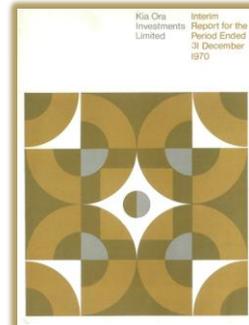


2021 Results

Chris Hartwig and
Steven McGregor

*Artwork inspired by
Kia Ora Investments
Interim Report dated
December 1970*





Cable and Pipe Supports



Torque and Tension Solutions



Galvanising



Safety Access Systems



Agenda

- FY21 Key Points
- Financial Results
- Outlook
- Company Overview

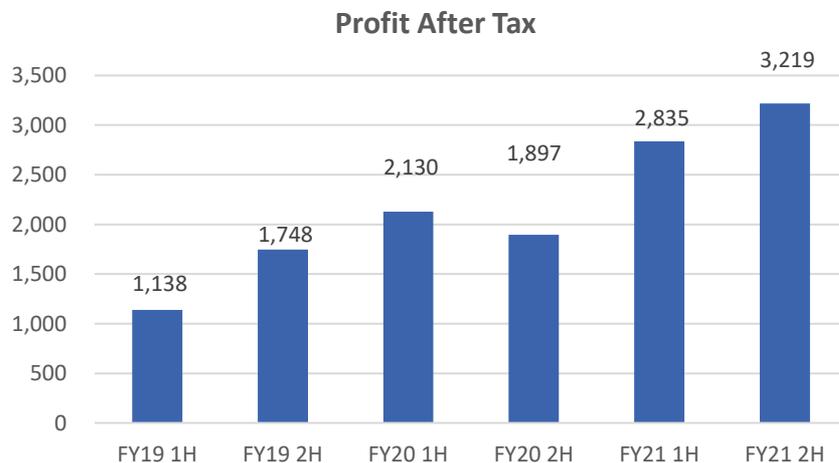


Introduction to Korvest

- Korvest (ASX:KOV) is headquartered in South Australia and provides cable and pipe supports, access systems for large mobile equipment, hydraulic tools and wrenches, and galvanising services
- Listed in September 1970
- Korvest has sales offices and warehouses in Adelaide, Melbourne, Sydney, Brisbane and Perth, with distributors in Darwin, Townsville, Hobart and New Zealand
- Manufacturing, fabrication and galvanising in Adelaide
- Power Step and Titan Technologies in Brisbane
- Overseas supply chain provides make vs buy flexibility
- Sell to a wide variety of industry sectors

Headline Numbers

	June 21	June 20	% Change
Sales	\$69.79m	\$63.09m	10.6%
EBIT	\$8.88m	\$5.84m	52.1%
NPAT	\$6.05m	\$4.03m	50.1%
Operating cash flow	\$6.51m	\$10.46m	
EPS	53.5c	35.8c	49.4%
Dividend per share	35c	28c	25.0%



- Strong 2H all sectors
- Solid operating cashflow despite increased working capital requirements
- Strong profit growth
- JobKeeper - \$1.86m H1 FY21 vs \$1.06m H2 FY20 (before tax)

COVID-19

- COVID protocols are part of daily management
- Minimal disruption to key markets serviced by Korvest businesses during FY21
 - SA and NSW lockdowns in July 2021 will have an impact in FY22 as major infrastructure projects and factory activity are affected
- Increased shipping costs and lead times for imported items
- Inventory management an ongoing challenge
- Impact on commodity input prices and availability
 - Carbon steel prices rising rapidly
 - Stainless steel pricing at very high levels, significant supply shortages
 - Zinc increasing steadily

Industrial Products

	June 21	June 20	% Change
Sales	\$63.25m	\$57.09m	10.8%
EBIT	\$6.80m	\$4.50m	51.1%
EBIT %	10.8%	7.9%	



Trading Update

- Day-to-day activity strong and improved throughout H2
 - Price increase April 1st in advance of rising input costs
 - Infrastructure pipeline remains strong
 - NSW major project delivery continued throughout FY21
 - Ongoing wins within infrastructure segment, with 2 additional projects commencing in June 2021.
-
- Solid performance
 - Market for tools highly competitive



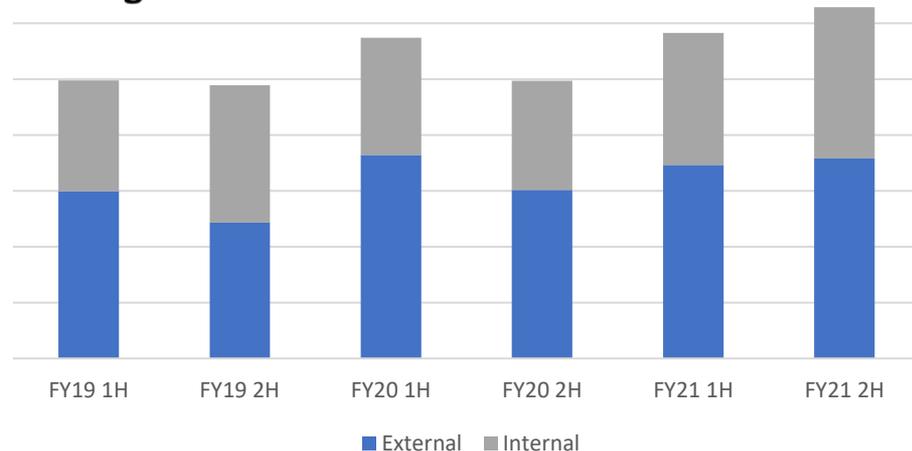
Production Services

	June 21	June 20	% Change
Sales	\$6.53m	\$6.00m	8.8%
EBIT	\$0.86m	\$0.69m	24.6%
EBIT %	13.1%	11.5%	



Galvanising volume

korvest galvanisers



Trading Update

- Moderate external volume growth
- Internal volume strong in line with EzyStrut growth
- Sell prices flat with higher large project mix
- Zinc pricing trending upwards

Strategic initiatives

Automation

- Robotic Tray Stacking complete on one line, second line scheduled for H1 FY22
- Commissioning issues from turn-key supplier with the Robotic Ladder Weld Cell
- Final commissioning of IXL strut line
- Further automation capex planned for FY22

Operational & cost optimisation

- Fibre laser and additional guillotine purchase approved
- 270kW solar system fully commissioned and operational

Balance Sheet

ASSETS

\$m	June 2021	June 2020	June 2019
Cash & Investments	7.0	6.7	3.4
Receivables	14.2	10.1	14.1
Inventories	12.4	10.6	10.5
Property, Plant & Equipment	16.6	15.9	13.0
Right-of-use Asset	6.1	4.7	N/A
Other	0.2	0.3	0.3
Total Assets	56.5	48.3	41.3

Increase due to strong May/June 2021 sales

Increase due to renewal of two leases

LIABILITIES

Payables	(8.5)	(5.9)	(6.0)
Lease Liabilities	(6.2)	(4.7)	N/A
Other Liabilities	(5.9)	(5.1)	(4.4)
Total Liabilities	(20.6)	(15.7)	(10.4)

Increase due to increased activity FY21 vs FY20

Increase due to renewal of two leases

NET ASSETS

35.9 **32.6** **30.9**



Dividends

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Interim	15c	15c	9c	5c	10c
Final Dividend	20c	13c	13c	7c	3c
Total Dividend	35c	28c	22c	12c	13c
Franking	100%	100%	100%	100%	100%

DRP suspended for final dividend

Key Dates

Record Date: 20 August 2021

Payment Date: 3 September 2021

Outlook

- Major infrastructure projects will continue to be supplied throughout FY22
 - Current project to wind down during FY22
 - 2 new projects commenced in June 2021 for supply throughout FY22
 - 1 new smaller project secured to commence in FY22
- 2 major infrastructure projects due for award in FY22
- Day-to-day and small project markets have gained momentum and should continue throughout FY22
- Working capital requirements will remain high with ongoing project activity
- COVID-19 related shutdowns continue to pose a threat to activity levels



Company Overview

Industrial Products



EzyStrut

- Cable and pipe supports
- Market leader in cable supports
- Manufacturing facility in Kilburn, SA
- Overseas supply chain
- Sells to EPCMs, Wholesalers, and direct to project contractors and trade
- Local manufacture allows quick response time and ability to manufacture specials – a differentiator to overseas competition
- National sales and warehouse network
- Vertical integration with Korvest Galvanisers

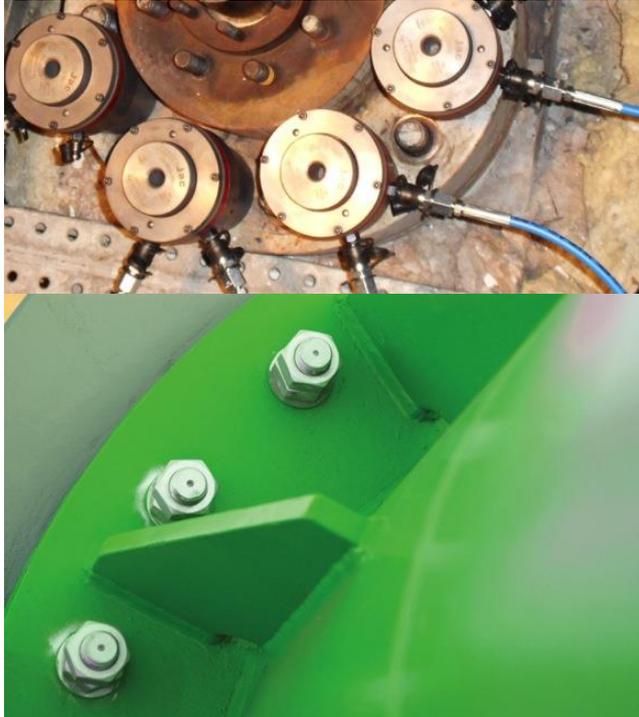
Industrial Products



- Hydraulic/Electric Safety Access Systems for mobile vehicles
 - Design
 - Manufacture
- Safety Lighting
- Filter Crushers
- Queensland Based



Industrial Products



- Hydraulic tools and wrenches
 - Sale
 - Hire
 - Repair
- Markets
 - Large scale construction
 - Power stations
 - Industrial sites
 - Mines
 - Wind towers

Production Services



- Longest galvanising kettle in Australia (14m)
- South Australia's only centrifuge plant (national market)
- Predominantly structural work for SA projects or fabrications
- In-house work for EzyStrut

Industrial Products



Australia's leading range of cable & pipe supports.
www.ezystrut.com.au



Safety Access solutions for all large mobile equipment.
www.powerstep.com.au



Superior bolting solutions for any industry.
www.titantools.com.au



Korvest galvanisers

Quick turnaround galvanising of the largest, smallest, and most complex construction members.
www.korvestgalvanisers.com.au