Korvest Ltd

June 2026 Results

Chris Hartwig
Steven McGregor

Key Takeaways

- Strong momentum as the year progressed driven by strong day-to-day and small project markets
- 23% EBIT growth 2H versus 1H pre-remediation costs
- Major capex investment with Kilburn factory completed in July 26
- WA and QLD EzyStrut branches moved to new, larger sites
- Expanded warehouse capacity in NSW to service growing east-coast data centre developments
- Successful ERP transition
- Remediation claim finalised in July 2026 for $1.1 million – FY27 income
- FY27 commences with record orders on hand

Vision & Strategy

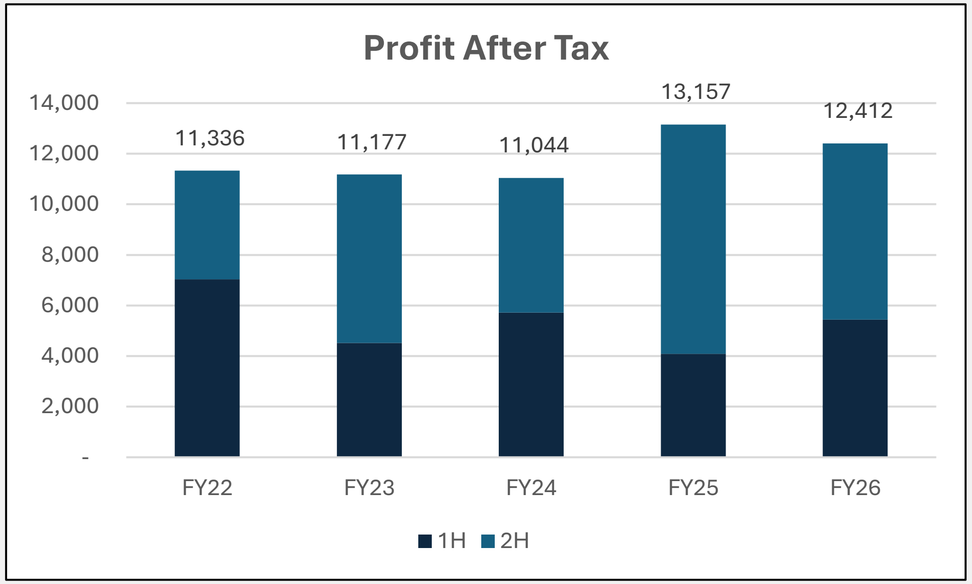
Our **Vision** is to be a leading vertically integrated supplier of engineered solutions, systems and services to industrial, electrical and mechanical installations.

Our **Strategy** is focused in the following areas :

- People, Safety & Environment
  - Reduction in emissions
  - Safety improvement & engagement programme
  - Noise reduction
- Operational Excellence
  - Kilburn redevelopment
  - Factory automation & capacity
  - Product design & development
  - Customer service & inventory profile
- Growth
  - Day to day & small project markets
  - Infrastructure, Data Centre & Large Project pipelines
  - Product range expansion
  - Acquisitions

Headline Numbers

	June 26	June 25	% Change
Sales	$ 129.5m	$ 119.57m	8.3%
EBIT	$ 18.29m	$ 18.91m	(3.3%)
NPAT	$ 12.41m	$ 13.16m	(5.7%)
Operating Cash Flow	$ 5.99m	$ 18.69m	(68.0%)
EPS	104.9 ¢	112.0 ¢	(6.3%)
Capex	$11.29m	$3.69m	



- Record capex funded out of operating cashflows
- Kilburn factory building completed July 26
- Sales growth from day-to-day and small project markets
- New sites in Qld, WA and NSW
- High working capital driven by activity
- Record order book
- Remediation claim settled ($1.1m) July 2026 – FY27 income

Industrial Products

	June 26	June 25	% Change
Sales	$ 118.35m	$ 108.99m	8.6%
EBIT	$ 17.08m	$ 17.58m	(2.8%)
EBIT %	14.4%	16.1%	

- Improved small project / day-to-day revenue due to strong 2H
- Major project revenue strong but just below FY25
- Five major projects commenced, two late in 2H
- Four projects with ongoing supply into FY27 and beyond
- Strong Data Centre development pipeline
- One-off relocation costs for branch moves in QLD and WA
- Successful ERP transition
- Increased staff, depreciation, freight and occupancy costs to facilitate growth

Production Services

	June 26	June 25	% Change
Sales	$ 11.19m	$ 10.58m	5.8%
EBIT	$ 2.39m	$ 2.76m	(13.4%)
EBIT %	21.4%	26.1%	

- Record plant tonnes in FY26
- Major renewable project completed in 2H
- Zinc costs remained high
- Labour management improved in 2H, improving profitability versus 1H
- Major capital works
  - Galvanising kettle replaced
  - Burner management upgrade (improved gas consumption)

Capital Expenditure

	FY26	FY25	FY24	FY23
Capital Expenditure	$ 11.29m	$ 3.69m	$ 4.51m	$ 1.86m

$6.96m Kilburn development including building ($6.3m) and equipment costs

$2.7m Stay in business / maintenance, such as replacement galvanising kettle, replacement of galvanising plant roof, vehicles, factory equipment, IT.

$0.89m Branch move costs (QLD, WA), expanded NSW warehouse

$0.73m New equipment related to new capacity/capability including trucks, kettle burner management system

Key Initiatives

Completed during FY26

- Installed new kettle & new burner management system in Galvanising
- In-house freight now operational in all states
- Larger WA and QLD EzyStrut branches. 2^{nd} NSW warehouse for Data Centres
- Transitioned ERP system
- New factory handover in July, a few weeks early and on budget

Ongoing and future initiatives

Growth

- Fit out new factory and have it fully operational
- Revenue growth via range expansion and services
- Planning for powder coating line in 2027

Productivity & efficiency

- Robotic folding cell installation in new facility in late 2026
- Gas savings via reverse direction burner set (also improves kettle life)
- ERP optimisation
- Focus on staff engagement, lean projects, training and development

Balance Sheet

ASSETS ($m)	June 2026	June 2025	June 2024
Cash & Investments	-	13.3	7.1
Receivables[1]	29.5	21.2	22.6
Inventories[2]	22.7	18.5	17.0
Property, Plant & Equipment	35.6	26.7	23.0
Right-of-use Asset	13.0	8.1	7.7
Lease Receivable	0.3	1.2	1.6
Other	0.6	1.4	0.5
Total Assets	**101.7**	**90.4**	**79.5**
LIABILITIES ($m)			
Bank Overdraft	(1.5)	-	-
Payables	(14.1)	(11.8)	(9.3)
Lease Liabilities	(14.2)	(9.9)	(9.5)
Other Liabilities	(7.1)	(7.9)	(7.3)
Total Liabilities	**(36.9)**	**(29.6)**	**(26.1)**
NET ASSETS	**64.8**	**60.8**	**53.4**

[1] Increased due to revenue levels, no deterioration in aging

[2] $900k increase in products for data centres plus increased holding for major projects

Dividends

	FY 2026	FY 2025	FY 2024	FY 2023	FY 2022
Interim	25 ¢	25 ¢	25 ¢	25 ¢	25 ¢
Final Dividend	40 ¢	40 ¢	40 ¢	35 ¢	35 ¢
Special Dividend	-	10 ¢	-	-	-
Total Dividend	65 ¢	75 ¢	65 ¢	60 ¢	60 ¢
Franking	100%	100%	100%	100%	100%

DRP activated for final dividend

Key Dates

- Record Date: 4 September 2026
- Payment Date: 25 September 2026

Outlook

- Commencing FY27 with record order book
- Major project schedules are expected to deliver strong volumes (but subject to client schedule changes)
- Day-to-day and project markets expected to continue at good levels subject to broader economic conditions
- Working capital requirements to remain high in line with the record order book
- Further trading update to be given at AGM

Korvest Ltd

Company Overview

Introduction to Korvest

- Korvest (ASX:KOV) is headquartered in South Australia, providing cable and pipe supports and galvanizing services.
- Listed in September 1970.
- Korvest has sales offices and warehouses in Adelaide, Melbourne, Sydney, Brisbane and Perth, with distributors in Darwin, Townsville, Hobart and New Zealand.
- Manufacturing, fabrication and galvanizing in Adelaide.
- Overseas supply chain provides make vs buy flexibility.
- Sell to a wide variety of industry sectors.

Industrial Products

EzyStrut
Cable & Pipe Supports

- Cable and Pipe Supports
- Market leader in cable supports
- Manufacturing facility in Kilburn
- Overseas supply chain
- Sells to EPCMs, wholesalers and direct to project contractors
- Local manufacturing allows quick response times and ability to fabricate special items – a differentiator to overseas competition
- National sales and warehouse network
- Vertical integration with Korvest Galvanisers

Production Services

korvest galvanisers

- Longest galvanising kettle in Australia (14m in length)
- South Australia’s only centrifuge galvanising plant, specializing in the treatment of small items (national market)
- Predominant processor of structural work for South Australian projects or fabricators
- Galvaniser of in-house product for EzyStrut

Online

Korvest Ltd

www.korvest.com.au

www.linkedin.com/company/korvest

EzyStrut Cable & Pipe Supports

Australia's leading range of cable and pipe supports.

www.ezystrut.com.au

www.linkedin.com/company/ezystrut

www.instagram.com/ezystrut

korvest galvanisers

Quick turnaround of the largest, smallest and most complex construction members.

www.korvestgalvanisers.com.au