

ASX Announcement

24 February 2026

RECORD HALF YEAR RESULT, GUIDANCE UPGRADED

Kelsian has upgraded its FY26 Earnings Guidance for Underlying EBITDA to between \$303 million and \$312 million (previously \$297 to \$310 million)¹.

Kelsian Group Limited (ASX:KLS) ('Kelsian') today reported its half year results for the six months ended 31 December 2025 ('1HFY26').

Key Financial Overview²

- **10.6% increase** in revenue to \$1,186.0 million;
- **16.4% increase** in Underlying³ EBITDA to \$153.8 million;
- **26.5% increase** in Underlying³ EBIT to \$75.3 million;
- **32.2% increase** in Underlying³ Net Profit After Tax, before Amortisation to \$52.5 million;
- **61.6% increase** in Statutory Net Profit After Tax to \$32.4 million;
- Strong net operating cashflow of \$83.1 million, and cash conversion at 94.8%;
- Leverage⁴ was 2.7x down from 3.2x; and
- Fully franked interim dividend of 8.0 cents per share (1HFY25: 8.0 cents per share).

Key Operational Overview

- Strong revenue growth from new employee shuttle contracts in the US, and cost indexation;
- Strong trading from Marine & Tourism driven by K'gari and Sydney harbour performance;
- Bankstown rail replacement contract delivered solid contribution, in part offset by continued challenges associated with Sydney bus contracts;
- Awarded new Ipswich and Logan contract by Queensland Government which began in November 2025;
- Sentosa Development Corporation contract in Singapore commenced in September 2025; and
- Acquired South Wales Transport, a bus operator in Wales for GBP1.7 million, ahead of upcoming UK regional franchising opportunities.

¹ Refer to Important Notes below

² All comparative references are to the six months ending 31 December 2024 unless otherwise stated

³ Adjusted for one off costs associated with acquisition, transaction related and group system costs.

⁴ Leverage calculated as LTM Underlying EBITDA, pre-AASX 16 and excluding SPV earnings and indebtedness

Outlook⁵

As a result of the strong 1HFY26 results and based on trading so far in the second half of FY26, Kelsian now anticipates FY26 Underlying³ EBITDA guidance of between \$303 million and \$312 million⁵; assuming no significant deterioration in the operating environment and no material change to the structure of the business. Variations in economic conditions, trading conditions, currency exchange or interest rates, or other circumstances may cause key assumptions to change.

Sale of Tourism Portfolio

See separate ASX Release of the same date.

Kelsian Group CEO, Graeme Legh said: "I am delighted to be reporting this record result as well as an upgrade to our FY26 earnings guidance.

"Pleasingly, the result was delivered through revenue and earnings growth from across all three divisions.

"The result was driven by significant growth across key employee shuttle contracts in the USA, the ongoing contribution of the Bankstown Rail Replacement bus services in Sydney and strong trading from across the Marine & Tourism portfolio.

"Alongside the record result, today we also announced that we have entered binding agreements for the sale of our Tourism Portfolio to Journey Beyond for a total cash consideration of \$161 million.

"I would like to acknowledge in particular our Marine & Tourism teams and thank them for the professionalism and dedication shown since we announced the intention to divest the Tourism Portfolio in April 2025.

On completion of the transaction, Kelsian will emerge as a leading global transport business delivering contracted marine, bus and motorcoach operations," he said.

Dividend Reinvestment Plan

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 25 March 2026, with no discount. Due to regulatory changes in the UK, the eligibility terms for UK shareholders have been updated. Refer to the updated Eligibility Notice attached to this release. The DRP rules and Eligibility Notice are available on the investor relations section of the Kelsian website: www.kelsian.com/investor.

Authorised for lodgement with the ASX by the Board

⁵ Refer to Important Notes below

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About Kelsian: www.kelsian.com

Kelsian Group 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 30 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. (AAAH) - the second-largest motorcoach operator in the USA; and Tower Transit - spearheading bus franchising in the UK and Singapore.

Kelsian also has significant marine operations, with its SeaLink business providing essential ferry services that connect commuters, support tourism and regional communities. As a leader in low and zero-emission transport, Kelsian is helping shape the future of sustainable mobility.

As at 31 December 2025, Kelsian directly employed over 12,900 people and operates 6,115 buses, and 126 vessels that delivered more than 384 million customer journeys over the last year.

IMPORTANT NOTES:

Basis of preparation and non-IFRS information

- a) Information in this announcement is provided as at the date of this announcement unless specified as 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 2HFY26 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.

For personal use only

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 (to the extent permitted to participate) 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.