Appendix 4E

Unaudited Preliminary Financial Report

For the year ended 30 June 2026

Simonds Group Limited

ACN: 143 841 801

This report is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.3A.

SIMONDS GROUP LIMITED (ASX: SIO)

APPENDIX 4E

YEAR ENDED 30 JUNE 2026

The following sets out the requirements of Appendix 4E with the stipulated information either provided here or cross referenced to the 2026 Preliminary Consolidated Financial Report as at 30 June 2026 and the accompanying notes in accordance with Listing Rule 4.3A.

Company Details and Reporting Period

Simonds Group Limited
ACN: 143 841 801
Reporting period: Year ended 30 June 2026
Previous reporting period: Year ended 30 June 2025

Results for Announcement to the Market for the year ended 30 June 2026						
Revenue from ordinary activities from continuing operations ($m)	Up	$63.5m	by	9.5%	to	$729.1m
Profit from ordinary activities before tax from continuing operations ($m)	Up	$14.1m	by	705.0%	to	$16.1m
Profit from ordinary activities after tax from continuing operations ($m)	Up	$9.6m	by	685.7%	to	$11.0m
Profit after tax from discontinued operations ($m)	Down	($0.1m)	by	25.0%	to	($0.5m)
Net Profit after tax ($m)	Up	$9.5m	by	950.0%	to	$10.5m
Net Profit attributable to members ($m)	Up	$9.5m	by	950.0%	to	$10.5m

Net tangible asset backing per ordinary share	Amount per share (cents)
As at 30 June 2026 (excluding right-of-use assets)	3.89
As at 30 June 2025 (excluding right-of-use assets)	(0.02)

Net assets backing per share at 30 June 2026 was 8.40 cents (30 June 2025: 5.43 cents).

Other Information

This Appendix 4E is based on the financial report that is currently in the process of being audited.

The Board is giving consideration to the payment of a dividend for the period ended 30 June 2026. The details of any dividend will be confirmed following completion of the audit.

This announcement was approved for release by the Board of Simonds Group Limited.

Simonds Group Limited

ACN: 143 841 801

Preliminary Financial Report for the year ended 30 June 2026

Tower 2, Level 17/727 Collins Street, Docklands, VIC 3008

simonds.com.au

Simonds Group Limited
Preliminary Financial Report for year ended 30 June 2026

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Notes	30 June 2026 $'000	30 June 2025 $'000
Continuing operations			
Revenue	4	729,146	665,637
Cost of sales		(554,077)	(517,430)
Gross profit		**175,069**	**148,207**
Expenses	9	(132,576)	(124,167)
Profit before financing items, depreciation and amortisation		**42,493**	**24,040**
Depreciation and amortisation charges	15,16,33	(23,473)	(19,706)
Profit before financing items and tax		**19,020**	**4,334**
Financing items			
Interest income		178	11
Interest expense	6	(2,755)	(2,346)
Net financing cost		**(2,577)**	**(2,335)**
Share of loss of joint venture	34	**(321)**	**-**
Profit before tax		**16,122**	**1,999**
Income tax expense	7	(5,144)	(600)
Profit from continuing operations after tax		**10,978**	**1,399**
Discontinued operations			
Loss from discontinued operations after tax	8	(527)	(384)
Profit after tax for the year		**10,451**	**1,015**
Other comprehensive income, net of income tax		-	-
Total comprehensive profit for the year		**10,451**	**1,015**
Earnings per share			
From continuing operations			
Basic (cents per share)	10	3.05	0.39
Diluted (cents per share)	10	3.01	0.39
From continuing and discontinued operations			
Basic (cents per share)	10	2.90	0.28
Diluted (cents per share)	10	2.86	0.28

The accompanying notes form part of these financial statements.

Consolidated statement of financial position

As at 30 June 2026

	Notes	30 June 2026 $'000	30 June 2025 $'000
Assets			
Current Assets			
Cash and cash equivalents		16,499	23,338
Trade and other receivables	11	37,198	46,078
Accrued revenue	12	50,698	38,732
Inventories	13	31,880	21,208
Other assets	17	5,828	2,793
Total current assets		**142,103**	**132,149**
Non-Current Assets			
Property, plant and equipment	15	4,588	2,526
Intangible assets	16	16,824	20,712
Right-of-use assets	33	30,188	15,747
Investment in joint venture	34	1,015	-
Deferred tax assets	7	-	37
Total non-current assets		**52,615**	**39,022**
Total assets		**194,718**	**171,171**
Liabilities			
Current Liabilities			
Trade and other payables	18	81,541	83,337
Tax payable	7	573	-
Deferred revenue	19	21,479	15,855
Borrowings	20	827	754
Lease liability	33	12,695	11,595
Provisions	21	11,935	14,629
Contingent consideration	35	2,480	7,630
Total current liabilities		**131,530**	**133,800**
Non-Current Liabilities			
Lease liability	33	18,080	5,241
Provisions	21	10,554	10,693
Contingent consideration		-	1,900
Deferred tax liabilities	7	4,308	-
Total non-current liabilities		**32,942**	**17,834**
Total liabilities		**164,472**	**151,634**
Net assets		**30,246**	**19,537**
Equity			
Issued capital	22	37,867	37,867
Reserves	23	21,917	21,659
Accumulated losses		(29,538)	(39,989)
Total equity		**30,246**	**19,537**

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity

For the year ended 30 June 2026

Consolidated	Notes	Issued capital $'000	Share based payments reserve $'000	Share buy-back reserve $'000	Accumulated losses $'000	Total $'000
Balance at 1 July 2024		**37,867**	**28,848**	**(7,204)**	**(41,004)**	**18,507**
Profit after tax for the year		-	-	-	1,015	1,015
Employee Share plan expense	27	-	15	-	-	15
Balance at 30 June 2025		**37,867**	**28,863**	**(7,204)**	**(39,989)**	**19,537**
Balance at 1 July 2025		**37,867**	**28,863**	**(7,204)**	**(39,989)**	**19,537**
Profit after tax for the year		-	-	-	10,451	10,451
Employee Share plan expense	27	-	258	-	-	258
Balance at 30 June 2026		**37,867**	**29,121**	**(7,204)**	**(29,538)**	**30,246**

The accompanying notes form part of these financial statements.

Consolidated statement of cash flows

For the year ended 30 June 2026

	Notes	30 June 2026 $'000	30 June 2025 $'000
Cash flows from operating activities			
Receipts from customers		804,852	786,763
Payments to suppliers and employees		(776,980)	(745,064)
Cash generated from operations		27,872	41,699
Interest received	6	178	11
Finance costs	6	(2,755)	(2,346)
Net cash generated from operating activities	30	**25,295**	**39,364**
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		24	23
Payments for property, plant and equipment	15	(4,093)	(1,902)
Payments for intangible assets	16	(1,501)	(1,553)
Net cashflow (used in)/ from acquisition of subsidiaries		(7,050)	2,049
Investment in joint venture	34	(1,336)	-
Net cash (used in) investing activities		**(13,956)**	**(1,383)**
Cash flows from financing activities			
Net proceeds / (payments) of borrowings		73	(89)
Repayment of lease principal		(18,251)	(16,201)
Net cash (used in) financing activities		**(18,178)**	**(16,290)**
Net (decrease) /increase in cash and cash equivalents		**(6,839)**	**21,691**
Cash and cash equivalents at the beginning of the year		23,338	1,647
Cash and cash equivalents at the end of the year		**16,499**	**23,338**

The accompanying notes form part of these financial statements.

Notes to the consolidated financial statements

1. General information

The Company is incorporated in Australia and is a for-profit entity.

The Company's registered office and principal place of business is as follows:

Tower 2, Level 17
727 Collins Street
Docklands, VIC, 3008

These financial statements comprise the consolidated financial statements of the Company and the entities it controls (the "Group"). The Group's principal activities during the financial year were the design, sale and construction of residential dwellings.

2. Application of new and revised accounting standards

Amendments to AASBs and the new interpretation that are effective and adopted for the current year

New accounting standards relevant to the Group that are effective for the period are as follows:

- *AASB S2 Climate-related Disclosures*

There are no new standards effective in the current financial year that have a material effect on the financial statements of the Group.

Standards and interpretations in issue not yet adopted

- *AASB 18 – Presentation and Disclosure in Financial Statements (effective 1 January 2027)*

There will be some presentation and disclosure changes but no changes to reported financial position or performance of the Group as a result of the implementation of this standard.

At the date of signing these financial statements, the Directors have reviewed all Standards and Interpretations on issue but not yet effective and do not expect these Standards and Interpretations to have a material effect on the financial statements of the Group.

3. Material accounting policies

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB). The financial statements comprise the consolidated financial statements of the Group.

Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group comply with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board (IASB).

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost except for contingent consideration which is measured at fair value.

All amounts are presented in Australian dollars, unless otherwise noted.

Comparatives have been reclassified where appropriate to ensure consistency and comparability with the current period.

Rounding of amounts

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, and in accordance with that Class Order amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Going concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Group has achieved profit after tax of $10.451m (2025: Profit after tax: $1.015m) and positive operating cash flows of $25.295m (2025: $39.364m) for the year ended 30 June 2026. The strong financial performance was predominantly attributable to margin performance reflecting disciplined pricing, procurement management and productivity initiatives. Furthermore, the results reflected a more diversified operating model where alternative channels provided additional volume and resilient pipeline.

As at 30 June 2026, the Group had a positive net asset value position of $30.246m (2025: $19.537m) and cash balance of $16.499m (2025: $23.338m) measured by cash and cash equivalents. The reduction in cash balance compared to prior period is predominantly attributable to ongoing investment in display network and alternative channels, which are expected to deliver long-term value to the Group. The Group's liquidity remains strong and there is sufficient headroom to support the forecasted working capital needs.

Interest rates, cost-of-living pressures and consumer confidence continue to influence residential housing demand. These factors can affect deposit conversion, contract signing, cancellations and pricing outcomes.

The Group seeks to mitigate these pressures through disciplined market monitoring, product and pricing initiatives, smaller-lot and turnkey offerings, channel diversification, customer finance support, cost management and flexibility across brands, geographies and sales channels. Management will continue to adjust the product and channel mix to align with customer affordability and market demand.

Based on the available information to the Directors at the date of signing this financial report, the Directors are of the opinion that the Group will be able to pay its debts as and when they fall due and accordingly the Directors consider it appropriate for the financial report to be prepared on the going concern basis.

4. Revenue

Accounting policy

Revenue recognition

Construction contracts

Contracts entered into are for the construction of residential homes. The construction of each dwelling is taken to be one performance obligation. The transaction price is normally fixed at the start of the contract. When a variation for the building works is required and agreed upon per the contract, the variation will be included in the transaction price and accounted for accordingly.

Revenue earned is referenced to the stage of completion of the contract activity, based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Our customers are invoiced on achievement of each key milestone in the build program. Invoices are paid on normal commercial terms. Deposit payments received prior to work being performed are recognised as deferred revenue on the balance sheet.

Display homes

Revenue in respect of the sale of display homes is recognised at a point in time when control is transferred to purchaser which is determined to be the property settlement date. Revenue is measured at the transaction price agreed under the contract.

Variable consideration

Where consideration in respect of a contract is variable, the expected value of revenue is only recognised when the uncertainty associated with the variable consideration is subsequently resolved (as this is the point in time when there can be reasonable assurance that there will not be significant reversal) known as “constraint” requirements. The Group assesses the constraint requirements on a periodic basis when estimating the variable consideration to be included in the transaction price. The estimate is based on all available information including historic performance. Where variations in design or requirements are entered into, the transaction price is updated to reflect these when the variation has been agreed.

Contract assets and liabilities

The Group has adopted the terms accrued revenue for ‘contract assets’ and deferred revenue for ‘contract liabilities’ as defined within AASB 15 ‘Revenue from Contracts with Customers’. Accrued revenue is the Group’s right to payment for goods and services transferred to a customer where that right to payment is conditional on something other than passage of time. Deferred revenue is the Group’s obligation to transfer goods or services to a customer at the earlier of (a) when the customer pays consideration or (b) the time that the customer’s consideration is due for goods and services the Group will yet provide.

Contract fulfilment costs

Costs incurred prior to the commencement of construction of building may arise due to feasibility studies, environmental impact studies and preliminary design activities as these are costs incurred to fulfil a contract. Where these costs are expected to be recovered, they are capitalised and amortised over the course of the contract consistent with the transfer of service to the customer. Where the costs, or a portion of these costs, are reimbursed by the customer, the amount received is recognised as deferred revenue and allocated to the performance obligations within the contract and recognised as revenue over the course of the contract.

Incremental costs

Commissions payable to sales consultants in respect of contracts to build are recognised as an asset when expected to be recovered and released over the period of the build.

Financing components

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer represents a financing component. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Other revenue

Revenue received in respect of the Group arranging a purchaser to acquire land from a land developer is recognised once all benefits of owning the land are transferred to the new owner.

The following is an analysis of the Group’s revenue for the year.

	30 June 2026 $’000	30 June 2025 $’000
Continuing operations		
Revenue from residential construction contracts	729,146	665,637
	729,146	**665,637**
Discontinued operations	**-**	**-**
	729,146	**665,637**

Critical accounting judgement - percentage of completion on the construction contracts

Percentage complete is based on the estimated cost to construct a building incurred to date, compared against the total estimated cost of completing that building. The total cost of that build is based on a historical average of similar builds. The amount of revenue recognised during the build is based on this percentage complete calculation. This historical average is reviewed annually to ensure that it is a materially accurate reflection of current build costs.

Estimate of construction contracts on a percentage completion basis, in particular with regard to accounting for variations of cost, the timing of profit recognition and the amount of profit recognised can often result in an adjustment to the reported revenues and expenses and/or the carrying amount of assets and liabilities.

5. Segment information

Products and services from which reportable segments derive their revenue

Information on segment performance focuses on the types of products and services the Group provides.

As part of its revenue diversification strategy, the Group has adopted a multi-channel approach to market. These channels represent different routes to market for the same underlying residential construction service, rather than distinct operating segments. As such, no operating segments have been aggregated in arriving at the reportable segments of the Group. Specifically, the Group's reportable segments are:

- *Residential construction* - this includes activities relating to contracts for residential home construction, speculative home building and the building of display home inventory.
- *Discontinued operations* - Madisson Homes Australia Pty Ltd is a subsidiary of the Group and in the prior years formed part of the residential construction segment. Madisson Homes operated in the medium density market, building apartments and townhouses for commercial developers using the concepts, designs and specifications provided by the developers. Consistent with the prior reporting period, this business unit has been presented as a discontinued operation (refer note 8 for more information).

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment.

	Segment revenue		Segment profit before tax	
Continuing operations	30 June 2026 $'000	30 June 2025 $'000	30 June 2026 $'000	30 June 2025 $'000
Residential construction	729,146	665,637	16,122	1,999
	729,146	**665,637**	**16,122**	**1,999**
Discontinued operations	**-**	**-**	**(753)**	**(549)**
Consolidated segment revenue and profit before tax for the period	**729,146**	**665,637**	**15,369**	**1,450**

Segment assets and liabilities

Segment assets		
Residential construction	194,314	170,728
Discontinued operations	404	406
Total segment assets	**194,718**	**171,134**
Deferred tax assets	-	37
Total assets	**194,718**	**171,171**

Segment liabilities	30 June 2026 $'000	30 June 2025 $'000
Residential construction	159,074	151,113
Discontinued Operations	517	521
Total segment liabilities	**159,591**	**151,634**
Current tax payable	573	-
Deferred tax liabilities	4,308	-
Total liabilities	**164,472**	**151,634**

For the purposes of monitoring segment performance and allocating resources between segments, all assets and liabilities are allocated to reportable segments. Intersegment assets and liabilities have been eliminated from the figures quoted above.

Other segment information

	Interest expense		Depreciation and amortisation	
Continuing operations	30 June 2026 $'000	30 June 2025 $'000	30 June 2026 $'000	30 June 2025 $'000
Residential construction	(2,755)	(2,346)	(23,473)	(19,706)
Discontinued operations	-	-	-	-
Total	**(2,755)**	**(2,346)**	**(23,473)**	**(19,706)**

	Additions to non-current assets	
Continuing operations		
Residential construction	39,266	41,517
Discontinued operations	-	-
	39,266	**41,517**

Revenue by Geographical region

The Group operates in one geographical area – Australia. The Group's revenue and profits are all generated from this region.

Information about major customers

No single customer contributed 10% or more to the Group's revenue for the year ended 30 June 2026 and the year ended 30 June 2025.

6. Finance costs

	30 June 2026 $'000	30 June 2025 $'000
Interest received	178	11
Interest on bank overdrafts, loans and leases	(2,755)	(2,346)
	(2,577)	**(2,335)**

7. Income taxes

Tax consolidation

The entities, except the trusts within the Group have formed a tax-consolidated group with effect from 1 July 2010 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Simonds Group Limited. Current tax expense/(income), deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in those entities using the 'separate taxpayer within group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

The head entity, in conjunction with other members of the tax-consolidated group, has entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts.

The tax funding arrangements require payments to/(from) the head entity equal to the current tax liability/(asset) assumed by the head entity and any tax-loss deferred tax asset assumed by the head entity, resulting in the head entity recognising an inter-entity receivable/(payable) equal in amount to the tax liability/(asset) assumed. The inter-entity receivable/(payable) are at call. Contributions to fund the tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity in conjunction with other members of the tax-consolidated group has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations.

No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

Income tax recognised

	30 June 2026 $'000	30 June 2025 $'000
Current tax		
Expense in respect of the current year	573	-
	573	-
Deferred tax		
Expense in respect of the current years	2,687	841
Expense / (benefit) in respect of prior years	1,658	(406)
	4,345	435
Consolidated income tax expense recognised in the current year	**4,918**	**435**
Income tax expense from continuing operations	5,144	600
Income tax (benefit) from discontinued operations	(226)	(165)
	4,918	**435**

The income tax expense can be reconciled to the accounting profit as follows:

Profit before tax from continuing operations	16,122	1,999
(Loss) before tax from discontinued operations	(753)	(549)
Profit before tax	**15,369**	**1,450**
Income tax expense calculated at 30% (2025: 30%)	4,611	435
Effect of Executive Share Based Payments non-deductible	77	-
Effect of expenses that are not deductible in determining taxable profit	137	-
Other adjustments	93	-
	4,918	435
Adjustments recognised in the current year in relation to deferred and current tax of prior years	-	-
Income tax expense recognised in profit or loss	**4,918**	**435**
Income tax expense from continuing operations	5,144	600
Income tax (benefit) from discontinued operations	(226)	(165)
	4,918	**435**

The tax rate used for the 2026 and 2025 reconciliations above is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law.

	30 June 2026 $'000	30 June 2025 $'000
Current tax assets and liabilities		
Income tax (payable) / refundable	**(573)**	**-**
Deferred tax balances		
Amounts recognised in profit or loss		
Deferred tax assets	20,849	15,088
Deferred tax liabilities	(25,157)	(15,051)
Net deferred tax (liability) / asset	**(4,308)**	**37**

2026	Opening balance $'000	Under / over $'000	Recognised in profit or loss $'000	Recognised in Goodwill $'000	Closing balance $'000
Construction Contracts income	(5,182)	-	106	-	(5,076)
Product Design	(477)	-	(145)	-	(622)
Property, Plant, Equipment & Intangibles	120	-	709	-	829
Provision for warranty and contract maintenance	(470)	-	(7)	-	(477)
Employee Entitlements	1,880	-	(1,970)	-	(90)
DTA on losses	1,138	-	(867)	-	271
Other	3,028	(1,658)	(513)	-	857
	37	**(1,658)**	**(2,687)**	**-**	**(4,308)**

2025	Opening balance $'000	Under / over $'000	Recognised in profit or loss $'000	Recognised in Goodwill $'000	Closing balance $'000
Construction Contracts income	(12,282)	-	7,100	-	(5,182)
Capitalised Courses and Product Design	(565)	-	88	-	(477)
Property, Plant, Equipment & Intangibles	1,261	-	409	(1,550)	120
Provision for warranty and contract maintenance	366	-	(836)	-	(470)
Employee Entitlements	1,696	-	184	-	1,880
DTA on losses	10,600	-	(9,462)	-	1,138
Other	946	406	1,676	-	3,028
	2,022	**406**	**(841)**	**(1,550)**	**37**

8. Discontinued Operations

Madisson Business

Following a comprehensive review initiated by the Directors on 16 November 2015, the Group announced a plan for the orderly closure of the Madisson business unit of the Group on 21 January 2016 upon completion of the remaining projects. All projects were completed in financial year ended 30 June 2017. As part of the warranty rules under the statutory regulations, the business is still incurring liability for warranty claims. As such, the expenses are predominantly related to warranty and related activities.

Financial performance for the year from the Madisson business

	30 June 2026 $'000	30 June 2025 $'000
Expenses		
Insurance claim proceeds	38	-
Maintenance & warranty	(791)	(549)
Total (expense) / recoveries	(753)	(549)
(Loss) before tax	(753)	(549)
Attributable income tax benefit)	226	165
(Loss) after tax for the year	**(527)**	**(384)**

9. Expenses for the year

Profit on disposal of property, plant and equipment and intangible assets	11	9
Marketing and selling expenses	(23,863)	(16,535)
Corporate and administrative expenses	(22,079)	(19,822)
Employee benefits expense	(86,645)	(81,636)
Transaction and related expenses	-	(6,183)
	(132,576)	**(124,167)**

10. Earnings per share

	30 June 2026 Cents per share	30 June 2025 Cents per share
From continuing operations		
Total basic profit per share	3.05	0.39
Total diluted profit per share	3.01	0.39
From continuing and discontinued operations		
Total basic profit per share	2.90	0.28
Total diluted profit per share	2.86	0.28

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings are as follows:

	30 June 2026 $'000	30 June 2025 $'000
From continuing operations		
Profit for the year attributable to owners of the Company	10,978	1,399
From continuing and discontinued operations		
Profit for the year attributable to owners of the Company	10,451	1,015

	Shares	Shares
Weighted average number of ordinary shares for the purposes of the basic earnings per share	359,906,450	359,906,450

Diluted earnings per share

	30 June 2026 $'000	30 June 2025 $'000
From continuing operations		
Profit for the year attributable to owners of the Company	10,978	1,399
From continuing and discontinued operations		
Profit for the year attributable to owners of the Company	10,451	1,015

	Shares	Shares
Weighted average number of ordinary shares for the purposes of the basic earnings per share	359,906,450	359,906,450
Shares deemed to be issued for no consideration in respect of:		
Performance Rights / Options	5,111,052	3,304,511
Weighted average number of ordinary shares for the purposes of the diluted earnings per share	**365,017,502**	**363,210,961**

11. Trade and other receivables

	30 June 2026 $'000	30 June 2025 $'000
Current		
Trade receivables	36,278	45,261
	36,278	**45,261**
Other receivables	920	817
	37,198	**46,078**

Trade receivables

The average settlement terms for progress invoices in relation to residential contracts are between 7 and 45 days. The Group has written off all receivables that are known to be uncollectable. Prior to accepting a new customer for the construction of a dwelling, the Group ensures that appropriate contractual terms are in place with the customer and that the customer has secured financing in advance of the commencement of construction.

In determining the recoverability of a trade receivables, the Group considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated and dwellings constructed for customers serving as a security against the receivable.

Age of receivables from continuing operations that are past due but not impaired

46 - 60 days	1,608	3,074
61 - 90 days	1,403	2,191
91 - 120 days	918	988
Over 120 days	2,146	2,407
Total	6,075	8,660
Average age (days)	108	99

Receivables past due but not impaired primarily relate to final settlement payments upon completion of construction and supplier rebate. The Group has included in its considerations for any expected credit loss of these receivables, with no current material indication requiring a provision as at 30 June 2026. The aged debt beyond the standard terms is expected to be fully recoverable as it primarily relates to completion/settlement payments where disbursements can be delayed due to various factors such as delays in bank valuations, final inspections and minor site works. There were no bad debts recognised in the profit and loss statement for the year ended 30 June 2026.

12. Accrued revenue

	30 June 2026 $'000	30 June 2025 $'000
Work in progress on residential construction contracts	**50,698**	**38,732**

13. Inventories

Speculative homes	5,256	5,368
Display land stock	26,789	15,949
Provision for impairment of inventories	(165)	(109)
	31,880	**21,208**

Land cost includes the cost of acquisition, development, borrowings and all other costs directly related to specific projects.

Display home costs include direct costs of building display homes. Speculative home costs include direct costs of building speculative homes.

The impairment provision of display homes above is assessed using recent market values. This assessment includes current independent valuations, current offers to purchase the display homes, and current asking prices to sell these display homes.

14. Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows.

Name	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			2026	2025
Simonds Homes Victoria Pty Ltd	Residential – Victoria	Australia	100%	100%
Simonds Homes NSW Pty Ltd	Residential – NSW	Australia	100%	100%
Simonds Queensland Constructions Pty Ltd	Residential – Queensland	Australia	100%	100%
Simonds SA Pty Ltd	Residential – South Australia	Australia	100%	100%
Simonds WA Holdings Pty Ltd	Residential – Western Australia	Australia	100%	100%
Madisson Homes Australia Pty Ltd	Residential – Victoria	Australia	100%	100%
Simonds Personnel Pty Ltd	Payroll service entity	Australia	100%	100%
Simonds Assets Pty Ltd	Asset service entity	Australia	100%	100%
Simonds IP Pty Ltd	Intellectual property service entity	Australia	100%	100%
Simonds Corporate Pty Ltd	Asset service entity	Australia	100%	100%
Jackass Flat Developments Pty Ltd	Land development and sales	Australia	100%	100%
Simonds Land Development Pty Ltd	Land development and sales	Australia	100%	100%
Bridgeman Downs Land Project Pty Ltd	Land development and sales	Australia	100%	100%
Discover Developments Pty Ltd	Land development and sales	Australia	100%	100%
Discover Gisborne Pty Ltd	Land development and sales	Australia	100%	100%
Simonds DFH Pty Ltd	Residential	Australia	100%	100%

- Simonds Group Limited is the head entity within the tax consolidated group.
- All Group subsidiaries are members of the tax consolidated group.
- Simonds Group Limited and its subsidiaries have entered into a deed of cross guarantee with Simonds Group Limited pursuant to ASIC Class Order 2016/785 and are relieved from the requirement to prepare and lodge an audited financial report.
- Simonds WA Holdings Pty Ltd was previously named as Simonds WA Pty Ltd. The Company name changed on 20 Jan 2026.
- The above companies represent a "Closed Group" for the Class Order. The closed Group's Statement of Profit or loss and Other Comprehensive Income for the year and closed group's Statement of Financial Position as at 30 June 2026 are the same as the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year and the Consolidated Statement of Financial Position as at 30 June 2026.

15. Property, plant and equipment

Accounting policy

The carrying amount of property, plant and equipment which is measured on the cost basis, is subject to impairment testing and is reviewed to determine whether they are in excess of their recoverable amount at balance date.

Depreciation is calculated on a straight-line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value.

The following estimated useful lives are used in the calculation of depreciation:

	Useful life
Leasehold improvements	5 years or the period of the lease
Computer equipment	3 - 5 years
Office furniture and fittings	5 years
Display home furniture, fixtures and fittings	2 years
Motor vehicles	5 years
Plant and equipment	5 years

	Leasehold improvements $'000	Computer equipment $'000	Office furniture & fittings $'000	Display home furniture, fixtures & fittings $'000	Motor Vehicles $'000	Plant and equipment $'000	Total $'000
Cost							
Balance at 1 July 2024	4,211	7,781	2,061	4,340	499	277	19,169
Additions	-	184	312	1,406	-	-	1,902
Disposals	-	(483)	(156)	(916)	-	(23)	(1,578)
Balance at 30 June 2025	**4,211**	**7,482**	**2,217**	**4,830**	**499**	**254**	**19,493**
Cost							
Balance at 1 July 2025	4,211	7,482	2,217	4,830	499	254	19,493
Additions	2,668	101	295	1,029	-	-	4,093
Disposals	(22)	(1,143)	(152)	(1,049)	(457)	-	(2,823)
Balance at 30 June 2026	**6,857**	**6,440**	**2,360**	**4,810**	**42**	**254**	**20,763**
Accumulated depreciation							
Balance at 1 July 2024	(3,842)	(6,613)	(1,893)	(3,489)	(499)	(277)	(16,613)
Depreciation expense	(170)	(538)	(106)	(1,067)	-	-	(1,881)
Disposals	-	444	144	916	-	23	1,527
Balance at 30 June 2025	**(4,012)**	**(6,707)**	**(1,855)**	**(3,640)**	**(499)**	**(254)**	**(16,967)**
Accumulated depreciation							
Balance at 1 July 2025	(4,012)	(6,707)	(1,855)	(3,640)	(499)	(254)	(16,967)
Depreciation expense	(238)	(329)	(114)	(1,097)	-	-	(1,778)
Disposals	22	1,043	93	955	457	-	2,570
Balance at 30 June 2026	**(4,228)**	**(5,993)**	**(1,876)**	**(3,782)**	**(42)**	**(254)**	**(16,175)**
Net book value							
As at 30 June 2025	**199**	**775**	**362**	**1,190**	**-**	**-**	**2,526**
As at 30 June 2026	**2,629**	**447**	**484**	**1,028**	**-**	**-**	**4,588**

16. Intangible Assets

Accounting policy

Intangible assets acquired separately

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

The following estimated useful lives are used in the calculation of amortisation:

	Useful Life
Computer Software	3 years
Capitalised Product Designs	3 years
Forward order book	2-3 years

Internally-generated intangible assets – research and development expenditure

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill

On acquisition date, Goodwill is measured as the excess of the sum of the consideration transferred, and the fair value of the net of the amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill is an indefinite life intangible and after acquisition, is carried at cost as established at the date of the acquisition of the business less accumulated impairment losses. Any impairment loss for goodwill is recognised directly in profit or loss.

Goodwill impairment testing

As at 30 June 2026, goodwill of $10.705m was allocated to the residential construction segment level. Management have determined a single CGU is appropriate for the Group.

The recoverable amount of the CGU is based on value-in-use calculations, which require the use of management assumptions based on historical data, experience, known market conditions, and external factors. The calculation uses cash flow projections covering a 3-year period based on financial budgets and forecasts approved by the Board for the subsequent year.

The Group has determined that the recoverable amount calculations are most sensitive to changes in the following assumptions:

- Earnings before interest and taxes (EBIT) during the budget/ forecast period (3 years)
- EBIT average growth rate: 5.0% p.a. from FY29 to FY31.
- Terminal growth rate: 3.0 % p.a.
- Post Tax WACC: 16.0%

Detailed sensitivity testing was performed on the CGU by reducing EBIT and increasing long term growth rate.

During the year ending 30 June 2026, the Group determined that there is no impairment of goodwill with Indefinite useful lives.

	Computer Software $'000	Capitalised Product Designs $'000	Forward order book $'000	Goodwill $'000	Total $'000
Cost					
Balance at 1 July 2024	**7,375**	**7,097**	**-**	**-**	**14,472**
Additions	633	919	-	-	1,552
Acquisition through business combinations	-	1,000	4,971	12,344	18,315
Disposals	-	(1,970)	-	-	(1,970)
Balance at 30 June 2025	**8,008**	**7,046**	**4,971**	**12,344**	**32,369**
Cost					
Balance at 1 July 2025	**8,008**	**7,046**	**4,971**	**12,344**	**32,369**
Adjustment to provisional goodwill	-	-	-	(1,639)[1]	(1,639)
Additions	759	742	-	-	1,501
Disposals	(1,449)	(3,404)	-	-	(4,853)
Balance at 30 June 2026	**7,318**	**4,384**	**4,971**	**10,705**	**27,378**
Accumulated amortisation					
Balance at 1 July 2024	**(6,338)**	**(5,119)**	**-**	**-**	**(11,457)**
Amortisation Expense	(554)	(976)	(640)	-	(2,170)
Disposals	-	1,970	-	-	1,970
Balance 30 June 2025	**(6,892)**	**(4,125)**	**(640)**	**-**	**(11,657)**
Accumulated amortisation					
Balance at 1 July 2025	**(6,892)**	**(4,125)**	**(640)**	**-**	**(11,657)**
Amortisation Expense	(587)	(1,238)	(1,920)	-	(3,745)
Disposals	1,449	3,399	-	-	4,848
Balance 30 June 2026	**(6,030)**	**(1,964)**	**(2,560)**	**-**	**(10,554)**
Net Book Value					
As at 30 June 2025	**1,116**	**2,921**	**4,331**	**12,344**	**20,712**
As at 30 June 2026	**1,288**	**2,420**	**2,411**	**10,705**	**16,824**

[1] Refer to note 35 for details.

17. Other assets

	30 June 2026 $'000	30 June 2025 $'000
Prepayments	5,638	2,575
Other assets	190	218
	5,828	**2,793**

18. Trade and other payables

	30 June 2026 $'000	30 June 2025 $'000
Trade payables	57,452	53,328
Construction accruals	17,745	21,967
Goods and services tax payable	1,497	2,160
Other payables and accruals	4,847	5,882
	81,541	**83,337**

Trade payables are unsecured and payment terms vary from 30 days (end of month) to 55 days from invoice. The subcontractors are paid within 7 days of the invoice.

19. Deferred revenue

	30 June 2026 $'000	30 June 2025 $'000
Balance at beginning of the period	15,855	11,332
Net other movements	5,624	2,760
Acquisition through business combination	-	1,763
Balance at end of the period	**21,479**	**15,855**

20. Borrowings

	30 June 2026 $'000	30 June 2025 $'000
Current		
Other borrowings	827	754
	827	**754**

Summary of borrowing arrangements

Details of the Group's borrowing facility as at 30 June 2026 are as follows:

Facility	Utilised $'000	Unutilised $'000	Interest Charge	Description	Maturity Date
Market Rate Loan	-	15,500	Variable Market Rate	The Group's facilities are secured by all Simonds Group Limited corporate entities.	7 May 2028
Bank Guarantees	3,924[1]	1,076	Fixed Market Rate		Ongoing
Overdraft Facility	-	5,000	Overdraft Index Rate		Ongoing
Seasonal Overdraft Facility	-	10,000	Overdraft Index Rate		Ongoing-Commencing 16 December and ending 31 March in each calendar year

[1] Bank guarantees are disclosed in contingent liability note 32.

Facility	Utilised $'000	Unutilised $'000	Interest Charge	Description	Maturity Date
Business Corporate Credit Card Facility	1,000	-	Cash Advance Interest Rate	Charged Card facility made available to Simonds Group.	Ongoing
Equipment Finance Facility	6,930[1]	1,070	Fixed Market Rate	Asset under leases are secured by the assets leased with repayments periods not exceeding 5 years.	Ongoing
Total	**11,854**	**22,646[2]**			

In addition to the debt facility outlined above, the Group has additional facilities as below:

Facility	Utilised $'000	Unutilised $'000	Interest Charge	Description	Maturity Date
Microsoft Financing	436	-	Fixed Interest Rate	The Group entered into a Master Instalment Payment Agreement with De Lage Landen Pty Ltd, which covers license subscription for Microsoft products for the period from January 2026 to December 2026.	30 January 2027
Insurance Premium Funding	391	-	Fixed Interest Rate	The Group entered into a premium funding contract with IQumulate Premium Funding Pty Ltd, which covers various corporate insurance for period from November 2025 to October 2026.	31 July 2026
Total	**827**	**-**			

21. Provisions

Accounting policy

Maintenance and warranty

Provisions for the cost of maintenance and warranty is the directors' best estimate of the expenditure required to settle the Group's obligations under legislative requirements.

Make good

Provisions for make good are based on the directors' best estimates of the costs required to reinstate the display homes and commercial leased properties under legislation; or requirement to be at a saleable standard.

[1] Recorded as part of lease liabilities note 33.
[2] Total Unutilised amount excluding seasonal overdraft facility as it only applies during seasonal period between 16 December to 31 March each Calander year.

	30 June 2026 $'000	30 June 2025 $'000
Provision for employee benefits (i)	10,504	10,357
Provision for warranty and contract maintenance (ii)	10,630	13,588
Provision for make good (iii)	1,355	1,377
	22,489	**25,322**
Current	11,935	14,629
Non – current	10,554	10,693
	22,489	**25,322**

(i) The provision for employee benefits represents annual leave and long service leave entitlements accrued and compensation claims made by employees.

(ii) The provision for warranty claims represents the present value of the directors' best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties related to residential construction. The estimate has been made on the basis of historical warranty trends and may vary as a result of the annual build program, the history of defects relating to materials used or in the nature of services provided.

(iii) Provisions based on the directors' best estimates of the costs required to reinstate the display homes and commercial leased properties under legislation; or requirement to be at a saleable standard.

The movement in non-employee provisions during the financial year is as below:

2026	Warranty and contract maintenance $'000	Make good $'000	Total $'000
At 30 June 2025	13,588	1,377	14,965
Additional provision recognised during the year	2,841	387	3,228
Provision utilised during the financial year	(5,799)	(409)	(6,208)
At 30 June 2026	**10,630**	**1,355**	**11,985**

Critical accounting judgements and key sources of estimation uncertainty - provision for maintenance and warranties

At each year end the Group considers its legal and constructive obligations for warranties and maintenance on properties constructed. Typically, the Group makes provision for warranties for a period of up to ten years following the completion of a construction contract. The directors take into account the annual build program, history of defects relating to materials used or in services provided and the historical liabilities the Group has assumed in respect of warranties in estimating the provision for warranties. The directors use a present value methodology to recognise the best estimate of the expenditure required to settle the Group's obligation.

The Group use an actuarial model based on historical maintenance and warranty spend to provide an estimate for the maintenance and warranty provision. Key assumptions in this model were developed by an independent actuary and are reviewed internally regularly, to ensure they remain appropriate for calculating the maintenance and warranty provision as at 30 June 2026. There has been no significant change to the model assumptions to those used in the prior financial year.

22. Issued capital

	30 June 2026 $'000	30 June 2025 $'000
359,906,450 fully paid ordinary shares (June 2025: 359,906,450)	37,867	37,867
	37,867	**37,867**

	Number of shares		Share capital ($'000)	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Balance at beginning of the period	359,906,450	359,906,450	37,867	37,867
Movement in ordinary shares	-	-	-	-
Balance at end of the period	**359,906,450**	**359,906,450**	**37,867**	**37,867**

23. Reserves

	30 June 2026 $'000	30 June 2025 $'000
Share Buy-back Reserve	(7,204)	(7,204)
Share Based Payment Reserve[1]	29,121	28,863
	21,917	**21,659**

[1] Movements arising from share-based payments, refer to note 27 for detail.

Share Buy-back Reserve

On 20 August 2015, the Group announced its intention to undertake an on-market share buy-back ("buy-back") to enable the Group to acquire up to a maximum of 7.570m shares within a 12-month period. The buy-back was part of the Group's ongoing capital management strategy and determined by the Directors to be an appropriate use of Group capital resources given current market conditions at the time. The Group bought back 7.570m of its issued shares and as a result, the balance between the total buy-back and the amount deemed a reduction in capital was recorded in the share buy-back reserve.

Share Based Payment Reserve

This reserve is used to recognise the value of equity settled benefits provided to employees and directors as part of their remuneration.

24. Dividends paid or payable

The Board is giving consideration to the payment of a dividend for the period ended 30 June 2026. The details of any dividend will be confirmed following completion of the audit.

The company's adjusted franking account balance as at 30 June 2026 is $9.758m (2025: $9.758m).

25. Financial instruments

Accounting policy

Non-derivative financial instruments

Capital risk management

Directors review the capital structure on an ongoing basis. As a part of this review the directors consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues, and the issue or repayment of debt.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 20, cash, and equity attributable to equity holders of the parent, comprising issued capital, Reserves, accumulated losses and dividends, as disclosed in notes 22 to 24.

Financial risk management

The Group does not enter into or trade financial instruments, for speculative purposes. The use of financial instruments is governed by the Group's policies which are approved by the directors. The Chief Financial Officer is responsible for managing the Group's treasury requirements in accordance with this policy.

The Group hold the following financial instruments at amortised costs:

	30 June 2026 $'000	30 June 2025 $'000
Financial Assets		
Cash and Cash equivalents	16,499	23,338
Trade and other receivables	37,198	46,078
	53,697	**69,416**
Financial Liabilities		
Trade and other payables	81,541	83,337
Lease liabilities	30,775	16,836
Contingent consideration[1]	2,480	9,530
Borrowings	827	754
	115,623	**110,457**

[1] Contingent consideration representing the fair value of contingent payment relating to acquisition of subsidiary Simonds DFH Pty Ltd at 30 June 2026.

Market risk

i) Interest rate risk management

The Group is exposed to interest rate risk as the entities in the Group borrow funds at both fixed and variable interest rates. There is an interest rate exposure for these utilised facilities when they are used during each financial year (Refer to note 20 for details of these facilities).

A sensitivity analysis has been determined based on the exposure to interest rates at the end of the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 30 June 2026 would decrease/increase by $0.030m (2025: $0.038m). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

Credit risk

Credit risk arises from financial assets which comprise cash and cash equivalents, trade and other receivables and the granting of financial guarantees. Exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of the financial assets as well as in relation to financial guarantees granted.

Construction contracts require the customer to obtain finance prior to starting the build. Contracts for Speculative Housing, Displays and Land require payment in full prior to passing of title to customers. The Group has no significant concentrations of credit risk and does not hold any credit derivatives to offset its credit exposure.

Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

i) Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

Year ended 30 June 2026	< 6 months $'000	6 -12 months $'000	>1 -5 years $'000	Over 5 years $'000	Total $'000
Financial Liabilities					
Trade and other payables	81,541	-	-	-	81,541
Lease liabilities	1,351	11,344	19,645	2,474	34,814
Borrowings	827	-	-	-	827
Contingent consideration	2,480	-	-	-	2,480
	86,199	11,344	19,645	2,474	119,662

Year ended 30 June 2025	< 6 months $'000	6 -12 months $'000	>1 -5 years $'000	Total $'000
Financial Liabilities				
Trade and other payables	83,337	-	-	83,337
Lease liabilities	1,761	10,593	5,761	18,115
Borrowings	754	-	-	754
Contingent consideration	5,340	2,290	1,900	9,530
	91,192	**12,883**	**7,661**	**111,736**

26. Key management personnel compensation

The aggregate compensation made to directors and other members of key management personnel of the Company and the Group is set out below:

	30 June 2026 $	30 June 2025 $
Short-term employee benefits	2,245,599	2,968,402
Post-employment benefits	132,171	149,643
Other long-term benefits	31,641	48,834
Share-based payments	85,693	3,657
	2,495,104	**3,170,536**

27. Share based payments

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

<u>Employee share plan</u>

On 18 December 2024, 7,859,900 performance rights shares were granted to key management personnel and other members of the leadership team. The performance rights were issued as part of the Long-Term Incentive Plan for 2024 financial year (FY2024) and for the 2025 financial year (FY2025). On 19 December 2025, 2,893,023 performance rights shares were granted to key management personnel and other members of the leadership team. The performance rights were issued as part of the Long-Term Incentive Plan for 2026 financial year (FY2026).

Set out below are summaries of performance shares granted under the plan:

Award Structure	FY2024 Performance Rights	
Consideration for the Performance Rights	The Performance Rights will be granted for nil consideration.	
Grant Date	*18 December 2024*	
Expiry Date	*15th Anniversary of the Grant Date*	
Vesting Date	*30 June 2026*	
Performance Measure	Vesting of Performance Rights is dependent on one discrete performance measure (hurdle): *FY2026 Adjusted EBITDA per share* The performance measure is to achieve an EBITDA per share target for the financial year ending 30 June 2026.	
EPS Vesting Schedule	***FY2026 Adjusted EBITDA[1] per share***	***Percentage of Performance Rights to vest:***
	Below $0.062	None
	At $0.062	50%
	Between $0.062 and $0.069	Straight line pro-rata vesting between 50% and 100%
	At or above $0.069	100%
Service Vesting Condition	The Service Vesting Condition is continuous employment with the Company from Grant Date to Vesting Date.	
Other conditions	These rights may be settled in either shares in the Company or the equivalent value in cash, at the discretion of the Board.	

[1] When assessing Adjusted EBITDA outcomes, the Board has the discretion to exclude the impact of any one-off significant items to the extent that they are not appropriate representation of the management's performance over the vesting period. As at the time of this report, the Adjusted EBITDA has not been determined.

Award Structure	FY2025 Performance Rights	
Consideration for the Performance Rights	The Performance Rights will be granted for nil consideration.	
Grant Date	*18 December 2024*	
Expiry Date	*15th Anniversary of the Grant Date*	
Vesting Date	*30 June 2027*	
Performance Measure	Vesting of Performance Rights is dependent on one discrete performance measure (hurdle): *FY2027 Adjusted EBITDA per share* The performance measure is to achieve an EBITDA per share target for the financial year ending 30 June 2027.	
EPS Vesting Schedule	***FY2027 Adjusted EBITDA[1] per share***	***Percentage of Performance Rights to vest:***
	Below $0.092	None
	At $0.092	50%
	Between $0.092 and $0.103	Straight line pro-rata vesting between 50% and 100%
	At or above $0.103	100%
Service Vesting Condition	The Service Vesting Condition is continuous employment with the Company from Grant Date to Vesting Date.	
Other conditions	These rights may be settled in either shares in the Company or the equivalent value in cash, at the discretion of the Board.	

Award Structure	FY2026 Performance Rights	
Consideration for the Performance Rights	The Performance Rights will be granted for nil consideration.	
Grant Date	*19 December 2025*	
Expiry Date	*15th Anniversary of the Grant Date*	
Vesting Date	*30 June 2028*	
Performance Measure	Vesting of Performance Rights is dependent on one discrete performance measure (hurdle): *FY2028 Adjusted EBITDA* The performance measure is to achieve an EBITDA target for the financial year ending 30 June 2028.	
EBITDA Vesting Schedule	***FY2028 Adjusted EBITDA[2]***	***Percentage of Performance Rights to vest:***
	$54m	50%
	$60m	75%
	$73m	100%
Service Vesting Condition	The Service Vesting Condition is continuous employment with the Company from Grant Date to Vesting Date.	
Other conditions	These rights may be settled in either shares in the Company or the equivalent value in cash, at the discretion of the Board.	

[1] When assessing Adjusted EBITDA outcomes, the Board has the discretion to exclude the impact of any one-off significant items to the extent that they are not appropriate representation of the management's performance over the vesting period.
[2] When assessing Adjusted EBITDA outcomes for FY2024, FY2025 and FY2026 performance rights, the Board has the discretion to exclude the impact of any one-off significant items to the extent that they are not appropriate representation of the management's performance over the vesting period.

Movements in performance rights during the year:

Tranche	Opening balance	Granted during the year		Vested during the year		Forfeited during the year		Closing balance
	Number of rights	Number of rights	Weighted average fair value	Number of rights	Weighted average fair value	Number of rights	Weighted average fair value	Total number of rights
Performance rights								
FY 2024	2,119,926	-	-	-	-	(601,447)	$0.16	1,518,479
FY 2025	1,730,274	-	-	-	-	(490,898)	$0.16	1,239,376
FY 2026	-	2,893,023	$0.14	-	-	-	-	2,893,023
Total	**3,850,200**	**2,893,023**	**$0.14**	**-**	**-**	**(1,092,345)**	**$0.16**	**5,650,878**

For the purposes of accounting, the rights are assumed to be equity settled. Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

	30 June 2026 $'000	30 June 2025 $'000
Employee share plan		
Share based expense	258	(15)

2,893,023 (2025: nil) performance rights and no (2025: nil) options were vested during the year ended 30 June 2026.

There were no (2025: nil) cash rights and 1,092,345 (2025: 4,009,700) performance rights were forfeited during the year.

28. Auditor's remuneration

	30 June 2026 $	30 June 2025 $
Audit or review of financial statements - Group	342,000	330,000
	342,000	330,000
Other services		
-Tax services	192,337	100,000
-Assurance over the sustainability report	45,000	-
-Audit of Simonds WA Pty Ltd[1]	26,000	-
-Work relating to acquisition of Dennis Family Homes Pty Ltd	-	20,000
	605,337	**450,000**

The Group's auditor is PKF Melbourne Audit & Assurance Pty Ltd.

29. Commitments for expenditure

On 22 February 2025, the Group entered into a binding agreement to acquire certain assets from Stephen McCarthy Developers One Pty Ltd (SMD) and Mr Stephen Patrick McCarthy (Mr McCarthy). SMD and Mr McCarthy have previously provided sales consultancy services and a licence of various house plans to the Group, which were used in the Masterpiece brand.

The assets subject to the transaction include home designs across the Masterpiece and Dual Occupancy ranges, associated domain names, and business names, and a forward-order book. The total capital commitment under this agreement is $10.0 million. The consideration comprises a mix of a lump sum payment and progressive payments under the terms of a Business Sale Agreement.

The transaction is expected to complete in FY27.

[1] The Group holds 50% joint venture of Simonds WA Pty Ltd,

30. Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts.

Reconciliation of profit for the year to net cash flows from operating activities

	30 June 2026 $'000	30 June 2025 $'000
Cash flows from operating activities		
Net profit after tax for the year	**10,451**	**1,015**
Add / (deduct):		
Income tax expense recognised in profit or loss	4,918	435
Net finance costs recognised in profit or loss	2,577	2,335
Gain on disposal of tangible assets	34	585
Loss on share of investment in joint venture	321	-
Provisional goodwill adjustment	1,639	-
Repayment of contingent consideration	7,050	-
Management incentive and share based payments	258	15
Depreciation and amortisation of non-current assets	23,473	19,706
	50,721	24,091
Movements in working capital		
Decrease in trade and other receivables	8,880	12,433
(Increase) / decrease in inventories	(10,672)	1,013
(Increase) / decrease in other assets	(15,002)	34,151
Decrease in trade and other payables	(1,796)	(34,142)
Decrease in provisions	(2,833)	(10,777)
(Decrease) / increase in other liabilities	(1,426)	14,930
Net interest paid	(2,577)	(2,335)
Net cash generated from operating activities	**25,295**	**39,364**

Non-cash transactions

The Group acquired $18.039m of right-of-use assets during the financial ended 30 June 2026. The additions are non-cash and not included within investing activities in the consolidated statement of cash flows.

Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	Notes	30 June 2025 $'000	Financing cash flows $'000	Non-cash changes New leases $'000	30 June 2026 $'000
Other borrowings	20	754	73	-	827
Lease liabilities	33	16,836	(18,251)	32,190	30,775
Total liabilities from financing activities		**17,590**	**(18,178)**	**32,190**	**31,602**

31. Parent entity information

The parent entity is Simonds Group Limited. The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

	30 Jun 2026 $'000	30 Jun 2025 $'000
Statement of financial position		
Current Assets	52,816	60,145
Non-current Assets	3,108	2,983
Total assets	**55,924**	**63,128**
Current Liability	15,217	21,855
Non-current Liability	4,518	4,975
Total liabilities	**19,735**	**26,830**
Net assets	**36,189**	**36,298**
Issued capital	37,867	37,867
Reserves	(34,775)	(35,033)
Accumulated profit	33,097	33,464
Total equity	**36,189**	**36,298**
Income statement		
Dividends from subsidiaries	-	4,500
Operating loss before tax	(526)	(67)
Tax refund / (expense)	157	(1,331)
(Loss) / profit for the year	**(369)**	**3,102**

32. Contingent liabilities and contingent assets

Contingent Liabilities		
Bank guarantees (Refer to Note 20)	3,924	3,437

Litigation

There are a small number of legal matters relating to the construction of residential dwellings and personal injury claims from employees, contractors or the public that are the subject of litigation or potential litigation. A provision is raised in respect of claims where an estimate may be reliably established, and legal or other advice indicates that it is probable that the Group will incur costs either in progressing its investigation of the claim or ultimately in settlement. During the year, there were no material claims that could be reliably estimated.

Other contracts

The Group has entered contracts to acquire properties predominantly in relation to speculative homes and wholesale channels. In the normal course of business, third parties will be assigned to purchase the property, however if no third party can be reassigned, then the Group faces an exposure of $10.197m (2025: $6.458m).

33. Leases

The Group leases commercial offices, display homes, display home furniture, IT equipment and motor vehicles. The leases are typically with an option to renew and lease payments are reviewed when approaching the lease expiry date to reflect market rentals.

The Group also leases equipment with contract terms of one to three years. These leases are short-term and/or leases of assets with a value at or below $10,000. For leases of low value assets and short-term leases the Group has elected not to recognise right-of-use assets and lease liabilities. The lease payments are recognised as an operating expense on a straight-line basis over the term of the lease.

Information about leases for which the Group is a lessee is presented below.

Amount recognised in profit or loss

	30 June 2026 $'000	30 June 2025 $'000
Lease under AASB 16		
Interest on lease liabilities	(1,922)	(1,188)
Depreciation expense on right-of-use assets	(17,950)	(15,655)
Expenses relating to short-term leases	(1,569)	(1,500)
Expenses relating to low value assets leases	(10)	(18)
Loss on sale and leaseback	(139)	(499)
Gain on lease modification and cancellation	61	214
	(21,529)	**(18,646)**

Commitment for short-term leases and low value assets

The Group has nil commitment to leases classified as short-term and/or low value leases (2025: nil).

Cashflow on leases

In 2026, the total cash outflow for leases amounts to $20.174m (2025: $17.388m). Refer to note 25 liquidity risk for committed lease cash payments for next 0-12 months, 1-5 years and over 5 years timing buckets.

Lease liabilities

Current	12,695	11,595
Non-current	18,080	5,241
	30,775	**16,836**
Leases expiring less than one year	12,695	11,595
Leases expiring between one and five years	7,401	5,241
Leases expiring over five years	10,679	-

Right of use assets

	Commercial offices $'000	Display homes $'000	Display home furniture $'000	IT equipment $'000	Motor vehicles $'000	Total $'000
Cost						
Balance at 1 July 2024	13,517	7,783	4,894	6,016	6,304	38,514
Additions	1,495	8,149	5,604	248	2,543	18,039
Changes in value from lease modification and cancellation	-	(449)	-	-	-	(449)
Disposal of assets	(969)	(5,393)	(3,259)	-	(2,400)	(12,021)
Balance at 30 June 2025	**14,043**	**10,090**	**7,239**	**6,264**	**6,447**	**44,083**
Cost						
Balance at 1 July 2025	14,043	10,090	7,239	6,264	6,447	44,083
Additions	16,380	7,883	3,911	1,615	3,883	33,672
Changes in value from lease modification and cancellation	-	(192)	-	(9)	-	(201)
Disposal of assets	(11,952)	(5,908)	(3,828)	(6,016)	(3,460)	(31,164)
Balance at 30 June 2026	**18,471**	**11,873**	**7,322**	**1,854**	**6,870**	**46,390**
Accumulated amortisation						
Balance at 1 July 2024	(9,501)	(3,780)	(2,543)	(3,609)	(4,622)	(24,055)
Charge for the year	(3,072)	(6,134)	(3,665)	(1,210)	(1,574)	(15,655)
Disposal of assets	859	4,952	3,196	-	2,367	11,374
Balance 30 June 2025	**(11,714)**	**(4,962)**	**(3,012)**	**(4,819)**	**(3,829)**	**(28,336)**
Accumulated amortisation						
Balance at 1 July 2025	(11,714)	(4,962)	(3,012)	(4,819)	(3,829)	(28,336)
Charge for the year	(4,328)	(7,064)	(4,348)	(596)	(1,613)	(17,949)
Disposal of assets	11,949	5,970	3,810	4,913	3,441	30,083
Balance 30 June 2026	**(4,093)**	**(6,056)**	**(3,550)**	**(502)**	**(2,001)**	**(16,202)**
Carrying amount						
As at 30 June 2025	**2,329**	**5,128**	**4,227**	**1,445**	**2,618**	**15,747**
As at 30 June 2026	**14,378**	**5,817**	**3,772**	**1,352**	**4,869**	**30,188**

34. Joint ventures

On 16th February 2026, the Group announced it has entered a 50/50 joint venture with Atlas Building to conduct residential construction projects in Western Australia.

Details of the Group's material joint venture at the end of the reporting period is as follows:

Name of joint venture	Principal Activity	Place of incorporation and principal place of business	Proportion of ownership interest 30 June 2026
Simonds Homes WA Pty Ltd	Residential construction	Western Australia	50%

The above joint venture is accounted for using the equity method the consolidated financial statements.

Summarised financial information in respect of the Group's material joint venture is set out below.

Simonds Homes WA Pty Ltd

	30 June 2026 $'000
Current Assets	1,887
Non- current Assets	14
Current liabilities	(2,543)
Non- current Liabilities	-
The above amounts of assets and liabilities include the following:	
Cash and cash equivalents	886
Current financial liabilities (excluding trade and other payables and provisions)	-
Non- current financial liabilities (excluding trade and other payables and provisions)	-
Revenue	-
Loss from continuing operations	(642)
Loss from discontinuing operations	-
Loss for the year	(642)
Other comprehensive income	-
Total comprehensive Loss for the year	**(642)**
The above loss for the year including the following:	
Depreciation and amortisation	(565)
Interest income	-
Interest expense	-
Income tax income	275

Reconciliation of above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

Net assets of the joint venture	(642)
Proportion of Group's ownership interest in the joint venture	50%
Carrying amount of the Group's interest in the joint venture	(321)
Contribution made to joint venture	1,336
Investment of joint venture	**1,015**

35. Business combinations

Acquisition of Dennis Family Homes Pty Ltd during the previous financial year

On 28 February 2025, Simonds announced completion of acquisition of Dennis Family Homes Pty Ltd (DF Homes). The Company name has since changed to Simonds DFH Pty Ltd. On 1 March 2025, the Group assumed control of DF Homes. The acquisition has been accounted as a Business Combination under AASB 3.

The fair values of the identifiable net assets acquired are detailed below:

Consideration transferred

	Fair value $'000
Cash	1,000
Contingent consideration arrangement	10,000
Total Consideration	**11,000**
Assets	
Cash and cash equivalents	5,689
Bonds paid (Security deposits)	69
Trade debtors	4,269
Other debtors	86
WIP debtor accrual	17,390
IP / Designs	1,000
Forward order book at fair value	4,971
Liability	
Trade creditors	(13,175)
Deposit and income in advance	(124)
Construction accruals	(7,146)
Payable to Dennis Family Corporation	(2,180)
Accrued Expenses	(1,266)
Employee entitlement provisions	(1,380)
Lease expense payable	(819)
Deferred tax liabilities	(1,551)
Make-good provision	(192)
Maintenance & warranty provision	(5,346)
Net Assets assumed	**295**
Goodwill	**10,705**
Final fair value of the total consideration to be transferred	**11,000**

Net cashflow from acquisition of subsidiary

	30 June 2026 $'000	30 June 2025 $'000
Consideration paid in cash	-	(1,000)
Cash and cash equivalent balances acquired	-	5,689
Settlement per share purchase agreement	-	(2,180)
Settlement of contingent consideration	(7,050)	(460)
Net cashflow from acquisition of subsidiary	**(7,050)**	**2,049**

Goodwill

During the year, the expectations and assumptions were refined to form a final view of the balances acquired. As such, the goodwill was adjusted down by $1.639m resulting in a final balance of $10.705m.

Goodwill was primarily related to Group's growth expectations and cost synergies through DF Homes' resources including sales through this channel.

Contingent consideration

The contingent consideration arising from the acquisition of Dennis Family Homes Pty Ltd is linked to achievement of specific operational performance hurdles.

- Completion of jobs under construction: An agreed cash payment is payable upon settlement of existing jobs under construction and jobs started from the forward order book.
- Site start payment: An agreed cash payment is payable upon Base claim for every site start taken from within the acquired forward order book.

The fair value of the contingent consideration was estimated based on the probability of achieving future hurdles. The key inputs in the measurement include are management's forecast of job completion and new site starts, and the probability-weighted estimated future cash outflows, based on the payment structure. In terms of fair value hierarchy, contingent consideration is classified as Level 3 based on unobservable inputs of the liability.

The key unobservable inputs in the measurement include are:

- Management's forecast of job completion and new site starts.
- Reasonable estimate of future cancellation rates based on historical information and other available information on hand.

Movements in the relation to contingent consideration during the financial year are set out below:

Opening balance	9,530	10,000
Cash settlement	(7,050)	(470)
Closing balance	**2,480**	**9,530**
Current	2,480	7,630
Non-current	-	1,900

There were no fair value movements recognised in relation to contingent consideration during the financial year.

The estimated fair value would increase / (decrease) by $0.450 million if cancellation rates were to move by 5%.

Forward order book

The forward order book represents intangible asset relating to pipeline acquired for signed build contracts, preliminary agreements and sale leads.

The fair value of forward order book was estimated based on margins, site start values and other direct and indirect costs.

36. Subsequent events

There are no events that occurred subsequent to the reporting date that may significantly affect Group's operations, results or state of affairs in future periods.

Consolidated entity disclosure statement

As at 30 June 2026

Entity Name	Entity Type	Body corporates		Tax residency
		Place formed or incorporated	% of share capital held	Australian or foreign
Simonds Homes Victoria Pty Ltd	Body corporate	Australia	100%	Australian
Simonds Homes NSW Pty Ltd	Body corporate	Australia	100%	Australian
Simonds Queensland Constructions Pty Ltd	Body corporate	Australia	100%	Australian
Simonds SA Pty Ltd	Body corporate	Australia	100%	Australian
Simonds WA Holdings Pty Ltd[1]	Body corporate	Australia	100%	Australian
Madisson Homes Australia Pty Ltd	Body corporate	Australia	100%	Australian
Simonds Personnel Pty Ltd	Body corporate	Australia	100%	Australian
Simonds Assets Pty Ltd	Body corporate	Australia	100%	Australian
Simonds IP Pty Ltd	Body corporate	Australia	100%	Australian
Simonds Corporate Pty Ltd	Body corporate	Australia	100%	Australian
Jackass Flat Developments Pty Ltd	Body corporate	Australia	100%	Australian
Simonds Land Development Pty Ltd	Body corporate	Australia	100%	Australian
Bridgeman Downs Land Project Pty Ltd	Body corporate	Australia	100%	Australian
Discover Developments Pty Ltd	Body corporate	Australia	100%	Australian
Discover Gisborne Pty Ltd	Body corporate	Australia	100%	Australian
Simonds DFH Pty Ltd	Body corporate	Australia	100%	Australian

[1] Simonds WA Holdings Pty Ltd previously named as Simonds WA Pty Ltd. Company name changed on 20 January 2026.