- Customer activity indicators improving into 2H

Q1 IMPACT
Improving contribution to segment growth

Market commentary reflects management's assessment of conditions in the Group's key markets and is not guidance. Segment movements are Q1 FY27 vs Q1 FY26 on a constant currency basis.

Balance sheet and funding

Leverage has halved from its March 2026 peak as earnings recover, with continued support from NAB.

GROSS LEVERAGE RATIO

MARCH 2026

10.0x

Peak

→

JUNE 2026

6.3x

Year end

→

SEPTEMBER 2026

<5.0x

Just under 5x

LIQUIDITY

$13.8m

At 30 September 2026

COVENANTS

Compliant

September 2026 quarter

NAB FACILITY

Aug 2028

Extended by 12 months

CAPITAL ALLOCATION

Balance sheet first
Free cash flow directed to working capital and debt reduction

Capex below $3m
ERP and major site projects complete

Working capital discipline
Further reduction in aged payables; inventory broadly flat on higher sales

Deleveraging, then returns
Building headroom; restoring dividends a priority once leverage targets are met

Gross leverage is gross debt divided by trailing 12-month EBITDA (before significant items, excluding AASB 16), consistent with the banking facility. Capital allocation framework is directional and not guidance; subject to trading conditions, banking arrangements and the outcome of the strategic review.

FY27 priorities: early progress

Q1 progress against the priorities set out at the full year result, with further savings identified.

01

Revenue and market share growth

Trade Distribution sales +6.9% on pcp, led by Konnect Australia; momentum improving in New Zealand.

02

Profit margin improvement

Group gross margin 42.0%, up ~50 bps; Fluid Systems up ~70 bps.

03

Simplified, integrated operations

Operating costs $1.5m (3.9%) lower. Steelmasters and Konnect integration on track, and progressing to planned completion by end of Q3.

04

Further savings

$5.5m of further savings identified, mainly from a simpler integrated structure and less duplication to support the branches, to broadly hold costs flat in FY28.

05

EBITDA to cash conversion

Working capital and inventory discipline remain a focus. To be reported at the half year.

06

Debt reduction

Gross leverage halved from its 10x peak to just under 5x. with Covenants met.

EBITDA before significant items, excluding AASB 16 — non-IFRS measure, constant currency, unaudited. Comparisons are to Q1 FY26 unless stated.

Our path to a 10% EBITDA margin

Our Q1 FY27 margin has more than doubled on FY26. The levers to reach 10%+ are identified and in motion.

FY26

2.5% EBITDA margin

Year of reset: cost base, balance sheet and inventory addressed.

Q1 FY27

5.4% EBITDA margin

Cost-savings flowing through, gross margin up ~50 bps on pcp.

FY27

Efficiency and integration

Further $5.5m of savings, Trade Distribution integration - a common back-end support structure and margin improvement opportunity

MEDIUM TERM

10%+ EBITDA margin

Directional objective, driven by accelerated sales and market share growth, margin improvement and a stable cost base

01

Leaner cost base

$10m delivered, with a further $5.5m identified to hold costs broadly flat despite inflation.

02

Simpler operating model

One Trade Distribution back office in Australia and NZ. Branch networks unchanged.

03

Operating leverage

Margin initiatives and sales growth flowing through a leaner, more stable cost base.

EBITDA margin is EBITDA before significant items, excluding AASB 16 (non-IFRS measure, constant currency, unaudited), divided by sales. Q1 FY27 is a single quarter and is not an indication of full-year margin. The 10%+ objective is directional and aspirational only; it is not a forecast, projection or guidance.

Important notice

Summary information
This presentation contains summary information about Coventry Group Limited (the Company) and its activities, current as at 20 November 2026. It does not purport to be complete and should be read in conjunction with the Company's Annual Report for the year ended 30 June 2026, the Q1 FY27 Trading Update released on 16 October 2026 and other announcements lodged with the ASX.

Not investment advice
This presentation is not financial product or investment advice and has been prepared without taking into account the objectives, financial situation or needs of any person. Each recipient should make their own assessment and seek independent professional advice.

Non-IFRS financial information
The Company uses measures not recognised under Australian Accounting Standards, including EBITDA before significant items excluding AASB 16, EBITDA margin and gross leverage. These measures are unaudited and should be considered supplemental to measures calculated in accordance with Australian Accounting Standards. Unless otherwise stated, revenue and EBITDA are presented on a constant currency basis, restating New Zealand results at the prior corresponding period's average NZD/AUD exchange rate. Quarterly and year-to-date figures are unaudited.

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