Appendix 4E

Korvest Ltd
ABN 20 007 698 106

Preliminary Final Report
Financial Year Ended 30 June 2026

Results for announcement to the market: $A'000

Revenues from ordinary activities	**Up**	**8.3%**	to	**129,540**
Profit from ordinary activities after tax attributable to members	**Down**	**5.7%**	to	**12,412**
Net profit for the period attributable to members	**Down**	**5.7%**	to	**12,412**
Earnings per share	**Down**	**6.3%**	to	**104.9¢**

Dividends	Amount per security	Franked amount per security
Final dividend (#)		
- current reporting period	**40.0¢**	**40.0¢**
- previous corresponding period	40.0¢	40.0¢
Interim dividend		
- current reporting period	**25.0¢**	**25.0¢**
- previous corresponding period	25.0¢	25.0¢
Special dividend		
- current reporting period	**-**	**-**
- previous corresponding period	10.0¢	10.0¢

Final dividend proposed in respect of the current reporting period. The financial effect of this dividend will be recognised in the next reporting period.

The Dividend Reinvestment Plan is operating for the final dividend.

Record date for determining entitlements to the dividend	**4 September 2026**

Korvest's FY26 revenue grew as a result of growth in the day-to-day and small projects markets however did not benefit from the operating leverage evident in the FY25 result from the accelerated supply of a major project.

Refer attached press release for further information.

This report is based on financial statements that have been audited. The audit report is included in the 30 June 2026 financial report.

This financial report is the preliminary final report provided to the Australian Stock Exchange under listing rule 4.3C.

The announcement was approved for release by the Board.

Annual Report

Korvest Ltd

(ABN 20 007 698 106)

30 June 2026

Table of Contents

Sustainability reporting

In September 2024 ASRS1 and ASRS2 became mandatory with the first year of applicability to Korvest being the year ending 30 June 2028. The Board has commenced planning for meeting these requirements and in FY2026 a board and senior management training workshop was held to support preparation for meeting mandatory requirements. This ESG strategy statement has been prepared for information purposes only and is not compliant with AASB S2.

ESG Strategy Statement and Core Values

Our ESG Vision is as follows:

Korvest integrates ESG considerations into all facets of our business activities. We conduct our business in a socially responsible and ethical manner, aiming to protect the environment and benefit the communities where we work. We look after the health, safety and wellbeing of our employees and ensure effective corporate governance, whilst achieving strong financial performance.

Korvest has developed a set of values that underpin the way in which we operate and help to achieve our vision. The core values are as follows:

- Always Safe & Environmentally Focussed
- Act with Integrity
- Work as One Team
- Think Customer
- Pursue Excellence
- Financially Responsible

Social

Safety performance

Safety remains a key focus for Korvest as we continue to automate our processes and investigate ways to reduce interactions between workers and material handling equipment. Our focus on implementing safety and wellbeing engagement strategies throughout the business highlights safety improvement. This financial year there was one lost time injury (LTI) reported, contributing to a 15% reduction in the 12-month LTI frequency rate to 1.72. There was a significant reduction in medically treated injuries during the period reflecting our approach to early intervention strategies and rehabilitation to support the prevention of serious injuries and enabling meaningful work while workers recover from injury.

Employee health & wellbeing

In addition to safety, over the last 12 months Korvest has undertaken a number of programs to improve the health and wellbeing of our employees:

- Hearing checks for our workers exposed to noise
- Voluntary free influenza vaccinations
- Voluntary free health checks

Korvest's Employee Assistance Program remains a valuable tool providing free and confidential access to mental health and wellbeing support. Korvest values this as an essential support for workers and their families.

Korvest increased the number of Mental Health First Aid Officers in the business to enhance its capacity in recognising the first signs of mental health concerns and distress, and to offer assistance in accessing support services. This year we continued our Mental Health and Wellbeing Champion Network, comprised of Mental Health First Aider Officers across all company sites. The network aims to raise the profile and awareness of mental health and wellbeing, implement local initiatives and provide a peer support network for Mental Health First Aid Officers.

Korvest Charity Schemes

Korvest has operated a company-wide workplace giving charity scheme for many years. The scheme allows employees to make donations to a staff-nominated charity that are matched on a dollar-for-dollar basis by Korvest. Korvest's Staff Consultative Committee choose the designated charity for 2 years on a rotational basis. Over the past year, Korvest has donated a combined $16,600 to Foodbank.

In addition, the Korvest Community Support Program, launched in FY23, provides donations to staff-nominated not-for-profit groups, organisations and charities that are directly important to our staff and their community. This Program provided a total contribution in FY26 of $30,000 donated by Korvest to 65 recipients.

Diversity and Inclusion

Korvest is committed to promoting a culture that embraces a diverse mix of employees throughout all levels of the company. We recognise that our success is directly related to our people. Our people reflect a growing diversity, with different gender, ages, family status, cultures, ethnicities, and religions represented among our employees. As part of our annual staff survey, ethnicity data is collected on an anonymous basis, allowing this aspect of diversity to be considered when developing relevant policies, procedures and company activities.
The Board and Management have set specific gender targets for various areas within the business. Whilst we have been successful in meeting our objectives in administration and sales positions, it has been difficult to employ females in production and warehousing roles due to a lack of applicants. We will continue to work with our labour providers to develop strategies to improve our gender representation for these roles.

Our gender representation statistics are shown in the table below against our long-term objectives.

	Objective	FY25		FY26	
	%	Number	%	Number	%
Number of females in senior management positions	40%	4	18%	4	21%
Number of females in administration/sales positions	50%	25	63%	27	54%
Number of female employees in the whole organisation	20%	34	13%	39	13%

Environment

The protection of our environment and reducing Korvest's environmental impact remains a core value for Korvest. Korvest has maintained ISO14001 (Environmental Management) accreditation and its South Australian Environmental Protection Authority (EPA) Licence for the Kilburn manufacturing and galvanising facility and continues to work on strategies to further improve our performance.

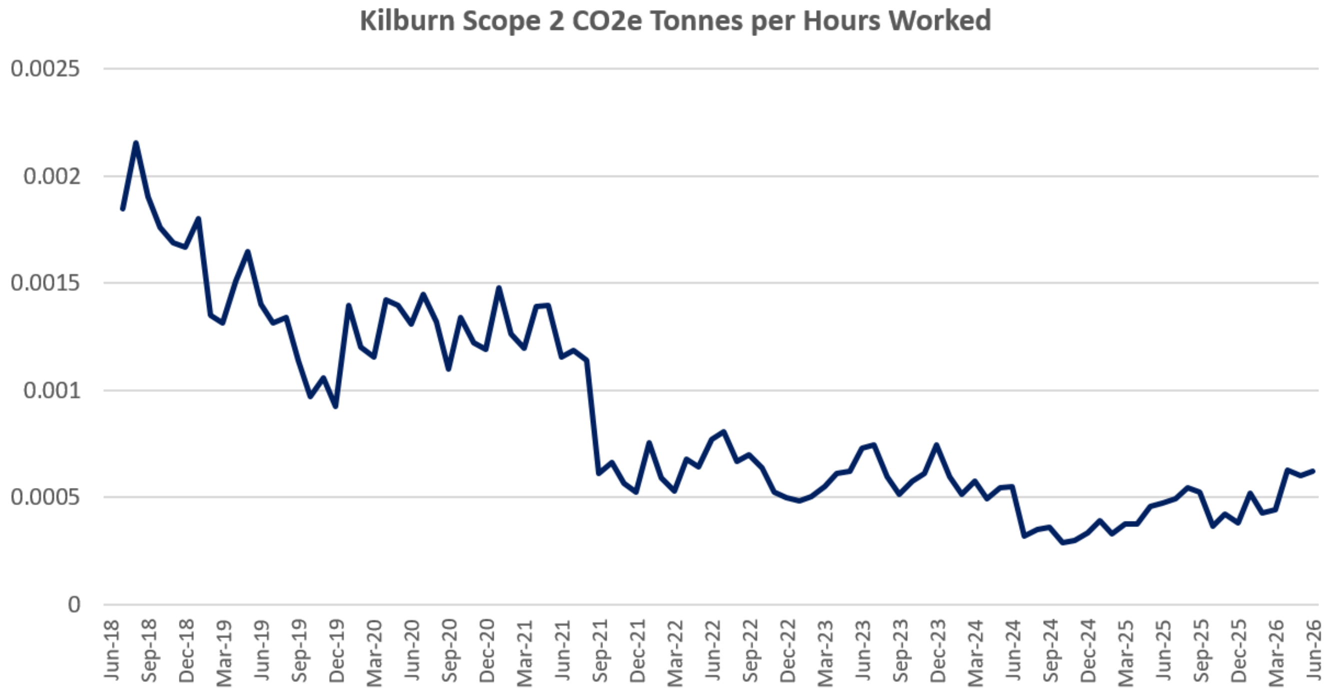
Noise Management

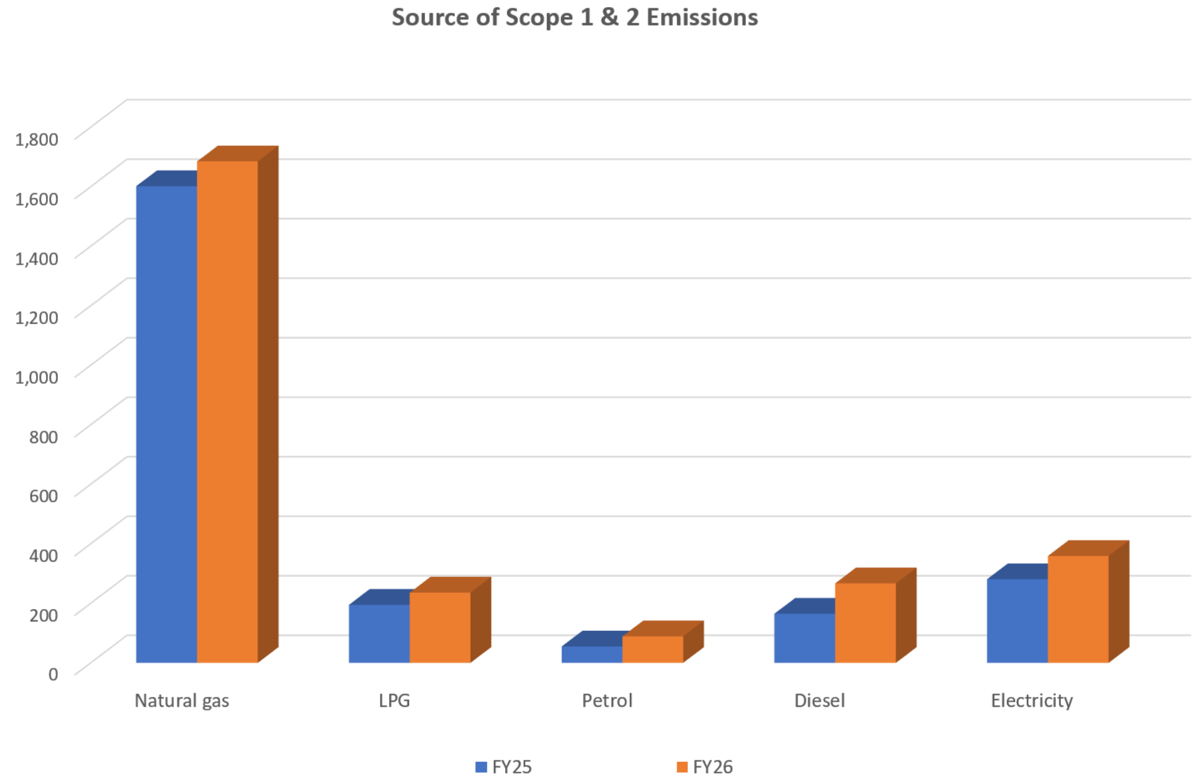
Korvest acknowledges the need to ensure we are managing any noise impact from our production activities. We continue to research, plan and implement strategies to reduce noise emissions in consultation with the SA EPA. In FY27 we will continue upgrading the Kilburn site with the installation of a noise wall across the front of the site, and additional acoustic installations will be installed for several items of plant, further reducing noise emissions.

Energy

Our Kilburn solar installations continue to perform to our expectations, producing approximately 578 MWh of power during FY26. This contributed approximately 35% of the electrical consumption of the Kilburn site as well as exporting approximately 90 MWh back into the grid.

The chart below demonstrates the effect of energy reduction initiatives including LED Lighting and Solar Panels on CO_2e emissions for the Kilburn plant relative to the hours worked. A number of large to medium sized projects were processed through the galvanising plant and manufacturing plant which has increased energy consumption marginally in comparison to the previous reporting period.





Scope 1 & 2 emissions increased following a year of high production volume and increased diesel emissions from our first full reporting period with ownership and operation of the heavy vehicle fleet across our EzyStrut branches. This strategy has resulted in moving what were previously Scope 3 emissions created by third-party providers into Scope 1 emissions for Korvest. Increased production and distribution levels contributed to increases in emissions from electricity, LPG, petrol, diesel and gas.

In December 2025 Korvest installed a new kettle and a state-of-the-art burner management system for the main zinc bath to provide further efficiencies in gas emissions. On a volume adjusted basis, total gas consumption reduced by 7% for the year.

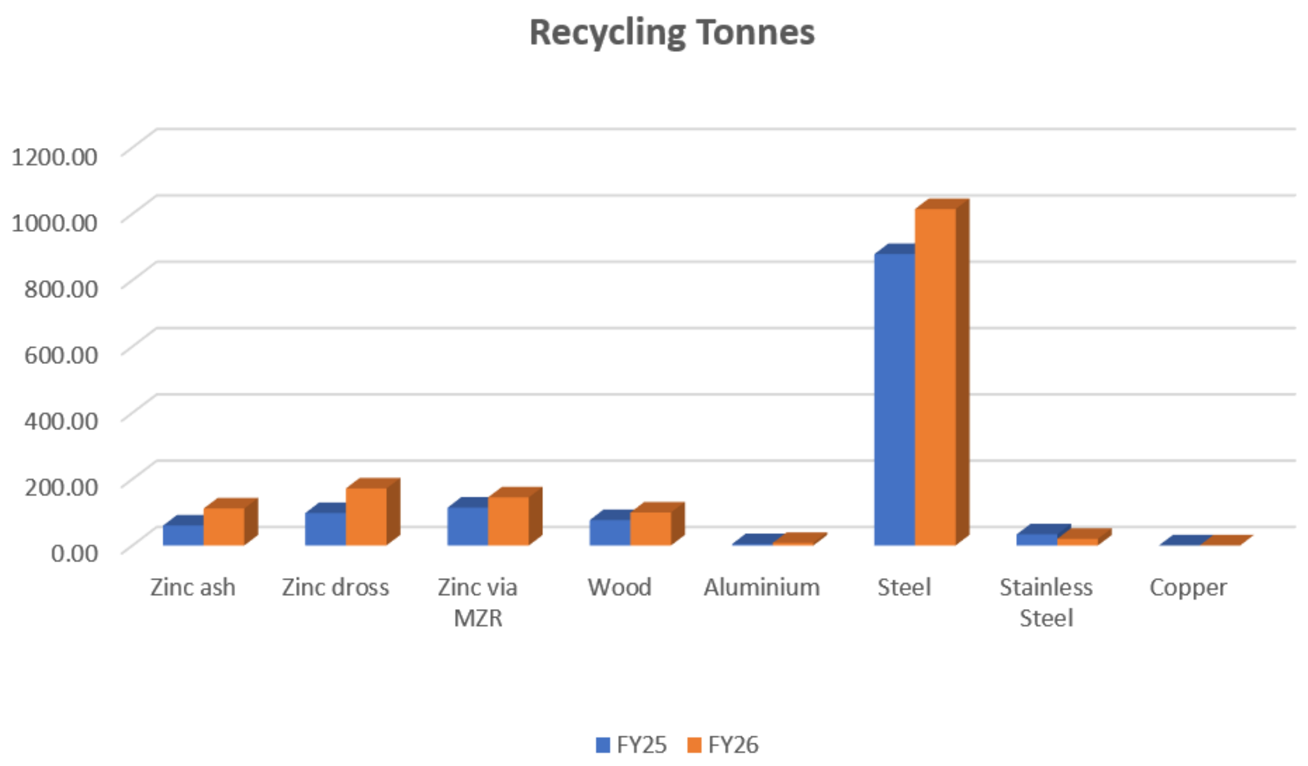
Galvanising Plant Emissions

Korvest participates in the National Pollution Inventory (NPI) reporting scheme for our galvanising emissions. This data is publicly available through the NPI web site.

Our galvanising dust plant operated for the full operational hours of the kettle this year with the zinc oxide collected from this plant sold for recycling.

Waste Management & Recycling

Korvest measures the tonnage of all materials sent off site for recycling. This includes zinc composites recovered from the galvanising kettles and the dust plant, various metals and wood. Prior to being sent off for recycling, zinc ash is reprocessed on site (MZR recovery) enabling Korvest to more efficiently recycle zinc out of the ash created during the galvanising process. The trend in the reduction of zinc dross and ash recycling has reversed during the reporting period due to increased production and the replacement of the kettle. Kettle replacement only takes place every 8 to 10 years and it is anticipated that zinc recycling will reduce in the next reporting period.



Governance

Korvest's corporate governance statement, which was reviewed and approved by the Board on 27 July 2026, is available on the company's website at [Corporate Governance].

Compliance Training

Korvest provides a range of relevant role-specific training to employees delivered in various ways including face-to-face sessions and online modules. Compliance training is provided on a cyclical basis on a range of topics including:

- Anti bribery and corruption,
- Competition and consumer law,
- Whistle-blower,
- Bullying and harassment,
- Sexual Harassment,
- Psycho-social risks,

- Occupational health and safety,
- IT awareness including responsible AI adoption and cyber safety, and
- Modern slavery.

Cyber Security

Given the increasing risks associated with cyber security, Korvest engages IT specialists to assist with the operation and security of the Korvest IT environment. During the year Korvest continued to make improvements to the cyber security environment based on the advice of its IT specialists.

User training plays a key role in reducing cyber risks and Korvest continued to provide all IT users with regular training on cyber security. Users receive a short 3-minute training video every 3-4 weeks on different cyber security topics. Phishing campaigns are also conducted to educate users on the risks of the various types of malicious emails.

Directors' report

For the year ended 30 June 2026

The directors present their report together with the financial statements of Korvest Ltd ('the Company') for the financial year ended 30 June 2026 and the auditor's report thereon.

DIRECTORS

The directors of the Company at any time during or since the end of the financial year are:

Name, qualifications and independence status	***Experience, special responsibilities and other directorships***
Andrew Stobart B. Eng (Hons), Grad Dip Bus Admin, GAICD Chairman	Appointed Chairman 31 August 2021 A Director since August 2016 Former Chairman Nexans Olex Australia & New Zealand Member of Audit and Remuneration Committees
Chris Hartwig BA(Acc), MAICD Managing Director	Appointed as Managing Director 28 February 2018 Mr Hartwig has held a number of senior roles in the steel and electrical manufacturing industries Finance Director Galvanising Association of Australia
Gary Francis BSc. (Hons) (Civil), MAICD Independent Non-Executive Director	A Director since February 2014 Mr Francis has worked in the construction industry at Senior Manager or Director level in Australia and Asia Chairman of Remuneration Committee and member of Audit Committee
Warrick Ranson FCA, MBA, GAICD Independent Non-Executive Director	A Director since November 2023 Chairman of Audit Committee and member of Remuneration Committee Group Chief Financial Officer, Sims Limited
Therese Ryan LLB, GAICD Independent Non-Executive Director	A Director since 1 September 2021 Director Sustainable Timber Tasmania Chair Hancock Victorian Plantations Member of Audit and Remuneration Committees
Steven McGregor BA(Acc), FCA, AGIA, ACG Finance Director	Company Secretary since April 2008 Appointed as Finance Director 1 January 2009

Directors' Report

For the year ended 30 June 2026

COMPANY SECRETARY

Mr Steven J W McGregor FCA, AGIA, ACG, BA(Acc) was appointed to the position of company secretary in April 2008. Mr McGregor previously held the role of Chief Operating Officer and Company Secretary with an unlisted public company.

RETIREMENT AND RE-ELECTIONS

In accordance with the Constitution, Gary Francis and Steven McGregor retire from the Board at the forthcoming Annual General Meeting on 30 October 2026. Steven McGregor offers himself for re-election. Gary Francis is not seeking re-election.

DIRECTORS' MEETINGS

The number of directors' meetings, including meetings of committees of directors, and number of meetings attended by each of the directors of the Company during the financial year are:

Director	*Board*		*Audit Committee*		*Remuneration Committee*		*Nomination Committee*	
	A	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Mr A Stobart	10	10	4	4	1	1	2	2
Mr G Francis	10	10	4	4	1	1	2	2
Mr W Ranson	10	10	4	4	1	1	2	2
Ms T Ryan	10	10	4	4	1	1	2	2
Mr C Hartwig	10	10	-	-	-	-	-	-
Mr S McGregor	10	10	-	-	-	-	-	-

A = Number of meetings attended

B = Total number of meetings available for attendance

FINANCIAL RESULTS

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.

Directors' Report

For the year ended 30 June 2026

DIVIDENDS

Since the end of the financial year, on 27 July 2026 the Board determined to pay a fully franked final dividend of 40.0 cents per share (2025: 40.0 cents per share plus 10.0 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.

A summary of dividends paid or declared by the Company to members since the end of the previous financial year were:

	Cents per share	Total amount $'000	Franked/ unfranked	Date of payment
Declared and paid during the year				
Final 2025 ordinary	40.0	4,731	Fully franked	5 September 2025
Final 2025 special	10.0	1,182	Fully franked	5 September 2025
Interim 2026 ordinary	25.0	2,958	Fully franked	6 March 2026
Total amount		8,871		

Dividends declared and paid during the year were fully franked.

Determined after end of year

After the reporting date the following dividends were determined by the Board. The dividends have not been provided for and there are no income tax consequences to the Company. Payment remains subject to the Company's general liquidity considerations as referenced in Note 15.

Final ordinary	40.0	4,735	Fully franked	25 September 2026
Total amount		4,735		

The financial effect of this dividend has not been brought to account in the financial statements for the year ended 30 June 2026 and will be recognised in subsequent financial reports.

	Note	Total amount $'000
Dividends have been dealt with in the financial report as:		
Dividends	17	8,871
Dividends – subsequent to 30 June 2026	17	4,735

PRINCIPAL ACTIVITIES, STRATEGY AND FUTURE PERFORMANCE

The principal activities of the Company consist of hot dip galvanising, sheet metal fabrication and the manufacture of cable and pipe support systems and fittings.

The Company is comprised of the Industrial Products Group which includes the EzyStrut business and the Production Group which includes the Korvest Galvanisers business.

Korvest's businesses service a number of major markets including infrastructure, commercial, renewables, utilities, mining, data centres, food processing, oil & gas, power stations, health and industrial segments.

Delivery requirements of major project customers remained strong throughout the year, with 5 new major projects commencing, 2 of which commenced late in the second half. In overall terms major project work in FY26 was just below the FY25 level which was inflated by the accelerated delivery of a major project in the second half of FY25. 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.

Directors' Report

For the year ended 30 June 2026

PRINCIPAL ACTIVITIES, STRATEGY AND FUTURE PERFORMANCE (cont)

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.

Korvest has a long history of paying franked dividends. The target dividend payout ratio range is 65-90% of after-tax profits.

REVIEW OF OPERATIONS

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.

RISK

The Board and Management periodically review and update an Enterprise Risk Register that identifies and assesses the risks faced by the business and the controls that are in place to mitigate those risks. General Managers report monthly and this will encompass any changes to the risk profile of their business unit.

Operational risks relate principally to continuity of supply and production. To ensure continuity of supply Korvest monitors the performance of key suppliers and establishes more than one supply source for key products. For many purchased finished goods the ability for the product to also be manufactured in-house mitigates the risk.

Financial risks faced by the business are typical of those faced by most businesses and centre around management of working capital. In particular, trade receivables and inventory levels are constantly reviewed and performance is monitored with key performance indicators on an ongoing basis. Credit insurance is carried to mitigate the collection risk associated with trade receivables.

Strategic risks cover a range of areas including competitors, customers and products together with global and local market developments.

Directors' Report

For the year ended 30 June 2026

RISK (cont)

Korvest's risks in relation to climate change are similar to those faced by other manufacturers. The cost and availability of energy has become a significant national issue in recent years. Electricity is predominantly used in the factory and gas is used in the galvanising plant. Over recent years Korvest has invested in solar generation at Kilburn and has 443kW of generation capacity on site to reduce consumption of externally generated electricity. Recent investment in a heat reclamation plant and upgrading of the kettle's burner management system has reduced gas consumption in the main galvanising plant.

SIGNIFICANT CHANGES

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

EVENTS SUBSEQUENT TO REPORTING DATE

Other than the determination of the dividend to be paid after reporting date and the finalisation of settlement negotiations with a supplier which will result in a $1.1 million settlement payment being made to Korvest in FY27, at the date of this report there is no matter or circumstance that has arisen since 30 June 2026, that has significantly affected, or may significantly affect:

(i) the operations of the Company;

(ii) the results of those operations; or

(iii) the state of affairs of the Company;

in the financial years subsequent to 30 June 2026.

LIKELY DEVELOPMENTS

In July 2026 the construction of a new fabrication facility consisting of a 3,500 m^2 factory was completed. This represents Phase 1 of the plan to increase production capacity at the Kilburn site.

Phase 2 of the project involves the purchase of additional machinery for the building including weld bays, roll formers, a laser cutter and powder coating line, together with noise attenuation works. In anticipation of the completion of the factory construction, Phase 2 commenced during FY26 with the ordering of some of the long lead time machinery. Total expenditure on Phase 2 is expected to be approximately $4 million with at least $2 million likely to fall in FY27.

The project will significantly expand the capacity and capability of the Kilburn site enabling improved service, the opportunity for market share growth, vertical integration and access to additional markets.

Further information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

ENVIRONMENTAL REGULATION

Korvest's operations are subject to environment regulation under both Commonwealth and State legislation in relation to its manufacturing and galvanising activities.

Korvest is committed to achieving a high standard of environmental performance through:

- maintenance of ISO14001 accreditation
- regular monitoring of SA EPA licence requirements
- implementing environmental management plans as required where there may be significant environmental impact
- reporting annual emissions through the National Pollution Inventory report

Based on results of enquiries made, the Board is not aware of any significant breaches during the period covered by this report.

Directors' Report

For the year ended 30 June 2026

INDEMNIFICATION AND INSURANCE OF OFFICER AND AUDITORS

Since the end of the previous financial year the Company has paid insurance premiums in respect of directors' and officers' liability for current and former directors and officers of the Company and related entities. The insurance premiums relate to:

a) costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and

b) other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The premiums were paid in respect of all of the directors and officers of the Company. The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability as such disclosure is prohibited under the terms of the contract.

Korvest Ltd has not, during or since the financial year, indemnified or agreed to indemnify the auditor of Korvest Ltd against liabilities incurred in its role as auditor of the company.

SHARE OPTIONS AND PERFORMANCE RIGHTS

Options

There are no unissued ordinary shares of Korvest Ltd under option at the date of this report.

Unvested performance rights

Performance rights granted become exercisable if certain performance requirements are achieved. If achieved, performance rights are exercisable into the same number of ordinary shares in the Company in the twelve month period following vesting.

Expiry date (end of Performance Period)	Exercise price	Number of shares
30 June 2026	Nil	69,020
30 June 2027	Nil	58,027
30 June 2028	Nil	53,303

Shares issued on exercise of options

No options were exercised during the year ended 30 June 2026 or up to the date of this report.

Vested Performance Rights

67,232 ordinary shares of Korvest Ltd were issued during the year ended 30 June 2026 on the vesting of performance rights granted under the Korvest Performance Rights Plan. No amount is payable on the vesting of the performance rights and accordingly there are no amounts unpaid on the shares issued.

Remuneration Report – Audited

For the year ended 30 June 2026

Principles of compensation

Remuneration is referred to as compensation throughout this report.

Key Management Personnel (KMP) have authority and responsibility for planning, directing and controlling the activities of the Company, including directors of the Company and other senior executives.

Compensation levels for KMP are competitively set to attract and retain appropriately qualified and experienced directors and executives.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

(a) the capability and experience of the executive;

(b) the executive's ability to control performance; and

(c) the Company's performance including the Company's earnings.

Compensation packages include a mix of fixed compensation as well as short and long-term performance-based incentives. The table below represents the target remuneration mix for group executives in the current year. The short-term incentive is provided at stretch levels, and the long-term incentive amount is provided based on the value granted in the current year. There has been no material change from the prior year.

		At risk	
KMP Role	Fixed remuneration	Short-term incentive	Long-term incentive
Managing Director	48%	33%	19%
Finance Director	60%	16%	24%
General Manager Sales	53%	28%	19%
General Manager Operations	56%	23%	21%

Fixed compensation

Fixed compensation consists of base compensation (which is calculated on a total cost basis), as well as employer contributions to superannuation funds.

Compensation levels are reviewed annually by the Remuneration Committee.

Performance linked compensation

Performance linked compensation includes both short-term and long-term incentives and is designed to reward executives for meeting or exceeding their financial and personal objectives. The short-term incentive (STI) is an 'at risk' cash bonus, while the long-term incentive (LTI) is provided as performance rights under the rules of the Korvest Performance Rights Plan.

Employee Share Plan

The Company operates an employee share plan. Under the Plan employees who have completed at least two years of service receive up to $1,000 of Korvest shares per annum. These are granted twice each year for approximately $500 in each issue. Directors and KMP do not participate in the Plan.

Remuneration Report – Audited

For the year ended 30 June 2026

Consequences of performance on shareholder wealth

In considering the Company's performance and benefits for shareholder wealth, the Remuneration Committee have regard to the financial indicators set out below.

		2026	2025	2024	2023	2022
Profit after tax	($'000)	**12,412**	13,157	11,044	11,177	11,336
Dividend						
- Total amount paid	($'000)	**8,871**	7,635	6,999	6,937	5,152
- Per issued share		**75.0c**	65.0c	60.0c	60.0c	45.0c
Earnings per share		**104.9**	112.0c	94.7c	96.7c	99.0c
Share price as at 30 June		**$19.48**	$11.02	$8.89	$7.75	$7.01
Return on invested capital (ROIC)		**21.8%**	27.1%	24.8%	23.5%	26.7%

Short-term incentive bonus

The key performance indicators (KPIs) for executives are set annually. The KPIs include measures relating to financial and operating performance, strategy implementation and risk management.

The KPIs are chosen to directly align the individual's reward to the KPIs of the Company and to its strategy and performance. The non-financial objectives vary with position and responsibility and include measures aimed at achieving strategic outcomes. The financial objectives relate to earnings before interest and tax (EBIT) for various parts of the business depending on the executive.

For each executive 45-50% of their target STI is based on EBIT and the remainder is based on non-EBIT KPIs.

For EBIT based measures, 50% of the STI is payable at a threshold level with 100% of the STI being payable at a target level. 150% of the STI is payable at 130% of target level. Pro rata vesting is applied between each of these points.

For other measures, 100% of the STI is payable at a target level. Stretch targets are also set and up to 125% of the relevant STI can be paid for the achievement of the stretch target. The Board assesses the level of achievement for KPIs with no quantitative measure.

The table below summarises the nature and weighting of the KPIs included in the STIs.

KPI category	**Measurement**	**Weighting at target**			
		Managing Director	**Finance Director**	**General Manager Sales**	**General Manager Operations**
Financial Performance	Group PBT or Segment EBIT	45%	50%	50%	50%
Strategic	Strategic Plan progression	25%	-	-	-
Capacity Improvement	Kilburn Site development	10%	-	-	30%
Working Capital	Improvement in inventory ageing	-	10%	-	-
Safety & Environment	Lost Time Injury performance	10%	10%	10%	10%
Financial Performance	Secured projects	10%	-	20%	-
	Product, customer channel & market growth	-	-	20%	-
Operational Performance	ERP upgrade project	-	30%	-	-
	Factory productivity	-	-	-	10%

Analysis of bonuses included in remuneration

Executive bonuses are paid on the achievement of specified performance targets. Those targets vary for each executive and are aligned to each executive's role and responsibilities. The targets relate to financial, operational, strategic and safety measures.

Details of the vesting profile compared to Target levels of the short-term incentive cash bonuses awarded as remuneration to each executive director of the Company, and to other key management personnel are detailed below.

KPI category	**Measurement**	**2026 Vesting vs Target**			
		Managing Director	**Finance Director**	**General Manager Sales**	**General Manager Operations**
Financial Performance	Group PBT or Segment EBIT	114%	114%	115%	115%
Strategic	Strategic Plan progression	100%	-	-	-
Capacity Improvement	Kilburn Site development	115%	-	-	115%
Working Capital	Improvement in inventory ageing	-	0%	-	-
Safety & Environment	Lost Time Injury performance	87.5%	87.5%	87.5%	87.5%
Financial Performance	Secured projects	125%	-	125%	-
	Product, customer channel & market growth	-	-	112.5%	-
Operational Performance	ERP upgrade project	-	100%	-	-
	Factory productivity	-	-	-	50%

The incentive scheme includes a stretch component. The vesting percentages disclosed below are in relation to the maximum possible incentive achievable if all stretch targets were achieved.

KMP	**Short-term incentive bonus**		
	Included in remuneration $ (A)	**% vested in year**	**% forfeited in year (B)**
C Hartwig	239,279	84.0	16.0
S McGregor	70,219	73.8	26.2
S Taubitz	147,540	84.3	15.7
G Christie	75,281	74.8	25.2

(A) Amounts included in remuneration for the financial year represent the amount related to the financial year based on the achievement of specified performance criteria.

(B) The amounts forfeited are due to the performance criteria not being met in relation to the current financial year.

Remuneration Report - Audited

For the year ended 30 June 2026

Long-term incentive bonus

Performance rights are issued under the Korvest Performance Rights Plan to employees (including KMP) as determined by the Remuneration Committee.

Performance rights become vested performance rights if the Company achieves its performance hurdles. If rights become vested performance rights and do not lapse, the holder is able to acquire ordinary shares in the Company for no cash payment. The rights issued will be tested against the two performance hurdles set out below with 50% of the rights assessed against each hurdle.

The first performance hurdle relates to growth in basic earnings per share (EPS). The EPS objective was chosen because it is a good indicator of the Company's earnings growth and is aligned to shareholder wealth objectives. EPS performance is measured in total over a three year period. The performance hurdle is tested once at the completion of the three year performance period. To determine the aggregate EPS performance required over the performance period, an annual % growth is applied to a base EPS. For the most recent issue of Performance Rights, the base EPS used was 93.0 and the annual growth rates applied were 3% and 7.5%. In determining the base, the Board used an adjusted FY25 statutory EPS having regard for the significant one-off impact of major project work on the FY25 earnings. The table below sets out the % of rights that vest depending on the aggregate level of EPS achieved over the performance period.

Aggregate EPS over performance period (3 years to 30 June 2028)	% of rights that vest
Less than 296.08 cents (3% CAGR)	Nil
296.08 cents	50%
Between 296.08 and 322.98 cents	Pro rata between 50% – 100%
322.98 cents (7.5% CAGR) or greater	100%

The second performance hurdle relates to Return on Invested Capital (ROIC). The ROIC performance hurdle measures the efficiency in allocating capital to generate profitable returns. The ROIC is calculated as follows:

$$\text{ROIC} = \frac{\text{Net Operating Profit After Tax (NOPAT)}}{\text{Total Invested Capital (TIC)}}$$

Where

- NOPAT is the average of the net operating profit after tax over the three years of the vesting period
- TIC is the average of the Company's invested capital, calculated as follows: (current assets – current liabilities – cash and investments) + (property, plant and equipment + goodwill + intangibles*). The average TIC will be the average of the balances as at 30 June and 31 December during the vesting period.
  * this calculation excludes Right of Use Assets.
- Vesting period – 1 July 2025 – 30 June 2028

The ROIC performance rights issued during FY26 will vest in accordance with the table below:

Average 3 year ROIC (3 years to 30 June 2028)	% of rights that vest
Less than 15%	Nil
15%	50%
Above 15% and below 20%	Between 50% and 100% on a straight line basis
20% or greater	100%

In addition to the performance measures, there is also a service condition whereby unvested performance rights will lapse if the holder ceases employment with the Company apart from in some specific circumstances such as death or permanent disability.

The Company's securities trading policy prohibits those that are granted share-based payments as part of their remuneration from entering into other arrangements that limit their exposure to losses that would result from share price decreases. Entering into such arrangements has been prohibited by law since 1 July 2011.

Remuneration Report - Audited

For the year ended 30 June 2026

Service contracts

The Company has entered into an unlimited term service contract with each executive KMP. The Managing Director and Finance Director have contracts with a company notice period of 6 months and an individual notice period of 3 months. Other KMP have contracts with both company and individual notice periods of 1 month. The Company retains the right to terminate the contracts immediately by making payment in lieu of notice.

On termination of employment the executives are also entitled to receive their statutory entitlements and accrued annual leave and long service leave, as well as any entitlement to incentive payments and superannuation benefits.

Services from remuneration consultants

No remuneration consultants were used during the year.

Non-executive directors

Non-executive directors receive a fixed fee. The total remuneration for all non-executive directors was last voted upon by shareholders at the AGM held on 31 October 2025 and is not to exceed $600,000.

The following base fees became effective on 1 July 2025 and were applied for the entirety of the financial year ended 30 June 2026:

Chairman	$150,000
Director	$78,800

The Chairman of a Board Committee receives a further $13,100 p.a.

Superannuation is added to these fees where appropriate.

Non-executive directors do not receive performance-related compensation.

Remuneration Report - Audited

For the year ended 30 June 2026

Directors and Executive Remuneration

Details of the nature and amount of each major element of remuneration of each director of the Company, and other KMP of the Company are:

Name		Short Term Fees $	Post employment Superannuation benefits $	Total $
Non-Executive Directors				
A Stobart	**2026**	**150,000**	**18,000**	**168,000**
Non-executive (Chairman)	2025	145,596	16,743	162,339
G Francis	**2026**	**91,900**	**11,028**	**102,928**
Non-executive (Director)	2025	89,250	10,264	99,514
W Ranson	**2026**	**91,900**	**11,028**	**102,928**
Non-executive (Director)	2025	89,250	10,264	99,514
T Ryan	**2026**	**78,800**	**9,456**	**88,256**
Non-executive (Director)	2025	76,500	8,797	85,297
Total	**2026**	**412,600**	**49,512**	**462,112**
	2025	400,596	46,068	446,664

Remuneration Report - Audited

For the year ended 30 June 2026

Name		Short Term		Post employment	Other long term – Long Service leave $ **	Share based payments	Total $	Proportion of remuneration performance related %
		Salary & Fees* $	Bonus $	Superannuation benefits [1] $		Performance Rights $		
Executive Directors								
C Hartwig	**2026**	**469,070**	**239,279**	**30,577**	**24,286**	**101,103**	**864,315**	**39.4**
Executive (Managing Director)	2025	409,970	254,708	30,278	14,553	86,648	796,157	42.9
S McGregor	**2026**	**406,393**	**70,219**	**30,258**	**17,067**	**93,690**	**617,627**	**26.5**
Executive (Finance Director)	2025	375,909	83,365	30,265	16,910	83,066	589,515	28.2
Executives / other KMP								
S Taubitz	**2026**	**362,966**	**147,540**	**30,328**	**12,182**	**72,278**	**625,294**	**35.2**
General Manager Sales	2025	332,481	142,783	30,314	15,360	62,494	583,432	35.2
G Christie	**2026**	**284,788**	**75,281**	**30,367**	**21,860**	**55,048**	**467,344**	**27.9**
General Manager Operations	2025	236,673	84,254	30,173	10,908	47,106	409,114	32.1
Total executives' remuneration	**2026**	**1,523,217**	**532,319**	**121,530**	**75,395**	**322,119**	**2,574,580**	
	2025	1,355,033	565,110	121,030	57,731	279,314	2,378,218	

* Salary & fees includes the movement in the annual leave provision.

** This represents the accounting expense relating to the change in the provision for long service leave. It does not represent cash payments or statutory obligations.

1 Where annual superannuation contributions exceed $30,000 executives can elect to have some or all of the superannuation contributions above $30,000 paid as salary rather than superannuation.

The proportion of performance related remuneration is bonuses and performance rights divided by total remuneration.

Remuneration Report - Audited

For the year ended 30 June 2026

Performance rights over equity instruments granted as compensation during the reporting period

Details on performance rights that were granted as compensation to each KMP during the reporting period are as follows:

	Number of performance rights granted during the year	Grant date	Fair value per right at grant date ($)	Expiry date
Directors				
C Hartwig	13,870	18 Nov 2025	$9.84	31 July 2029
S McGregor	12,313	18 Nov 2025	$9.84	31 July 2029
Executives				
S Taubitz	9,720	18 Nov 2025	$9.84	31 July 2029
G Christie	7,566	18 Nov 2025	$9.84	31 July 2029

Half of the performance rights issued to each KMP will be tested against an Earnings Per Share (EPS) hurdle with the other half being tested against a Return on Invested Capital (ROIC) hurdle.

All performance rights have a nil exercise price.

All performance rights expire on the earlier of their expiry date or termination of the individual's employment. The performance rights are exercisable for one year after they become vested performance rights. In addition to the continuing employment service condition, the ability to exercise performance rights is conditional on the Company achieving performance hurdles. Details of the performance criteria are included in the long-term incentives discussion on page 17. Once exercised, the resulting shares are subject to a two year trading restriction.

No equity-settled share-based payment transaction terms (including performance rights granted as compensation to KMP) have been altered or modified by the Company during the reporting period or the prior period.

Exercise of performance rights granted as compensation

During or since the end of the financial year, the Company issued ordinary shares of the Company as a result of the exercise of performance rights as follows (there are no amounts unpaid on the shares issued):

Number of Shares	67,232
Amount paid on each share	Nil

Remuneration Report - Audited

For the year ended 30 June 2026

Analysis of performance rights over equity instruments granted as compensation

Details of vesting profiles of the rights granted as remuneration to each director and key executive of the Company are detailed below:

	Rights Granted					
	Number	Date	% vested in current year	% forfeited or lapsed in current year	Year in which grant vests	Maximum value yet to vest (A)
Directors						
C Hartwig	18,983	Nov 23	50%	50%	30 Jun 26	-
	15,868	Oct 24	-	-	30 Jun 27	37,607
	13,870	Nov 25	-	-	30 Jun 28	90,987
S McGregor	18,201	Nov 23	50%	50%	30 Jun 26	-
	15,208	Oct 24	-	-	30 Jun 27	36,043
	12,313	Nov 25	-	-	30 Jun 28	80,773
Executives						
S Taubitz	13,515	Nov 23	50%	50%	30 Jun 26	-
	11,637	Oct 24	-	-	30 Jun 27	27,580
	9,720	Nov 25	-	-	30 Jun 28	63,763
G Christie	10,319	Nov 23	50%	50%	30 Jun 26	-
	8,627	Oct 24	-	-	30 Jun 27	20,446
	7,566	Nov 25	-	-	30 Jun 28	49,633

(A) The maximum value of share rights yet to vest is determined based on the amount of the grant date fair value that is yet to be expensed. The minimum value of share rights yet to vest is nil since the shares will be forfeited if the vesting conditions are not met.

* The three year performance period for performance rights issued in November 2023 ended on 30 June 2026. These rights were tested against two performance hurdles, earnings per share (EPS) and return on invested capital (ROIC).

Korvest's aggregate EPS was 311.6 over the performance period. The EPS vesting range for this issue was between 320.09 and 365.46 and as a result 0% of the EPS performance rights vest.

Korvest's ROIC was 24.1% over the performance period. The ROIC vesting range for this issue was between 10% and 14% and as a result 100% of the ROIC performance rights vest.

Remuneration Report - Audited

For the year ended 30 June 2026

Analysis of movements in performance rights granted as compensation

The movement during the reporting period, by value, of performance rights over ordinary shares in the Company held by each KMP are detailed below.

	Value of Performance Rights	
	Granted in year $ (A)	**Exercised in year $ (B)**
Directors		
C Hartwig	136,481	221,695
S McGregor	121,160	212,583
Executives		
S Taubitz	95,645	157,836
G Christie	74,449	120,524

(A) The value of performance rights granted in the year is the fair value of the rights calculated at grant date using the Black-Scholes option-pricing model. The total value of the rights granted is included in the table above. This amount will be allocated to remuneration over the vesting period (i.e. in years 1 July 2025 to 30 June 2028) subject to meeting the associated performance conditions.

(B) The value of the performance rights exercised during the year is calculated as the market price of shares as at the close of trading on the date the performance rights were exercised after deducting the price to exercise the option.

Further details regarding rights granted to executives under the Executive Share Plan are in Note 10 to the financial statements.

Rights over equity instruments

The movement during the reporting period in the number of rights over ordinary shares in Korvest Ltd held directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

2025	**Held at 1 July 2025**	**Granted as compen-sation**	**Exercised**	**Lapsed**	**Held at 30 June 2026**	**Vested, not yet exercised**
Directors						
C Hartwig	53,341	13,870	(18,490)	(9,492)	**39,229**	9,492
S McGregor	51,139	12,313	(17,730)	(9,101)	**36,621**	9,101
Executives						
S Taubitz	38,316	9,720	(13,164)	(6,758)	**28,114**	6,758
G Christie	28,998	7,566	(10,052)	(5,160)	**21,352**	5,160

No options held by KMP are vested but not exercisable.

Vested, not yet exercised rights are those where the performance period ended at balance date and are exercisable, but have not been exercised as at balance date.

Remuneration Report - Audited

For the year ended 30 June 2026

Movements in shares

The movement during the reporting period in the number of ordinary shares in Korvest Ltd held directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Held at 30 June 2025	Purchases	Exercise of Performance Rights	Sales	Held at 30 June 2026
Directors					
C Hartwig	159,572	-	18,490	(25,382)	152,680
S McGregor	160,198	-	17,730	-	177,928
A Stobart	16,000	-	-	-	16,000
G Francis	8,947	-	-	(2,200)	6,747
W Ranson	2,500	-	-	-	2,500
T Ryan	3,000	-	-	-	3,000
Executives					
S Taubitz	72,838	-	13,164	-	86,002
G Christie	83,262	-	10,052	(34,000)	59,314

Key management personnel transactions

From time to time, key management personnel of the Company, or their related entities, may purchase goods from the Company. These purchases are on the same terms and conditions as those entered into by other Company employees or customers and are minor or domestic in nature.

DIRECTORS' INTERESTS

The relevant interest of each director over the shares and rights over such instruments issued by the Company as notified by the directors to the ASX in accordance with S250G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Korvest Ltd Ordinary Shares	Korvest Ltd Performance Rights	
		Unvested	Vested
C Hartwig	152,680	29,737	9,492
S McGregor	177,928	27,520	9,101
G Francis	6,747	-	-
A Stobart	16,000	-	-
W Ranson	2,500	-	-
T Ryan	3,000	-	-

NON-AUDIT SERVICES

During the year KPMG, the Company's auditor, has performed certain other services in addition to their statutory duties. The Board has considered the non-audit services provided during the year by the auditor and in accordance with written advice provided by resolution of the Audit Committee, is satisfied that the provision of these services did not compromise the auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants,* as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risk and rewards.

For details of non-audit services fees charged refer to Note 5 to the financial statements.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 66 and forms part of the Directors' report for the financial year ended 30 June 2026.

ROUNDING OFF

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Instrument, amounts in the Financial report and Directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

CORPORATE GOVERNANCE

The Company's Corporate Governance Statement can be found on the Korvest website at Corporate Governance.

Signed at Adelaide this Monday 27th of July 2026 in accordance with a resolution of the directors.

A STOBART, Director

C HARTWIG, Director

5 Year Summary

		2026	2025	2024	2023	2022
Sales revenue	($'000)	**129,540**	119,568	102,890	107,484	99,223
Profit after tax	($'000)	**12,412**	13,157	11,044	11,177	11,336
Depreciation/Amortisation (plant & equipment)	($'000)	**2,444**	2,053	1,792	1,459	1,282
Depreciation (right-of-use asset)	($'000)	**1,310**	1,208	1,160	846	874
Cash flow from operations	($'000)	**5,986**	18,693	10,350	14,944	3,987
Profit from ordinary activities						
- As % of Shareholders' Equity		**19.2%**	21.6%	20.7%	22.8%	25.9%
- As % of Sales Revenue		**9.6%**	11.0%	10.7%	10.4%	11.4%
Dividend						
- Total amount paid	($'000)	**8,871**	7,635	6,999	6,937	5,152
- Per issued share		**75.0c**	65.0c	60.0c	60.0c	45.0c
Earnings per share (Basic)		**104.9c**	112.0c	94.7c	96.7c	99.0c
Return on Invested Capital (ROIC)		**21.8%**	27.1%	24.8%	23.5%	26.7%
Number of employees		**306**	262	246	241	215
Shareholders						
- Number at year end		**3,014**	2,698	2,598	2,420	2,157
Net assets per issued ordinary share		**$5.47**	$5.17	$4.58	$4.24	$3.82
Net tangible assets per issued ordinary share		**$4.37**	$4.49	$3.92	$3.81	$3.37
Share price as at 30 June		**$19.48**	$11.02	$8.89	$7.75	$7.01

Financial Statements

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Revenue	1	129,540	119,568
Insurance proceeds		-	599
Other income		50	37
Gain at revaluation/inception of sublease	13	(70)	12
Expenses, excluding net finance costs	2	(111,234)	(101,307)
Profit before financing costs		18,286	18,909
Finance income	3	263	387
Finance income – lease receivable interest		99	122
Finance costs – lease liability interest		(765)	(500)
Net finance cost		(403)	9
Profit before income tax		17,883	18,918
Income tax expense	18	(5,541)	(5,761)
Profit from continuing operations		12,412	13,157
Profit for the year		12,412	13,157
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Revaluation of property, plant and equipment		-	2,088
Related tax		-	(626)
Total other comprehensive income		-	1,462
Total comprehensive income for the period		12,412	14,619
Attributable to:			
Equity holders of the Company		12,412	14,619
Total comprehensive income for the period		12,412	14,619
Earnings per share attributable to the ordinary equity holders of the Company:		**Cents**	**Cents**
Basic earnings per share from continuing operations	4	104.9	112.0
Diluted earnings per share from continuing operations	4	104.3	111.3

The notes on pages 33 to 61 are an integral part of these financial statements.

Statement of financial position

As at 30 June 2026

	Note	2026 $'000	2025 $'000
Assets			
Cash and cash equivalents	14	-	13,030
Investment	15	-	275
Trade and other receivables	7	29,466	21,151
Prepayments		582	582
Insurance receivable		-	599
Inventories	8	22,736	18,496
Lease receivable	13	59	206
Total current assets		52,843	54,339
Property, plant and equipment	11	35,578	26,743
Right-of-use asset	13	13,041	8,063
Lease receivable	13	269	1,235
Total non-current assets		48,888	36,041
Total assets		101,731	90,380
Liabilities			
Bank overdraft	14	1,543	-
Trade and other payables	9	14,128	11,970
Employee benefits	10	4,545	4,014
Tax payable		224	957
Lease liabilities	13	1,557	1,161
Total current liabilities		21,997	18,102
Employee benefits	10	487	402
Deferred tax liability	18	1,815	2,339
Lease liabilities	13	12,620	8,721
Total non-current liabilities		14,922	11,462
Total liabilities		36,919	29,564
Net assets		64,812	60,816
Equity			
Share capital	16	14,607	14,530
Reserves	16	50,205	46,286
Retained profit / (losses)		-	-
Total equity attributable to equity holders of the Company		64,812	60,816
Total equity		64,812	60,816

The notes on pages 33 to 61 are an integral part of these financial statements.

Statement of cash flows

For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Cash receipts from customers		142,179	139,931
Cash paid to suppliers and employees		(129,065)	(114,788)
Cash generated from operating activities		13,114	25,143
Interest received		266	387
Interest received lease receivable		99	122
Interest paid lease liabilities		(765)	(500)
Income tax payments		(6,728)	(6,459)
Net cash from operating activities	14	5,986	18,693
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		58	63
Investments and term deposits		275	-
Acquisition of property, plant and equipment	11	(10,874)	(3,694)
Net cash from investing activities		(10,541)	(3,631)
Cash flows from financing activities			
Transaction costs related to issue of share capital		(8)	(7)
Payment of lease liabilities		(1,139)	(1,179)
Dividends paid	17	(8,871)	(7,635)
Net cash from financing activities		(10,018)	(8,821)
Net increase / (decrease) in cash and cash equivalents		(14,573)	6,241
Cash and cash equivalents at 1 July		13,030	6,789
Cash and cash equivalents (including bank overdraft) at 30 June	14	(1,543)	13,030

The notes on pages 33 to 61 are an integral part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2026

	Share capital $'000	Equity compensation reserve $'000	Asset revaluation reserve $'000	Profits reserve $'000	Retained profits / (losses) $'000	Total $'000
Balance at 1 July 2025	14,530	2,024	7,765	36,497	-	60,816
Total comprehensive income for the year						
Profit for the year	-	-	-	-	12,412	12,412
Total comprehensive income for the year	-	-	-	-	12,412	12,412
Transactions with owners of the Company recognised directly in equity						
Contributions by and distributions to owners of the Company						
Shares issued under the Share Plans	77	-	-	-	-	77
Equity-settled share-based payments	-	378	-	-	-	378
Dividends to shareholders	-	-	-	(8,871)	-	(8,871)
Total contributions by and distributions to owners of the Company	77	378	-	(8,871)	-	(8,416)
Transfer to profits reserve	-	-	-	12,412	(12,412)	-
Balance at 30 June 2026	14,607	2,402	7,765	40,038	-	64,812
Balance at 1 July 2024	14,462	1,708	6,303	30,975	-	53,448
Total comprehensive income for the year						
Profit for the year	-	-	-	-	13,157	13,157
Other comprehensive income	-	-	1,462	-	-	1,462
Total comprehensive income for the year	-	-	1,462	-	13,157	14,619
Transactions with owners of the Company recognised directly in equity						
Contributions by and distributions to owners of the Company						
Shares issued under the Share Plans	68	-	-	-	-	68
Equity-settled share-based payments	-	316	-	-	-	316
Dividends to shareholders	-	-	-	(7,635)	-	(7,635)
Total contributions by and distributions to owners of the Company	68	316	-	(7,635)	-	(7,251)
Transfer to profits reserve	-	-	-	13,157	(13,157)	-
Balance at 30 June 2025	14,530	2,024	7,765	36,497	-	60,816

The notes on pages 33 to 61 are an integral part of these financial statements.

Consolidated entity disclosure statement

For the year ended 30 June 2026

Korvest Ltd, as a result of not having any subsidiaries, is not required by Australian Accounting standards (AAS) to prepare consolidated financial statements and as a result subsection 295(3A)(a) of the Corporations Act 2001 to prepare a *Consolidated Entity Disclosure Statement* does not apply to the Company.

The notes on pages 33 to 61 are an integral part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2026

Basis of preparation

Corporate information

Korvest Ltd (the 'Company') is a company domiciled in Australia. The address of the Company's registered office is 580 Prospect Road, Kilburn SA 5084. The Company is a for-profit entity and is primarily involved in manufacturing businesses as detailed in the Segment Reporting (Note 6).

Basis of accounting

Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

The financial statements were approved by the Board of Directors on 27 July 2026.

Basis of measurement

The financial statements have been prepared on the historical cost basis except for land and buildings, which are measured at fair value.

Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

Use of estimates and judgements

In preparing these financial statements management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 8 – Inventories
- Note 11 – Property, plant and equipment

Rounding

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Instrument, amounts in the financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences are generally recognised in profit or loss.

Standards issued but not yet effective

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 will replace AASB 101 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing and financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'

Notes to the financial statements

For the year ended 30 June 2026

Results for the Year

This section focuses on the Company's performance for the year. Disclosures in this section include analysis of the Company's profit before tax by reference to the activities performed by the Company and analysis of key revenues and operating costs, segmental information, net finance costs and earnings per share.

1. Revenue

Accounting policies

Sale of goods and services

Revenue from the sale of goods in the ordinary course of business is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue from sale of goods (industrial products) is recognised at a point in time when the customer gains control of the goods which is usually when the goods are delivered to the customer or picked up from the Company's premises. Revenue from galvanising services is recognised at the point in time the services are provided which, given the short term nature of the process, is when the customers' product has been galvanised. The Company's standard trading terms are 30 days end of month.

Goods and services tax

Revenue is recognised net of goods and services tax (GST).

	2026	2025
	$'000	$'000
Sales revenue		
Sale of goods and services	**129,540**	119,568

Disaggregation of revenue is presented in Note 6 Segment Reporting.

2. Expenses

Accounting policies

Good and services tax

Expenses are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the expense.

Expenses

	2026	2025
	$'000	$'000
Cost of goods sold	**79,303**	73,749
Sales, marketing and warehousing expenses	**22,188**	18,406
Administration expenses	**4,126**	4,080
Distribution expenses	**5,585**	4,958
Bad and doubtful debts provision net of reimbursement right	**32**	114
	111,234	101,307

Notes to the financial statements

For the year ended 30 June 2026

2. Expenses (continued)

Profit before income tax has been arrived at after charging the following expenses:	2026 $'000	2025 $'000
Employee benefits:		
Wages and salaries	**29,375**	24,564
Other associated personnel expenses	**3,533**	3,270
Contributions to defined contribution superannuation funds	**2,931**	2,478
Expense relating to annual and long service leave	**2,428**	2,158
Termination benefits	**37**	26
Employee share bonus plan expense	**85**	75
Executive share plan expense	**378**	316
Other:		
Loss/(Gain) on disposal of property, plant and equipment	**(50)**	(38)
Research and development expense	**238**	310
Depreciation – property, plant and equipment	**2,444**	2,053
Depreciation – right-of-use asset	**1,310**	1,208
Movement in inventory provision	**120**	105

3. Finance income

Accounting policies

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest rate method.

4. Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share rights granted to employees.

Basic and diluted earnings per share

The calculation of basic earnings per share at 30 June 2026 was based on the net profit attributable to ordinary shareholders of $12,412 thousand (2025: $13,157 thousand) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2026 of 11,828,446 (2025: 11,747,242).

The calculation of diluted earnings per share at 30 June 2026 was based on the net profit attributable to ordinary shareholders of $12,412 thousand (2025: $13,157 thousand) and a weighted average number of potential ordinary shares outstanding during the financial year ended 30 June 2026 of 11,895,822 (2025: 11,815,838).

Notes to the financial statements

For the year ended 30 June 2026

4. Earnings per share (continued)

Weighted average number of ordinary shares (basic)

	2026 Shares '000	2025 Shares '000
Issued ordinary shares at 1 July	11,759	11,679
Effect of shares issued during year	69	68
Weighted average number of ordinary shares at 30 June	11,828	11,747

Weighted average number of ordinary shares (diluted)

Weighted average number of ordinary shares (basic)	11,828	11,747
Effect of Executive Share Plan	68	69
Weighted average number of ordinary shares at 30 June	11,896	11,816

Basic and diluted earnings per share

	2026 Cents per share	2025 Cents per share
Basic earnings per share from continuing operations	104.9	112.0
Diluted earnings per share from continuing operations	104.3	111.3

5. Auditor's remuneration

	2026 $	2025 $
Audit services:		
Auditors of the Company (KPMG Australia)		
– audit and review of financial statements	175,716	154,965
	175,716	154,965
Other services:		
Auditors of the Company (KPMG Australia)		
– taxation advice and tax compliance services *	11,078	10,450
– ESG Consulting *	5,275	-
	16,353	10,450

* The basis for determining the fee for other services was on a time and materials basis

6. Segment Reporting

Segment results that are reported to the Company's Managing Director (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses, and income tax assets and liabilities.

Business segments

The Company has two reportable segments. The business is organised based on products and services. The following summary describes the operations in each of the Company's reportable segments.

Industrial Products

Industrial Products segment includes the manufacture of electrical and cable support systems. It includes the business trading under the EzyStrut name.

Production

Production segment represents the Korvest Galvanising business, which provides hot dip galvanising services.

Notes to the financial statements

For the year ended 30 June 2026

6. Segment reporting (continued)

Geographical segments

The Company predominantly operates in Australia.

Customers

Revenue from one customer in the Group's Industrial Products segment represented more than 10% of the Group's total revenues. Revenue from that customer was $15,468,000 (2025: two customers $18,857,000 and $16,011,000).

Information regarding the operations of each reportable segment is included below in the manner reported to the chief operating decision maker as defined in AASB 8. Performance is measured based on segment profit before tax (PBT). Inter-segment transactions are not recorded as revenue. Instead, a cost allocation relating to the transactions is made based on negotiated rates.

Business segments	Industrial Products		Production		Total	
	2026 $'000	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Sales revenue	**118,348**	108,993	**11,192**	10,575	**129,540**	119,568
Depreciation and amortisation	**(1,497)**	(1,340)	**(569)**	(464)	**(2,066)**	(1,804)
Depreciation ROU Asset	**(1,310)**	(1,208)	**-**	-	**(1,310)**	(1,208)
Interest expense - leased assets	**(765)**	(500)	**-**	-	**(765)**	(500)
Reportable segment profit before tax	**17,075**	17,578	**2,386**	2,762	**19,461**	20,340
Reportable segment assets	**58,687**	45,415	**8,924**	7,732	**67,611**	53,147
Capital expenditure	**2,768**	2,209	**1,509**	1,073	**4,277**	3,282

Reconciliation of reportable segment profit, assets and other material items

	2026 $'000	2025 $'000
Profit		
Total profit for reportable segments	**19,461**	20,340
Unallocated amounts – other corporate expenses (net of corporate income)	**(1,578)**	(1,422)
Profit before income tax	**17,883**	18,918
Assets		
Total assets for reportable segments	**67,611**	53,147
Land and buildings	**13,044**	12,600
Property, plant & equipment	**284**	274
Capital WIP	**6,767**	410
Cash, cash equivalents and investments	**-**	13,305
Right-of-use asset	**13,041**	8,063
Lease receivable	**328**	1,441
Insurance receivable	**-**	599
Other unallocated amounts	**656**	541
Total assets	**101,731**	90,380
Capital expenditure		
Capital expenditure for reportable segments	**4,277**	3,282
Other corporate capital expenditure	**7,032**	412
Total capital expenditure	**11,309**	3,694
Other material items		
Depreciation and amortisation for reportable segments	**2,066**	1,804
Unallocated amounts – corporate depreciation	**378**	249
Total depreciation and amortisation	**2,444**	2,053

Notes to the financial statements

For the year ended 30 June 2026

Working Capital

Working capital represents the assets and liabilities the Company generates through its trading activity. The Company therefore defines working capital as inventory, trade and other receivables, trade and other payables and provisions.

Careful management of working capital ensures that the Company can meet its trading and financing obligations within its ordinary operating cycle.

This section provides further information regarding working capital management and analysis of the elements of working capital.

7. Trade and other receivables

Accounting policies

Trade receivables

Trade receivables are non-derivative financial instruments that are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any identified impairment losses.

The fair values of trade and other receivables are estimated as the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

Goods and services tax

Trade receivables are recognised inclusive of the amount of goods and services tax (GST) which is payable to taxation authorities. The net amount of GST payable to the taxation authority is included as part of receivables or payables.

	2026 **$'000**	2025 $'000
Current		
Trade receivables	**29,637**	21,320
Less: Allowance for impairment	**(598)**	(250)
Add: Reimbursement right	**427**	81
Net trade receivables	**29,466**	21,151

Impairment

The Company uses an allowance matrix to measure the Expected Credit Loss (ECL) of trade receivables. Loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

When determining the credit risk for trade receivables the Company uses quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company takes out trade credit insurance and this gives rise to a reimbursement right for any expected credit loss that arises on trade receivables. This reimbursement right is recognised at the same time as the expected credit loss provision is recognised.

The Company sells to a variety of customers including wholesalers and end users.

Notes to the financial statements

For the year ended 30 June 2026

7. Trade and other receivables (continued)

	2026 $'000	2025 $'000
Movement in allowance for impairment		
Balance at 1 July	**(250)**	(192)
Amounts written off against allowance	**24**	14
Net remeasurement of loss allowance	**(372)**	(72)
Balance at 30 June	**(598)**	(250)

8. Inventories

Accounting policies

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on average cost and includes expenditure incurred in acquiring the inventories, production and conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Non-financial assets such as inventories are recognised net of amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from a taxation authority, it is recognised as part of the cost of acquisition of the asset.

	2026 $'000	2025 $'000
Current		
Raw materials and consumables	**3,709**	3,508
Work in progress	**782**	483
Finished goods	**18,245**	14,505
	22,736	18,496

Finished goods are shown net of an impairment provision amounting to $1,010,000 (2025: $890,000) arising from the likely inability to sell a product range at or equal to the cost of inventory. The $120,000 increase (2025: $105,000 increase) to the impairment provision has been included in Cost of Goods Sold – refer Note 2.

The impairment provision is calculated having regard for the quantity of stock on hand for each item in comparison to usage over the past year. Where items have been on hand for more than twelve months and more than ten years of stock are held based on recent sales history, then a provision is held for the entire stock value (net of scrap recoveries). Using the same measures, where more than five but less than ten years of stock are on hand 20% of the value (net of scrap recoveries) is provided for. The greatest uncertainty in estimating the provision is the future demand for the items.

During the year ended 30 June 2026 inventories of $73,198,000 (2025: $66,756,000) were recognised as an expense during the year and included in cost of goods sold.

Notes to the financial statements

For the year ended 30 June 2026

9. Trade and other payables

Accounting policies

Payables

Trade and other accounts payable are non-derivative financial instruments measured at cost.

Trade payables are recognised inclusive of the amount of goods and services tax (GST) which is recoverable from taxation authorities. The net amount of GST recoverable from the taxation authority is included as part of receivables or payables.

	2026 $'000	2025 $'000
Current		
Trade payables and accrued expenses	**6,989**	6,224
Non-trade payables and accrued expenses	**7,139**	5,746
	14,128	11,970

10. Employee benefits

Accounting policies

Short-term benefits

Short-term employee benefit obligations are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term benefits

The Company's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates, including related on-costs and expected settlement dates, and is discounted using the rates attached to high quality corporate bonds at the reporting date which have maturity dates approximating to the terms of the Company's obligations.

	2026 $'000	2025 $'000
Current		
Liability for annual leave	**1,962**	1,739
Liability for long service leave	**2,642**	2,275
	4,604	4,014
Non-current		
Liability for long service leave	**427**	402
Total employee benefits	**5,031**	4,416

Accrued wages and salaries are included in accrued expenses in Note 9.

Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Notes to the financial statements

For the year ended 30 June 2026

10. Employee benefits (continued)

Share based payments

The grant-date fair value of share-based payment awards granted to employees is recognised as an employee expense with a corresponding increase in equity over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the performance rights with only non-market performance conditions is measured using the Black-Scholes formula. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility of the Company's share prices, adjusted for changes expected due to publicly available information), weighted average expected life of the instruments, expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

Employee Share Bonus Plan

The Employee Share Bonus Plan allows Company employees to receive shares of the Company. Shares are allotted to employees who have served a qualifying period. Up to $1,000 per year in shares is allotted to each qualifying employee. The fair value of shares issued is recognised as an employee expense with a corresponding increase in equity. The fair value of the shares granted is measured using a present value method.

Korvest Performance Rights Plan (KPRP)

The Plan is designed to provide long term incentives to eligible senior employees of the Company and entitles them to acquire shares in the Company, subject to the successful achievement of performance hurdles. For each issue two performance hurdles are applied being Earnings per Share (EPS) and Return on Invested Capital (ROIC).

Under the Plan, eligible employees are offered Performance Rights, which enables the employee to acquire one fully paid ordinary share in the Company for no monetary consideration, once the Performance Rights vest. The conditions attached to the Performance Rights are measured over the three year period commencing at the beginning of the financial year in which the Performance Rights are granted. If the performance conditions at the end of the three year period are met, in whole or in part, all or the relevant percentage of the Performance Rights will vest.

Grant date	Plan	Performance hurdles	Number of rights initially granted	Number outstanding at balance date
November 2023	KPRP	EPS/ROIC	69,020	34,510
October 2024	KPRP	EPS/ROIC	58,027	58,027
November 2025	KPRP	EPS/ROIC	53,303	53,303
Total performance rights			180,350	145,840

Notes to the financial statements

For the year ended 30 June 2026

10. Employee benefits (continued)

Measurement of fair values

The fair value of both the ROIC and EPS hurdle rights were measured based on the Black-Scholes method. In addition, as any resulting shares issued due to vested performance rights have a two year trading restriction, a discount for lack of marketability is applied using the Finnerty Model.

The inputs used in the measurement of the fair value at grant date of the KPRP were as follows:

	2026	2025
Fair value at grant date	**$9.84**	$7.11
Share price at grant date	**$13.08**	$9.62
Exercise price	**-**	-
Share price volatility	**21.93%**	21.7%
Dividend yield	**5.73%**	6.76%
Risk free interest rate	**4.29%**	4.40%
Life of rights	**2.7 yrs**	2.7 yrs
Advised restriction period (after vesting)	**2 yrs**	2 yrs

Reconciliation of outstanding share rights

Grant date	Exercise date	Expiry date	Exercise price	Number of rights at beginning of year	Rights granted	Lapsed	Forfeited	Exercised	Number of rights at end of year on issue	Exercisable at 30 June
2026										
Oct 22	Jul 25	Jul 26	-	67,232	-	-	-	(67,232)	-	-
Nov 23	Jul 26	Jul 27	-	69,020	-	-	(34,510)	-	34,510	34,510
Oct 24	Jul 27	Jul 28	-	58,027	-	-	-	-	58,027	-
Oct 24	Jul 27	Jul 28	-	-	53,303	-	-	-	53,303	-
				194,279	53,303	-	(34,510)	(67,232)	145,840	34,510
Weighted average exercise price				*$Nil*	*$Nil*	*$Nil*	*$Nil*	*$Nil*	*$Nil*	*$Nil*
2025										
Oct 21	Jul 24	Jul 25	-	65,230	-	-	-	(65,230)	-	-
Oct 22	Jul 25	Jul 26	-	67,232	-	-	-	-	67,232	67,232
Nov 23	Jul 26	Jul 27	-	69,020	-	-	-	-	69,020	-
Oct 24	Jul 27	Jul 28	-	-	58,027	-	-	-	58,027	-
				201,482	58,027	-	-	(65,230)	194,279	67,232
Weighted average exercise price				*$Nil*	*$Nil*	*$Nil*	*$Nil*	*$Nil*	*$Nil*	*$Nil*

Notes to the financial statements

For the year ended 30 June 2026

Tangible assets

The following section shows the physical tangible assets used by the Company to operate the business, generating revenues and profits.

This section explains the accounting policies applied and specific judgments and estimates made by the Directors in arriving at the net book value of these assets.

11. Property, plant and equipment

Accounting policies

Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Land and buildings are measured at fair value.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labour;
- Any costs directly attributable to bringing the assets to a working condition for their intended use;
- When the Company has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- Capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the carrying value of property, plant and equipment less the estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

- Buildings 25 years
- Plant and equipment 3-12 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Fair value measurement

Land and buildings are held at fair value. Land and buildings are usually valued by an independent valuer every three years. In the intervening years between independent valuations the directors make an assessment of the value of the land and buildings having regard for the most recent independent valuation. The Directors obtained an independent valuation in June 2025.

Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. On-going repairs and maintenance are expensed as incurred.

Notes to the financial statements

For the year ended 30 June 2026

11. Property, plant and equipment (continued)

	Land & Buildings (fair value)	Buildings under construction (cost)	Plant & Equipment (cost)	Total
Cost	**$'000**	**$'000**	**$'000**	**$'000**
Balance at 1 July 2024	10,730	22	32,159	42,911
Acquisitions	-	302	3,392	3,694
Disposals and write-offs	-	-	(146)	(146)
Revaluation	1,870	-	-	1,870
Balance at 30 June 2025	12,600	324	35,405	48,329
Balance at 1 July 2025	12,600	324	35,405	48,329
Acquisitions	581	6,308	4,397	11,286
Disposals and write-offs	-	-	(493)	(493)
Balance at 30 June 2026	13,181	6,632	39,309	59,122
Accumulated depreciation and impairment losses				
Balance at 1 July 2024	109	-	19,763	19,872
Depreciation charge for the year	109	-	1,944	2,053
Revaluation	(218)	-	-	(218)
Disposals	-	-	(121)	(121)
Balance at 30 June 2025	-	-	21,586	21,586
Balance at 1 July 2025	-	-	21,586	21,586
Depreciation charge for the year	137	-	2,307	2,444
Disposals	-	-	(486)	(486)
Balance at 30 June 2025	137	-	23,407	23,544
Carrying amounts				
At 30 June 2024	10,621	22	12,396	23,039
At 30 June 2025	12,600	324	13,819	26,743
At 30 June 2026	13,044	6,632	15,902	35,578

As at 30 June 2026, the plant and equipment asset class held $2.028m of assets under construction (2025: $2.725m). Assets under construction are not depreciated until such time as the asset is commissioned and ready for use.

11. Property, plant and equipment (continued)

Fair value hierarchy of land and buildings

At least every three years the directors obtain an independent valuation to support the fair value of Land and Buildings. This valuation is used by the directors as a guide in determining the directors' valuation for the Land and Buildings.

An independent valuation of Land and Buildings was carried out in June 2025 by Ms Suzanna Ham, AAPI of AON Valuation Services on the basis of the open market value of the properties concerned in their highest and best use and was used as a reference for the directors' valuation as at 30 June 2025.

The carrying amount of the Land and Buildings at cost at 30 June 2026 if not revalued would be $1,295,000 (2025: $748,000).

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used by the independent valuer in measuring the fair value of Land and Buildings, as well as the significant unobservable inputs used. The valuation of land and buildings is based on Level 3 fair values.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Capitalised income approach: the valuation model applies a yield to the property's income to assess its value less any required capital expenditure. The yield applied to the potential rental return from the property is based on recent sales and has been calculated by dividing the estimated rental return from comparable sales against its sale price to derive a fair market sales price. Capitalised value has been increased by the value of vacant land as the property has below average site coverage indicating further capacity for development.	Market yield – 7.25% Potential rental rate - $70/m2 Land value for vacant land - $240/m2	The estimated market value would increase if: • Market yield was lower • Potential rental rate was higher • Land value was higher The estimated market value would decrease if: • Market yield was higher • Potential rental rate was lower • Land value was lower

Notes to the financial statements

For the year ended 30 June 2026

12. Impairment testing

Accounting policies

The carrying amounts of the Company's tangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For impairment testing assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amount of the assets in the CGU (group of CGUs) on a pro rata basis.

Any impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the assets' carrying amounts do not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Results

The Company has determined that calculation of the recoverable amount of assets or CGUs is not required as at 30 June 2026 as there were no impairment indicators.

Leases

13. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The right-of-use asset is periodically reduced by any impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company determines its incremental borrowing rate by seeking from its bankers, indicative interest rates for the type of asset being leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments; and
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;

The lease liability is measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases. Lease payments associated with these leases are expensed on a straight-line basis over the lease term. Short term leases are leases with a term of less than 12 months from their commencement date.

Notes to the financial statements

For the year ended 30 June 2026

Leases as a lessee

The Company leases warehouse facilities. Warehouse leases are generally for periods ranging from 3 to 15 years with options to renew the lease after that date. Warehouse leases provide for annual rent reviews based on CPI or market rents. For warehouse leases, option periods are not assumed to be exercised other than for the lease of the property adjacent to the main Kilburn production facility.

Information about leases for which the Company is a lessee is presented below.

i. Right-of-use assets

	Warehouses $'000
Balance at 1 July 2025	8,063
Additions to right-of-use assets	7,336
Derecognition of right-of-use assets	(1,048)
Depreciation of right-of-use assets	(1,310)
Balance at 30 June 2026	**13,041**
Balance at 1 July 2024	7,704
Additions to right-of-use assets	1,567
Derecognition of right-of-use assets	-
Depreciation of right-of-use assets	(1,208)
Balance at 30 June 2025	**8,083**

ii. Lease liability

	2026 $'000	2025 $'000
Current	**1,557**	1,161
Non-current	**12,620**	8,721
Total Lease liability	**14,177**	9,882

iii. Amounts recognised in profit or loss

Depreciation right-of-use asset	**1,310**	1,208
Interest on lease liabilities	**765**	500

iv. Amounts recognised in statement of cash flows

Cash flows used in operating activities	**765**	500
Cash flows used in financing activities	**1,140**	1,179
Total cash outflow for leases	**1,905**	1,679

Leases as a lessor

The Company leases two adjoining buildings in New South Wales to accommodate the Sydney EzyStrut branch. One of the buildings is sublet with the arrangement allowing Korvest to control a common hardstand area between the two buildings. During the year the sub-tenant of the building terminated their lease to move to a larger premises. Ezystrut has taken over use of the warehouse space of the building with a new tenant taking over the office area of the building.

During 2026, the Company recognised interest income on lease receivables of $99,000 (2025: $122,000).

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	2026	2025
	$'000	$'000
Less than one year	**78**	313
One to two years	**88**	323
Two to three years	**91**	332
Three to four years	**94**	342
Four to five years	**32**	353
More than five years	**-**	118
Total undiscounted lease receivable	**383**	1,781
Unearned finance income	**55**	340
Net investment in the lease	**328**	1,441

Capital Structure

This section outlines how the Company manages its capital structure, including its balance sheet liquidity and access to capital markets.

The directors determine the appropriate capital structure of the Company, specifically how much is realised from shareholders and how much is borrowed from the financial institutions to finance the Company's activities now and in the future.

14. Cash and cash equivalents

Accounting policies

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments.

Investments and term deposits comprise deposits with maturities greater than three months at balance date.

Cash flows are included in the Statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

	2026	2025
	$'000	$'000
Cash and cash equivalents in the statement of cash flows	**-**	13,030
Bank overdraft	**(1,543)**	-
Term deposits	**-**	275

Notes to the financial statements

For the year ended 30 June 2026

Reconciliation of cash flows from operating activities

	2026	2025
	$'000	$'000
Cash flows from operating activities		
Profit for the year	**12,412**	13,157
Adjustment for:		
Depreciation and amortisation	**2,444**	2,053
Depreciation right-of-use asset	**1,310**	1,208
Impairment of trade receivables (net of reimbursements)	**32**	114
(Reversal of) Impairment of inventories	**120**	105
(Profit)/loss on termination of lease	**70**	-
Loss / (Profit) on disposal of property, plant and equipment	**(50)**	(38)
Equity-settled share-based payment expense	**463**	391
	16,801	16,990
Changes in:		
Trade and other receivables	**(8,347)**	1,291
Lease receivable	**189**	182
Prepayments	**(1)**	4
Insurance receivable	**599**	(599)
Inventories	**(4,360)**	(1,616)
Trade and other payables	**1,747**	2,675
Deferred tax	**(524)**	(366)
Income taxes payable	**(733)**	(332)
Provisions and employee benefits	**615**	464
Net cash from operating activities	**5,986**	18,693

Notes to the financial statements

For the year ended 30 June 2026

15. Financial instruments

Accounting policies

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Finance Director has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The Finance Director regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, the Finance Director assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are required to be reported to the Audit Committee.

When measuring the fair value of an asset or liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities
- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- *Level 3:* inputs for asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Financial assets and liabilities

All financial assets and liabilities are initially recognised at the fair value of consideration paid or received, net of transaction costs as appropriate, and subsequently carried at fair value or amortised cost, as indicated in the table below.

Financial assets and liabilities	Classification under AASB 9
Cash, cash equivalents and investments	Amortised cost
Trade and other receivables	Amortised cost
Trade and other payables	Amortised cost

Notes to the financial statements

For the year ended 30 June 2026

15. Financial instruments (continued)

Financial risk management

Overview

The Company has exposure to the following risks from their use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

The Audit Committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is summarised below:

	2026	2025
	$'000	$'000
Cash, cash equivalents and investments	**-**	13,305
Trade and other receivables	**29,466**	21,151
Lease Receivable	**328**	1,441

Cash and cash equivalents

Cash, cash equivalents and investments are held with a major Australian bank.

Notes to the financial statements

For the year ended 30 June 2026

15. Financial instruments (continued)

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

There is an established credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings and trade references when applicable and available. Purchase limits are established for each customer, which represent the maximum open amount without requiring further approval. These limits are subject to on-going review. Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis. The Company takes out trade credit insurance to reduce the Company's credit risk exposure.

Goods are sold subject to retention of title clauses, so that in the event of non-payment the Company may have a secured claim. The Company otherwise does not require collateral in respect of trade and other receivables.

The Company uses an expected credit loss (ECL) model to measure the allowance for losses. The Company uses quantitative and qualitative information based on the Company's historical experience, informed credit assessment and including forward-looking information.

The maximum exposure to credit risk for trade and other receivables at the end of the reporting period by geographic region was as follows:

	2026 $'000	2025 $'000
Carrying values		
Australia	**29,466**	21,133
New Zealand	**-**	18
	29,466	21,151

At 30 June 2026, the Company's most significant customer, located in Australia, accounted for $4,950,000 of the trade and other receivables carrying amount (2025: $4,723,000).

Impairment losses

The ageing of the trade and other receivables at the reporting date that were not impaired is set out below.

	2026 $'000	2025 $'000
Gross		
Not past due nor impaired	**24,071**	17,011
Past due 0-30 days	**4,926**	2,610
Past due 31-90 days	**552**	740
More than 91 days	**88**	959
Loss allowance	**(171)**	(169)
	29,466	21,151

Notes to the financial statements

For the year ended 30 June 2026

15. Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities as they fall due. The Company's objective is to maintain sufficient liquidity to meet its liabilities when due while continuing to support operational and strategic objectives. Liquidity is monitored through regular cash flow forecasting and review of available funding facilities. During the year the Company began a major capital works program to increase production capacity to support growth in customer demand. The capital expenditure was funded primarily from operating cash flows, supplemented by drawings under the Company's bank overdraft facility. As a result, the Company reported an overdraft balance of $1.54 million at 30 June 2026 (2025: $nil million). The Company has a committed overdraft facility of $5.0 million (2025: $2.0 million) which is available until its contractual annual review date of 31 October 2026 and bears interest at BBSY (one month) + 1%.

The Directors consider liquidity risk to be low having regard to the Company's history of profitable operations, positive operating cash flow generation, renewal of borrowing facilities and forecast cash flows demonstrating the Company's ability to meet obligations as they fall due. Management prepares and reviews regular cash flow forecasts incorporating expected operating cash inflows, working capital requirements and capital expenditure commitments. Based on these forecasts, the Directors have concluded that the Company has sufficient liquidity to meet its obligations as they fall due for at least twelve months from the date of signing these financial statements.

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities and leases, including estimated interest payments. The amounts disclosed are the contractual undiscounted cash flows (inflows shown as positive, outflows as negative).

	2026					2025				
		Contractual cash flows					Contractual cash flows			
	Carrying amount	**Total**	**Less than 1 year**	**1-5 years**	**More than 5 years**	Carrying amount	Total	Less than 1 year	1-5 years	More than 5 years
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000	$'000	$'000
Non-derivative financial liabilities										
Bank overdraft	1,543	(1,543)	(1,543)							
Trade and other payables	14,128	(14,128)	(14,128)	-	-	11,970	(11,970)	(11,970)	-	-
Lease liabilities*	14,177	(18,511)	(2,305)	(8,989)	(7,218)	9,882	(12,469)	(1,467)	(5,641)	(5,361)
	29,848	(34,182)	(16,433)	(8,989)	(7,218)	21,852	(24,439)	(13,437)	(5,641)	(5,361)

* The lease liability contractual cashflows include any optional lease renewal periods included in the carrying amount of the lease liability where those options have not yet been exercised. They do not include any CPI based adjustments for future periods as the rate of those adjustments is unknown.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and commodity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk on purchases that are denominated in a currency other than the Australian dollar (AUD). The currencies in which these transactions primarily are denominated are US dollars (USD), Thai Baht (THB) and Euros (EUR).

Notes to the financial statements

For the year ended 30 June 2026

15. Financial instruments (continued)

Exposure to currency risk

The Company did not have any material exposure to foreign currency risk and as a result movements in the Australian dollar against other currencies will not have a material impact on the Company's profit or equity.

Interest rate risk

The Company is not currently exposed in any material way to interest rate risk. The risk is limited to the re-pricing of short term deposits utilised for surplus funds and the Company's borrowings under its overdraft facility. These interest rates are regularly re-priced based on movements in the RBA cash rate and BBSY.

Exposure to interest rate risk

Movements in interest rates will not have a material impact on the Company's profit or equity.

Other market price risk

The Company has no material financial instrument exposure to other market price risk as it is not exposed to either commodity price risk or equity securities price risk. The Company does not enter into commodity contracts other than to meet the Company's expected usage requirements.

Capital management

The Company's objectives when managing capital (net debt and equity) are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

During the year the Company was not subject to externally imposed capital requirements.

The Company holds trade credit insurance to insure some of the risk associated with the collection of trade receivables.

Accounting classifications and fair values

The carrying amounts of the Company's financial assets and liabilities are considered to be a reasonable approximation of their fair values.

16. Capital and reserves

Accounting policies

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share rights are recognised as a deduction from equity, net of any tax effects.

Asset revaluation reserve

The revaluation reserve relates to land and buildings measured at fair value in accordance with Australian Accounting Standards.

Profits reserve

The profits reserve represents current year and accumulated profits transferred to a reserve to preserve the characteristic as a profit. Such profits are available to enable payment of franked dividends in the future.

Equity compensation reserve

The Equity compensation reserve represents the accumulated expense recognised for share-based payments granted by the Company to date. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Share capital

	2026 Shares '000	2025 Shares '000
Ordinary shares		
On issue at 1 July	**11,759**	11,679
Issued under the Employee Share Bonus Plan	**11**	15
Issued under the Executive Share Plan	**67**	65
On issue at 30 June – fully paid	**11,838**	11,759

The holders of ordinary shares are entitled to receive dividends as determined from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

17. Dividends

Accounting policies

Dividends paid are classified as distribution of profit consistent with the balance sheet classification of the related debt or equity instrument.

Recognised amounts

	Cents per share	Total amount $'000	Percentage franked	Tax rate	Date of payment
2026					
Final 2025 ordinary	40.0	4,731	100%	30%	5 September 2025
Final 2025 special	10.0	1,182	100%	30%	5 September 2025
Interim 2026 ordinary	25.0	2,958	100%	30%	6 March 2026
Total amount		8,871			
2025					
Final 2024 ordinary	40.0	4,697	100%	30%	6 September 2024
Interim 2025 ordinary	25.0	2,938	100%	30%	7 March 2025
Total amount		7,635			

Unrecognised amounts

After the balance sheet date the following dividends were proposed by directors. The dividends have not been provided. Payment remains subject to the Company's general liquidity considerations as referenced in Note 15.

	Cents per share	Total amount $'000	Percentage franked	Tax rate	Date to be paid
2026					
Final 2026 ordinary	40.0	4,735	100%	30%	25 September 2026

The financial effect of these dividends has not been brought to account in the financial statements for the financial year ended 30 June 2026 and will be recognised in subsequent financial reports.

Dividend franking account

	2026 $'000	2025 $'000
Franking credits available to shareholders of Korvest Ltd for subsequent financial years	**21,337**	**19,105**

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for:

(a) franking credits that will arise from the payment of the current tax liabilities;

(b) franking debits that will arise from the payment of dividends recognised as a liability at the year-end;

(c) franking credits that will arise from the receipt of dividends recognised as receivables at the year-end; and

(d) franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise the franking credits is dependent upon being able to declare dividends. The impact on the dividend franking account of dividends proposed after the reporting date but not recognised as a liability is to reduce it by $2,029,000 (2025: reduce by $2,520,000).

Taxation

This section outlines the tax accounting policies, current and deferred tax impacts, a reconciliation of profit before tax to the tax charge and the movement in deferred tax assets and liabilities.

18. Current and deferred taxes

Accounting policies

Tax expense comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss
- temporary differences related to investments in subsidiaries, associates and jointly controlled entities to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Notes to the financial statements

For the year ended 30 June 2026

18. Current and deferred taxes (continued)

Income tax recognised in the income statement

	2026 $'000	2025 $'000
Current tax expense		
Current year	**5,995**	6,127
Prior year	**-**	-
	5,995	6,127
Deferred tax expense		
Origination and reversal of temporary differences		
- relating to current year	**(524)**	(366)
- relating to prior year	**-**	-
	(524)	(366)
Total income tax expense in Statement of profit or loss and comprehensive income	**5,471**	5,761

Numerical reconciliation between tax expense and pre-tax net profit

	2026 $'000	2025 $'000
Profit before tax	**17,883**	**18,918**
Income tax using the domestic corporation tax rate of 30% (2025:30%)	**5,365**	**5,675**
Non-deductible expenses	**106**	**86**
Prior year over provision	**-**	**-**
Income tax expense on pre-tax net profit	**5,471**	**5,761**

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2026 $'000	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Property, plant and equipment	-	-	(3,826)	(4,010)	(3,826)	(4,010)
Leases	4,252	2,965	(3,912)	(2,419)	340	546
Lease receivable	-	-	(97)	(432)	(97)	(432)
Inventories	302	267	(759)	(723)	(457)	(456)
Provisions / accruals	1,622	1,406	-	-	1,622	1,406
Provision for doubtful debts	51	51	-	-	51	51
Other	-	4	-	-	-	4
Tax loss carried forward	552	552	-	-	552	552
Tax (assets) / liabilities	6,779	5,245	(8,594)	(7,584)	(1,815)	(2,339)
Set off of tax	(6,779)	(5,245)	6,779	5,245	-	-
Net tax liabilities	-	-	(1,815)	(2,339)	(1,815)	(2,339)

Notes to the financial statements

For the year ended 30 June 2026

18. Current and deferred taxes (continued)

Movement in deferred tax balances during the year

	Balance 30 June 25	**Recognised in profit**	**Recognised in other comprehensive income**	**Over provision prior year**	**Balance 30 June 26**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Property, plant and equipment	(4,010)	184	-	-	(3,826)
Leases	546	(206)	-	-	340
Lease receivable	(432)	335			(97)
Inventories	(456)	(1)	-	-	(457)
Provisions / accruals	1,406	216	-	-	1,622
Provision for doubtful debts	51	-	-	-	51
Other	4	(4)	-	-	-
Tax loss carried forward	552	-	-	-	552
	(2,339)	524	-	-	(1,815)

	Balance 30 June 24	Recognised in profit	Recognised in other comprehensive income	Over provision prior year	Balance 30 June 25
	$'000	$'000	$'000	$'000	$'000
Property, plant and equipment	(3,577)	194	(627)	-	(4,010)
Leases	534	12	-	-	546
Lease receivable	(483)	51			(432)
Inventories	(397)	(59)	-	-	(456)
Provisions / accruals	1,258	148	-	-	1,406
Provision for doubtful debts	23	28	-	-	51
Other	11	(7)	-	-	4
Tax loss carried forward	552	-	-	-	552
	(2,079)	367	(627)	-	(2,339)

Other Notes

19. Key management personnel

The following were key management personnel of the Company at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Non-executive Directors

- Andrew Stobart (Chairman)
- Gary Francis
- Warrick Ranson
- Therese Ryan

Executive Directors

- Chris Hartwig (Managing Director)
- Steven McGregor (Finance Director and Company Secretary)

Executives

- Gavin Christie (General Manager, Operations)
- Stephen Taubitz (General Manager Sales - EzyStrut)

Key management personnel compensation policy

Apart from the details disclosed in this note, no director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

Key management personnel compensation

The key management personnel compensation comprised:

	2026	2025
	$	$
Short-term employee benefits	**2,468,135**	2,320,739
Post-employment benefits	**171,042**	167,098
Long term benefits	**75,395**	57,731
Share based payments	**322,120**	279,314
	3,036,692	2,824,882

Individual directors and executives compensation disclosures

Information regarding individual directors' and executives' compensation and some equity instrument disclosure as permitted by Corporations Regulations 2M.3 is provided in the remuneration report section of the Directors' report.

20. Commitments

At 30 June 2026, the Company had contractual commitments for the acquisition of property, plant and equipment of $1,444,000 (2025: $768,000).

21. Guarantees entered into by the Company

Bank guarantees given by the Company in favour of customers and landlords amounted to $4,121,686 (2025: $3,625,235).

Notes to the financial statements

For the year ended 30 June 2026

22. Subsequent events

Other than the dividend disclosed in Note 17 and the contingent asset disclosed in Note 23, between the end of the year and the date of this report, no item, transaction or event of a material nature has arisen that, in the opinion of the directors of the Company, is likely to significantly effect the operations of the Company in subsequent financial periods.

23. Contingent asset

The Company has incurred costs relating to the remediation of a third-party design fault. During July 2026 a settlement of $1,100,000 has been negotiated with the supplier and payment is expected in August 2026.

Directors' declaration

For the year ended 30 June 2026

1. In the opinion of the Directors of Korvest Ltd (the Company):

   (a) the financial statements and notes that are set out on pages 28 to 61 and the Remuneration report in the Directors' report, set out on pages 14 to 24, are in accordance with the *Corporations Act 2001*, including:

      (i) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

      (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

   (b) the Consolidated entity disclosure statement as at 30 June 2026 set out on page 32 is true and correct; and

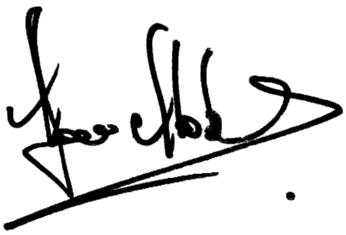
   (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2026.

3. The Directors draw attention to the Basis of preparation note on page 33, which includes a statement of compliance with International Financial Reporting Standards.

Dated at Adelaide this 27th July 2026

Signed in accordance with resolution of directors:



Andrew Stobart
Director

KPMG

Independent Auditor's Report

To the Shareholders of Korvest Ltd

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Korvest Ltd (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the *Company*'s financial position as at 30 June 2026 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001,* in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Statement of financial position as at 30 June 2026;
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2026;
- Notes, including material accounting policies; and
- Directors' declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

KPMG

Revenue recognition – Industrial Products ($118,348k)	
Refer to Note 1 and 6 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The Company's Industrial Products segment revenue relates to the sale of goods and services. Revenue recognition was a key audit matter due to the quantum of the balance, and the significant audit effort we have applied in assessing the Company's recognition and measurement of Industrial Products revenue. This was the result of the: • high volume of transactions within revenue recognised from the sale of goods; • opportunity for manual intervention and the high volume of transactions presenting conditions for transactions to be recorded incorrectly; and • presumed fraud risk under the auditing standards. In assessing this key audit matter, we involved senior audit team members who understand the Company's business, industry and the economic environment it operates in.	Our procedures included: • obtaining an understanding of key internal controls over the Company's accounting for revenue; • assessing the Company's accounting policies against the accounting standard requirements, our business understanding and industry practice; • reading a sample of executed customer contracts from the sale of goods to understand the key terms of the arrangements and comparing these against the Company's identified performance obligations; • using data and analytics, testing revenue transactions to underlying data including customer sales orders and despatch documentation to assess the accuracy and existence of revenue recognised. We tested the completeness and accuracy of the underlying data by tracing a sample to customer sales orders and evidence of delivery; • for a sample of revenue transactions recognised by the Company in the month of June 2026, assessing the period of revenue recognition against underlying evidence of the performance obligation being met; and • assessing the Company's disclosures in the financial report using our understanding obtained from our testing, against the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in Korvest Ltd's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001;*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and that is free from material misstatement, whether due to fraud or error; and
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf**.** This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Korvest Ltd for the year ended 30 June 2026, complies with Section 300A of the Corporations Act 2001.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 14 to 24 of the Directors' report for the year ended 30 June 2026.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Darren Ball

Partner

Adelaide

27 July 2026

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Korvest Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial report of Korvest Ltd for the financial year ended 30 June 2026 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Darren Ball
Partner

Adelaide
27 July 2026

ASX Additional information

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Shareholdings (as at 24 July 2026)

Substantial shareholders

The number of shares held by substantial shareholders and their associates are set out below:

Shareholder		Number
Donald Cant Pty Ltd	5.3%	621,759

Voting rights

Ordinary shares

Refer to note 16 in the financial statements.

Options

Refer to note 10 in the financial statements.

Distribution of equity security holders

	NUMBER OF EQUITY SECURITY HOLDERS		
Category	**Total Holders**	**Units**	**% Issued Capital**
1 - 1,000	1,762	591,615	5.00
1,001 - 5,000	892	2,246,311	18.97
5,001 - 10,000	171	1,282,085	10.83
10,001 - 100,000	142	3,299,919	27.88
100,001 and over	14	4,418,466	37.32
	2,981	**11,838,396**	**100**

The number of shareholders holding less than a marketable parcel of ordinary shares is 86.

Securities Exchange

The Company is listed on the Australian Securities Exchange. The Home exchange is Sydney.

Other information

Korvest Ltd, incorporated and domiciled in Australia, is a publicly listed company limited by shares.

On Market Buy Back

There is no current on-market buy back.

Twenty largest shareholders

Name	Number of ordinary Shares held	Percentage of capital held
Citicorp Nominees Pty Limited	1,290,314	10.90
HSBC Custody Nominees (Australia) Limited	784,372	6.63
Anacacia Pty Ltd <Wattle Fund A/C>	385,227	3.25
Creative Living (Qld) Pty Ltd	310,000	2.62
J P Morgan Nominees Australia Pty Limited	284,161	2.40
Rathvale Pty Limited	212,958	1.80
Allegro Two Super Fund Pty Ltd <Allegro Super Fund No 2 A/C>	206,062	1.74
Brazil Farming Pty Ltd	166,416	1.41
Mr Steven McGregor	157,170	1.33
Est Mr William Francis Cannon	139,189	1.18
Netwealth Investments Limited <Wrap Services A/C>	138,324	1.17
Brazil Farming Pty Ltd	124,554	1.05
Gotterdamerung Pty Limited <Gotterdamerung Family A/C>	113,289	0.96
Gotterdamerung Pty Limited <Gotterdamerung S/F A/C>	106,430	0.90
Robert Nairn Pty Ltd	100,000	0.84
HSBC Custody Nominees (Australia) Limited - A/C 2	95,162	0.80
Mr Stephen Bradley Taubitz	86,002	0.73
Mr Edward Laurence Rollinson	82,269	0.69
Mr Christian Andrew Hartwig	76,034	0.64
BNP Paribas Nominees Pty Ltd <IB Au Noms Retailclient>	68,373	0.58
	4,926,306	**41.61**

Offices and officers

Company Secretary

Steven John William McGregor BA(Acc), FCA, AGIA, ACG

Principal Registered Office

Korvest Ltd
580 Prospect Road
Kilburn, South Australia, 5084
Ph: (08) 8360 4500
Fax: (08) 8360 4599

Locations of Share Registry

Adelaide

Computershare Investor Services Pty Ltd
Level 5
115 Grenfell Street
Adelaide, South Australia, 5000
Ph: 1300 556 161 (within Australia) or +61 3 9415 4000 (outside Australia)