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Korvest Ltd Annual Result
Year ended 30 June 2026

REVIEW AND RESULTS OF OPERATIONS

The revenue from trading activities for the year ended 30 June 2026 (FY26) was $129.54m, an increase of 8.3% on the previous year as a result of increased activity in the day-to-day and small project markets in the industrial products segment. The smaller project market was stronger throughout the year and the day-to-day market improved as the year progressed, with data centre development having a positive impact on both segments.

DIVIDEND

The directors determined to pay a fully franked final dividend of 40.0 cents per share (2025: 40.0 cents per share plus 10 cents per share special dividend) following an interim dividend of 25.0 cents per share at the half year (2025: 25.0 cents per share). The Dividend Reinvestment Plan (DRP) will operate for the final dividend with the issue price calculated at a 5% discount to the volume weighted average market price for the period from 3 to 9 September 2026 inclusive. The dividend will be paid on 25 September 2026 with a record date of 4 September 2026.

OPERATING SEGMENTS

Industrial Products

In the Industrial Products segment, the EzyStrut cable and pipe support business supplies products for major infrastructure developments and also supplies products to electrical wholesalers and contractors for small industrial developments.

In FY26 four major projects concluded where the majority of the supply had already been delivered in prior years. Two major projects commenced in the first half and three major projects commenced supply during the second half. Korvest ended FY26 with four ongoing major projects to be supplied in FY27 and beyond.

The day-to-day and small project markets improved in FY26 as a result of a strong second half in all states.

Final remediation costs of $566,000 in relation to a third-party design fault were incurred and expensed in FY26 adding to the $869,000 incurred previously. Settlement negotiations with the supplier concluded in July 2026 with the parties agreeing to a pragmatic settlement sum of $1,100,000. This will be recorded as other income in FY27.

The cost environment for key inputs such as steel was relatively stable during FY26. Global events impacted freight and logistics costs to varying extents over the course of the year. In line with the Company’s growth strategy the move to larger sites with higher rents increased the cost base of the branch network along with the one-off costs associated with the branch moves. Additional branch staff were added during the year to manage the increase in activity and improve service levels. Product pricing was adjusted late in the year in response to inflationary pressures.

Production

The Galvanising plant processed a record level of tonnes in FY26 in both internal and external volume. The increase in external tonnes processed was due to the strength in the South Australian steel fabricators market along with completion of a second major project in the renewable energy sector following the successful completion of a similar project in FY25.

During the Christmas shutdown period the galvanising kettle was replaced along with an upgrade of the burner management system. These complex tasks were completed ahead of schedule allowing the plant to recommence operation earlier than planned. The burner management system has resulted in improved gas consumption on a volume adjusted basis.

CAPACITY AND CAPABILITY EXPANSION

In FY26 Korvest undertook the largest capital investment programme in its history. The most significant project was the construction of a new 3,500m^2 factory on the Kilburn site. Construction commenced in October 2025 and completed in July 2026. The build finished a few weeks early and within budget.

During the first half of FY27 the additional factory machinery including roll formers, laser cutter and weld bays will be commissioned adding significant capacity to the Kilburn site.

In the EzyStrut business the Queensland and Western Australian branches were both moved to new larger warehouses during the year.

In June 2026 EzyStrut expanded its warehouse capacity in NSW primarily to service the data centre construction boom in the Eastern states.

OUTLOOK

The day-to-day and small project market grew in FY26 with demand improving in the second half resulting in a strong finish to the year. As a result of the current level of activity in all sales channels Korvest enters FY27 with record levels of work on hand.

The general strength in the day-to-day markets adds to the ongoing strong outlook for the infrastructure sector with a pipeline of known and ongoing road and rail tunnels together with the well publicised volume of data centre construction in Australia.

An update on trading conditions will be provided at the Company's Annual General Meeting.

ANDREW STOBART
CHAIRMAN
27 July 2026

For further information contact:
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This ASX announcement was approved and authorised for release by the Board.