Clover Corporation Limited
ABN 85 003 622 866

ASX ANNOUNCEMENT **17 November 2026**

The Chairman's Address

I am pleased to report that Clover Corporation delivered another strong performance for FY26, as it continues to deliver on our strategy.

Revenue for the year increased by 13% to $97.4 million, reflecting market demand for our micro-encapsulated powders and the continued diversification of our product mix and supply chains. As a result of the stronger sales and improved margins, Clover reported a full year NPAT of $10.5 million (FY25 $7.0 million).

Gross margin improvement continues to be driven by a higher-value products, an outcome from our R&D programs. Improved margin is also a result of manufacturing performance at Melody Dairies, and the continued integration of our Ecuador oil facility.

While global infant formula markets continue to be constrained by low birth rates, Clover's revenue for 2H26 was underpinned by stronger demand for our microencapsulated ARA (arachidonic acid – omega 6) powders. The Company's revenue diversification is progressing, buoyed by many of our customers supplying the emerging demand of the older population's interest in clean-label science-backed nutrition.

Our distribution strategy continues to accelerate progress in building stronger market access, deepening customer relationships and supporting the broader diversification of our sales channels.

As a result, pleasingly the growth in demand experienced in FY26 has continued and should result in a material improvement in revenue for first half FY27 and beyond.

The Development & Innovation Committee established last calendar year is making a strong contribution to refining and prioritising the Company's product development programs. We are honoured to have our advisors Prof Colin Barrow and Dr Efi Farmakalidis as members of this important committee. The Company has a strong pipeline of new products in development to ensure continued growth beyond those currently being commercialised.

As previously announced, we are continuing to investigate the development of a proprietary range of science backed products using our encapsulated powders in the nutraceutical sector. Appropriate resources are being employed to ensure that this initiative is fully supported.

CholineXcel remains a core growth opportunity and will provide a solid foundation for sustainable growth in FY28 and beyond. Securing additional spray drying capacity is essential to realising this opportunity, and Management is evaluating a number of options to meet this requirement.

The Board declared a 1.25c final dividend for FY26 and Clover maintains a strong balance sheet to support anticipated investment in growth projects.

As previously announced, I will retire as a director and Chairman of Clover at the close of this AGM. The planned succession changes to the Board and Committees have also been communicated. I have enjoyed my time as a director and Chairman, and the opportunity to make a contribution to the successful growth of the Company to date. I am confident that your Board under the Chairmanship of Ian Glasson has the right blend of skills, leadership and governance to guide the business in implementing its ambitious growth strategy. I would like to thank the Board for their support and collegiate engagement to our many challenging discussions throughout my tenure.

I would also like to thank the Management Team and all Clover employees for all their hard work and contribution to this year's excellent financial result. I also thank our shareholders for their support and reiterate that the Board remains confident in Clover's strategy and its ability to deliver continued growth, profitability and shareholder returns.

Mr Rupert A Harrington

Chairman