

28 August 2025

FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2025

NTAW Holdings Limited achieves second-half turnaround in performance

- NTAW Holdings Limited (**ASX: NTD**) ('NTAW' or the 'Group') implemented substantial changes which significantly improved key financial indicators in the second half ('2H2025') of the financial year ended 30 June 2025 ('FY2025') to address the disappointing results in the last financial year ('FY2024') and in the first half of FY2025 ('1H2025').
- Under new Chief Executive Officer and Managing Director, Warwick Hay, the Group has accelerated NTAW's transformation by focusing on key controllable areas such as inventory management, cash generation and cost reductions.
- While challenges remain, the tactical improvements implemented in 2H2025 establish a solid foundation for NTAW's strategy of consolidation and growth in FY2026.
- Despite unacceptable performance in FY2024 and 1H2025, NTAW's underlying business remains strong and the Group's immediate focus is to leverage its core strengths as it continues its program of business improvement and a strategic evaluation.

The Group has announced an Operating EBITDA of \$30.3 million for FY2025, \$19.7 million of which was generated in 2H2025. The improved Operating EBITDA is the result of significant cost reductions and maintaining gross margin.

The Group reported a net loss after tax of \$44.0 million for FY2025 (FY2024: \$1.2 million profit). The 2H2025 net loss after tax was \$1.1 million which, it should be noted, included the impact of costs associated with redundancies and the disposal and closure of commercial retail stores.

The 1H2025 net loss after tax of \$42.8 million included a non-cash impairment charge of \$39.2 million, primarily in respect of the intangible assets allocated to the Tyre & Wheel cash-generating unit ("**CGU**") (wholesale businesses), Black Rubber CGU (Australian retail and retreading business) and Carter's CGU (New Zealand retail and retreading business).

NTAW Chair **Murray Boyte** said: "The Group has undergone a financial and cultural reset. With Board support, our new CEO and Managing Director, Warwick Hay, has implemented a number of operational initiatives to form the basis for a reset of the business and to significantly improve the Group's financial position. While global economic pressures and supply chain issues remain a universal challenge, we are confident a platform has been set for continued improvement in FY2026."

NTAW Chief Executive Officer and Managing Director, **Warwick Hay** said: "Our determined, tactical response to very tough headwinds is paying off. In the next six months, we will continue pushing for cash flow and revenue improvements in the existing brand portfolio with further debt repayments. We are concurrently developing a longer-term strategic plan to leverage the Group's core assets and provide value for investors, customers, suppliers and employees."

Key 2H2025 financial highlights

Group results	1H2025	2H2025	Change %	2H2025 financial highlights
Revenue (\$'000)	262,469	260,084*	-1.0	Sales relatively steady despite rescaling of operations
Gross margin	28.9%	29.4%*	+1.8	Gross margins improved in a challenging trading environment
Expenses (\$'000)	67,569	58,451	-13.5	Expense reductions of >\$9 million
Operating EBITDA (\$'000)	10,569	19,727	+86.6	Operating leverage emerging
Inventory (\$'000)	157,235	127,732	-18.8	Inventory reduced by \$30 million with further reduction targeted during FY2026
Net debt (\$'000)	64,186	40,436	-37.0	Net debt reduced by \$24 million
Net debt: equity + debt	36.6%	23.3%	-36.3	Gearing reduced substantially
Operating costs: revenue	25.7%	21.1%	-12.7	Operating leverage emerging
				*excludes sale of Dunlop stock to Sumitomo

The Company has engaged with Commonwealth Bank of Australia ('CBA') regarding its financial covenants and CBA has indicated support to ensure alignment with the Group's trading environment. The borrowing facility remains in place with an expiry date of 30 September 2027. During 2H2025, the Company repaid \$2.25 million in debt, with a further \$11 million repaid since balance date. Additional repayments are planned for FY2026.

Operations

Cost base reset

- Cost reductions of \$9 million were achieved in 2H2025. NTAW undertook a comprehensive, Group-wide review of costs and implemented an aggressive cost-reduction program.
- Delegated levels of authorities reviewed to reflect tighter management control.
- Operating expenses reduced from 26% in 1H2025 to 21% in 2H2025 (as a % of revenue).
- Revenue per employee in June 2025 was \$677,000 compared with \$611,000 in June 2024.

Balance sheet strengthened

- Inventory reduced by 18.8% in 2H2025 with further reduced targets set across the Group, focused on maintaining margins while improving liquidity and reducing working capital.
- Net debt was down by 37% (\$24 million) during 2H2025.
- In 2H2025, the Group repaid \$2.25 million of its market-rate loan with CBA and it has since repaid a further \$11 million of its bank debt facility.

Senior leadership team enhanced

- Warwick Hay - appointed CEO (1 January 2025) and Managing Director (1 July 2025) of the Group.
- Rob Watson - appointed CEO of NTAW Holdings (NZ) Limited (October 2025).
- Sean Banfield - appointed Group General Manager of Technology (August 2025).

Black Rubber simplified

- Rescaling completed with eight small regional stores closed.
- Significant cost reductions achieved at six large commercial retail stores nationwide.
- Performance criteria for branch viability in place (a key measurement in FY2026).
- Four retread plants accredited by Goodyear and Michelin, creating flexibility and efficiency.

Outlook

Revenue for FY2026 will reflect the previously announced cessation of Dunlop distribution in Australia. Excluding this impact, NTAW is forecasting conservative sales growth consistent with subdued consumer sentiment and low economic growth across Australia and New Zealand, supported by prudent management of discretionary expenditure.

Revenue growth is expected from:

- Focus on growing core wholesale brands in Australia and New Zealand with existing customers to increase share of wallet.
- Continued organic growth in Carter's Tyre Service and review opportunities.
- Back-to-basics approach at Black Rubber, including steady growth from the commercial retail stores on the reshaped cost base, maintaining existing customers, acquiring new customers, leveraging the Goodyear supply agreement and productivity gains in retread.
- Maintaining momentum at Dynamic Wheel Co ('DWC') in Australia (premium wheels), Statewide (budget tyres and wheels), Solid Plus (forklift tyres) and Integrated OE (tyre and wheel packages for caravans).
- Expansion of the DWC business in New Zealand in 2H2026, building on its successful model in Australia.

The reduction of expenses in 2H2025 is expected to flow into FY2026, with further opportunities to become more efficient by challenging the business model and continuing strict management of discretionary costs.

Disciplined controls and processes are now embedded in the Group to optimise inventory management and ensure each major distribution centre has the right level and mix of stock to match demand. Continued improvement in inventory management will facilitate further debt reduction throughout FY2026.

The Group will continue to rationalise its brand portfolio and has commenced discussions with key suppliers to enhance partnerships and enable a focused and joint approach to growing market share in Australia and New Zealand. Delivering dynamic and integrated marketing programs to customers will assist with this growth.

The Group will consider options for its South African business in 1H2026.

Building on the significant improvements in 2H2025, FY2026 represents both a continuation of the Group's reset and the successful development of its strategic evaluation and execution phase.

This announcement was approved, and authorised for release, by NTAW's Board of Directors.

-ENDS-

For further information, please contact:

NTAW Holdings Limited

Mr Warwick Hay
Chief Executive Officer & Managing Director
Phone: (07) 3212 0950

ABOVE INFORMATION

The above information is not and is not intended to constitute financial advice, or an offer or an invitation, solicitation or recommendation to acquire or sell NTAW Holdings Limited shares or other financial products in any jurisdiction and is not a disclosure document or other offering document under Australian law or any other law. Actual results, performance or achievements of the Group could be materially different from those expressed in, or implied by, any forward-looking statements contained herein. This advice is for information purposes only.

NTAW Holdings Limited does not warrant or represent that the above information is free from errors, omissions or misrepresentations or is suitable for your intended use. The above information has been prepared without taking account of any person's investment objectives, financial situation or particular needs and nothing contained in the above information constitutes investment, legal, tax or other advice. The above information may not be suitable for your specific needs and should not be relied upon by you in substitution of you obtaining independent advice. Subject to any terms implied by law and which cannot be excluded, NTAW Holdings Limited accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in the above information.

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements under the US Securities Act and applicable US state securities laws.