

ASX Announcement

Date: 23 February 2026

Lindsay Australia Delivers on Strategy, Driving HY26 Growth in Competitive Conditions

Lindsay Australia Limited (ASX: LAU) has released its financial results for the half year ended 31 December 2025, delivering strong underlying EBITDA supported by positive contributions from acquisitions, strong seasonal volumes across Queensland and Western Australia, and enhanced geographic diversification.

The first half reflects the full period contribution from SRT Logistics and GJ Freight, alongside continued execution of the Group's three pillar strategy of Grow the Network, Transformation and Performance and Sustainability.

- **Group Revenue:** \$540.3 million (up 24.8%), driven by the full half contribution from SRT and GJ Freight, supported by strong seasonal produce volumes across Queensland and Western Australia
- **Underlying EBITDA:** \$66.4 million (up 16.0%), reflecting acquisition contribution and network diversification
- **Half Year Dividend:** Fully franked 2.1 cents per share (payout ratio of 59%) compared to prior period of 2.3 cents per share (payout ratio of 49%)
- **Grow the Network:** Acquisition-led growth enhanced scale and geographic diversification, strengthening counter seasonal earnings exposure and supporting a more balanced and resilient H1 and H2 earnings profile
- **Integration & Synergies:** SRT integration benefits are being delivered ahead of schedule with approximately \$1 million annualised cost synergies on track and +\$5 million of capital redeployed through asset optimisation initiatives being realised
- **Capital Discipline:** FY26 capital plan reduced to \$40 million–\$45 million from \$58.7 million, reflecting transformation initiatives and capital redeployment
- **Net Leverage:** 2.23x, temporarily above internal target range of 1.0x–2.0x following acquisition completion, working capital timing impacts and a first half weighted capital program. Core debt excluding SRT borrowings and acquisition funding increased 3.0% or \$3.4m. Net leverage expected to moderate through 2H as cash flow strengthens and capex normalises.
- **ROIC:** 12.6%, reflecting higher invested capital following recent acquisitions and property upgrade program; focus remains on progressing toward the 15%–20% mid-term target range

Key financial metrics¹

Operating Revenue² \$540.3m Up 24.8%	Underlying³ EBITDA \$66.4m Up 16.0%	Underlying³ NPAT \$15.8m Up 0.1%	Half Year Dividend 2.1 cps Down 8.7% (Fully Franked)	LTIFR⁴ 12.9 Down 30.5%
Invested Capital⁵ \$425m Up 47.2%	ROIC⁶ 12.6% Down 23.2%	Core Debt⁷ \$158.9m Up 3.0%	Net leverage ratio⁸ 2.23x Up 53.0%	Underlying³ EPS 4.3 cps Down 13.6%

Notes

¹ All figures have transitioned to Post AASB16. Please refer to reconciliations on page 29 of the Investor Presentation for further information.

² Percentage changes refer to current reporting period vs prior corresponding period.

³ Underlying figures exclude significant items that are non-recurring or items incurred outside of ordinary operations. Refer to Appendix page 28 of investor presentation for reconciliation of underlying figures.

⁴ Lost Time Injury Frequency Ratio (LTIFR) on a rolling 12-month basis.

⁵ Invested Capital. Invested Capital = Net debt + equity, includes SRT acquisition (\$108m Enterprise Valuation).

⁶ ROIC = Proforma Underlying EBIT / Invested Capital. Invested Capital = Net debt + equity.

⁷ Core Debt = Excludes debt related to recent acquisitions (SRT & GJs) including transaction funding (\$62.5m) and equipment (\$28.4m).

⁸ Net Leverage ratio = Net Debt / Underlying EBITDA excluding impact of AASB16 as at 31 December 2025. Net Debt as at HY26 was \$228.1m.

Financial Performance

Lindsay Australia delivered a strong first half performance in HY26, supported by acquisition-led growth, favourable seasonal conditions across Queensland and Western Australia, and continued execution of the Group's strategy.

Group revenue increased 24.8% to \$540.3 million and underlying EBITDA increased 16.0% to \$66.4 million. Underlying NPAT was \$15.8 million, broadly in line with the prior corresponding period.

Transport was the largest contributor to growth, reflecting the full period contribution from SRT Logistics together with organic expansion across key corridors and increased volumes from blue-chip dairy and protein customers. Strong citrus and avocado volumes further supported performance across Queensland and Western Australia.

Rural delivered solid growth supported by expansion in Western Australia through GJ Freight, favourable seasonal conditions and continued strength in packaging. Hunter delivered improved earnings and margin performance, reflecting early progress under its three-year turnaround program and stabilising regional Victorian conditions.

Across the Group, positive operating leverage was delivered from higher volumes and network utilisation. Margin performance reflected competitive pricing conditions, elevated operating costs which was partially offset by improved revenue per kilometre performance driven by fleet transformation.

The Adelaide depot upgrade was completed during the period and the Perth facility became operational, strengthening service capability in Western Australia and supporting the east to west rail corridor strategy.

The Board has declared a fully franked interim dividend of 2.1 cents per share, representing a payout ratio of 59.2% compared to 4-year average of 38.6% for the half year.

Capital Management and Dividend

- **1H Investment:** \$28.8 million invested in fleet and facility upgrades during the half, with FY26 capital expenditure weighted toward 1H reflecting a front-loaded investment program
- **Capital Synergies & Transformation:** Over \$5 million in capital synergies realised through asset redeployment, procurement initiatives and transformation programs, improving capital efficiency and reducing incremental capex requirements
- **Capital Discipline:** FY26 capital plan optimised to \$40 million–\$45 million from \$58.7 million, reflecting transformation initiatives, capital redeployment and disciplined investment prioritisation
- **Capital Intensity:** Peak phase of heavy property and expansion expenditure largely complete delivering significant network expansion over the past 5 years; future capital focused on maintenance, optimisation and targeted growth
- **ROIC:** 12.6%, reflecting higher invested capital following recent acquisitions and property upgrade program; focus remains on progressing toward the 15%–20% mid-term target range
- **Dividend:** Fully franked 2.1 cents per share (payout ratio of 59%) compared to prior period of 2.3 cents per share (payout ratio of 49%)

Cash Flow and Net Leverage

- **Operating Cash Flow:** \$18.4 million in 1H (28% conversion), reflecting seasonal working capital movements and accelerated tax payments, with cash conversion expected to normalise in 2H in line with historical averages
- **Cash Tax:** \$18.0 million paid, reflecting unwind of prior period tax incentives and Deferred Tax Liabilities associated with merges and acquisitions

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- **Free Cash Flow:** 1H free cash flow before prior year tax payments was -\$6.6 million, driven by seasonal working capital and a 1H weighted capital program as LAU passes the peak of its recent investment cycle. Free cash flow is expected to improve in 2H as capital expenditure moderates and cash conversion strengthens.
- **Net Leverage:** Net leverage of 2.23x at period end, temporarily above the 1.0x–2.0x target range following recent acquisitions and front-loaded capex. Leverage is expected to trend lower as earnings build, capex normalises and cash conversion improves through 2H. Core debt (excluding SRT borrowings and acquisition funding) increased 3.0% or \$4.7m to \$158.9m.

Strategic Summary

HY26 reflects the benefits of the Group's multi-year expansion through acquisition-led growth, geographic diversification and network investment. Expansion into Tasmania and Western Australia has enhanced scale, strengthened counter seasonal earnings exposure and reduced reliance on seasonal horticultural cycles.

Through sustained network expansion, fleet modernisation and disciplined integration, the Group has built a stronger and more integrated national platform capable of supporting future growth and delivering improved returns as operating leverage increases.

With the peak phase of strategic investment complete, focus now shifts toward improving utilisation, strengthening free cash flow and progressing toward the mid-term ROIC target range as earnings embed and capital intensity moderates. The Group will continue to pursue disciplined growth opportunities that diversify earnings, enhance resilience and drive long-term shareholder returns.

Outlook

Medium to long-term fundamentals remain supportive, underpinned by population growth, expanding horticultural output and structurally higher freight demand.

The Group has built a scalable, modernised national network through sustained investment in fleet, facilities and strategic acquisitions. This platform positions Lindsay to capture growth, enhance utilisation and deliver improved operating leverage as market conditions improve. Integration of SRT is progressing well and ahead of initial expectations, with a clear pathway to further operational, procurement and network synergies as the businesses embed.

Management remains focused on execution, transformation delivery and free cash flow improvement. Growth will be driven by disciplined expansion into complementary, non-seasonal categories including dairy, protein and secondary freight, supporting improved earnings resilience and balance across reporting periods.

Near-term trading conditions remain competitive and challenging, with ongoing pricing pressure and elevated operating costs. Industry indicators including operator exits and elevated insolvency levels point to continued capacity rationalisation across the sector.

Commentary on Half Year 2026 Results

Lindsay Australia CEO, Clay McDonald, said:

“HY26 reflects the successful execution of our strategy across all three pillars and the benefits of our targeted geographic diversification. The full half contribution from SRT and GJ Freight has enhanced scale, strengthened our counter seasonal earnings profile and supported a more balanced first and second half earnings mix.

While pricing pressure remains elevated, our integrated national network, modern fleet and disciplined capital allocation positions us well as industry capacity rationalises. Over recent years we have built a stronger platform in both rural and transport through strategic acquisitions, network expansion, fleet investment and transformation initiatives. That platform now provides the foundation to deliver further improvements to utilisation and enhanced operating leverage, and lift returns as acquisitions embed.

Moving forward, we remain focused on disciplined growth, effective integration and service delivery that enhances customer retention, revenue diversification and progresses the Group toward its mid-term ROIC target.”

Release authorised by the Lindsay Australia Board of Directors.

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About Lindsay Australia Ltd (ASX: LAU)

Lindsay Australia Limited is an integrated transport, logistics and rural supply company and a leading national service provider to the agriculture, horticulture and food-related industries. The Lindsay Australia Limited Group comprises the three core divisions of Rural, Hunter and Transport (which includes SRT and Fresh Logistics). Combined, these divisions offer products and services covering customers' key needs throughout their production lifecycle.

The Lindsay end-to-end solution begins with offering expert agronomy advice and continues with a diverse range of products and services along the supply chain to help farmers grow, package, transport and distribute their produce throughout Australia and the world. Lindsay's end-to-end solution is unique and offers customers a single point of contact and accountability. More information on Lindsay Australia is available at:

<http://lindsayaustralia.com.au/>