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**Company announcements platform  
Australian Securities Exchange**

**Korvest Ltd Annual Result  
Year ended 30 June 2024**

**REVIEW AND RESULTS OF OPERATIONS**

Despite the rising cost environment and the temporary lull in major project activity, Korvest achieved near record earnings in FY24. The revenue from trading activities for the year ended 30 June 2024 (FY24) was \$102.89m, down 4.3% on the previous year as a result of lower major project revenue in the Industrial Products segment. The FY24 result included a non-recurring pre-tax gain of \$0.32 million arising from the accounting treatment of entering a property sublease.

**DIVIDEND**

The directors announced a fully franked final dividend of 40.0 cents per share (2023: 35.0 cents per share) following an interim dividend of 25.0 cents per share at the half year (2023: 25.0 cents per share). The Dividend Reinvestment Plan (DRP) will remain suspended for the final dividend. The dividend will be paid on 6 September 2024 with a record date of 16 August 2024.

**OPERATING SEGMENTS**

***Industrial Products***

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

The major project work from the infrastructure sector was significantly lower in FY24 due to the timing of the supply of rail and road projects down the East Coast. Four major infrastructure projects were supplied at various times during the year with one being completed and two nearing completion by the end of the year. The fourth project will continue into FY25 along with another secured project with supply commencing in FY25. Both projects are expected to extend into FY26.

The day-to-day and small project markets generally improved with NSW, Victoria and Western Australia achieving growth when compared to the prior year.

In July 2023 the NSW EzyStrut branch relocated to a new facility in the Bankstown Airport precinct. This facility is substantially larger than the previous Prestons site with the extra space enabling the site to operate more efficiently which is improving customer service. The new lease arrangements result in a significant increase in both the right-of-use asset and lease liability in the statement of financial position.

The input cost environment remains volatile with key costs such as steel and import freight remaining at relatively high levels despite fluctuations during the year. The ongoing high CPI has maintained pressure on staff costs as well as impacting leasing costs as most leases have an annual CPI rental adjustment

### **Production**

Overall plant volumes in the Galvanising business were similar to the FY23 level with improved external volume compensating for the lower levels of internal work. External tonnes were the highest achieved for the past decade. Contracted energy costs remain historically high. The increased gas costs, which have been incurred since January 2023, continue to be recovered through a customer gas levy. Energy costs are contracted through to December 2025 and there are ongoing projects to reduce energy consumption.

Profitability of the plant improved due to improved zinc consumption and more efficient use of labour.

There was investment in the plant with the major projects related to improving production capacity and energy use reduction.

### **OUTLOOK**

The outlook for the infrastructure sector remains buoyant. Korvest also sees improving opportunities in the data centre market and has enhanced its product offerings to service this growing market. The day-to-day market grew in FY24 which offset a significant portion of the reduction in major project revenue. Subject to the broader economic environment the day-to-day market is expected to continue at similar levels in FY25.

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

**ANDREW STOBART**  
**CHAIRMAN**

26 July 2024

For further information contact:

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This ASX announcement was approved and authorised for release by the Board.