



# Interim Financial Report as at 31 December 2025

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Pages	2-5	Directors' Report
Page	6	Consolidated Statement of Profit or Loss and Other Comprehensive Income
Page	7	Consolidated Statement of Financial Position
Page	8	Consolidated Statement of Changes in Equity
Page	9	Consolidated Statement of Cash Flows
Pages	10-16	Notes to the Financial Statements
Page	17	Directors' Declaration
Pages	18-19	Independent Auditor's Review Report
Page	20	Auditor's Independence Declaration

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Directors' Report

The Directors present their report, together with the interim financial report of the Group comprising of K&S Corporation Limited (the "Company") and its subsidiaries (the "Group"), for the half-year ended 31 December 2025 and the review report thereon.

### DIRECTORS

The names of the Company's Directors in office during the half-year and until the date of this report are as below.

Directors were in office for this entire period unless otherwise stated.

**Tony Johnson** (Chair)

**Paul Sarant** (Managing Director)

**Legh Winsler**

**Graham Walters AM** (Independent Director)

**Sallie Emmett** (Independent Director)

**Robert Dalton** (Independent Director)

### CONSOLIDATED RESULTS

<b>Financial Overview</b>		<b>6 month period to Dec 2025</b>	<b>6 month period to Dec 2024</b>	<b>% Movement</b>
Operating Revenue	\$'000	<b>359,664</b>	383,476	<b>(6.2)%</b>
Statutory profit after tax	\$'000	<b>11,234</b>	16,092	<b>(30.2)%</b>
Statutory profit before tax	\$'000	<b>16,158</b>	22,992	<b>(29.7)%</b>
Earnings before interest and tax (EBIT)	\$'000	<b>18,196</b>	24,900	<b>(26.9)%</b>
Earnings before interest, tax and depreciation (EBITDA)	\$'000	<b>39,406</b>	46,192	<b>(14.7)%</b>
Add Significant items	\$'000	<b>(290)</b>	397	<b>(173.0)%</b>
Underlying profit before interest, tax & depreciation <sup>1</sup>	\$'000	<b>39,116</b>	46,589	<b>(16.0)%</b>
Underlying profit before interest & tax <sup>1</sup>	\$'000	<b>17,906</b>	25,297	<b>(29.2)%</b>
Underlying profit before tax <sup>1</sup>	\$'000	<b>15,868</b>	23,389	<b>(32.2)%</b>
Underlying operating profit after tax <sup>1</sup>	\$'000	<b>11,031</b>	16,370	<b>(32.6)%</b>
Total assets	\$'000	<b>694,725</b>	667,428	<b>4.1%</b>
Net borrowings excluding lease liabilities	\$'000	<b>62,957</b>	45,851	<b>37.3%</b>
Shareholders' funds	\$'000	<b>370,581</b>	360,655	<b>2.8%</b>
Finance costs	\$'000	<b>2,038</b>	1,908	<b>6.8%</b>
Depreciation	\$'000	<b>21,210</b>	21,292	<b>(0.4)%</b>
Dividend per share	cents	<b>5.0</b>	8.0	<b>(37.5)%</b>
Net tangible assets per share	\$	<b>2.7</b>	2.6	<b>3.8%</b>
Operating cash flow	\$'000	<b>27,938</b>	26,671	<b>4.7%</b>
Return on assets	%	<b>2.3</b>	3.4	<b>(32.4)%</b>
Gearing ratio (excluding lease liabilities)	%	<b>14.5</b>	11.3	<b>28.3%</b>
Employee numbers		<b>1,592</b>	1,729	<b>(7.9)%</b>
Lost time injuries		<b>12</b>	8	<b>50.0%</b>
Lost time injuries frequency rate		<b>6.6</b>	4.1	<b>61.0%</b>

<sup>1</sup> Underlying profits and earnings per share based on underlying profits are categorised as non-IFRS Financial information and therefore have been presented in compliance with ASIC Regulatory Guide 230- Disclosing non-IFRS information issued in December 2011. An underlying adjustment has been considered in relation to its size and nature and has been adjusted from the statutory information for disclosure purposes to assist readers to better understand the financial performance of the underlying business in each reporting period. This adjustment is the unrealised (gain)/loss on the Group's interest rate swap, which was primarily driven by the underlying market volatility in the short and mid-term interest expectations. The exclusion of this item provides a result which, in the Directors view, is more closely aligned with the ongoing operations of the Consolidated Group. The non-IFRS information has not been subject to audit or review by the auditor.

# K&S CORPORATION LIMITED

ABN 67 007 561 837

Directors' Report continued

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## REVIEW AND RESULTS OF OPERATIONS

Operating revenue for the period was \$359.7 million, 6.2% lower than the prior corresponding period. The Group recorded an underlying profit before tax of \$15.9 million for the period, 32.2% lower than the prior corresponding period. The underlying profit after tax of \$11.0 million was 32.6% lower than the prior corresponding period. Statutory profit before tax was \$16.2 million for the half-year ended 31 December 2025, 29.7% lower than the prior corresponding period. Statutory profit after tax was \$11.2 million, down 30.2% on the previous year first half statutory profit after tax of \$16.1 million.

The statutory result for the half-year ended 31 December 2025 includes one significant item amounting to \$(0.3) million (before tax) comprising a gain in the fair value of the Group's interest rate swap. The Group's statutory result for the prior corresponding period included \$0.4 million loss in the fair value of the Group's interest rate swap (before tax).

The underlying profit saw continued sound performance by New Zealand and K&S Fuels, whilst Australian Transport was softer due to reduced volume and tightening trading conditions.

Operating cashflow for the current period was \$27.9 million, \$1.2 million higher than the prior corresponding period.

### Australian Transport

Steel volumes from our major customers were below prior year levels. The exact timing of the cessation of previously contracted scopes of work for InfraBuild is still not known, but it remains the Group's expectation that these scopes of work will transition to InfraBuild's alternate transport provider by the end of FY2026.

Despite a modest contraction in revenues the contribution of the interstate division (linehaul and intermodal) was in line with the prior comparative period. This market segment continues to exhibit to high levels of competition.

Performance of the contract logistics business was softer due to the cessation of a number of customer contracts. The chemical transport operation continued to perform soundly in the first half of FY2026.

Despite a strong forward order book, our Western Australia based heavy haulage business continued to be adversely impacted by a number of supply chain constraints beyond its control including stevedoring issues at the wharf and build crew labour shortages affecting key customers. However, revenues increased modestly versus the prior comparative period and the heavy haulage business performed soundly in the first half of FY2026.

Our specialised aviation refuelling business, Aero Refuellers, improved its financial performance on marginally higher revenue. While fire season activity was subdued in the first half of FY2026, Aero Refuellers activity is forecast to increase early in the New Year.

Cost reduction strategies have continued to be implemented across the business, in particular, operational efficiencies, supplier re-negotiations, and the rationalisation and replacement of specific fleet. Ongoing cost reduction initiatives, coupled with customer re-negotiations, continued to have a positive impact on the result for the first half of FY2026.

### Fuels

The fuel trading business, K&S Fuels, made a sound contribution to the first half result for FY2026, with margin improvement on softer revenue than the prior comparative period. K&S Fuels continues to develop a number of property related projects to improve and expand its service offering, with those projects expected to contribute to the fuel trading business' earnings in the second half of FY2026.

### New Zealand

The New Zealand operation produced another sound half year result on stable revenue.

### Balance Sheet and Funding

The Group maintains a strong focus on the balance sheet.

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Directors' Report continued

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The Group's net debt increased from \$49.7 million as at 30 June 2025 to \$62.9 million as at 31 December 2025, with the Group's gearing ratio (excluding lease liabilities) also increasing from 11.7% to 14.5% over the same period.

The Group's net debt is expected to continue to increase in the second half of FY2026 as the Group undertakes a number of property related projects, including:

- completion of the redevelopment of our Millicent 24/7 service station to a modern convenience store offering; and
- the construction of a new Townsville facility.

The Group has also recently completed two major property related projects, comprising:

- upgrades to our Coopers Plains (Brisbane) facility increasing our container storage and handling capability, inclusive of a new dangerous goods storage yard; and
- the construction of a new Adelaide terminal including a new workshop, container storage and handling yard, and improved warehousing capability which has allowed us to exit two externally leased properties.

These projects are expected to be earnings accretive.

### Safety

Safety remains a key priority for K&S. The Group's lost time injury frequency rate was 6.6 as at December 2025, increasing by 61.0% on the prior comparative period.

The lost time injury frequency rate in New Zealand was 7.1.

The Group is yet to enter a plea to the Comcare (the Group's safety regulator under the *Work Health and Safety Act 2011 (Cth)* ("WHS Act")) prosecution against K&S in relation to an incident at the Group's Mt Gambier transport terminal on 20 December 2022. K&S has been charged with one count of breaching the general duty to ensure the safety of a worker, so far as is reasonably practicable, under the WHS Act. The charge carries a maximum penalty of \$1.5 million if K&S is convicted.

### Interim Dividend

A fully franked Interim Dividend of 5.0 cents per share (2025: 8.0 cents per share) has been declared by the Directors. The Interim Dividend will be paid on 6 April 2026, with the date for determining entitlements being 20 March 2026.

### Outlook

While the Group recorded a sound result for the first half of FY2026, providing specific earning guidance for the second half remains difficult. Following the recent Reserve Bank of Australia increase of the official interest rate, the Group anticipates that the low growth economic environment will persist in the second half of FY2026.

Increasing key input costs and margin pressure in the Australian Transport segment continue to present down-side risks to the second half result.

The Group currently does not have clarity on the timing of the cessation of the InfraBuild scopes of the subject of our ASX announcement on 23 September 2025. However, it is presently anticipated that the majority of the services supplied to InfraBuild will continue during the third quarter of FY2026 and their cessation remains subject to an agreed transition to InfraBuild's alternate transport provider.

We presently anticipate that our second half result for FY2026 will be lower than the prior comparative period.

The Group has secure long term bank facilities and low gearing levels. We will continue to take a balanced approach to risk as well as maintaining a strong focus on working capital management.

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the economic entity during the half-year under review.

# K&S CORPORATION LIMITED

ABN 67 007 561 837

Directors' Report continued

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## EVENTS SUBSEQUENT TO BALANCE DATE

On 24 February 2026, the Directors of K&S Corporation Limited declared an interim dividend on ordinary shares in respect of the 2026 financial year. The total amount of the dividend is \$6,842,366 which represents a fully franked dividend of 5.0 cents per share. The dividend has not been provided for in the 31 December 2025 financial statements and is payable on 6 April 2026.

Other than the above matters, there has not arisen in the interval between the end of the financial period and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## ROUNDING

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and in accordance with that legislative instrument, amounts in the Financial Report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated. This interim financial report is presented in Australia dollars which is the Company's functional currency.

## AUDITOR INDEPENDENCE

The entity's auditor, Ernst & Young have provided the Group with an Auditors' Independence Declaration which is on page 20 of this report.

Dated at Melbourne this 24<sup>th</sup> day of February 2026.

Signed in accordance with a resolution of the Directors.



**Tony Johnson**  
Chairman



**Paul Sarant**  
Managing Director and CEO

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	NOTE	31 December 2025 \$'000	CONSOLIDATED 31 December 2024 \$'000
<b>Revenue and other income</b>			
Operating revenue	4	359,664	383,476
Other income		4,948	7,114
		<b>364,612</b>	<b>390,590</b>
<b>Expenses</b>			
Consumption of fuel held for sale and changes in inventories		(70,385)	(74,172)
Contractor expenses		(65,593)	(75,829)
Employee expenses		(106,118)	(110,773)
Fleet expenses		(63,088)	(64,772)
Depreciation expense		(21,210)	(21,292)
Gain/(loss) on derivative instruments at fair value through profit and loss		290	(397)
Finance costs		(2,038)	(1,908)
Other expenses		(20,312)	(18,455)
		<b>(348,454)</b>	<b>(367,598)</b>
<b>Profit before income tax</b>		<b>16,158</b>	<b>22,992</b>
Income tax expense		(4,924)	(6,900)
<b>Profit after income tax</b>		<b>11,234</b>	<b>16,092</b>
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign subsidiaries		(3,329)	(435)
<b>Other comprehensive income/(loss) for the period, net of tax</b>		<b>(3,329)</b>	<b>(435)</b>
<b>Total comprehensive income for the period</b>		<b>7,905</b>	<b>15,657</b>
<b>Earnings per share (cents per share)</b>			
Basic for profit for the period attributable to ordinary equity holders of the parent		8.2	11.4
Diluted for profit for the period attributable to ordinary equity holders of the parent		8.2	11.4
<b>Dividends per share (cents per share)</b>	<b>9</b>	<b>5.0</b>	<b>8.0</b>

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2025

		31 December 2025 \$'000	CONSOLIDATED 30 June 2025 \$'000
	NOTE		
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		27,088	26,006
Trade and other receivables		65,943	76,943
Inventories		7,724	7,452
Assets held for sale		-	8,848
Prepayments		12,011	10,741
Derivatives		357	67
<b>Total current assets</b>		<b>113,123</b>	<b>130,057</b>
<b>Non-current assets</b>			
Other receivables		125	115
Property, plant & equipment	6	540,522	523,803
Intangibles		5,711	6,144
Right of use assets		35,244	39,174
<b>Total non-current assets</b>		<b>581,602</b>	<b>569,236</b>
<b>TOTAL ASSETS</b>		<b>694,725</b>	<b>699,293</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		74,418	81,923
Lease liabilities		6,201	6,006
Income tax payable		922	2,509
Provisions		31,525	31,982
<b>Total current liabilities</b>		<b>113,066</b>	<b>122,420</b>
<b>Non-current liabilities</b>			
Interest bearing loans and borrowings	7	90,045	75,691
Lease liabilities		29,458	33,428
Deferred tax liabilities		69,870	72,272
Provisions		21,705	21,858
<b>Total non-current liabilities</b>		<b>211,078</b>	<b>203,249</b>
<b>TOTAL LIABILITIES</b>		<b>324,144</b>	<b>325,669</b>
<b>NET ASSETS</b>		<b>370,581</b>	<b>373,624</b>
<b>EQUITY</b>			
Contributed equity	8	179,618	179,618
Reserves		151,156	154,199
Retained earnings		39,807	39,807
<b>TOTAL EQUITY</b>		<b>370,581</b>	<b>373,624</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Consolidated Statement of Changes in Equity

### FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	NOTE	Issued Capital \$'000	Profit Reserve \$'000	Retained Earnings \$'000	Revaluation Reserve \$'000	Translation Reserve \$'000	Control Reserve \$'000	Total Equity \$'000
<b>CONSOLIDATED</b>								
<b>As at 1 July 2025</b>		<b>179,618</b>	<b>28,837</b>	<b>39,807</b>	<b>125,332</b>	<b>343</b>	<b>(313)</b>	<b>373,624</b>
Profit for the half-year		-	-	11,234	-	-	-	11,234
Transfer to profit reserve		-	11,234	(11,234)	-	-	-	-
Other comprehensive income		-	-	-	-	(3,329)	-	(3,329)
<b>Total comprehensive income for the half-year</b>		-	<b>11,234</b>	-	-	<b>(3,329)</b>	-	<b>7,905</b>
<b>Transactions with owners in their capacity as owners:</b>								
Issue of share capital		-	-	-	-	-	-	-
Dividends paid	9	-	(10,948)	-	-	-	-	(10,948)
<b>At 31 December 2025</b>		<b>179,618</b>	<b>29,123</b>	<b>39,807</b>	<b>125,332</b>	<b>(2,986)</b>	<b>(313)</b>	<b>370,581</b>
<b>As at 1 July 2024</b>								
<b>As at 1 July 2024</b>		<b>179,624</b>	<b>21,536</b>	<b>39,807</b>	<b>115,620</b>	<b>(328)</b>	<b>(313)</b>	<b>355,946</b>
Profit for the half-year		-	-	16,092	-	-	-	16,092
Transfer to profit reserve		-	16,092	(16,092)	-	-	-	-
Other comprehensive income		-	-	-	-	(435)	-	(435)
<b>Total comprehensive income for the half-year</b>		-	<b>16,092</b>	-	-	<b>(435)</b>	-	<b>15,657</b>
<b>Transactions with owners in their capacity as owners:</b>								
Issue of share capital		-	-	-	-	-	-	-
Dividends paid	9	-	(10,948)	-	-	-	-	(10,948)
<b>At 31 December 2024</b>		<b>179,624</b>	<b>26,680</b>	<b>39,807</b>	<b>115,620</b>	<b>(763)</b>	<b>(313)</b>	<b>360,655</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Consolidated Statement of Cash Flows

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	31 December 2025 \$'000	CONSOLIDATED 31 December 2024 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	420,406	452,340
Cash payments to suppliers and employees	(380,531)	(413,468)
Interest received	228	820
Lease payments (interest component)	(971)	(217)
Borrowing costs paid	(2,335)	(2,185)
Income taxes paid	(8,859)	(10,619)
<b>Net cash provided by operating activities</b>	<b>27,938</b>	<b>26,671</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of non-current assets	12,072	10,031
Payments for property, plant & equipment	(38,082)	(44,139)
<b>Net cash used in investing activities</b>	<b>(26,010)</b>	<b>(34,108)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings (net of costs)	20,000	15,536
Repayments of borrowings	(5,792)	-
Lease payments (principal component)	(4,005)	(3,396)
Dividends paid	(10,932)	(10,948)
<b>Net cash used in financing activities</b>	<b>(729)</b>	<b>1,192</b>
<b>Net increase/(decrease) in cash held</b>	<b>1,199</b>	<b>(6,245)</b>
Cash at the beginning of the financial year	26,006	33,437
Effects of exchange rate variances on cash	(117)	(41)
<b>Cash at the end of the financial half-year</b>	<b>27,088</b>	<b>27,151</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Notes to the Financial Statements

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### FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

#### 1 CORPORATE INFORMATION

This is the interim financial report of K&S Corporation Limited (the “Company”) and its controlled entities (together, the “Group”). The interim financial report for the half-year ended 31 December 2025 was authorised for issue in accordance with a resolution of Directors on 24 February 2026.

K&S Corporation Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australia Securities Exchange (ASX: KSC).

#### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

##### a) Basis of preparation

The interim financial report for the half-year ended 31 December 2025 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim financial report does not include all the information and disclosures required in the annual financial report and should be read in conjunction with the Group’s annual financial report for the year ended 30 June 2025. It is also recommended that the interim financial report be considered together with any public announcements made by the Company and its subsidiaries during the half-year ended 31 December 2025 in accordance with the continuous disclosure obligations of the Australian Securities Exchange listing rules.

The consolidated financial statements have been prepared on a going concern basis.

The accounting policies adopted are consistent with those of the Group’s annual consolidated financial statements for the year ended 30 June 2025 and corresponding 31 December 2024 interim reporting period, except for the required adoption of new and amended accounting standards effective from 1 July 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but it not yet effective.

A number of prior year disclosures have been updated in the current year to align with the current year disclosures.

##### b) Compliance with IFRS

The financial report complies with the International Financial Reporting Standard IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

##### c) New Accounting Standards and Interpretations

The Group has adopted all new pronouncements as required by the Australian Accounting Standards Board effective from 1 July 2025. The adoption of these new pronouncements has not required a change in the Group’s accounting policies.

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Notes to the Financial Statements continued

### 3 OPERATING SEGMENTS

#### Identification of reportable segments

The Group identified its operating segments based on the internal reports that are reviewed and used by the Executive Management in assessing performance and in determining the allocation of resources.

The Executive Management determined that the Group has three operating segments.

The Group's internal management reporting systems and business model, which monitors resource allocation and working capital fall under the following three segments:

- **Australian Transport** – The provision of logistics services to customers within Australia.
- **Fuels** – The distribution of fuel to fishing, farming and retail customers within the South East of South Australia.
- **New Zealand Transport** – The provision of logistics services to customers within New Zealand.

#### Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments are the same as those contained in the prior period.

#### Major customer

The entity has one customer which contributes greater than 10% of total revenue (\$46.8m) and falls within the Australian Transport Segment.

Half-year ended 31 December 2025	Australian Transport \$'000	Fuels \$'000	New Zealand Transport \$'000	Total \$'000
<b>Revenue</b>				
External customers	252,007	68,592	39,065	359,664
Inter-segment sales	-	24,334	-	24,334
<b>Total segment revenue</b>	<b>252,007</b>	<b>92,926</b>	<b>39,065</b>	<b>383,998</b>
Depreciation and amortisation expense	(17,293)	(101)	(3,816)	(21,210)
Consumption of fuel held for sale and changes in inventories	(9,879)	(60,506)	-	(70,385)
Contractor and employee expenses	(151,192)	(2,094)	(18,425)	(171,711)
Fleet expenses	(51,286)	(514)	(11,288)	(63,088)
Gain/(loss) on derivative instruments at fair value through profit and loss	290	-	-	290
Finance costs	(1,909)	-	(129)	(2,038)
<b>Segment Profit after Tax</b>	<b>5,270</b>	<b>3,467</b>	<b>2,497</b>	<b>11,234</b>
<b>Other disclosures</b>				
Capital expenditure	(35,355)	-	(1,615)	(36,970)

Inter-segment revenues of \$24.3 million are eliminated on consolidation.

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Notes to the Financial Statements continued

### 3 OPERATING SEGMENTS (continued)

<b>Half-year ended 31 December 2024</b>	<b>Australian Transport \$'000</b>	<b>Fuels \$'000</b>	<b>New Zealand Transport \$'000</b>	<b>Total \$'000</b>
<b>Revenue</b>				
External customers	272,271	72,467	38,738	383,476
Inter-segment sales	-	27,058	-	27,058
<b>Total segment revenue</b>	<b>272,271</b>	<b>99,525</b>	<b>38,738</b>	<b>410,534</b>
Depreciation and amortisation expense	(17,129)	-	(4,163)	(21,292)
Consumption of fuel held for sale and changes in inventories	(9,629)	(64,543)	-	(74,172)
Contractor and employee expenses	(167,051)	(2,017)	(17,534)	(186,602)
Fleet expenses	(52,163)	(547)	(12,062)	(64,772)
Gain/(loss) on derivative instruments at fair value through profit and loss	(397)	-	-	(397)
Finance costs	(1,697)	-	(211)	(1,908)
<b>Segment Profit after Tax</b>	<b>11,050</b>	<b>2,280</b>	<b>2,762</b>	<b>16,092</b>
<b>Other disclosures</b>				
Capital expenditure	(25,800)	(702)	(10,469)	(36,971)

Inter-segment revenues of \$27.1 million are eliminated on consolidation.

<b>Half-year ended 31 December 2025</b>	<b>Australian Transport \$'000</b>	<b>Fuels \$'000</b>	<b>New Zealand Transport \$'000</b>	<b>Total \$'000</b>
<b>Operating assets</b>	<b>623,766</b>	<b>29,872</b>	<b>55,838</b>	<b>709,476</b>
<b>Operating liabilities</b>	<b>245,081</b>	<b>12,560</b>	<b>10,462</b>	<b>268,103</b>

<b>Half-year ended June 2025</b>	<b>Australian Transport \$'000</b>	<b>Fuels \$'000</b>	<b>New Zealand Transport \$'000</b>	<b>Total \$'000</b>
<b>Operating assets</b>	<b>624,278</b>	<b>27,241</b>	<b>61,994</b>	<b>713,513</b>
<b>Operating liabilities</b>	<b>236,917</b>	<b>13,395</b>	<b>14,796</b>	<b>265,108</b>

#### i) **Segment assets reconciliation to the consolidated statement of financial position**

Segment assets are those operating assets of the entity that the executive views as directly attributing to the performance of the segment. These assets include plant and equipment, receivables, inventory and intangibles.

Reconciliation of segment operating assets to total assets:

<b>Reconciliation of assets</b>	<b>31 December 2025 \$'000</b>	<b>CONSOLIDATED 31 December 2024 \$'000</b>
Segment operating assets	709,476	676,904
Inter-segment eliminations	(14,751)	(9,476)
<b>Total assets per Statement of Financial Position</b>	<b>694,725</b>	<b>667,428</b>

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Notes to the Financial Statements continued

### 3 OPERATING SEGMENTS (continued)

The analysis of location of non-current assets excluding deferred tax assets are as follows:

	31 December 2025 \$'000	CONSOLIDATED 31 December 2024 \$'000
Australia	540,466	496,270
New Zealand	41,136	45,795
<b>Total non-current assets per the Consolidated Statement of Financial Position</b>	<b>581,602</b>	<b>542,065</b>

Reconciliation of segment operating liabilities to total liabilities:

#### Reconciliation of liabilities

Segment operating liabilities	268,103	246,137
Inter-segment eliminations	(14,751)	(9,476)
Deferred tax liabilities	69,870	67,133
Income tax payable	922	2,979
<b>Total liabilities per Statement of Financial Position</b>	<b>324,144</b>	<b>306,773</b>

### 4 REVENUE FROM CONTRACTS

For the half-year ended 31 December 2025

Segments	Australian Transport \$'000	New Zealand Transport \$'000	Fuels \$'000	Total \$'000
<b>Type of service</b>				
Transport Services	237,958	39,065	-	277,023
Sale of Fuel (including agency commissions)	14,049	-	68,592	82,641
<b>Total revenue from contracts with customers</b>	<b>252,007</b>	<b>39,065</b>	<b>68,592</b>	<b>359,664</b>
<b>Geographical markets</b>				
Australia	252,007	-	68,592	320,599
New Zealand	-	39,065	-	39,065
<b>Total revenue from contracts with customers</b>	<b>252,007</b>	<b>39,065</b>	<b>68,592</b>	<b>359,664</b>
<b>Timing of revenue recognition</b>				
Services transferred over time	237,958	39,065	-	277,023
Goods transferred at a point in time	14,049	-	68,592	82,641
<b>Total revenue from contracts with customers</b>	<b>252,007</b>	<b>39,065</b>	<b>68,592</b>	<b>359,664</b>

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Notes to the Financial Statements continued

Segments	For the half-year ended 31 December 2024			
	Australian Transport \$'000	New Zealand Transport \$'000	Fuels \$'000	Total \$'000
<b>Type of service</b>				
Transport Services	259,371	38,738	-	298,109
Sale of Fuel (including agency commissions)	12,900	-	72,467	85,367
<b>Total revenue from contracts with customers</b>	<b>272,271</b>	<b>38,738</b>	<b>72,467</b>	<b>383,476</b>
<b>Geographical markets</b>				
Australia	272,271	-	72,467	344,738
New Zealand	-	38,738	-	38,738
<b>Total revenue from contracts with customers</b>	<b>272,271</b>	<b>38,738</b>	<b>72,467</b>	<b>383,476</b>
<b>Timing of revenue recognition</b>				
Services transferred over time	259,371	38,738	-	298,109
Goods transferred at a point in time	12,900	-	72,467	85,367
<b>Total revenue from contracts with customers</b>	<b>272,271</b>	<b>38,738</b>	<b>72,467</b>	<b>383,476</b>

## 5 INDIVIDUALLY SIGNIFICANT ITEMS

	31 December 2025 \$'000	31 December 2024 \$'000
(Gain)/loss on derivative instruments at fair value through profit and loss <sup>1</sup>	(290)	397
<b>Total significant items pre-tax</b>	<b>(290)</b>	<b>397</b>
Tax impact on significant items	87	(119)
<b>Total significant items, net of tax</b>	<b>(203)</b>	<b>278</b>

<sup>1</sup> This adjustment relates to the unrealised (gain)/loss on the Group's interest rate swap, which was primarily driven by the underlying market volatility in the short and mid-term interest expectations.

## 6 PROPERTY, PLANT AND EQUIPMENT

### Acquisition and disposal

During the half-year ended 31 December 2025, the Group acquired assets with a cost of \$36.9 million (2024: \$37.0 million). Assets with a net book value of \$10.1 million were disposed of by the Group during the half-year ended 31 December 2025 (2024: \$6.2 million), resulting in a gain on disposal of \$1.8 million (2024: \$3.8 million). The net carrying amount was \$540.5 million (2024: \$508.2 million).

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Notes to the Financial Statements continued

### 7 INTEREST BEARING LOANS AND BORROWINGS

	31 December 2025 \$'000	30 June 2025 \$'000
<b>Current</b>	-	-
<b>Non-current</b>		
Non-redeemable preference shares	60	60
Bank loans - secured	90,000	75,828
Directly attributable transaction costs	(15)	(197)
	<b>90,045</b>	<b>75,691</b>

#### Summary of financing arrangements

Credit facilities are provided as part of the overall debt funding structure of the Group. Maturity dates as well as the drawn component of each facility are shown below:

Facility and limit	Maturity	Interest rate	Amounts drawn	
			December 2025 \$'000	June 2025 \$'000
\$90m bank bill facility <sup>1, 2</sup>	September 2027	BBSY + margin	72,000	70,928
\$80m bank bill facility <sup>1</sup>	September 2028	BBSY + margin	18,000	4,900
Total interest bearing liabilities			<b>90,000</b>	<b>75,828</b>

1 The bank loans are secured by fixed and floating charges over the assets of the Group. Bank loans are also secured by registered mortgages over a number of freehold properties of the Group totalling \$270.5 million.

2 In addition to the limit of \$90m, the Group has a \$35m bank guarantee facility maturing in September 2027.

### 8 CONTRIBUTED EQUITY

	31 December 2025 \$'000	30 June 2025 \$'000
<b>Issued and paid-up share capital</b>	<b>179,618</b>	<b>179,618</b>

#### i) Ordinary shares

Fully paid ordinary shares carry one vote per share, either in person or by proxy, at a meeting of the Company and carry the right to receive dividends as declared.

	Thousands	\$'000
<b>Movements in ordinary shares on issue</b>		
At 1 July 2025	136,847	179,618
At 31 December 2025	<b>136,847</b>	<b>179,618</b>

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Notes to the Financial Statements continued

### 9 DIVIDENDS PAID AND PROPOSED

	31 December 2025 \$'000	CONSOLIDATED 30 June 2025 \$'000
<i>Declared and paid during the period:</i>		
Dividends on ordinary shares		
Final franked dividend for the financial year ended 30 June 2025: 8.0 cents (2024: 8.0 cents)	10,948	10,948
<i>Proposed (not recognised as a liability as at 31 December):</i>		
Dividends on ordinary shares		
Interim franked dividend for the half-year ending 31 December 2025: 5.0 cents (2024: 8.0 cents)	6,842	10,948
	<b>10,948</b>	<b>21,896</b>

### 10 COMMITMENT AND CONTINGENCIES

The only changes to the commitments and contingencies disclosed in the most recent annual financial report are specified below:

#### Capital expenditure commitments

As at 31 December 2025, the Group has capital commitments of \$27.2 million (2024: \$17.6 million) relating to property, plant and equipment.

### 11 EVENTS SUBSEQUENT TO BALANCE DATE

On 24 February 2026, the Directors of K&S Corporation Limited declared an interim dividend on ordinary shares in respect of the 2026 financial year. The total amount of the dividend is \$6,842,366 which represents a fully franked dividend of 5.0 cents per share. The dividend has not been provided for in the 31 December 2025 financial statements and is payable on 6 April 2026.

No other matters have arisen in the interval between the end of the financial year and the date of this report, including any item, transaction or event of a material and unusual nature which, in the opinion of the Directors of the Company, are likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

# K&S CORPORATION LIMITED

ABN 67 007 561 837

## Directors' Declaration

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### FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

In accordance with a resolution of the Directors of K&S Corporation Limited, we state that:

In the opinion of the Directors:

- (a) The financial statements and notes of K&S Corporation Limited for the half-year ended 31 December 2025 are in accordance with the *Corporations Act 2001*, including;
  - (i) Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
  - (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



**Tony Johnson**  
Chairman



**Paul Sarant**  
Managing Director and CEO

Melbourne, 24 February 2026



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## Independent auditor's review report to the members of K&S Corporation Limited

### Conclusion

We have reviewed the accompanying half-year financial report of K&S Corporation Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'Ernst &amp; Young' in a cursive style.

Ernst & Young

A handwritten signature in black ink that reads 'Mark Phelps' in a cursive style.

Mark Phelps  
Partner  
Adelaide  
24 February 2026



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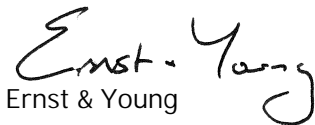
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## Auditor's independence declaration to the directors of K&S Corporation Limited

As lead auditor for the review of the half-year financial report of K&S Corporation Limited for the half-year ended 31 December 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of K&S Corporation Limited and the entities it controlled during the financial period.

  
Ernst & Young

  
Mark Phelps  
Partner  
24 February 2026