

25<sup>th</sup> February 2026

## 1H26 Result – Disciplined Execution & Strategic Growth Positioning

Big River Industries Limited (ASX: BRI) ('BRI' or the 'Group') is pleased to announce its financial results for the six-month period ending 31 December 2025 ('1H26').

### 1H26 Financial Highlights

- **Group Revenue** of \$206.0m was down 2.6% on the pcp. In like-for-like terms<sup>1</sup> revenue declined 1.4%, reflecting an easing in the rate of contraction and consistent with some encouraging signs of market stabilisation.
- **Gross Profit Margin** of 26.6% was up 20bps on the pcp, continuing the expansion reported in recent periods on the back of disciplined pricing, improved mix, and closer supplier alignment. This margin expansion was achieved despite soft volumes and heightened competition.
- **Operating Expenses** reduced a further 1.5% vs the pcp (LFL -1.8%), continuing the improvement reported for 2H25 and reflecting sustained cost discipline alongside the benefits of efficiency initiatives implemented over the past 18 months.
- **Underlying<sup>2</sup> EBITDA** of \$14.5m down 2.0% on the pcp, however **EBITDA margin** rose 10bps vs the pcp to 7.1% on improved operating leverage from stronger GP margins and continued cost discipline.
- **Statutory Net Profit After Tax improved to \$1.4m** vs the \$17.0m loss in the pcp as one-offs, chiefly impairment of intangibles, were not repeated.
- **Operating Cashflow** of \$13.2m equates to **cash conversion of 91.0%**, up from 78.4% in the pcp, reflecting efficient working capital management.
- **Net Working Capital to Revenue** of 17.7% was unchanged vs the pcp and is comfortably within the target range, with inventory and receivables well managed. **Gearing** of 19.1% is down from 20.1% as at June 2025 and well within target range, providing ongoing investment flexibility.
- **The highly accretive acquisition of Johns Building Supplies (JBS)** was completed during the period, materially strengthening the Group's presence in WA. The acquisition was funded by a ~\$10m renounceable entitlement offer which was oversubscribed.
- **Strategic priorities continue to generate results**, with JBS integration progressing well and recent transformation initiatives across the business driving positive outcomes.
- **Market conditions remain mixed entering 2H26**. Residential activity is likely to remain subdued in the near term while commercial activity is comparatively steady.
- Big River enters 2H26 with an efficient cost base, resilient margins, strong cash generation, and solid balance sheet. **The Group is well placed to deliver significant operating leverage as volumes recover.**
- **Interim dividend** declared of 2.0 cent per share (fully franked).

**John Lorente, Big River Industries CEO & Managing Director, said:** "Over the past 18 months we have strengthened the business to perform through a range of market conditions, improving margins, tightening cost discipline, and investing in the strategic initiatives that underpin sustainable growth. While residential markets remain variable, the Group is delivering tangible benefits from its focus on

<sup>1</sup> Like-for-like excludes the contribution from Johns Building Supplies and adjusts for fewer trading days in 1H26 compared to 1H25.

<sup>2</sup> Underlying figures exclude significant items; further reconciliations can be found in the 1H26 Results Presentation.

higher value segments, operational efficiencies, system integration, and supply chain alignment, which continue to support improved performance despite the soft environment.

With a leaner and more scalable operating platform, a strong balance sheet and the successful integration of Johns Building Supplies, Big River is well positioned to continue delivering improved outcomes as these initiatives gain further traction, and to capture additional upside as market conditions recover over time.”

## Key Financials

Key Financials	1H26	1H25	Change
Revenue	\$206.0m	\$211.5m	(2.6%)
EBITDA (Underlying <sup>1</sup> )	\$14.5m	\$14.8m	(2.0%)
NPAT (Underlying)	\$2.3m	\$2.5m	(8.0%)
NPAT (Statutory)	\$1.4m	(\$17.0m)	nm
NPATA <sup>2</sup>	\$3.5m	\$3.7m	(5.4%)
Earnings Per Share (Underlying)	2.7cps	2.9cps	(6.9%)
Earnings Per Share (Statutory)	1.6cps	(19.9cps)	Nm
Interim Dividend	2.0cps	2.0cps	0%

1. Underlying figures exclude significant items; further reconciliations can be found in the 1H26 Results Presentation.

2. NPATA is Net Profit After Tax, adjusted for amortisation of intangible assets.

## 1H26 Trading Summary

### Market Conditions

- **Residential housing markets** remained highly competitive in 1H26.
- **Commercial and formwork** market conditions continued to improve relative to residential markets through the period.
- **Western Australia** was the Group’s strongest performing region, delivering very strong results and materially outperforming other markets. This performance is encouraging and aligns well with the recent acquisition of Johns Building Supplies, which further strengthens the Group’s exposure to this market.
- **Queensland** remained resilient, although conditions were more challenging than expected due to heightened competition and project delays. The medium-term outlook remains positive given Queensland’s structural growth drivers, its position as the Group’s largest market, and the expected uplift associated with the Brisbane 2032 Olympics.
- **South Australia** performed relatively well, with results moderated by delivery timing and competitive pressures.
- **New South Wales** trading conditions were mixed, with solid activity in parts of the state offset by softer housing conditions in the ACT.
- **Victoria and New Zealand** continued to experience subdued market conditions. Despite this, the team has performed well in managing market pressures through active customer engagement, disciplined pricing, cost control, and consolidation initiatives, helping to protect margins and cash performance in these more challenging markets.

### Divisional Performance

- **The Construction Division** continued to experience pressure in Frame & Truss operations due to competitive pricing and subdued volumes. Notwithstanding this, further improvements in manufacturing efficiency were realised during the period, supported by the amalgamation of the Beaufort Frame & Truss operation into the Breakwater facility. Targeted equipment upgrades at both Breakwater and Dry Creek also contributed to improved productivity, service capability, and operational flexibility.

- **The Panels Division** was impacted by competitive pressure across commodity product lines, however this was partly offset by continued growth in higher margin, differentiated products. The installation of a new laminating line at SLQ expanded manufacturing capability during the period and is expected to support further mix improvement over time.
- **The Group's focus on targeted higher-value market segments** continued to deliver positive outcomes. Growth in cladding and decorative bespoke panel categories was a key contributor to performance, supported by strong customer engagement, differentiated product offerings, and local manufacturing capability. These segments continue to benefit from specification-led demand and improved mix, helping offset softer volumes in more cyclical categories. These categories remain core to the Group's longer-term market share strategy.
- The Group continues to actively optimise its property portfolio to improve efficiency, reduce complexity, and ensure alignment with long term strategic priorities. This includes a sustained focus on consolidation, footprint optimisation, and disciplined deployment of capital to support scalable operations. Recent site rationalisation initiatives have delivered tangible benefits including improved asset utilisation, lower fixed cost and enhanced operational leverage, strengthening the operating platform while maintaining customer service levels.

### Acquisition of Johns Building Supplies (JBS)

In late December the Group acquired JBS. JBS is a highly accretive transaction that materially strengthens Big River's footprint in Western Australia and positions the Group for further growth as market conditions improve. While the financial contribution in the period was limited to one week of trading prior to the holiday shutdown, initial indications are that the business is integrating well, with all staff transitioning to Big River, systems & processes aligned, and early operational engagements progressing as planned.

### Balance Sheet and Cashflow

**The Group's balance sheet remains strong**, with a Gearing Ratio<sup>3</sup> of 19.1% (June 2025: 20.1%). This accounts for the cash consideration portion of the JBS acquisition (\$13.0m; pre-earnout) and related equity entitlement offer (~\$10.0m), with the improvement over the period reflecting solid cash generation across the business. The equity was oversubscribed with a strong participation rate of ~80%. Gearing remains well within the Group's target range, providing ongoing investment flexibility.

Operating Cashflow of \$13.2m equates to cash conversion of 91.0%, up from 78.4% in the pcp, due to the quality of earnings and disciplined working capital management. Net Working Capital to Revenue of 17.7% was unchanged vs the pcp and remains comfortably within the Group's target range, with inventory and receivables well managed.

### Business Initiatives

#### **Network & ERP Efficiency Initiatives**

- During the year, the Group has focused on cleansing and aligning core data and upgrading ERP system architecture to ensure a robust and scalable foundation. The staged rollout of remaining businesses onto a single ERP platform will continue, with implementation paced to prioritise customer service, operational stability, and quality of outcome.

<sup>3</sup> Gearing Ratio = Net Debt / Funds Employed.

- Network optimisation initiatives remain underway, focused on capturing efficiencies and synergies across the Group. These actions are reducing overheads, improving productivity, and enabling a more efficient and scalable customer service model.

### Supply Chain

- The improvements in product availability delivered over the past 12 months have been sustained, supported by continued refinement of demand planning, deeper engagement with key suppliers, and stronger internal capability.
- The dedicated supply function established last year continues to deliver benefits, driving consistent gains in procurement discipline, execution quality, and day-to-day operational performance.
- The Group continues to strengthen relationships with international supply partners, consolidating volumes and improving shipping & container coordination. These initiatives are delivering improved commercial outcomes, greater supply reliability, and increased flexibility to respond to changing customer demand.
- Manufacturing efficiencies achieved across Frame & Truss and Panels have been maintained and built upon, with further improvements in workflow management and labour utilisation contributing to improved operating performance.
- Collectively these initiatives are delivering positive and repeatable outcomes, including strengthening of cost control, supply reliability, and responsiveness to customer demand. Supply chain optimisation and supplier alignment remain ongoing priorities as the Group continues to embed these improvements.

### Safety & People

- Safety remains a core priority for the Group. Safety engagement across the business continued to strengthen during the period, with leading indicators improving and ongoing month on month improvement in TRIFR achieved. The Group's sustained focus on safety systems, processes, and governance over recent years has been complemented by a broadened emphasis on people, leadership capability, and safety culture. This focus is being further expanded through targeted safety leadership initiatives, including continued work to embed consistent behaviours, strengthen frontline leadership, and support a safer, more engaged workforce across the network.

### Outlook

**Market conditions remain variable entering 2H26**, with residential housing expected to remain uneven over the next 12 months and differing materially by geography and segment. While affordability and project timing continue to impact parts of the residential market, the Group is seeing improving momentum in selected regions and is increasingly benefiting from its diversified exposure and targeted market focus.

**Commercial and formwork activity continues to demonstrate solid resilience**, supported by strong and growing pipelines across key regions. The Group is delivering good outcomes from its formwork and commercial operations, reflecting the strength of its customer relationships, capability depth and improving project flow.

**Western Australia continues to perform strongly** from both a market and earnings perspective and remains the Group's standout region. The recent acquisition of Johns Building Supplies has been well timed, materially strengthening the Group's position and providing a clear platform for continued

growth while conditions remain supportive. South Australia also presents a positive outlook, underpinned by population growth and healthy project pipelines, with competitive pressures and timing variability expected to moderate over time.

**Queensland continues to offer an attractive medium-term outlook**, supported by structural population growth and infrastructure investment. While competitive intensity has been elevated in the near term, Queensland remains the Group's largest market and is well positioned to deliver growth as activity strengthens. In New South Wales, regional markets are expected to perform well, with Sydney activity supported by the Group's formwork and commercial operations. The ACT market is expected to remain soft in the near term, particularly across residential housing. Victoria is expected to remain softer near term, however consolidation actions, margin discipline and a more focused sales approach are expected to support improved performance. In New Zealand, market conditions remain subdued, though the Group expects stronger relative performance from its bespoke and higher value product offerings, particularly in external cladding.

**Against this backdrop, Big River enters 2H26 with a more efficient and scalable operating platform**, resilient margins, strong cash generation and a solid balance sheet. The Group is well positioned to continue executing its strategy and will maintain disciplined investment in targeted growth initiatives across select categories and market verticals where Big River has a clear competitive advantage and can drive improved volumes and profitability. The business remains well placed to capture operating leverage as volumes recover and to deliver sustainable earnings growth through focused execution, targeted investment and continued emphasis on higher value segments.

**The Group will continue to actively assess its portfolio** to ensure alignment with strategic priorities and growth opportunities, including pursuing selective, strategy aligned and value accretive acquisitions that strengthen capability, enhance market position and support long term returns.

### **1H26 Conference Call**

Investors are invited to join a conference call hosted by John Lorente (CEO) and John O'Connor (CFO) on **Wednesday 25 February 2026 at 11:00am AEDT**.

**Webcast Link:** Link for investors to listen to the event and scroll through the slide deck:

<https://webcast.openbriefing.com/bri-hyr-2026/>

**Conference call link:** Link for investors to register to phone in and participate in the Q&A session:

<https://s1.c-conf.com/diamondpass/10052756-54czha.html>

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This announcement has been authorised for release to the ASX by order of the Board.