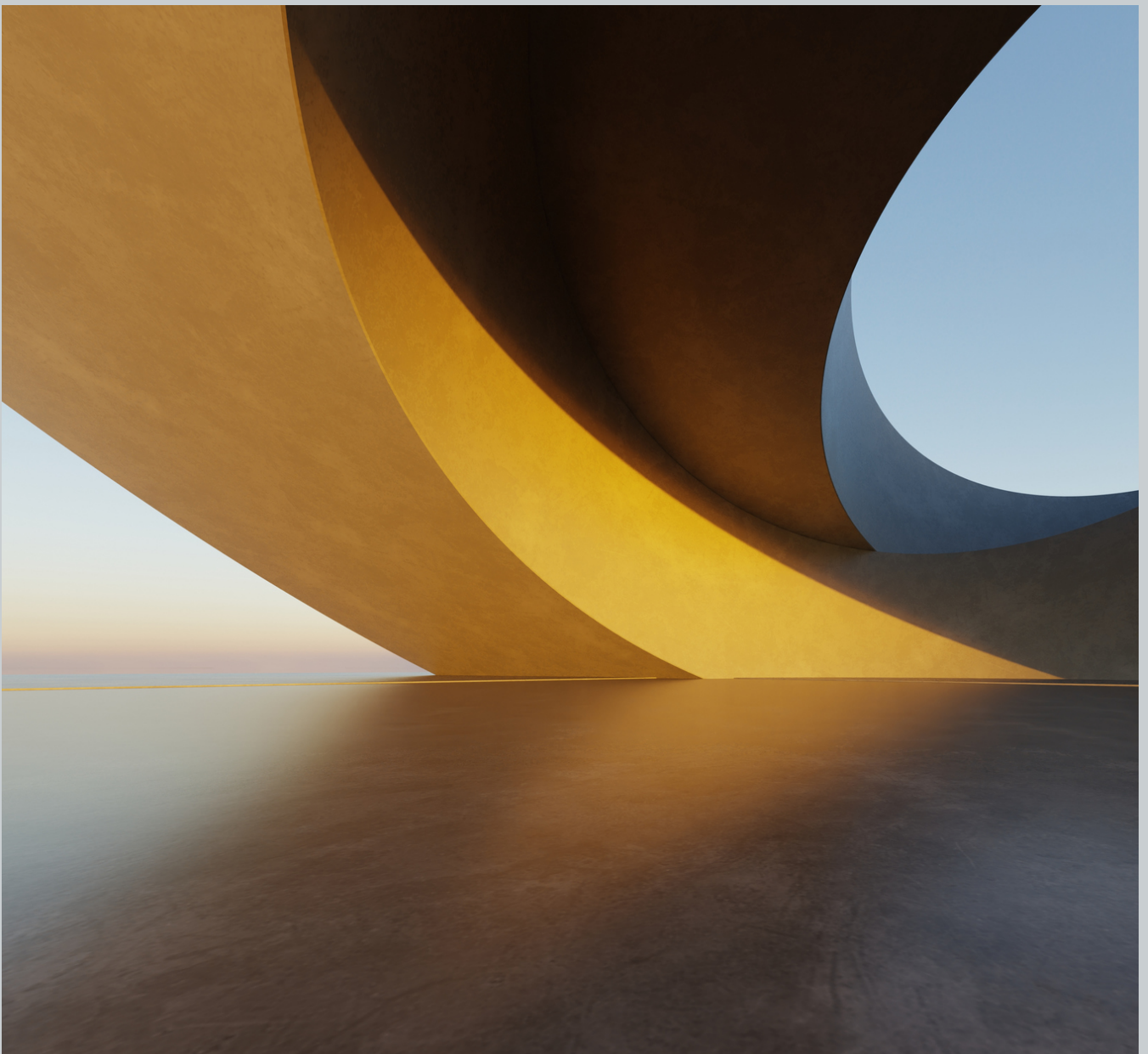


Working Capital Report



Welcome

The average working capital cycle lengthened in FY26, locking up an additional \$5.5 billion of cash across the sampled companies. Rising DSO was partly offset by higher DPO, highlighting ongoing pressure on cash conversion.

The 14th edition of the Working Capital Report analyses 239 ASX-listed companies across 13 sectors, with a combined market capitalisation of \$2.05 trillion. We conducted a 'deep dive' into four working capital-intensive sectors and incorporated international benchmarks for Asia, the US and Europe. The four sectors covered are Agriculture, Food & Beverages; Construction & Engineering; Retail; and Health & Aged Care. We used the most recent full-year results for 2026 and 2025 for our analysis.

Average Days Working Capital (DWC) increased by 1.9 days to 47.3 days in FY26, tying up an additional \$5.5 billion of cash across the companies sampled. Lengthening customer collection timeframes were the primary driver, with Days Sales Outstanding (DSO) increasing 1.7 days to 47.7 days.

While companies extended supplier payment terms, with Days Payables Outstanding (DPO) increasing 1.8 days to 63.1 days, this only partially offset the impact of slower collections. Inventory performance remained stable, with Days Inventory Outstanding (DIO) unchanged at 59.0 days.

The overall deterioration occurred against a backdrop of ongoing inflationary pressures, elevated interest rates, subdued demand and continued geopolitical and trade uncertainty, reinforcing the importance of disciplined working capital management and cash preservation.

Results were mixed across sectors and at the individual company level. Nine of the thirteen sectors recorded an increase in average DWC and 51% of all sampled companies experienced a deterioration. Every sector recorded a spread of >80 days between the "best and worst" operators, while six sectors recorded a spread of >200 days. This highlights the material competitive advantage available to businesses that embed disciplined working capital practices.

What this means for your business

As economic and geopolitical uncertainty continues, margins will remain under pressure so robust cash flow forecasting, disciplined inventory planning and proactive management of customer collections and supplier terms will remain critical.

Clear accountability, timely reporting and integrated operational decision-making can help businesses identify issues early and respond before they translate into sustained cash flow pressures or liquidity constraints.



Jason Ireland
Partner
+61 2 9338 2694
jireland@mcgrathnicol.com



Sean Wiles
Partner
+61 2 9248 9986
swiles@mcgrathnicol.com



Suzanne Westney
Director
+61 2 9338 2657
swestney@mcgrathnicol.com



Chloe Miller
Senior Manager
+61 2 9338 2678
cmiller@mcgrathnicol.com

Working Capital Basics

DSO

2025 2026
46.0 47.7

Change 1.7 ↑

Measures the length of the 'order to cash' cycle.

The number of days of sales represented by outstanding debtors at the relevant calculation date.

An increase indicates that a company is taking longer to receive payment from its customers, which could result in cash flow constraints. A decrease indicates that a company is collecting payment from its customers more quickly.

Tips to reduce DSO:

- Clear credit policy
- Calls made to customers at billing time and before invoice due date
- Visible DSO and debtor aging dashboards
- Incentives tied to collection targets

DIO

2025 2026
59.0 59.0

Change 0.0 —

Measures the length of the 'make to order' cycle.

The number of days of purchases represented by inventory balances at the relevant calculation date.

An increase indicates an increase in inventory holdings. The increase may be planned (in anticipation of growth) or it may represent a build-up of unsold inventory due to challenging market conditions. A decrease indicates a reduction in inventory holdings.

Tips to reduce DIO:

- Supply chain risks understood and managed
- Clear reporting by business unit and SKU
- Alignment of customer buying patterns with inventory holdings
- Regular review of re-order volumes and timing

DPO

2025 2026
61.3 63.1

Change 1.8 ↑

Measures the length of the 'procure to pay' cycle.

The number of days of purchases represented by outstanding creditors at the relevant calculation date.

An increase indicates a company is taking longer to pay its suppliers. This is positive from a cash flow perspective in that it preserves cash, but can indicate tighter liquidity and may cause strained supplier relationships. A decrease indicates a company is paying its creditors more quickly. This may be planned, but it could also indicate that a company is unable to negotiate longer terms with its suppliers.

Tips to optimise DPO:

- Regular review and negotiation of payment terms
- Purchasing, ordering and accounts payable teams working closely together
- Link to DSO where possible to remove / reduce 'funding gap'
- Ageing analysis tied to supplier terms

DWC

2025 2026
45.4 47.3

Change 1.9 ↑

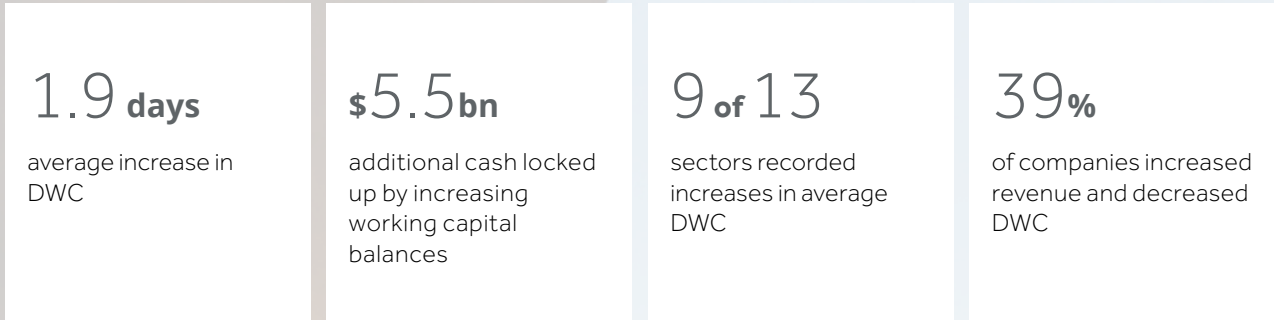
Measures the length of the full working capital or 'cash conversion' cycle.

The relative measure of total working capital tied up in a company relative to its sales.

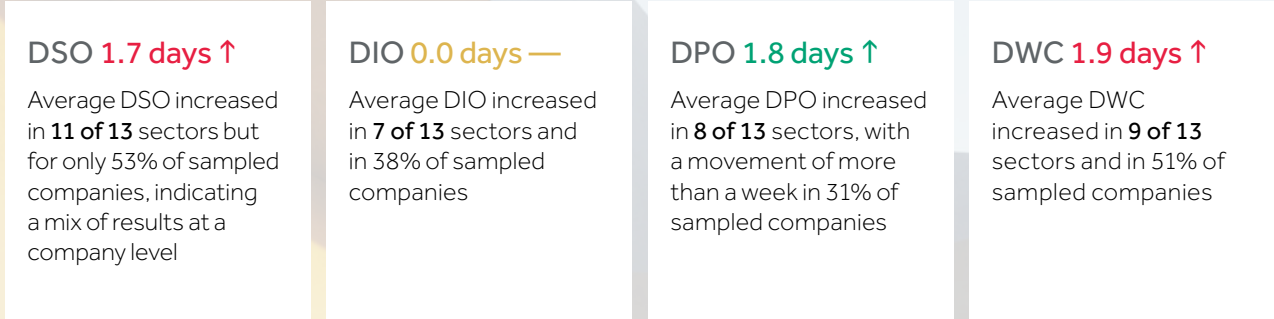
An increase indicates that a higher level of working capital has been required to operate a business, and may result from an increase in DSO or DIO, or a decrease in DPO. A decrease indicates that a lower level of working capital has been required to operate a business, and may result from a decrease in DSO or DIO, or an increase in DPO.

Summary

How have working capital cycles changed in 2026?



How have the working capital metrics changed in 2026?



What are the sector highlights?



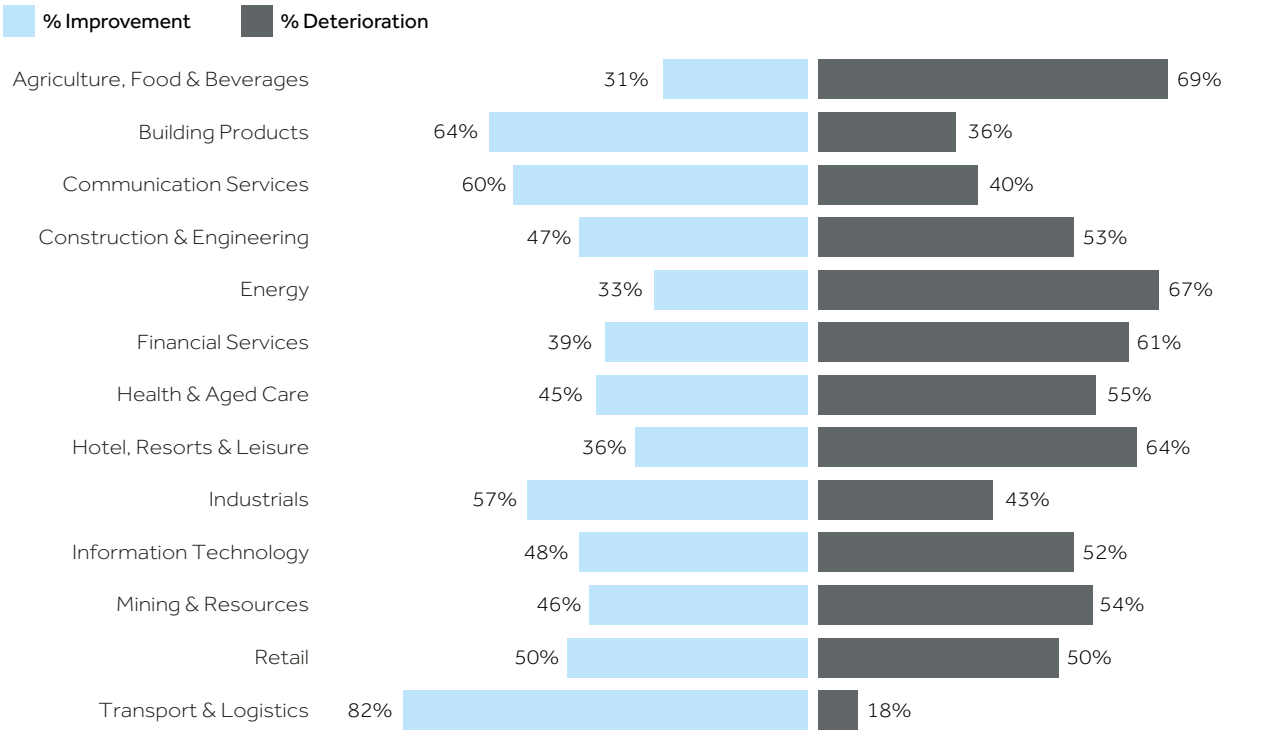
How do our 'deep dive' sectors in this report compare globally?



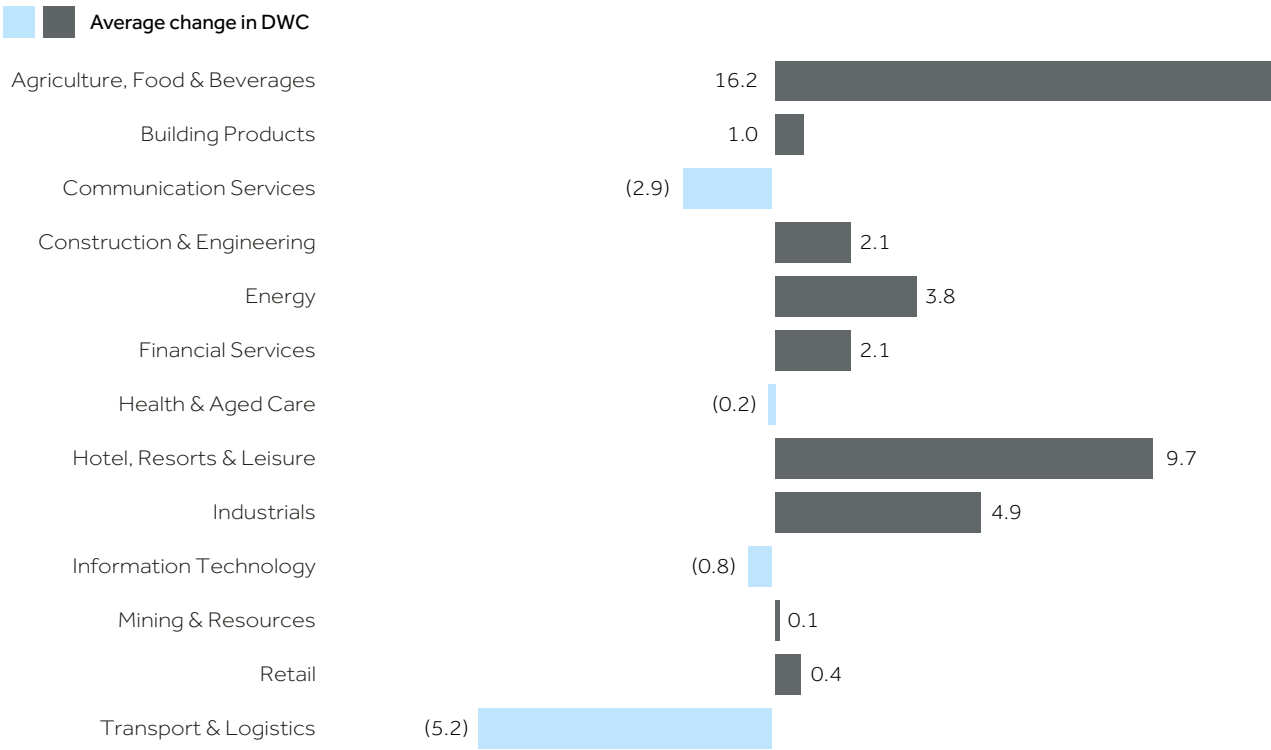
ASX 500 Sample Companies

Working capital performance across the ASX 500 was mixed in FY26, with companies tying up an additional \$5.5 billion of cash as DWC increased across more than half of the sample. Sector-level performance deteriorated, with 9 of 13 sectors reporting higher DWC, driven primarily by rising DSO and inventory balances. While many sectors continued to extend payment terms to suppliers, this was insufficient to offset pressure from slower collections and higher inventory holdings.

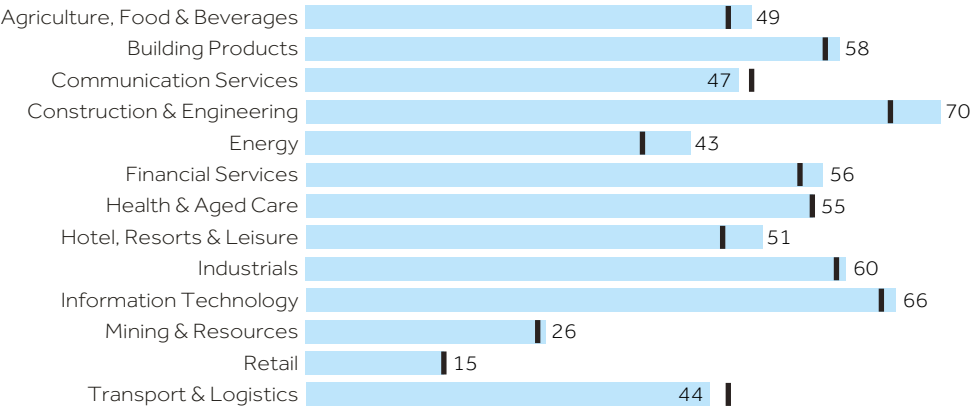
HOW MANY COMPANIES INCREASED AND DECREASED DAYS WORKING CAPITAL?



AVERAGE CHANGE IN DAYS WORKING CAPITAL



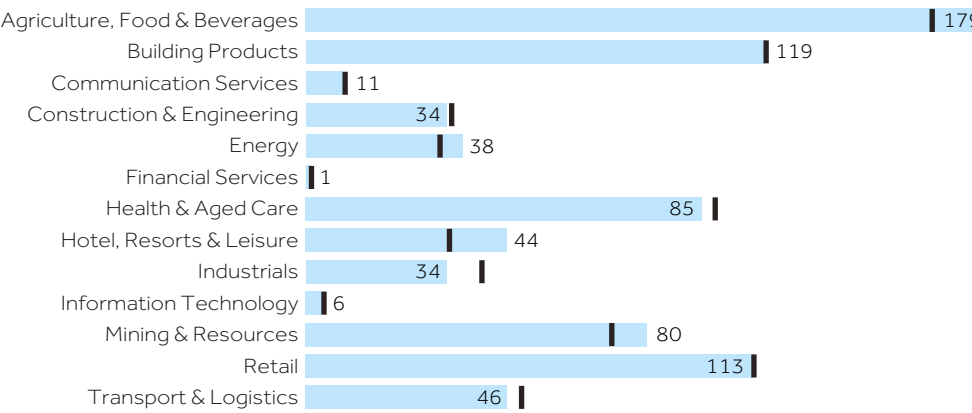
DAYS SALES OUTSTANDING (DSO) - AVERAGE DSO - (FY26 VS FY25)



2025 2026 DSO Var

2025	2026	DSO Var
46.0	48.9	2.9
57.3	58.2	0.9
49.2	47.4	(1.8)
64.9	69.8	4.9
38.8	42.8	4.0
54.2	56.1	1.9
54.7	55.0	0.3
44.3	51.3	7.0
58.7	60.1	1.4
63.5	66.4	2.9
24.3	25.9	1.6
15.0	15.4	0.4
46.3	43.8	(2.5)

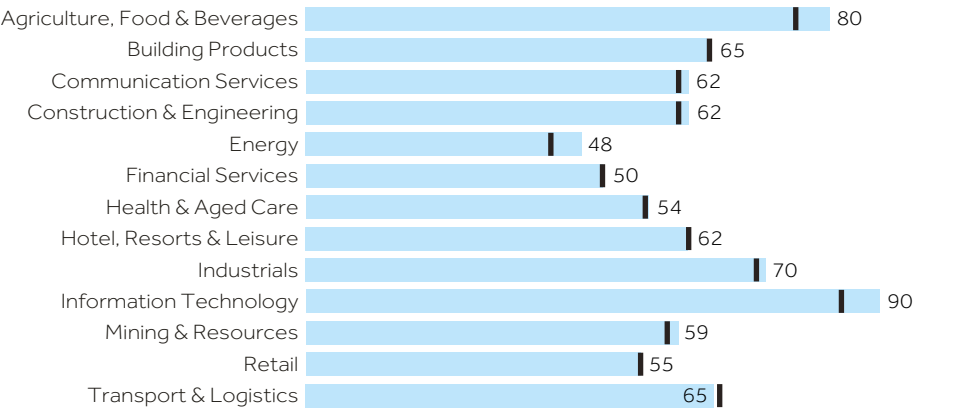
DAYS INVENTORY OUTSTANDING (DIO) - AVERAGE DIO - (FY26 VS FY25)



2025 2026 DIO Var

2025	2026	DIO Var
166.4	178.8	12.4
117.9	118.9	1.0
10.1	11.0	0.9
35.4	33.6	(1.8)
32.8	38.2	5.4
0.6	0.8	0.2
90.1	84.8	(5.3)
33.6	44.4	10.8
40.6	33.5	(7.1)
7.6	6.2	(1.4)
75.3	79.9	4.6
116.3	113.4	(2.9)
51.9	45.8	(6.1)

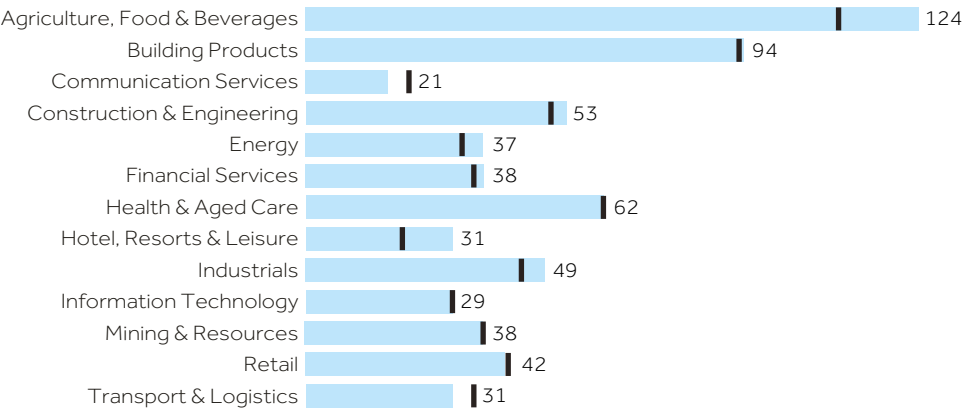
DAYS PAYABLES OUTSTANDING (DPO) - AVERAGE DPO - (FY26 VS FY25)



2025 2026 DPO Var

2025	2026	DPO Var
74.9	80.2	5.3
64.5	65.0	0.5
59.1	61.5	2.4
59.0	62.1	3.1
40.7	48.4	7.7
50.3	49.5	(0.8)
53.4	53.6	0.2
61.8	61.8	-
71.6	69.8	(1.8)
83.2	90.4	7.2
56.7	59.4	2.7
54.8	54.7	(0.1)
65.7	65.1	(0.6)

DAYS WORKING CAPITAL (DWC) - AVERAGE DWC - (FY26 VS FY25)



2025 2026 DWC Var

2025	2026	DWC Var
107.6	123.8	16.2
93.3	94.3	1.0
24.3	21.4	(2.9)
50.9	53.0	2.1
33.5	37.3	3.8
35.4	37.5	2.1
62.4	62.2	(0.2)
21.2	30.9	9.7
43.8	48.7	4.9
29.8	29.0	(0.8)
37.5	37.6	0.1
41.7	42.1	0.4
36.1	30.9	(5.2)

Agriculture, Food & Beverages

A material lengthening of the working capital cycle in FY26, primarily driven by an increase in inventory holdings.

DWC
16.2 days
increase

TOTAL
\$1.5bn
negative cash impact

DWC
longest cycle
since FY22

Australian agriculture, food and beverage operators faced mixed trading conditions in FY26, with favourable conditions in some protein and branded food categories offset by softer export demand, commodity price volatility and challenging seasonal conditions across other parts of the agricultural sector. Of our sampled companies, 69% delivered revenue growth in FY26, although the same percentage reported lower EBITDA margins, reflecting ongoing cost pressures across freight, energy and labour.

Average DWC increased by 16.2 days to 123.8 days in FY26, reversing the improvement achieved in FY25. The FY26 result was also above the five-year average. This deterioration was primarily driven by inventory holdings, with average DIO increasing by 12.4 days to 178.8 days. Despite more than half of sampled companies improving inventory efficiency, average DIO increased as these gains were more than offset by a smaller cohort of operators that recorded significant inventory build-ups associated with seasonal harvest timing, adverse weather conditions and softer export markets.

Debtors collection performance deteriorated slightly, with average DSO increasing by 2.9 days to 48.9 days in FY26 with a relatively even split of improvement and deterioration observed across the sample. Where DSO improved, this was generally supported by disciplined receivables management, while increases elsewhere reflected customer mix and higher-risk export exposures. DPO increased by 5.3 days to 80.2 days in FY26 as operators sought to offset larger inventory holdings through slower supplier payments, although the increase was insufficient to fully counter the inventory build-up.

Average DWC remains more than double international metrics driven almost entirely by inventory. DIO is well above all regional peers reflecting the seasonality of Australian agricultural production and the buffer stock required to support export markets.

Looking ahead to FY27, the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) forecasts Australian agriculture production value to fall 5%, driven by lower livestock and crop production. Against this backdrop, operators are likely to remain focused on inventory management and cash flow preservation as uncertainty around trade settings, adverse weather events, biosecurity risks and ongoing input cost inflation continues to challenge the sector.

"Year-on-year reduction in operating cash flow...reflect a combination of strategic inventory investment to support future branded growth, cost pressures across agricultural and production activities, and normalising global olive oil market conditions."

Leandro Ravetti, Joint-CEO
Rob McGavin, Non-Executive Chairman
Sam Beaton, Joint-CEO
Cobram Estate Olives Limited
FY26 Annual Report

AGRICULTURE, FOOD & BEVERAGES - FINANCIAL YEAR

Days	2025	2026	Change
DSO	46.0	48.9	2.9
DIO	166.4	178.8	12.4
DPO	74.9	80.2	5.3
DWC	107.6	123.8	16.2

INTERNATIONAL BENCHMARKING

Days	Asia	EU	US
DSO	41.6	49.9	37.4
DIO	106.4	146.0	79.5
DPO	54.4	135.0	106.5
DWC	61.1	52.9	30.2

BEST & WORST

Days	Best	Worst	Spread
DSO	1.8	138.8	137.0
DIO	4.9	542.3	537.4
DPO	182.5	16.3	(166.2)
DWC	(20.0)	317.7	337.7

Construction & Engineering

Working capital performance weakened in FY26 as slower collections were only partially offset by extended supplier payment terms.

DWC
2.1 days
increase

TOTAL
\$244m
negative cash impact

DSO LENGTHENED BY
4.9 days
largest deterioration



Following a modest recovery in FY25, FY26 results were mixed across the Construction & Engineering sector. Revenue increased for 71% of sampled companies, reflecting continued demand in energy, defence and data centre projects. However, this growth did not consistently translate into stronger returns, with only 65% of sampled companies improving gross margins and 59% improving EBITDA margins. The gap between revenue growth and margin improvement highlights continued pressure from delivery costs, overheads and contract complexity, with disciplined project selection and execution remaining critical.

From a working capital perspective, average DWC increased by 2.1 days to 53.0 days, with 47% of sampled companies improving on FY25. The deterioration was primarily driven by a 4.9 day increase in DSO to 69.8 days, reflecting higher receivables and uncertified claims as project activity expanded. Operators were able to offset much of this increase through a 3.1 day extension in DPO to 62.1 days, partially mitigating the cash flow impact of slower customer collections. This represents the highest DPO level since FY19 and highlights a growing reliance on supplier credit to support working capital requirements.

More than half of sampled companies (53%) continued to exhibit a structural working capital funding gap, where suppliers were paid more quickly than collections were received. This reinforces the importance of disciplined billing, claims management and collection processes, particularly as project scale and complexity continue to increase.

Average DWC sits below all three international benchmarks, at less than half the level observed in Asia, and slightly below Europe and the US. This reflects a materially faster cash conversion cycle, with DSO significantly lower than international peers.

Looking ahead to FY27, project execution and cash conversion are likely to remain key management priorities. While investment across defence infrastructure and the energy transition should continue to support demand, increasing project scale, complex contracting structures and growing claims balances may place further pressure on working capital and operating cash flow.

"Continued strong focus on working capital management delivering operating cashflow before interest and tax of \$166.7m."

David MacGeorge
Managing Director
SRG Global
FY26 Results Presentation

CONSTRUCTION & ENGINEERING - FINANCIAL YEAR			
Days	2025	2026	Change
DSO	64.9	69.8	4.9
DIO	35.4	33.6	(1.8)
DPO	59.0	62.1	3.1
DWC	50.9	53.0	2.1

INTERNATIONAL BENCHMARKING			
Days	Asia	EU	US
DSO	173.9	83.2	91.2
DIO	57.8	74.9	55.9
DPO	116.8	142.6	60.3
DWC	122.0	67.2	83.2

BEST & WORST			
Days	Best	Worst	Spread
DSO	26.7	157.0	130.3
DIO	-	273.2	273.2
DPO	165.2	5.3	(159.9)
DWC	(46.7)	189.8	236.5

Health & Aged Care

Inventory reductions drove a modest improvement in working capital performance, although outcomes remained mixed at an individual company level.

DWC
0.2 days
decrease

TOTAL
\$57m
positive cash impact

DIO
5.3 day
improvement, the strongest across the four profiled sectors

The Health & Aged Care sector remained one of the more resilient sectors in FY26, with 91% of sampled companies reporting revenue growth. However, stronger revenue did not consistently translate into margin expansion, with only 41% of the sample improving gross margins. Demand remained robust across diagnostic, medical device and healthcare distribution segments, although pathology and imaging volumes remained below historical levels for parts of the sample. Despite margin pressure, disciplined overhead management and merger synergies supported EBITDA growth for 68% of sampled companies.

Average DWC improved marginally by 0.2 days to 62.2 days in FY26, driven by lower inventory holdings. However, this masks a mixed picture, with 55% of sampled companies recording higher DWC. The largest deteriorations (>20 days) were concentrated among operators building inventory ahead of anticipated demand or carrying higher stock levels following acquisitions.

Debtor performance was slightly weaker, with average DSO increasing 0.3 days to 55.0 days. Average DIO improved by 5.3 days to 84.8 days, although results at an individual company level remained mixed, reflecting differing acquisition, integration and inventory management strategies. Average DPO increased by 0.2 days to 53.6 days, however only 36% of sampled companies extended supplier payment terms. As a result, inventory reductions remained the primary driver of the sector's working capital improvement.

Average DWC remains below all international metrics, reflecting a structurally shorter cash conversion cycle. Lower DSO and materially lower DIO support this position, while DPO is broadly consistent with the US and Asia but lower than Europe, where supplier terms are typically longer.

Looking ahead, efficient revenue-to-cash conversion will become increasingly important for Health & Aged Care operators. As funding and payer arrangements become more complex, working capital performance will increasingly reflect operational efficiency, with improvements in billing, coding and claims processing helping reduce DSO and strengthen cash flow.

"Conversion of EBITDA to cash was impacted by working capital movements, predominantly the timing of creditor payments."

Paul Alexander
Company Secretary
Sonic Healthcare
Preliminary Final Report 30 June 2026

HEALTH & AGED CARE - FINANCIAL YEAR			
Days	2025	2026	Change
DSO	54.7	55.0	0.3
DIO	90.1	84.8	(5.3)
DPO	53.4	53.6	0.2
DWC	62.4	62.2	(0.2)

INTERNATIONAL BENCHMARKING			
Days	Asia	EU	US
DSO	82.5	77.4	56.7
DIO	136.2	174.4	115.3
DPO	80.1	180.7	62.0
DWC	90.5	86.8	67.4

BEST & WORST			
Days	Best	Worst	Spread
DSO	4.1	149.5	145.4
DIO	-	313.2	313.2
DPO	151.4	2.6	(148.8)
DWC	(38.5)	201.3	239.8

Retail

Despite a small increase in DWC, strong inventory management saw DIO fall to its lowest level in five years.

DWC
0.4 days
increase

TOTAL
\$260m
negative cash impact

SHORTEST SPREAD OF
29.7 weeks
between best and worst performers
across the four profiled sectors

Cost-of-living pressures continued to drive value-focused consumer behaviour in FY26. Discretionary retail conditions weakened further as interest rates remained elevated, geopolitical uncertainty persisted and household budgets remained constrained. Despite these headwinds, 83% of the sample delivered revenue growth, with 53% also improving gross margins through a combination of promotional discipline, cost control and digital initiatives.

From a working capital perspective, average DWC increased by 0.4 days to 42.1 days, with performance evenly split across the sample as 50% of companies showed improvement. Inventory management remained a key focus, with DIO falling 2.9 days to 113.4 days, the lowest level in five years, driven by the clearance of excess stock, range optimisation and the exit of underperforming categories. However, this improvement was not uniform, with several larger operators deliberately carrying higher inventory levels to support product availability and mitigate future cost increases, while others had difficulty forecasting demand.

Average DSO increased by 0.4 days to 15.4 days, and DPO fell by 0.1 days to 54.7 days. Performance varied across the sample, with 47% of companies reducing DPO and several retailers recording material movements driven by supplier finance arrangements.

Average DWC remains below Asia but above Europe and the US. Australian retailers continue to benefit from a relatively fast cash collection cycle, with DSO lower than all three international regions. However, these benefits are partly offset by shorter supplier payment terms, with DPO remaining below international peers.

Looking ahead to FY27, consumer spending is expected to remain subdued, while freight costs and broader input cost inflation will continue to place pressure on margins and cash flow. As a result, disciplined inventory management and optimisation of supplier terms are likely to remain key drivers of working capital performance and liquidity.

"The second half of FY26 has been characterised by a volatile and significantly more challenging macroeconomic and retail environment than 1H26 or FY25."

Olivia Wirth
Chair
Myer Group
FY26 Trading Update

RETAIL - FINANCIAL YEAR			
Days	2025	2026	Change
DSO	15.0	15.4	0.4
DIO	116.3	113.4	(2.9)
DPO	54.8	54.7	(0.1)
DWC	41.7	42.1	0.4

INTERNATIONAL BENCHMARKING			
Days	Asia	EU	US
DSO	39.4	23.5	17.9
DIO	101.7	122.8	87.6
DPO	78.2	93.7	95.1
DWC	49.6	31.2	26.1

BEST & WORST			
Days	Best	Worst	Spread
DSO	-	71.4	71.4
DIO	2.7	346.6	343.9
DPO	126.4	3.1	(123.3)
DWC	(33.9)	173.8	207.7

Findings

Agriculture, Food & Beverages

Company name	DSO			DIO			DPO			DWC		
	2025	2026	Change	2025	2026	Change	2025	2026	Change	2025	2026	Change
Australian Agricultural Company Limited	14.2	10.0	(4.2)	237.8	306.4	68.6	23.3	21.4	(1.9)	250.8	304.6	53.8
Bega Cheese Limited	19.8	21.1	1.3	48.0	53.7	5.7	39.0	45.3	6.3	26.9	27.7	0.8
Collins Foods Limited	2.3	1.8	(0.5)	5.2	4.9	(0.3)	61.5	49.6	(11.9)	(25.2)	(20.0)	5.2
Cobram Estate Olives Limited	21.2	27.8	6.6	558.7	542.3	(16.4)	136.8	99.8	(37.0)	203.6	317.7	114.1
Elders Limited	108.6	138.8	30.2	81.8	85.3	3.5	110.4	155.8	45.4	85.9	83.0	(2.9)
GrainCorp Limited	43.0	46.3	3.3	96.3	95.0	(1.3)	15.4	16.3	0.9	114.9	117.4	2.5
Inghams Group Limited	29.9	25.1	(4.8)	35.8	33.1	(2.7)	48.4	46.2	(2.2)	19.5	14.2	(5.3)
Nufarm Limited	142.0	124.1	(17.9)	196.0	182.4	(13.6)	161.3	147.1	(14.2)	167.6	148.9	(18.7)
Ricegrowers Limited	64.3	67.1	2.8	218.8	157.4	(61.4)	94.3	99.5	5.2	138.2	100.4	(37.8)
Ridley Corporation Limited	40.5	55.6	15.1	31.9	67.7	35.8	49.8	80.0	30.2	24.3	44.3	20.0
Select Harvests Limited	31.6	23.0	(8.6)	364.6	478.7	114.1	129.5	182.5	53.0	215.3	261.8	46.5
The a2 Milk Company Limited	12.8	10.9	(1.9)	59.1	102.8	43.7	32.3	35.7	3.4	26.0	46.0	20.0
Treasury Wine Estates Limited	67.9	84.2	16.3	229.2	215.0	(14.2)	71.7	63.5	(8.2)	150.6	162.8	12.2
Peer group average	46.0	48.9	2.9	166.4	178.8	12.4	74.9	80.2	5.3	107.6	123.8	16.2
International benchmarking												
Asia	42.2	41.6	(0.6)	104.1	106.4	2.3	52.7	54.4	1.7	60.8	61.1	0.3
EU	49.2	49.9	0.7	149.9	146.0	(3.9)	129.9	135.0	5.1	55.4	52.9	(2.5)
US	38.1	37.4	(0.7)	83.5	79.5	(4.0)	106.6	106.5	(0.1)	30.6	30.2	(0.4)

Construction & Engineering

Company name	DSO			DIO			DPO			DWC		
	2025	2026	Change	2025	2026	Change	2025	2026	Change	2025	2026	Change
Austal Limited	105.2	62.2	(43.0)	266.3	273.2	6.9	121.4	126.1	4.7	233.8	189.8	(44.0)
Downer EDI Limited	62.8	78.7	15.9	11.7	12.3	0.6	120.0	147.2	27.2	(1.9)	0.0	1.9
Civmec Limited	93.0	157.0	64.0	0.3	0.5	0.2	17.9	36.3	18.4	77.5	125.3	47.8
GR Engineering Services Limited	34.4	79.3	44.9	0.1	0.1	-	47.9	82.3	34.4	12.0	41.8	29.8
Lendlease Group	51.6	54.8	3.2	37.6	109.4	71.8	85.1	101.9	16.8	7.5	61.7	54.2
Finbar Group Limited	15.3	85.2	69.9	0.7	2.7	2.0	93.8	165.2	71.4	(65.8)	(46.7)	19.1
GenusPlus Group Ltd	65.4	52.6	(12.8)	6.9	2.3	(4.6)	79.7	59.3	(20.4)	48.6	36.8	(11.8)
Lycopodium Limited	71.4	90.1	18.7	-	0.5	0.5	16.6	23.2	6.6	66.4	81.0	14.6
MAAS Group Holdings Limited	103.5	26.7	(76.8)	197.7	82.6	(115.1)	134.3	59.3	(75.0)	138.9	40.4	(98.5)
Mader Group Limited	69.1	67.4	(1.7)	-	-	-	4.6	5.3	0.7	65.3	63.1	(2.2)
Monadelphous Group Limited	53.6	47.5	(6.1)	0.4	0.3	(0.1)	29.7	25.2	(4.5)	26.5	24.7	(1.8)
Service Stream Limited	67.4	70.5	3.1	4.3	4.1	(0.2)	12.1	19.4	7.3	62.6	61.3	(1.3)
SHAPE Australia Corporation Limited	37.0	47.8	10.8	-	-	-	32.3	37.0	4.7	7.9	14.7	6.8
SRG Global Limited	37.6	31.6	(6.0)	16.0	15.8	(0.2)	59.2	43.2	(16.0)	18.9	18.9	-
Symal Group Ltd	46.5	46.4	(0.1)	0.4	1.2	0.8	40.4	40.8	0.4	14.8	14.5	(0.3)
Worley Limited	66.8	72.8	6.0	2.0	2.1	0.1	17.8	13.8	(4.0)	52.3	61.8	9.5
Fleetwood Limited	122.8	115.5	(7.3)	57.2	64.9	7.7	89.6	69.8	(19.8)	100.6	112.3	11.7
Peer group average	64.9	69.8	4.9	35.4	33.6	(1.8)	59.0	62.1	3.1	50.9	53.0	2.1
International benchmarking												
Asia	169.8	173.9	4.1	55.3	57.8	2.5	114.6	116.8	2.2	117.5	122.0	4.5
EU	81.2	83.2	2.0	68.3	74.9	6.6	137.8	142.6	4.8	63.7	67.2	3.5
US	88.3	91.2	2.9	55.4	55.9	0.5	55.4	60.3	4.9	83.8	83.2	(0.6)

Retail

Company name	DSO			DIO			DPO			DWC		
	2025	2026	Change	2025	2026	Change	2025	2026	Change	2025	2026	Change
Accent Group Limited	7.4	8.5	1.1	171.3	170.6	(0.7)	67.4	63.0	(4.4)	53.6	58.5	4.9
Adairs Limited	-	-	-	106.6	98.1	(8.5)	41.1	44.0	2.9	34.8	28.6	(6.2)
ARB Corporation Limited	44.6	43.6	(1.0)	281.1	305.1	24.0	16.7	3.7	(13.0)	161.1	173.8	12.7
Audinate Group Limited	24.0	44.2	20.2	136.0	97.3	(38.7)	61.8	62.0	0.2	37.2	50.6	13.4
Autosports Group Limited	14.6	20.6	6.0	82.4	100.6	18.2	17.8	23.8	6.0	67.6	83.2	15.6
Baby Bunting Group Limited	-	-	-	111.8	110.7	(1.1)	29.0	39.2	10.2	49.5	42.1	(7.4)
Bapcor Limited	24.6	24.8	0.2	183.3	180.7	(2.6)	65.4	61.2	(4.2)	89.4	90.6	1.2
Beacon Lighting Group Limited	10.6	11.1	0.5	364.0	346.6	(17.4)	54.2	49.6	(4.6)	106.3	103.9	(2.4)
Breville Group Limited	59.2	58.2	(1.0)	144.6	146.6	2.0	105.1	101.1	(4.0)	84.3	87.3	3.0
Cettire Limited	-	-	-	1.9	2.7	0.8	33.3	42.6	9.3	(26.3)	(33.9)	(7.6)
Coles Group Limited	3.0	3.3	0.3	30.6	30.0	(0.6)	40.2	39.9	(0.3)	(4.0)	(3.9)	0.1
Eagers Automotive Limited	13.3	18.2	4.9	74.0	96.6	22.6	29.2	60.5	31.3	50.4	48.3	(2.1)
Amotiv Limited	73.3	71.4	(1.9)	152.4	153.7	1.3	61.2	62.1	0.9	124.6	123.7	(0.9)
Harvey Norman Holdings Limited	14.4	14.5	0.1	113.3	107.4	(5.9)	52.5	51.8	(0.7)	56.5	53.0	(3.5)
JB Hi-Fi Limited	3.3	3.3	-	57.8	57.7	(0.1)	35.1	31.9	(3.2)	21.0	23.3	2.3
Kogan.com Ltd	5.4	6.0	0.6	88.4	94.8	6.4	73.4	72.1	(1.3)	14.6	19.3	4.7
Lovisa Holdings Limited	1.1	1.2	0.1	206.4	158.0	(48.4)	120.4	78.0	(42.4)	16.6	15.2	(1.4)
Metcash Limited	33.6	34.0	0.4	37.3	36.8	(0.5)	66.5	67.9	1.4	8.1	7.1	(1.0)
Myer Holdings Limited	6.4	7.0	0.6	112.3	108.0	(4.3)	69.3	126.4	57.1	29.3	(2.6)	(31.9)
Nick Scali Limited	0.4	0.3	(0.1)	117.4	107.7	(9.7)	39.6	32.0	(7.6)	28.7	26.4	(2.3)
Premier Investments Limited	-	-	-	147.4	134.9	(12.5)	140.7	109.3	(31.4)	2.2	9.0	6.8
PWR Holdings Limited	56.5	42.4	(14.1)	289.0	236.7	(52.3)	41.7	44.8	3.1	108.9	85.1	(23.8)
Super Retail Group Limited	1.3	1.2	(0.1)	146.3	153.6	7.3	69.5	72.6	3.1	43.1	45.3	2.2
Temple & Webster Group Ltd	0.2	0.9	0.7	26.3	26.2	(0.1)	43.8	33.3	(10.5)	(11.5)	(4.0)	7.5
Universal Store Holdings Limited	1.4	1.0	(0.4)	93.8	84.3	(9.5)	38.7	29.6	(9.1)	22.8	21.5	(1.3)
Wesfarmers Limited	16.0	16.9	0.9	72.8	76.2	3.4	64.9	66.7	1.8	21.2	23.3	2.1
Woolworths Group Limited	2.8	2.6	(0.2)	30.3	31.4	1.1	43.7	44.3	0.6	(7.0)	(6.8)	0.2
Domino's Pizza Enterprises Limited	24.5	21.4	(3.1)	16.5	14.8	(1.7)	70.2	72.4	2.2	0.5	(4.2)	(4.7)
Guzman y Gomez Limited	9.2	5.7	(3.5)	12.5	19.9	7.4	44.9	50.7	5.8	1.5	(1.5)	(3.0)
Carma Limited	-	-	-	79.8	114.5	34.7	7.9	3.1	(4.8)	66.7	101.1	34.4
Peer group average	15.0	15.4	0.4	116.3	113.4	(2.9)	54.8	54.7	(0.1)	41.7	42.1	0.4
International benchmarking												
Asia	38.1	39.4	1.3	95.6	101.7	6.1	76.9	78.2	1.3	47.9	49.6	1.7
EU	23.9	23.5	(0.4)	121.2	122.8	1.6	93.9	93.7	(0.2)	31.0	31.2	0.2
US	17.1	17.9	0.8	87.2	87.6	0.4	90.7	95.1	4.4	25.5	26.1	0.6

Findings

Health & Aged Care

Company name	DSO			DIO			DPO			DWC		
	2025	2026	Change	2025	2026	Change	2025	2026	Change	2025	2026	Change
Ansell Limited	38.7	42.5	3.8	181.1	146.0	(35.1)	74.0	63.4	(10.6)	101.7	90.8	(10.9)
Australian Clinical Labs Limited	34.6	32.1	(2.5)	12.4	11.4	(1.0)	16.3	13.4	(2.9)	32.2	30.9	(1.3)
Cochlear Limited	80.2	74.1	(6.1)	296.3	260.6	(35.7)	177.0	143.6	(33.4)	111.5	108.4	(3.1)
Cogstate Limited	87.1	118.9	31.8	-	-	-	26.5	15.2	(11.3)	76.6	112.5	35.9
CSL Limited	59.8	67.6	7.8	315.6	313.2	(2.4)	39.4	39.7	0.3	192.6	201.3	8.7
Ebos Group Ltd	39.8	38.9	(0.9)	46.2	43.3	(2.9)	74.8	72.9	(1.9)	15.1	13.1	(2.0)
Fisher & Paykel Healthcare Corporation Ltd	47.5	45.3	(2.2)	166.9	142.5	(24.4)	25.7	24.7	(1.0)	99.9	88.1	(11.8)
Healius Limited	39.3	40.8	1.5	11.5	13.3	1.8	51.7	54.9	3.2	11.1	11.7	0.6
Integral Diagnostics Limited	16.6	13.6	(3.0)	2.1	2.3	0.2	18.4	12.2	(6.2)	5.4	6.8	1.4
Mayne Pharma Group Limited	147.2	149.5	2.3	114.8	149.4	34.6	68.7	68.0	(0.7)	165.4	178.3	12.9
Medibank Private Limited	2.8	4.1	1.3	-	-	-	9.4	9.9	0.5	(4.4)	(3.3)	1.1
Monash IVF Group Limited	10.6	9.5	(1.1)	18.1	19.6	1.5	11.6	9.6	(2.0)	15.0	16.0	1.0
Nanosonics Limited	59.4	68.5	9.1	157.2	213.9	56.7	12.9	30.4	17.5	90.8	110.9	20.1
nib holdings limited	14.4	15.7	1.3	-	-	-	62.2	60.1	(2.1)	(41.2)	(38.5)	2.7
Paragon Care Limited	34.5	33.5	(1.0)	31.3	37.5	6.2	59.0	68.3	9.3	9.3	5.6	(3.7)
Ramsay Health Care Limited	51.4	44.6	(6.8)	9.4	9.0	(0.4)	40.2	31.9	(8.3)	24.3	24.4	0.1
Regis Healthcare Limited	6.3	6.3	-	-	-	-	4.1	2.6	(1.5)	2.9	4.1	1.2
ResMed Inc.	70.3	70.0	(0.3)	173.0	163.7	(9.3)	49.3	52.0	2.7	119.8	112.9	(6.9)
Sigma Healthcare Limited	101.4	60.4	(41.0)	81.6	51.2	(30.4)	94.6	53.4	(41.2)	91.5	58.6	(32.9)
Sonic Healthcare Limited	50.5	51.9	1.4	12.8	12.6	(0.2)	25.2	59.6	34.4	42.2	20.4	(21.8)
Aroa Biosurgery Limited	139.1	137.9	(1.2)	249.8	146.2	(103.6)	88.6	142.4	53.8	162.1	138.4	(23.7)
Orthocell Limited	71.8	84.6	12.8	103.0	130.9	27.9	144.5	151.4	6.9	49.2	76.1	26.9
Peer group average	54.7	55.0	0.3	90.1	84.8	(5.3)	53.4	53.6	0.2	62.4	62.2	(0.2)
International benchmarking												
Asia	80.7	82.5	1.8	133.0	136.2	3.2	75.6	80.1	4.5	88.9	90.5	1.6
EU	76.0	77.4	1.4	170.4	174.4	4.0	178.7	180.7	2.0	84.8	86.8	2.0
US	57.2	56.7	(0.5)	119.0	115.3	(3.7)	65.0	62.0	(3.0)	67.8	67.4	(0.4)

How we help

In an environment of rising costs, constrained liquidity and uncertain demand, working capital management has become increasingly important. McGrathNicol helps organisations improve cash flow by identifying opportunities to reduce capital tied up in inventory, accelerate cash collections and optimise supplier payment arrangements.

Our teams combine tailored working capital diagnostics with practical implementation support, helping management teams identify cash flow improvement opportunities, quantify their impact and execute initiatives at pace. Drawing on experience across retail, consumer, construction, manufacturing, government and services sectors, we deliver measurable and sustainable improvements in cash generation.

Our focus is not only on releasing cash in the short term. We help organisations establish the reporting, forecasting and governance frameworks required to maintain performance over time. This creates greater financial flexibility, improves funding capacity and strengthens resilience through changing operating conditions.

Contacts

Sydney



Jason Ireland
+61 2 9338 2694
jireland@mcgrathnicol.com



Sean Wiles
+61 2 9248 9986
swiles@mcgrathnicol.com



Suzanne Westney
+61 2 9338 2657
swestney@mcgrathnicol.com

Brisbane



Anthony Connelly
+61 7 3333 9806
aconnelly@mcgrathnicol.com



Selina Gerner
+61 7 3333 9848
sgerner@mcgrathnicol.com

Canberra



Shane O'Keeffe
+61 2 6222 1420
sokeeffe@mcgrathnicol.com

Melbourne



Emma Boucher
+61 3 9038 3143
eboucher@mcgrathnicol.com



Chris Davey
+61 3 9038 3137
cdavey@mcgrathnicol.com



Matthew Hutton
+61 3 9278 1009
mhutton@mcgrathnicol.com

Perth



Rob Brauer
+61 8 6363 7603
rbrauer@mcgrathnicol.com



Rob Kirman
+61 8 6363 7685
rkirman@mcgrathnicol.com



Linda Smith
+61 8 6363 7633
lsmith@mcgrathnicol.com