SKELLERUP

FY26

Half Year Report

Strong financial returns

Revenue growth
11%
$183.5M
(HY25: $165.3m)

Earnings (EBIT)
16%
$40.6M
(HY25: $35.0m)

Earnings (NPAT)
20%
$28.9M
(HY25: $24.2m)

Operating cash flow
20%
$38.8M
(HY25: $32.2m)

Earnings per share (EPS)
20%
14.75CPS
(HY25: 12.33cps)

Dividend per share
11%
10.0CPS
(HY25: 9.0 cps)

Diverse & experienced team

People Worldwide
815
(FY25: 809)

Delivering a diverse product range for customers

over 3,700
Customers

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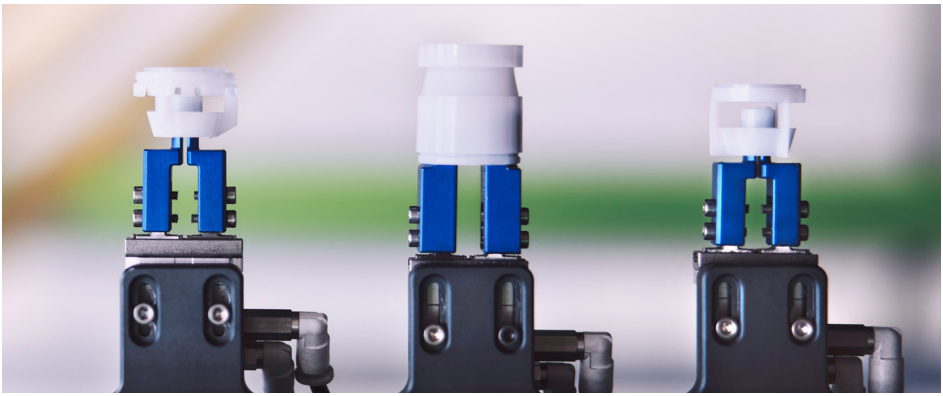
Chair and CEO Review

Group net profit after tax (NPAT) for the six months ended 31 December 2025 was $28.9 million, a record result and an increase of 20% on the prior corresponding period (pcp).

The growth in revenue and earnings was broad-based with the most notable contributions coming from the key dairy, potable and wastewater applications. Our team across the world has done an excellent job in meeting increased demand, delivering capacity improvements and navigating the impact of fluctuating tariff rates.

Recording another record result demonstrates the strong foundations of our business, as well as our clear strategy and focus. We design and manufacture products for use in applications demanding precision, high performance and conformance. We focus on understanding customers' requirements and applying deep technical knowledge and expertise to meet them. Our customers are supported by our ongoing investment in capability (people and equipment) to ensure their needs are met and our growth ambition for Skellerup is achieved.

$000 (Unaudited)	Half-year Ended 31 December 2025	Half-year Ended 31 December 2024	Percentage Change
Revenue	183,475	165,341	11%
Earnings before interest and taxation	40,551	34,983	16%
Net profit after taxation	28,929	24,184	20%
Earnings per share (cents)	14.75	12.33	20%
Dividend per share (cents)	10.00	9.00	11%
Net debt	17,475	20,399	14%



Industrial Division

Industrial Division earnings before interest and tax (EBIT) of $25.1 million was a record result, up 12% on the pcp. Revenue was up 6% mainly due to growth in sales into potable and wastewater applications, most notably in the US but also in Australia. Sales into the roofing and construction sector in Australia and the UK were up and sales into marine foam applications in the US continued to improve. Sales into health and hygiene applications were down due to a key customer suspending production for several months to relocate their assembly operations. In addition to the impact of overall revenue growth, margin improvements attributable to product and market mix, together with sound management of indirect costs, translated to strong EBIT growth.

We continue to generate revenue growth from new products for global original equipment manufacturing (OEM) customers, and the pipeline remains healthy. We are also investing in new developments for opportunities in roofing, construction, sport and leisure applications where the quality and performance of our products and the reliability and consistency of service are highly valued. Capital investment requirements to support growth are not significant, reflecting the co-investment from customers and manufacturing partners.

Agri Division

Agri Division EBIT of $18.5 million was up 20% on the pcp. Revenue was up 21% primarily due to increased market share for dairy rubberware consumables, principally in global markets. Revenue was also boosted by a change in customer delivery terms, adjusting to exclude this, revenue increased by 18%. The growth in demand improved operational outcomes in our facilities compared to the pcp. Footwear sales into domestic and international markets were up also. The most notable impact came from increasing sales and market share for specialist footwear into the US utilities sector. Anticipated increases in raw material costs offset the impact of footwear revenue growth on EBIT.

Our investment in building a deeper development capability was key to the growth in revenue in the first half of the year and will continue to allow us to develop innovative products that provide important productivity gains for farmers around the world. In addition, and as planned, we have increased investment in our global manufacturing platform, most notably in New Zealand but also in China and the UK, to boost productivity, quality and flexibility to meet current and future growth.

Industrial $000 (Unaudited)	Half-year Ended 31 December 2025	Half-year Ended 31 December 2024	Percentage Change
Revenue	**122,595**	115,415	6%
Earnings before interest and taxation	**25,103**	22,354	12%

Agri $000 (Unaudited)	Half-year Ended 31 December 2025	Half-year Ended 31 December 2024	Percentage Change
Revenue	**61,390**	50,543	21%
Earnings before interest and taxation	**18,547**	15,517	20%

Cash

Group operating cash flow of $38.8 million was up 20% on the pcp. Inventory levels are being maintained above historical levels to mitigate the risks of supply chain interruptions and changes in tariffs. Inventory at the end of December 2025 was up slightly on the June 2025 year-end but below the level held 12 months earlier when stocking was first deliberately increased ahead of the anticipated introduction of tariffs. Net debt remains low at $17.5 million, representing just 5% of our total assets, and is 14% lower than 12 months prior.

Dividend

To reflect the record result and our expectations for the full year, the Board has declared an 11% increase in the interim dividend to 10.0 cents per share, imputed at 40%. The imputation rate reflects the increasing proportion of Skellerup's growth in profit being earned overseas. The dividend will be paid on 19 March 2026 to shareholders of record at 5pm on 6 March 2026.

Outlook

Global geopolitical uncertainty persists, which again makes it difficult to forecast future results. Despite this uncertainty, following the strong first half result and our assessment of near-term demand we have increased NPAT guidance for FY26 to be in the range of $57 to $62 million. Our team continues to focus on the elements we can control – designing and making innovative, quality products and servicing our customers well. Long-standing relationships with customers founded on these principles continues to provide us with a strong pipeline of opportunity. Skellerup is a global business with 82% of revenue generated from international markets in the first half of FY26. Products are manufactured at Skellerup and partner facilities across the world. We will maintain our investment in people, capability and capacity to enhance our value to customers in the markets and applications we are focused on and to deliver ongoing earnings growth for our shareholders.

Graham Leaming
Chief Executive Officer

John Strowger
Chair

What we do

Industrial Division

The Industrial Division designs and manufactures high value components and products that are often small but critical to applications and performance.

GULF DEKS MASPORT Ultralon FOAM GROUP TUMEDEI rubber engineering Talbot Advanced Technologies

- North America (40%)
- Australia (18%)
- Asia (12%)
- New Zealand (11%)
- Europe (10%)
- UK & Ireland (9%)

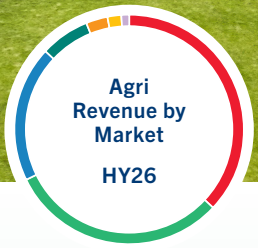
- Potable Water & Wastewater (38%)
- Roofing & Construction (25%)
- Automotive & Machinery (8%)
- Exploration & Mining (7%)
- Sport & Leisure (7%)
- Electrical & Appliances (6%)
- Health & Hygiene (4%)
- Other (5%)

Skellerup designs and manufactures components and products used in a wide range of everyday applications that often must meet stringent food, drinking water, hygiene and safety standards.

Agri Division

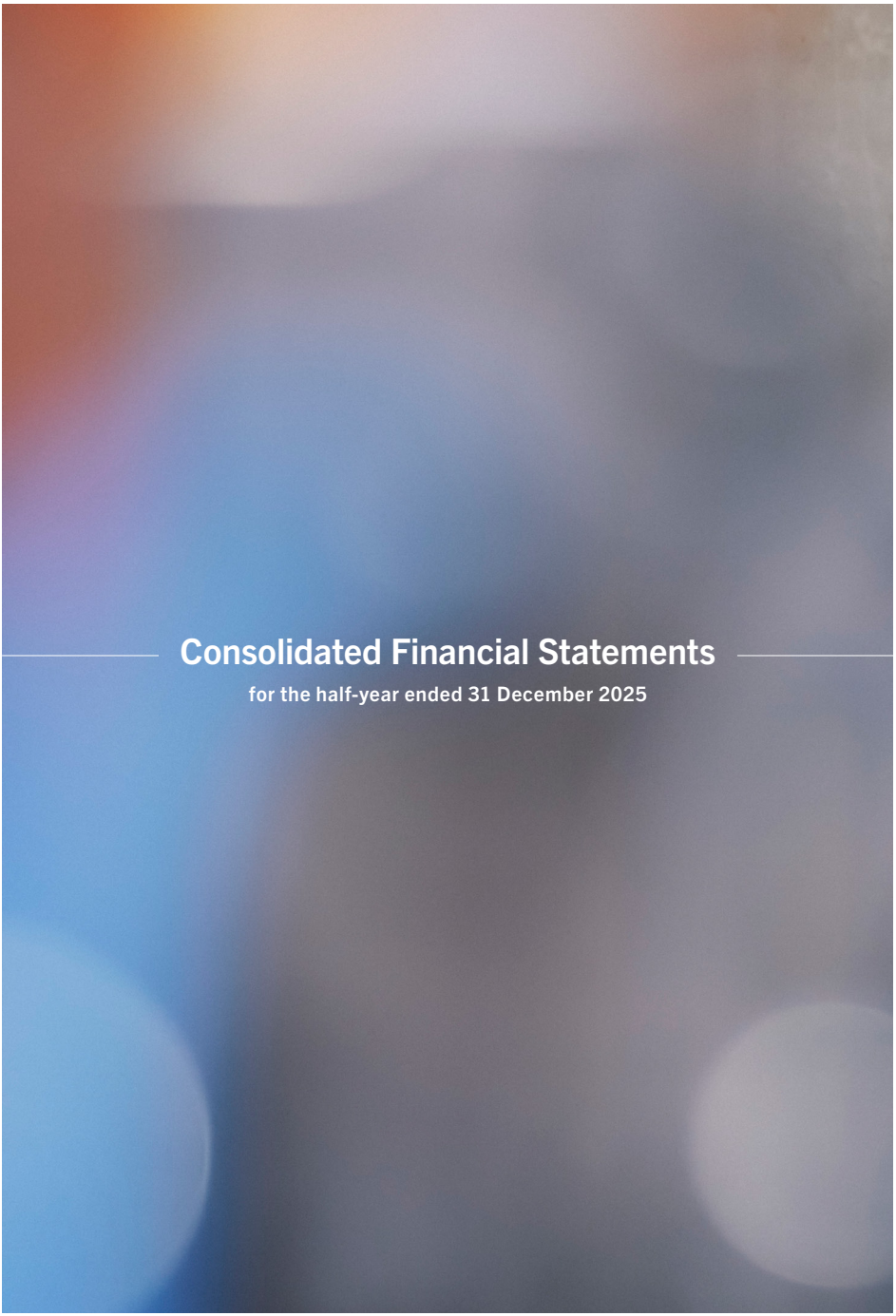
The Agri Division is a global leader in essential dairy consumable design and manufacture.

SKELLERUP · Conewango · Silclear SILICONE SOLUTIONS · AMBIC · Thriver · RED BAND



- North America (37%)
- New Zealand (31%)
- Europe (19%)
- UK & Ireland (7%)
- Asia (3%)
- Australia (2%)
- Other (1%)

- Dairy (80%)
- Footwear (20%)



Consolidated Financial Statements

for the half-year ended 31 December 2025

Income Statement

for the half-year ended 31 December 2025

	Note	Half-year Ended 31 Dec 2025 $000 (Unaudited)	Half-year Ended 31 Dec 2024 $000 (Unaudited)
Revenue	2	**183,475**	165,341
Cost of sales		**(102,833)**	(93,933)
Gross profit		**80,642**	71,408
Other income/(expenses)		**(229)**	566
Selling, general and administration expenses		**(39,862)**	(36,991)
Profit for the period before tax and finance costs		**40,551**	34,983
Finance costs		**(1,508)**	(1,859)
Profit for the period before tax		**39,043**	33,124
Income tax expense		**(10,114)**	(8,940)
Net after-tax profit for the period, attributable to owners of the Parent		**28,929**	24,184
Earnings per share			
Basic earnings per share (cents)		**14.75**	12.33
Diluted earnings per share (cents)		**14.64**	12.30
Net tangible assets per share (cents)		**89.88**	83.96

The above Income Statement should be read in conjunction with the accompanying notes.

Statement of Comprehensive Income

for the half-year ended 31 December 2025

	Half-year Ended 31 Dec 2025 $000 (Unaudited)	Half-year Ended 31 Dec 2024 $000 (Unaudited)
Net profit after tax for the period	**28,929**	24,184
Other comprehensive income		
Will be reclassified subsequently to profit or loss when specific conditions are met		
Net increase/(decrease) in cash flow hedge reserve	**(5,340)**	(4,707)
Income tax related to increase/(decrease) in cash flow hedge reserve	**1,495**	1,318
Not expected to be reclassified subsequently into profit or loss		
Foreign exchange movements on translation of overseas subsidiaries	**7,164**	7,346
Income tax related to gains/(losses) on foreign exchange movements of loans with overseas subsidiaries	**(96)**	17
Other comprehensive income net of tax	**3,223**	3,974
Total comprehensive income for the period attributable to equity holders of the Parent	**32,152**	28,158

Statement of Changes in Equity

for the half-year ended 31 December 2025

	Fully Paid Ordinary Shares $000	Cash Flow Hedge Reserve $000	Foreign Currency Translation Reserve $000	Employee Share Plan Reserve $000	Retained Earnings $000	Total $000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Balance 1 July 2025	72,406	916	600	221	166,047	240,190
Profit for the period	-	-	-	-	28,929	28,929
Other comprehensive income	-	(3,845)	7,068	-	-	3,223
Total comprehensive income for the period	-	(3,845)	7,068	-	28,929	32,152
Share incentive scheme	-	-	-	227	-	227
Dividends paid	-	-	-	-	(32,352)	(32,352)
Balance 31 December 2025	**72,406**	**(2,929)**	**7,668**	**448**	**162,624**	**240,217**
Balance 1 July 2024	72,406	710	(3,098)	611	158,864	229,493
Profit for the period	-	-	-	-	24,184	24,184
Other comprehensive income	-	(3,389)	7,363	-	-	3,974
Total comprehensive income for the period	-	(3,389)	7,363	-	24,184	28,158
Share incentive scheme	-	-	-	(537)	672	135
Dividends paid	-	-	-	-	(30,391)	(30,391)
Balance 31 December 2024	**72,406**	**(2,679)**	**4,265**	**74**	**153,329**	**227,395**

Balance Sheet

as at 31 December 2025

	As at 31 Dec 2025 $000 (Unaudited)	As at 30 Jun 2025 $000 (Audited)	As at 31 Dec 2024 $000 (Unaudited)
Current assets			
Cash and cash equivalents	**24,525**	15,588	18,601
Trade receivables	**50,356**	53,964	40,247
Prepayments and other receivables	**7,601**	10,300	10,273
Inventories	**82,473**	77,818	85,746
Income tax receivable	**878**	51	417
Derivative financial assets	**118**	1,017	487
Total current assets	**165,951**	158,738	155,771
Non-current assets			
Property, plant and equipment	**94,452**	89,583	90,837
Right of use assets	**25,996**	28,324	27,079
Deferred tax asset	**5,271**	3,685	5,114
Goodwill	**66,264**	64,844	64,661
Intangible assets	**2,429**	2,667	2,570
Derivative financial assets	**256**	1,453	26
Total non-current assets	**194,668**	190,556	190,287
Total assets	**360,619**	349,294	346,058
Current liabilities			
Trade and other payables	**30,249**	31,769	30,490
Provisions	**5,662**	5,338	5,576
Income tax payable	**1,923**	4,583	2,452
Lease liabilities – short term	**7,533**	7,496	6,712
Derivative financial liabilities	**2,757**	733	2,226
Total current liabilities	**48,124**	49,919	47,456
Non-current liabilities			
Provisions	**1,618**	1,440	1,521
Interest-bearing loans and borrowings	**42,000**	28,000	39,000
Deferred tax liabilities	**5,903**	5,978	5,792
Lease liabilities – long term	**21,070**	23,286	22,833
Derivative financial liabilities	**1,687**	481	2,061
Total non-current liabilities	**72,278**	59,185	71,207
Total liabilities	**120,402**	109,104	118,663
Net assets	**240,217**	240,190	227,395
Equity			
Share capital	**72,406**	72,406	72,406
Reserves	**5,187**	1,737	1,660
Retained earnings	**162,624**	166,047	153,329
Total equity	**240,217**	240,190	227,395

Cash Flow Statement

for the half-year ended 31 December 2025

	Half-year Ended 31 Dec 2025 (Unaudited)	Half-year Ended 31 Dec 2024 (Unaudited)
Cash flows from operating activities		
Receipts from customers	**192,047**	176,145
Interest received	**27**	53
Dividends received	**3**	2
Payments to suppliers and employees	**(137,904)**	(131,281)
Income tax paid	**(13,898)**	(10,819)
Interest and bank fees paid	**(770)**	(1,183)
Interest on right-of-use asset leases	**(738)**	(676)
Net cash flows from/(used in) operating activities	**38,767**	32,241
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	**204**	340
Payments for property, plant and equipment	**(8,676)**	(4,354)
Payments for intangible assets	**(178)**	(358)
Net cash flows from/(used in) investing activities	**(8,650)**	(4,372)
Cash flows from financing activities		
Proceeds from/(repayments for) loans and advances	**14,000**	7,000
Repayments of lease liabilities	**(3,758)**	(3,385)
Dividends paid to equity holders of Parent	**(32,352)**	(30,391)
Net cash flows from/(used in) financing activities	**(22,110)**	(26,776)
Net increase/(decrease) in cash and cash equivalents	**8,007**	1,093
Cash and cash equivalents at the beginning of the period	**15,588**	16,629
Effect of exchange rate fluctuations	**930**	879
Cash and cash equivalents at the end of the period	**24,525**	18,601

Notes to the Financial Statements

as at 31 December 2025

1. Corporate Information

The financial statements of Skellerup Holdings Limited, for the half year ended 31 December 2025, were authorised for issue in accordance with a resolution of the Directors dated 11 February 2026.

Skellerup Holdings Limited ('the Company') is a limited liability company incorporated and domiciled in New Zealand. It is registered under the Companies Act 1993 with its registered office at Level 3, 205 Great South Road, Greenlane, Auckland. The Company is a Reporting Entity in terms of the Financial Markets Conduct Act 2013 and is listed on the New Zealand Exchange (NZX Main Board) with the ticker SKL.

Summary of Significant Accounting Policies

a) Basis of Preparation

This general-purpose condensed financial report for the half year ended 31 December 2025 has been prepared in accordance with NZ IAS 34 Interim Financial Reporting and IAS 34 Interim Financial Reporting.

The half year financial report does not include all notes of the type normally included within the annual financial report and, therefore, cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as does the full financial report.

It is recommended that the half year financial report be read in conjunction with the annual report for the year ended 30 June 2025 and considered together with any public announcements made by Skellerup Holdings Limited during the half year ended 31 December 2025 in accordance with the continuous disclosure obligations of the NZX listing rules.

All accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($000).

2. Segment Information

The Group's operating segments are Agri and Industrial; being the divisions reported to the executive management and Board of Directors to assess performance of the Group and allocate resources.

The principal measure of performance for each segment is EBIT (earnings before interest and tax). As a result, finance costs and taxation have not been allocated to each segment.

Agri Division

The Agri Division manufactures and distributes dairy rubberware, which includes milking liners, tubing, filters and feeding teats, together with other related agricultural products and dairy vacuum pumps to global agricultural markets.

2. Segment Information (continued)

Industrial Division

The Industrial Division manufactures and distributes engineered products across a range of industrial applications including potable and waste water, roofing, plumbing, sport and leisure, electrical, health and hygiene.

Corporate Division

The Corporate Division is not an operating segment, and includes the Parent Company and other central administration expenses that have not been allocated to the Agri and Industrial Divisions.

For the half-year ended 31 December 2025	Agri $000	Industrial $000	Corporate/ Elimination $000	Total $000
Revenue	61,390	122,595	(510)	183,475
Expenses				
Cost of inventories recognised as an expense	29,209	69,371	(510)	98,070
Employee benefits expense	14,828	19,467	1,352	35,647
Segment EBIT	18,547	25,103	(3,099)	40,551
Profit before tax and finance costs				40,551
Finance costs				(1,508)
Profit before tax				39,043
Income tax expense				(10,114)
Net after-tax profit				28,929
Assets and liabilities				
Segment assets	133,737	194,906	31,976	360,619
Segment liabilities	15,181	49,281	55,940	120,402
Net assets	118,556	145,625	(23,964)	240,217
Other segment information				
Additions to fixed assets and intangibles	4,701	4,148	5	8,854
Cash flow				
Segment EBIT	18,547	25,103	(3,099)	40,551
Adjustments for:				
- Depreciation and amortisation	2,325	2,644	41	5,010
- Depreciation right of use assets	524	3,271	32	3,827
- Non-cash items	-	-	63	63
Movement in working capital	1,980	3,167	(4,209)	938
Segment cash flow	23,376	34,185	(7,172)	50,389
Finance and tax cash expense				(14,668)
Movement in finance and tax accrual				3,046
Net cash flow from operating activities				38,767

2. Segment Information (continued)

For the half-year ended 31 December 2024	Agri $000	Industrial $000	Corporate/ Elimination $000	Total $000
Revenue	50,543	115,415	(617)	165,341
Expenses				
Cost of inventories recognised as an expense	24,737	65,375	(944)	89,168
Employee benefits expense	13,518	18,676	1,164	33,358
Segment EBIT	15,517	22,354	(2,888)	34,983
Profit before tax and finance costs				34,983
Finance costs				(1,859)
Profit before tax				33,124
Income tax expense				(8,940)
Net after-tax profit				24,184
Assets and liabilities				
Segment assets	126,601	193,260	26,197	346,058
Segment liabilities	10,313	52,329	56,021	118,663
Net assets	116,288	140,931	(29,824)	227,395
Other segment information				
Additions to fixed assets and intangibles	2,293	2,367	38	4,698
Cash flow				
Segment EBIT	15,517	22,354	(2,888)	34,983
Adjustments for:				
- Depreciation and amortisation	2,135	2,555	44	4,734
- Depreciation and right of use assets	464	3,039	31	3,534
- Non-cash items	-	-	(633)	(633)
Movement in working capital	2,952	(674)	(1,856)	422
Segment cash flow	21,068	27,274	(5,302)	43,040
Finance and tax cash expense				(12,002)
Movement in finance and tax accrual				1,203
Net cash flow from operating activities				32,241

3. Dividends Paid

	Half-year Ended 31 Dec 2025 $000	Half-year Ended 31 Dec 2024 $000
Declared and paid during the period		
Final dividend for June 2025 year on ordinary shares of 16.5 cents per share, imputed to 50%, paid on 17 October 2025 (2024: 15.5 cents per share imputed to 50%, paid on 18 October 2024)		
Net dividend paid	**32,352**	30,391

Subsequent to the six-month period, the Board of Directors resolved to pay an interim dividend of 10.0 cents per share (imputed 40%), on the 196,071,582 ordinary shares on issue for a total amount of $19,607,158. The dividend will be paid on 19 March 2026 to shareholders on the register at 5.00pm on 6 March 2026. The Dividend Reinvestment Plan will not be operative for this dividend payment.

This compares to the prior-year interim dividend of 9.0 cents per share, totalling $17,646,442 which was paid on 20 March 2025.

4. Interest-bearing Loans and Borrowings

Bank loans are provided under a $55 million (30 June 2025: $55 million) multi-currency syndicated facility agreement with ANZ Bank New Zealand Limited and ASB Bank Limited which has an expiry date of 31 August 2028.

5. Events after the Balance Sheet date

Other than the interim dividend declared there have been no subsequent events after 31 December 2025 requiring disclosure.

Corporate Directory

Directors

WJ Strowger, LLB (Hons)

BD Cushing, BCom, ACA

RH Farrant, BCom, PGDipCom, FCA, CFIoD

AR Isaac, CNZM, BCA, FCA, DistFInstD

DW Mair, BE, MBA

PN Shearer, BCom

Officers

GR Leaming, BCom, FCA
Chief Executive Officer

TS Runnalls, BCom (Hons), CA
Chief Financial Officer

Registered Office

L3, 205 Great South Road
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New Zealand

PO Box 74526
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Auckland 1546
New Zealand

Email: ea@skellerupgroup.com
Telephone: +64 9 523 8240
Website: www.skellerupholdings.com

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Auckland 1010
New Zealand

Bankers

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Auckland 1010
New Zealand

ASB Bank Limited

12 Jellicoe Street
Auckland 1010
New Zealand

Auditors

Ernst & Young

2 Takutai Square
Britomart
Auckland 1010
New Zealand

Share Registrar

Computershare Investor Services Limited

Private Bag 92119
Auckland 1442
New Zealand

159 Hurstmere Road
Takapuna
Auckland 0622
New Zealand

Managing your shareholding

Online

To change your address, update your payment instructions and to view your investment portfolio including transactions, please visit:
www.computershare.co.nz/investorcentre

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Please assist our registrar by quoting your Common Shareholder Number (CSN)

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