

Trading Update – 2H25

Brickworks Limited (**Brickworks**) provides the following update in relation to 2H25 divisional earnings.

Property

Property EBITDA for 2H25 is expected to exceed that reported in 1H25 due to revaluation gains and development profits in 2H25. A revaluation gain of \$65 million for the Industrial Property Trust is driven primarily by a moderate compression of capitalisation rates during the period (15 bps on average). Additionally, a development profit of around \$39 million is expected from Oakdale East Stage 2, reflecting development progress by the end of July 2025. Net trust income for 2H25 is anticipated to be broadly in line with 1H25 (excluding the 1H25 profit on property trust sales).

Building Products Australia & North America

- Building Products Australia is expected to deliver 2H25 EBITDA slightly ahead of 1H25.
- Building Products North America is expected to deliver positive 2H25 EBITDA, with a marginally positive EBITDA result for FY25. This is primarily due to a larger than anticipated decline in North American market conditions in 2H25 with ongoing economic uncertainty, elevated interest rates and subdued consumer sentiment contributing to the continuing soft trading.

Non-Cash impairment to Building Products North America

Consistent with normal practice ahead of each financial period end, Brickworks has undertaken a review of the carrying values of its assets, expected as at 31 July 2025, in accordance with Brickworks' accounting policies and applicable accounting standards.

Market conditions have remained significantly more subdued than anticipated during 2H25, adversely impacting the short to mid-term outlook for the North American business. Factors impacting the market have included continued elevated interest rates, high construction costs and suppressed consumer confidence.

The reduction in forecast demand, and the outlook for a slower than anticipated recovery in market conditions compounds pressure on earnings due to the underutilisation of our manufacturing facilities, resulting in diminished cost efficiency and margin compression.

As a result, in 2H25, Brickworks is expected to recognise a post-tax, non-cash impairment charge of approximately A\$75 million¹ (pre-tax A\$102 million) to Brickworks North America² (subject to finalisation of results, audit processes and Board approval of those results).

Group NPAT and full year results

Until such time as Investment earnings are finalised, which are driven by the Company's 25.64% shareholding in Washington H. Soul Pattinson and Company Limited (**Soul Patts**), no guidance can be provided in relation to Brickworks' net profit after tax (**NPAT**).

Brickworks full year results remain subject to finalisation and audit.

Brickworks and Soul Patts Merger

Nothing in this update impacts the Company's proposed transformative merger with Soul Patts announced on 2 June 2025.

The Brickworks Board has authorised the release of this announcement to the market.

¹ Using an estimated average AUD/USD exchange rate of 0.64 for the half year ending 31 July 2025

² Brickworks North America Cash Generating Unit (CGU)

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About Brickworks (ASX: BKW)

Brickworks has been building the Australian dream for over a century. Today, Brickworks is more than Australia’s largest and most trusted brick manufacturer. It comprises a diversified portfolio of attractive assets, offering shareholders stability and long-term growth. The Company has a proud track record, having paid a dividend every year since listing on the ASX in 1962. Brickworks comprises four divisions – Building Products Australia, Building Products North America, Industrial Property, and Investments.

Building Products Australia includes Austral Bricks, the country’s largest bricks producer, and other leading brands such as Austral Masonry and Bristile Roofing. Building Products North America is the leading brick producer in the north-east of the United States and includes the flagship brand of Glen-Gery.

On surplus land assets, Brickworks has developed extensive industrial property assets in conjunction with Joint Venture partner Goodman Group. These facilities help our customers meet the supply chain needs of the growing digital economy.

Brickworks also has a long-standing investment in Soul Patts, a diversified investment house and ASX100 company. This investment has delivered outstanding returns for the Company and provides stability and growing cash dividends.

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