Coventry Group Ltd

ABN 37 008 670 102

Results for announcement to the market

Full Year Ended 30 June 2025

(Previous corresponding period being the year ended 30 June 2024)

			$'000
Revenue	Down	1.7% to	364,628
Underlying EBITDA[1]	Down	40.9% to	12,294
Profit before tax	Down		(32,371)
Profit after tax attributable to members	Down		(29,555)

1. Underlying EBITDA is earnings before interest, tax, depreciation, amortisation and has been adjusted to exclude the impact of AASB 16 Leases and significant items. Underlying EBITDA is a non-IFRS measure and reflects how management measures performance of the Group.

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Record date for determining entitlements to the dividends	Nil	
Date the dividends are payable	Nil	

Net Tangible Assets Per Security

As at 30 June 2025	0.21
As at 30 June 2024	0.30

The financial statements have been audited and an unmodified opinion has been issued.

Coventry Group Limited advises that its Annual General Meeting will be held on Friday 21 November 2025. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all Shareholders and released to the ASX after dispatch.

In accordance with ASX Listing Rules, valid nominations for the position of Director are required to be lodged at the registered office of the Company by 5.00pm (AEST) 3 October 2025.

Coventry Group Ltd

ANNUAL REPORT 2025

VALUES

AT COVENTRY GROUP, OUR VALUES ARE

SAFETY FIRST

We place the health, safety and wellbeing of our people first

DO THE RIGHT THING - FAIRNESS, INTEGRITY & RESPECT

We treat everyone equally, we operate with competence and we treat everyone with respect

WORK AS A TEAM

We work with strength and resilience together

BE THE BEST AT EVERYTHING WE DO

We strive to be better every day, finding new ways to grow our Company and each other

OUR PEOPLE **we trust and empower our people**

OUR CUSTOMERS **we are dedicated to our customer's needs**

OUR SUPPLIERS **we work in partnership with our suppliers**

CONTENTS

CHAIRMAN AND CEO REPORT

FY25 RESULTS

After seven years of consecutive sales and Underlying EBITDA[1] growth to FY24, Coventry's financial performance in FY25 was poor, particularly in the second half. Sales were down year on year reflecting softer market conditions across Australia and New Zealand, the distraction and impact of the implementation of the new ERP system and a failure of sales growth strategies to deliver the anticipated results. Pleasingly, Gross Margins continued to be well managed however the Group's cost base is clearly too high relative to Gross Profit leading to poor Net Margin outcomes.

Right sizing the cost base of the Group is a key focus for the Board and management and action is being taken to achieve a targeted annualised cost out of approximately $10m. FY26 will see a recalibration of the Company's cost base with every part of the business closely scrutinised. Cost out targets have been incorporated into management incentive plans and progress against targets is being closely monitored by the Board. The cost out focus will run in parallel with initiatives to drive ongoing Sales Growth whilst maintaining Gross Margins.

Group sales revenue was down 1.7% to $364.6m, while Underlying EBITDA[1] declined 40.9% to $12.3m.

Following the latest review of the carrying value of the Group's assets as part of its annual impairment testing process, the Group has recognised a non-cash impairment of $24.5m in its financial result for the year ending 30 June 2025 in relation the Trade Distribution segment. This impairment relates primarily to the right-down of goodwill and brand names, and has no impact on the Group's net debt or banking covenants.

The businesses within each segment continue to provide specialised industrial products, services and customised solutions to our wide network of customers throughout Australia and New Zealand. This time last year we expected the market softness being experienced on the east coast of Australia and in New Zealand to ease. With the exception of Queensland, that has not been the case so for now we will focus on what we can control in markets in which we generally only have a small share. Our emphasis on "specialisation" is key to this and is underpinned by our customer value proposition of quality products, stock availability, expertise, agility and a growing branch network.

The Group's new ERP Microsoft D365 is live in the Konnect (67 locations) and Fluids (15 locations) business units with plans to migrate the remaining business units, Steelmasters and Nubco, during FY26. With the benefit of trading experience informing us, fine-tuning of the new ERP is being undertaken to ensure efficiencies are extracted and the desired level of customer service is achieved. The implementation of our new ERP has been a disruptive and costly project which has impacted the Groups FY25 financial performance.

WORKING CAPITAL

The Group has a strong working capital position with Current Assets exceeding Current Liabilities by $20.7m at 30 June 2025. The Group has substantial Australian gross tax losses of $53.0m against which a Deferred Tax Asset of $9.7m has been recognised in its Statement of Financial Position.

NET DEBT

The Group's Net Debt at 30 June 2025 was $56.3m reflecting the impacts of poor financial performance, ERP implementation costs, a disproportionate cost base and high inventory carrying levels. Each of these factors is being addressed as a matter of urgency. We are working closely with National Australia Bank Limited as we progress our debt reduction strategy and, on 8 August 2025, the Group's $55m Borrowing Base Facility was replaced by a new $55m Revolving Cash Advance Facility with an expiry of 31 July 2027. This new simplified facility reduces administrative complexity and provides covenant headroom. The new facility sits alongside the Group's existing $18m Amortising Term Loan Facility and $5m Multi Option Facility (Letter of Credit Facility).

DIVIDENDS

The Board has suspended the declaration of dividends as part of prioritising the reduction of net debt and to support the Company's growth objectives. The dividend will be reviewed periodically in line with financial performance and capital requirements.

Note 1: All references to EBITDA are to Pre AASB16 before Significant Items

BOARD AND SENIOR MANAGEMENT

During FY25 there has been considerable change in Board composition and in Senior Management.

Board: As announced on 2 October 2024, Mr Daniel Palumbo was appointed as a Non-Executive Director of the Company effective 28 October 2024. As announced on 22 April 2025, Ms Anne Lockwood and Mr Craig Coleman were appointed as Non-Executive Directors of the Company effective 24 April 2025 and 23 April 2025 respectively. Also on 22 April 2025, the Company announced the resignation of Non-Executive Directors Mr James Todd and Mr Robert Martino, with the latter appointed as an Alternate Director for Mr Coleman.

Senior Management: As announced on 25 March 2025, Managing Director & Chief Executive Officer Mr Robert Bulluss had tendered his resignation. Mr Bulluss subsequently left the business on 6 June 2025. As announced on 26 June 2025, Mr Nik Alpert was appointed as Acting Group Chief Executive Officer effective immediately and was formally confirmed as CEO on 29 August 2025. Also on 26 June 2025, the Company announced the retirement of Chief Financial Officer Mr Rod Jackson effective no later than 14 October 2025 and the appointment of Mr Patrick Maloney as the Company's new Chief Financial Officer effective 1 October 2025.

We have a refreshed team which is committed to reversing the Company's poor FY25 financial performance and returning it to growth and to improving shareholder value.

EXECUTIVE REMUNERATION

The Company Executive and Director Incentive Plan which provides for the granting or issuing of Performance Rights to eligible Executives has been suspended for FY26. A new securities-based Incentive Plan has been approved by the Board and will be taken to shareholders for approval at the next Annual General Meeting of the Company.

The Company's Short Term Incentive Plan, applicable to eligible Executives, has been enhanced to reward the initiatives required to reverse the deterioration in financial performance experienced in FY25.

It is proposed a one-off grant of Options be made to three senior Executives who will be pivotal to the turnaround of the Company's performance. The proposed grant to the CEO will require approval by shareholders at the next Annual General Meeting of the Company and no Options will be granted to any Executive until that approval is received.

PEOPLE

As Chairman, I would like to thank my Board colleagues, old and new, for their contribution over what has been a demanding and challenging year. On behalf of the Board, I would like to thank all our colleagues across the Group for their commitment to the business. To our shareholders, I extend the Board's appreciation for your continued support. While the FY25 result is disappointing, we are committed to delivering the improvements necessary to rebuild earnings and enhance shareholder returns.

OUTLOOK

The Group is focused on delivering its "back to basics" strategy under a refreshed and strongly aligned new executive team. All efforts are focused on sales growth, cost reduction, cash generation, debt reduction and a step-change in financial performance in FY26.

The Board remains confident in the market opportunity for the business and now believe we have the team in place to execute. The Group has significant revenue scale, attractive gross margins and there are no underlying significant market structural issues.

Earnings guidance for FY26 is >$20m EBITDA with expectations that earnings run-rate will improve quarter-on-quarter. This does not include the benefit of the cost-out program which will be progressively delivered during the year. July sales were $34m (up 6.3% on June).

Neil G. Cathie
Chairman of the Board of Directors

Nik Alpert
Chief Executive Officer

Coventry Group Ltd and its controlled entities

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 30 June 2025

	NOTE	2025	2024
		$'000	$'000
Revenue from sale of goods	2	364,628	370,805
Cost of sales		(208,629)	(216,328)
Gross profit		**155,999**	154,477
Other income		6,263	5,524
Employment costs	5	(95,591)	(88,741)
Depreciation and amortisation expense	12, 13, 14	(22,380)	(18,552)
Occupancy costs		(3,170)	(2,538)
Communication costs		(4,119)	(4,482)
Freight		(6,730)	(7,935)
Vehicle operating costs		(3,138)	(3,222)
ERP implementation costs	26	(6,772)	(9,096)
Impairment of intangible assets	15	(24,525)	-
Other expenses		(19,130)	(16,398)
Profit/(loss) before net financial expense and tax		**(23,293)**	9,037
Financial income	6	652	451
Financial expense	6	(9,730)	(8,417)
Net financial expense	6	**(9,078)**	(7,966)
Profit/(loss) before income tax		**(32,371)**	1,071
Income tax benefit/(expense)	7	2,816	(412)
Profit/(loss) for the year		**(29,555)**	659
Earnings per share:			
Basic earnings/(loss) per share:	8	(24.9) cents	0.7 cents
Diluted earnings/(loss) per share:	8	(24.9) cents	0.7 cents

The consolidated statement of profit or loss is to be read in conjunction with the accompanying notes to the consolidated financial statements.

Coventry Group Ltd and its controlled entities

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2025

	NOTE	2025	2024
		$'000	$'000
Profit/(loss) for the year		**(29,555)**	659
Other comprehensive income items that may be reclassified to profit or loss:			
Foreign currency translation differences		**(697)**	(94)
Effective portion of changes in fair value of cash flow hedges		**(41)**	(12)
Other comprehensive (loss) for the year, net of income tax		**(738)**	(106)
Total comprehensive income/(loss) for the year		**(30,293)**	553

The consolidated statement of comprehensive income is to be read in conjunction with the accompanying notes to the consolidated financial statements.

Coventry Group Ltd and its controlled entities

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2025

	NOTE	2025 $'000	2024 $'000
Assets			
Cash and cash equivalents	9	3,335	7,727
Trade and other receivables	10	52,826	57,864
Inventories	11	89,019	83,232
Other assets	10	3,409	2,614
Prepayments	10	6,592	5,527
Income tax receivable		261	38
Total current assets		**155,442**	157,002
Other receivables	10	608	988
Deferred tax assets	7	22,944	22,767
Property, plant and equipment	12	17,933	16,389
Right-of-use assets	13	68,404	66,669
Intangible assets	14	62,842	85,565
Total non-current assets		**172,731**	192,378
Total assets		**328,173**	349,380
Liabilities			
Trade and other payables	16	62,098	56,598
Employee benefits		9,633	9,835
Interest-bearing loans and borrowings	17	44,643	37,076
Lease liability		17,426	16,609
Provisions	18	924	537
Total current liabilities		**134,724**	120,655
Employee benefits		728	665
Interest-bearing loans and borrowings	17	15,000	18,000
Other payables	16	179	454
Provisions	18	2,499	2,813
Lease liability		63,841	63,720
Total non-current liabilities		**82,247**	85,652
Total liabilities		**216,971**	206,307
Net assets		**111,202**	143,073
Equity			
Issued capital	20	189,379	186,229
Reserves		(6,894)	(5,815)
Profit reserve		1,627	6,014
Accumulated losses		(72,910)	(43,355)
Total equity		**111,202**	143,073

The consolidated statement of financial position is to be read in conjunction with the accompanying notes to the consolidated financial statements.

Coventry Group Ltd and its controlled entities

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

	Hedge reserve	Translation reserve	Other reserve	Total reserves	Profit reserve	Share capital	Accumulated losses	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2024	3	(2,925)	(2,893)	(5,815)	6,014	186,229	(43,355)	143,073
Total comprehensive (loss) for the year								
Loss for the year	-	-	-	-	-	-	(29,555)	(29,555)
Other comprehensive (loss):								
Foreign currency translation differences	-	(697)	-	(697)	-	-	-	(697)
Effective portion of changes in fair value of cash flow hedges	(41)	-	-	(41)	-	-	-	(41)
Total other comprehensive (loss)	**(41)**	**(697)**	**-**	**(738)**	**-**	**-**	**-**	**(738)**
Total comprehensive (loss) for the year	**(41)**	**(697)**	**-**	**(738)**	**-**	**-**	**(29,555)**	**(30,293)**
Transactions with owners, recorded directly in equity								
Share issue	-	-	-	-	-	3,196	-	3,196
Share issue costs	-	-	-	-	-	(46)	-	(46)
Equity-settled share-based payments	-	-	(341)	(341)	-	-	-	(341)
Dividends	-	-	-	-	(4,387)	-	-	(4,387)
Balance at 30 June 2025	**(38)**	**(3,622)**	**(3,234)**	**(6,894)**	**1,627**	**189,379**	**(72,910)**	**111,202**

Amounts are stated net of tax

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes to the consolidated financial statements.

	Hedge reserve	Translation reserve	Other reserve	Total reserves	Profit reserve	Share capital	Accumulated losses	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2023	15	(2,831)	(2,214)	(5,030)	8,611	152,725	(43,355)	112,951
Total comprehensive income/(loss) for the year								
Profit for the year	-	-	-	-	659	-	-	659
Other comprehensive income/(loss):								
Foreign currency translation differences	-	(94)	-	(94)	-	-	-	(94)
Effective portion of changes in fair value of cash flow hedges	(12)	-	-	(12)	-	-	-	(12)
Total other comprehensive loss	(12)	(94)	-	(106)	-	-	-	(106)
Total comprehensive income/(loss) for the year	(12)	(94)	-	(106)	659	-	-	553
Transactions with owners, recorded directly in equity								
Share issue	-	-	-	-	-	34,332	-	34,332
Share issue costs	-	-	-	-	-	(828)	-	(828)
Equity-settled share-based payments	-	-	(679)	(679)	-	-	-	(679)
Dividends	-	-	-	-	(3,256)	-	-	(3,256)
Balance at 30 June 2024	3	(2,925)	(2,893)	(5,815)	6,014	186,229	(43,355)	143,073

Amounts are stated net of tax

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes to the consolidated financial statements.

Coventry Group Ltd and its controlled entities

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	NOTE	2025	2024
		$'000	$'000
Cash flows from operating activities			
Cash receipts from customers		412,038	415,894
Cash paid to suppliers and employees		(385,536)	(388,082)
Cash from operations		**26,502**	27,812
Interest paid		(9,510)	(8,218)
Income taxes paid		(764)	(1,042)
Net cash from operating activities	24	**16,228**	18,552
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		280	228
Payment for acquisitions of business, net of cash acquired	3	-	(41,028)
Interest received		212	277
Acquisition of property, plant and equipment	12	(5,134)	(4,370)
Acquisition of intangible assets	14	(400)	(1,231)
Net cash used in investing activities		**(5,042)**	(46,124)
Cash flows from financing activities			
Proceeds from borrowings		853,715	809,504
Repayment of borrowings		(849,215)	(792,004)
Repayment of lease liabilities		(17,719)	(15,233)
Share issue costs		(46)	(1,183)
Dividends paid	20	(1,533)	(816)
Proceeds from issue of shares		-	31,101
Net cash from/(used in) financing activities		**(14,798)**	31,369
Net increase/(decrease) in cash and cash equivalents		(3,612)	3,797
Cash and cash equivalents at 1 July		7,727	3,859
Effect of movements in exchange rates on cash and cash equivalents		(780)	71
Cash and cash equivalents at 30 June	9	**3,335**	7,727

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes to the consolidated financial statements.

Coventry Group Ltd and its controlled entities

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

1. SIGNIFICANT ACCOUNTING POLICIES

Coventry Group Ltd (the "Company") is a for profit company domiciled in Australia. The address of the Company's registered office is 235 Settlement Road Thomastown VIC 3074 Australia. The consolidated financial statements ("financial report" or "consolidated financial report") of the Company for the financial year ended 30 June 2025 comprises the Company and its controlled entities (together referred to as the "Group").

The Company is party to a deed of cross-guarantee with its subsidiary entities as set out in Note 28. Under the deed of cross-guarantee, each body has guaranteed that the debts to each creditor of each other body which is a party to the deed will be paid in full in accordance with the deed.

The financial report was authorised for issue by the Directors on 29 August 2025.

(a) Statement of compliance

This financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial report of the Group complies with the International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

(b) Basis of preparation

The financial report is presented in Australian dollars, which is the Company's functional currency. The financial report is prepared on the historical cost basis except for certain financial assets and liabilities (including share-based payments and derivative financial instruments) which are stated at their fair value.

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and in accordance with that Instrument, amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

The Group has consistently applied the accounting policies (as set out in Note 1(d) – 1(u)) to all years presented in this consolidated financial report.

Going Concern

At 30 June 2025 the Group had $41.6m borrowings under the Borrowing Base Facility which are classified in the balance sheet as current. All bank covenants were satisfied at 30 June 2025. As set out in note 29, subsequent to year end the Group's $55m Borrowing Base facility has been replaced by a new $55m Revolving Cash Advance Facility with an expiry of 31 July 2027. The new facility reduces administrative complexity and provides covenant headroom. Accordingly, in preparing the financial report, the Directors have made an assessment of the ability of the Group to continue as a going concern, which includes consideration of ongoing compliance with financial debt covenants, the continuity of business operations, realisation of assets and settlement of liabilities in the ordinary course of business and at the amounts stated in the financial report. The Directors have a reasonable expectation that the Group will have adequate resources to continue to meet its obligations as they fall due.

(c) New and amended standards adopted by the Group

The following new and amended standards which have been adopted by the Group during the year did not have a significant impact on the Group's consolidated financial statements.

- *Non-current Liabilities with Covenants - Amendments to IAS 1*
- *Classification of Liabilities as Current or Non-current – Amendments to IAS 1*
- *Lease Liability in a Sale and Leaseback - Amendments to IFRS 16*
- *Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7*

There are no significant new standards or interpretations not yet adopted.

AASB 2023-2 Amendments to Australian Accounting Standards - International Tax Reform - Pillar Two Model Rules

The Group has adopted AASB 2023-2 upon its release in May 2023. The amendments to AASB 112 require entities to disclose separately their current tax expense (income) related to Pillar Two income taxes, as published by the Organisation for economic Co-operation and Development (OECD). Further, there is a mandatory temporary exception to accounting for deferred taxes arising from the implementation of the Pillar Two model rules.

At 30 June 2025 the relevant tax legislation has been substantively enacted in Australia and New Zealand. The Group has applied the mandatory exception.

Standards issued but not yet effective

The Group has not early adopted the following new or amended standards issued but not yet effective. The standards are not expected to have a significant impact on the Group's consolidated financial statements.

- *Lack of Exchangeability – Amendments to IAS 21*
- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28*
- *Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7*
- *Annual Improvements to IFRS Accounting Standards – Volume 11*
- *IFRS 18 Presentation and Disclosure in Financial Statements*
- *IFRS 19 Subsidiaries without Public Accountability: Disclosures*

(d) Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in the consolidated statement of profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Controlled entities

Controlled entities are entities controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Investments in controlled entities are carried at their cost of acquisition in the Company's financial statements, net of impairment write downs. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the consolidated statement of profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

1. Significant accounting policies (continued)

(e) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. 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. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences arising on translation are recognised in the consolidated statement of profit or loss.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Australian dollars at exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Australian dollars at rates approximating the foreign exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and presented in the translation reserve in equity. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with a maturity of three months or less at inception date.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average cost. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads. An impairment allowance is made for obsolete, damaged and slow-moving inventories.

(h) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost less loss allowance.

(i) Property, plant and equipment

All classes of property, plant and equipment are stated at cost less depreciation and any accumulated impairment loss.

Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives from the date that they are installed and are ready for use.

The estimated useful lives for each class of asset are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	5% - 40%

(j) Intangibles

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 1(d). Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Computer software

Computer software comprises licence costs and direct costs incurred in preparing for the operation of that software, including associated process re-engineering costs. Computer software is measured at cost less accumulated amortisation and impairment losses. Computer software costs that have been categorised as a Software-as-a-Service (SaaS) arrangement are recognised as an expense in the consolidated statement of profit or loss.

Other intangible assets

Brand names and customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Select brand names have an infinite useful life and are measured at cost less accumulated impairment losses while others have a finite useful life and are measured at cost less accumulated amortisation and any accumulated impairment loss. Customer relationships have a finite useful life and are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Except for goodwill and select brand names, intangible assets are amortised on a straight-line basis in the consolidated statement of profit or loss over their estimated useful lives, from the date that they are available for use. In current and comparative periods, customer relationships was estimated to have a useful life of 10 years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(k) Financial Instruments

Investments and other financial assets

The Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the consolidated statement of profit or loss.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its instruments carried at amortised cost and fair value through other comprehensive income ("OCI"). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same type of contract. The Group has concluded that the expected loss rates of trade receivables are a reasonable approximation to the loss rates for the contract assets.

(l) Impairment of assets (financial and non-financial)

Non-financial

Goodwill and intangible assets that have an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Other assets are tested for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired. An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs of disposal and value in use.

Financial

Financial assets are tested for impairment at each financial year end.

(m) Employee benefits

A provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. These benefits include wages and salaries, annual leave and long service leave. Sick leave is non-vesting and has not been provided for.

(n) Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Make good

Provision for make good in respect of leased properties is recognised where appropriate based on the estimated cost to be incurred to restore premises to the required condition under the relevant lease agreements.

(o) Trade and other payables

Trade and other payables are stated at amortised cost.

1. Significant accounting policies (continued)

(p) Revenue and other income

Revenue is recognised when control of a good or service transfers to a customer. Determining the timing of the transfer of control – at a point in time or over time - requires judgement.

Sale of goods – revenue recognised at a point in time

Revenue from the sale of goods that are not subject to contract manufacturing arrangements is measured at the fair value of the consideration received or receivable, net of returns, rebates and goods and services tax payable to the taxation authority.

Revenue is recognised when a customer obtains control of the promised goods and the Group has satisfied its performance obligation in relation to the promised goods. In determining when control of promised goods passes to the customer, the Group considers a variety of factors including a present right to payment, physical possession, legal title, the transfer of significant risk and rewards of ownership of the goods and customer acceptance of the asset. The timing of the transfer of control to the customers for the sale of goods occurs either:

- When the goods are despatched or delivered in line with the Incoterms as detailed in the relevant contract of sale or purchase order for the goods. The Group sells a significant proportion of its products on Free-In-Store/ Delivered at Place Incoterms. This means the Groups control of the goods passes when the product is delivered to the agreed destination;
- When they are made available to the customer and ownership transfers prior to despatch as detailed in the relevant contract of sale or purchase order for the goods; or
- On notification (following stocktake) that the product has been used when the goods are consignment products located at customers' premises.

Where cash consideration has been received but the revenue recognition criteria has not been met, such amounts have been recorded on the consolidated statement of financial position as a contract liability.

Sale of goods – contract manufacturing and supply revenue recognised over time

The Group has determined that for bundled contract manufacturing comprising design, build, install and service elements, the customer controls the goods once the goods are finished and installed on premises in accordance with the relevant contract. Revenue is however, recognised over time because under the contract, goods are manufactured to a customer's specification, and if a firm order that is placed by the customer in accordance with the agreement is terminated, the Group is entitled to a reimbursement of the costs incurred in manufacturing the goods, including a reasonable margin. That is, before the goods are delivered to the customer's premises. Invoices issued according to contractual terms and amounts not yet invoiced are presented as contract assets.

(q) Leases

Leases in which the Group is a lessee

The Group recognises all lease liabilities and corresponding right-of-use assets, with the exception of short-term (12 months or fewer) and low value leases, on the balance sheet.

Lease liabilities are initially measured at the net present value of future lease payments and extension options expected to be exercised. Variable lease payments not dependent on an index or rate are excluded from the calculation of lease liabilities. Payments are discounted at the incremental borrowing rate of the lessee. Non-lease components are excluded from the projection of future lease payments and recorded separately within operating costs on a straight-line basis.

The right-of-use asset, resulting from a lease arrangement, at initial recognition reflects the lease liability, initial direct costs and any lease payments made before the commencement date of the lease less any lease incentives plus, where applicable, provision for dismantling and restoration.

1. Significant accounting policies (continued)

The Group recognises depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of profit or loss over the lease term. Repayments of lease liabilities are separated into a principal portion (presented within financing activities) and interest portion (which the Group presents in operating activities) in the cash flow statement.

Leases in which the Group is a lessor

The Group sub-leases some of its properties. The Group has applied the guidance set out in AASB 16 to classify these as either a finance lease or operating lease.

Operating leases

Rental income is recognised in the statement of profit or loss as other income.

Finance leases

The Group recognises an investment in sub-lease in the statement of financial position. Rental income is recognised in the consolidated statement of profit or loss as interest income. Finance sub-leases are classified with reference to the right-of-use asset arising from the head lease.

(r) Finance income and finance costs

Finance income comprises interest income on funds invested and on finance leases where the Group is a lessor. Interest income is recognised as it accrues in the consolidated statement of profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and leases.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the consolidated statement of profit or loss using the effective interest method.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

(s) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Group.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

1. Significant accounting policies (continued)

Tax consolidation

The Company and its wholly owned Australian resident entities have formed a tax consolidated group with effect from 1 November 2002 and are therefore taxed as a single entity from that date. The head entity within the tax consolidated group is Coventry Group Ltd.

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the controlled entities is assumed by the head entity in the tax consolidated group and recognised by the Company as an equity contribution or distribution.

The Company recognises deferred tax assets arising from unused tax losses of the tax consolidated group to the extent that it is probable that future taxable profits of the tax consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

(t) Goods and services tax

Revenue, expenses and assets 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 cost of acquisition of the asset or as part of the expense.

Receivables and payables in the statement of financial position are stated with the amount of GST included. Cash flows are included in the statement of cash flows on a gross basis.

(u) Accounting estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expense. The estimates and associated assumptions are based on historical experience and on other factors it believes to be reasonable under the circumstances, the results of which form the basis of the reported amounts that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

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

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

- estimation of current tax payable, current tax expense and recovery of deferred tax assets based on forecasted taxable profit – note 1(s) and note 7
- estimated impairment of non-financial assets and measurement of the recoverable amount of cash generating units – note 15
- valuation of inventories – note 1(g)
- estimation of fair value of assets acquired and liabilities assumed in business combinations, and fair value of consideration transferred (including contingent consideration) – note 3

2. SEGMENT INFORMATION

(a) Description of segments

The Group has reportable segments as described below. For each of the strategic reportable segments, the CEO reviews internal management accounts on a monthly basis. The following summary describes the operations of each of the Group's reportable segments:

Trade Distribution	Includes the importation, distribution and marketing of industrial fasteners, industrial hardware supplies and associated products, temporary fencing and cabinet making hardware.
Fluid Systems	Includes the design, manufacture, distribution, installation and maintenance of lubrication and hydraulic fluid systems and hoses.

(b) Segment information

Information regarding the results of each reportable segment is included below.

Information about reportable segments	Trade Distribution	Fluid Systems	Other business units and consolidation adjustments	Total reportable segments
30 June 2025	$'000	$'000	$'000	$'000
Segment revenue	217,822	147,656	-	365,478
Inter-segment revenue	-	-	-	-
Revenue from external customers	**217,822**	**147,656**	**-**	**365,478**
Timing of revenue recognition at				
point in time	215,361	145,517	-	360,878
over time	2,461	2,139	-	4,600
Total	**217,822**	**147,656**	**-**	**365,478**
Underlying EBITDA[1]	**14,449**	**13,435**	**(15,590)**	**12,294**
Depreciation and amortisation	1,941	1,336	2,112	5,389
Underlying EBIT[1]	**12,508**	**12,099**	**(17,702)**	**6,905**

Note 1: Underlying EBITDA and Underlying EBIT are non-IFRS measures and reflect how management measures performance of the Group. Underlying EBITDA is earnings before interest, tax, depreciation, amortisation and has been adjusted as a result of AASB16 to exclude leases and significant items. Underlying EBIT is earnings before interest and tax and has been adjusted to exclude leases and significant items.

Information about reportable segments	Trade Distribution	Fluid Systems	Other business units and consolidation adjustments	Total reportable segments
30 June 2024	$'000	$'000	$'000	$'000
Segment revenue	212,129	159,203	-	371,332
Inter-segment revenue	-	-	-	-
Revenue from external customers	212,129	159,203	-	371,332
Timing of revenue recognition at				
point in time	209,357	153,872	-	363,229
over time	2,772	5,331	-	8,103
Total	212,129	159,203	-	371,332
Underlying EBITDA[1]	16,682	18,953	(14,826)	20,809
Depreciation and amortisation	1,539	1,101	1,155	3,795
Underlying EBIT[1]	15,143	17,852	(15,981)	17,014

Note 1: Underlying EBITDA and Underlying EBIT are non-IFRS measures and reflect how management measures performance of the Group. Underlying EBITDA is earnings before interest, tax, depreciation, amortisation and has been adjusted as a result of AASB16 to exclude leases and significant items. Underlying EBIT is earnings before interest and tax and has been adjusted to exclude leases and significant items.

(c) Other segment information

i. Segment Revenue

A reconciliation of segment revenue to total revenue from the sale of goods in the consolidated statement of profit or loss is provided as follows:

	2025	2024
	$'000	$'000
Total segment revenue	**365,478**	371,332
Foreign exchange translation variance	(850)	(527)
Total revenue	**364,628**	370,805

ii. Segment Operating Profit/(Loss)

The performance of the Group's reportable segments is based on Underlying EBIT[1]. Reconciliation of Underlying EBIT[1] to operating profit/(loss) in the consolidated statement of profit or loss is provided as follows:

	NOTE	2025	2024
		$'000	$'000
Total segment Underlying EBIT[1]		**6,905**	17,014
Foreign exchange translation variance		7	(46)
Significant items (foreign exchange at management accounts spot rate)	26	(33,847)	(10,584)
Net financing expense, excluding interest on lease liabilities (AASB16)		(3,881)	(3,370)
Income tax (expense)/benefit	7	2,349	(942)
Other adjustments		-	(176)
Impact of AASB16			
Depreciation of right-of-use assets		(17,047)	(14,530)
Net Interest on lease liabilities and sub-lease investment		(5,215)	(4,414)
Reversal of net rent and lease payments and receivables		20,707	17,177
Income tax benefit	7	467	530
Profit/(loss) for the year		**(29,555)**	659

Note 1: Underlying EBITDA and Underlying EBIT are non-IFRS measures and reflect how management measures performance of the Group. Underlying EBITDA is earnings before interest, tax, depreciation, amortisation and has been adjusted as a result of AASB16 to exclude leases and significant items. Underlying EBIT is earnings before interest and tax and has been adjusted to exclude leases and significant items.

(d) Geographic information

Revenue based on the geographic location of customers were Australia $309,330,000 (2024: $319,639,000) and New Zealand $55,298,000 (2024: $51,166,000).

3. BUSINESS COMBINATIONS

(a) Prior period business combination provisional amounts finalised

At 30 June 2024 the amounts disclosed as the fair value of the identifiable assets and liabilities acquired in the business combination of Steel Masters Auckland Limited ("Steelmasters Group") on 30 April 2024 were presented as provisional amounts.

The amounts have been finalised and the following table summarises the adjustments made to the fair values of identifiable net assets and goodwill:

Purchase consideration	**Provisional Amount $'000**	**Revised Amount $'000**	**Total $'000**
Cash paid	45,632	45,632	-
Total	**45,632**	**45,632**	**-**

Fair value of net assets acquired			
Cash and cash equivalents	4,604	4,604	-
Trade and other receivables	3,502	3,502	-
Inventories	9,633	9,633	-
Other curent assets	443	443	-
Property, plant and equipment	1,216	1,216	-
Deferred tax assets	3,334	3,334	-
Right-of-use assets	9,305	9,305	-
Trade and other payables	(2,661)	(2,661)	-
Employee benefits	(968)	(968)	-
Income tax payable	(50)	(50)	-
Deferred tax liabilities	(2,451)	(5,646)	(3,195)
Provisions	(385)	(385)	-
Lease liabilities	(10,125)	(10,125)	-
Total identifiable net assets acquired	**15,397**	**12,202**	**(3,195)**
Goodwill on consolidation (note 14)	30,235	22,414	(7,821)
Brand names (note 14)	-	2,111	2,111
Customer relationships (note 14)	-	8,905	8,905
Total	**45,632**	**45,632**	**-**

4. AUDITOR'S REMUNERATION

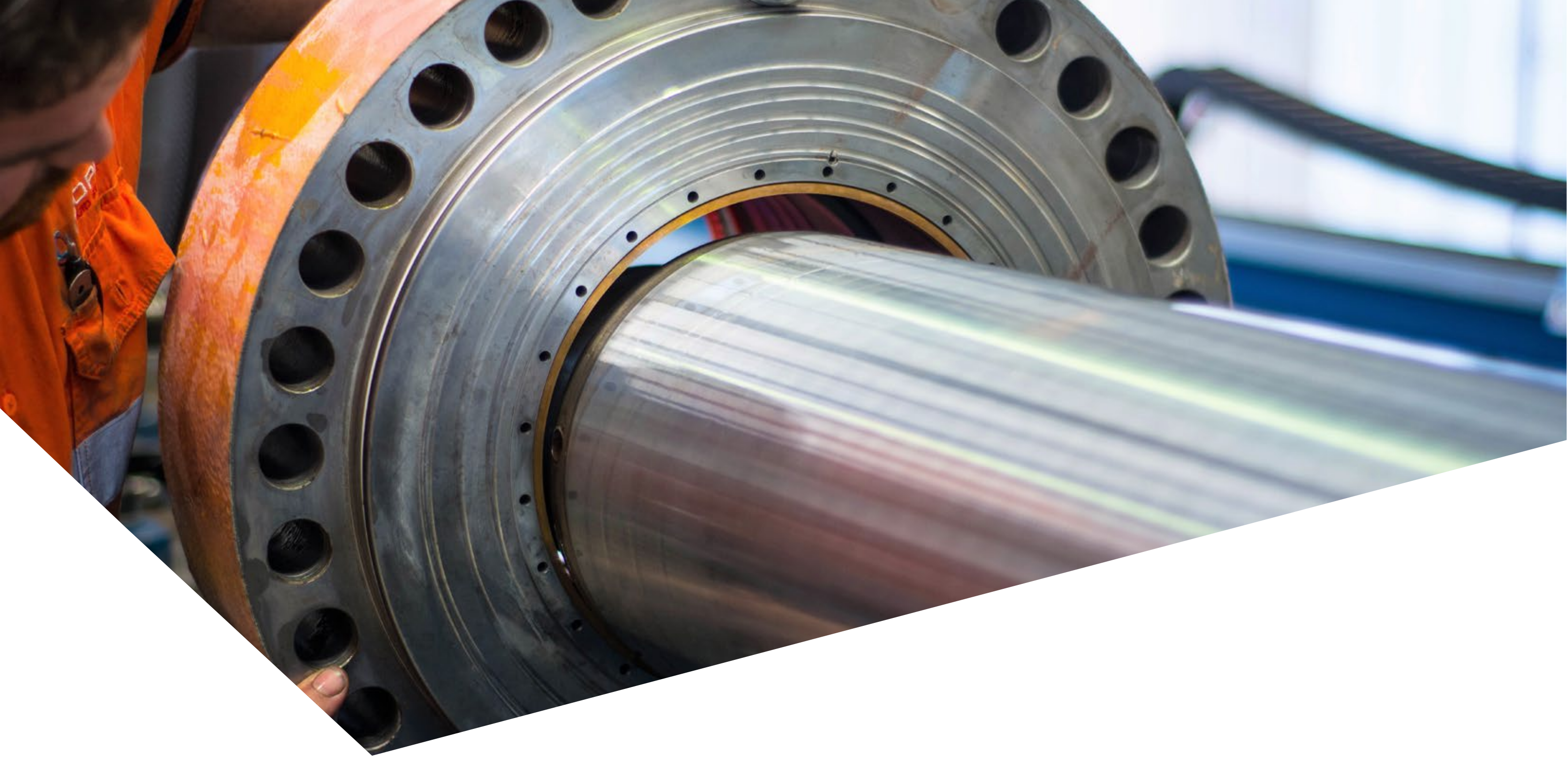
	2025 $	2024 $
Audit services		
Auditors of the Group - KPMG		
Audit and review of financial statements	517,822	378,371
Other auditors		
Audit of financial statements - controlled entities	-	56,892
Non-audit services		
Amounts paid and payable to KPMG:		
Transaction services	-	52,250
Taxation services	8,663	7,375
Total non-audit services	**8,663**	59,625

5. EMPLOYMENT COSTS

	2025 $'000	2024 $'000
Wages and salaries	73,359	67,154
Liability for annual leave and long service leave	6,938	7,226
Contributions to superannuation funds	7,929	7,263
Payroll taxes	4,272	4,088
Other associated personnel expenses	3,093	3,010
Total	**95,591**	88,741

6. FINANCE INCOME AND FINANCE EXPENSES

	2025 $'000	2024 $'000
Interest income	212	277
Net foreign exchange gain	440	174
Financial income	**652**	451
Interest expense	(4,530)	(3,907)
Interest expense on lease liabilities	(5,200)	(4,510)
Financial expenses	**(9,730)**	(8,417)
Net financial expense	**(9,078)**	(7,966)



7. TAXES

	2025 $'000	2024 $'000
Current tax expense/(benefit)		
Current year expense/(benefit)	(904)	5,337
Under provision prior year	126	-
Tax expense/(benefit) recognised in the profit or loss	**(778)**	5,337
Deferred tax expense/(benefit)		
Origination and reversal of temporary differences	(2,038)	(4,925)
Total deferred tax benefit	**(2,038)**	(4,925)
Total income tax expense/(benefit)	**(2,816)**	412
Reconciliation of effective tax rate		
Profit/(loss) from operations for the period	(29,555)	659
Total income tax expense/(benefit)	(2,816)	412
Profit/(loss) before income tax	**(32,371)**	1,071
Income tax using the Company's domestic tax rate of 30%	(9,711)	322
Non-deductible expenditure	7,175	139
Under provision in prior periods	126	-
Effect of change in tax rate	(75)	-
Effect of lower tax rate applicable to foreign controlled entity	(331)	(49)
Total income tax expense/(benefit)	**(2,816)**	412

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000	$'000	$'000
Trade and other receivables	169	287	-	(2)	169	285
Inventories	1,287	1,407	-	-	1,287	1,407
Property, plant and equipment	1,652	1,888	-	-	1,652	1,888
Right-of-use assets	-	-	(20,267)	(19,470)	(20,267)	(19,470)
Intangible assets	6,846	4,845	(6,823)	(4,421)	23	424
Employee benefits	3,104	3,098	-	-	3,104	3,098
Trade and other payables	599	884	-	(1)	599	883
Provisions	-	44	-	-	-	44
Lease liability	25,138	24,470	-	-	25,138	24,470
Other items	1,507	308	-	(2)	1,507	306
Tax losses carried forward	9,732	9,432	-	-	9,732	9,432
Tax assets/(liabilities)	**50,034**	46,663	**(27,090)**	(23,896)	**22,944**	22,767
Set off of deferred tax liability	(27,090)	(23,896)	27,090	23,896	-	-
Net deferred tax asset	**22,944**	22,767	-	-	**22,944**	22,767

The Australian Group has $21,764,300 (2024 $18,195,089) in unused gross tax losses for which no deferred tax asset has been recognised in the statement of financial position.

8. EARNINGS PER SHARE

	2025	**2024**
Weighted average of shares in year used in basic earnings per share (number)	118,666,183	97,042,646
Weighted average of dilutive rights outstanding (number)	-	190,808
Weighted average of shares in year used in calculating dilutive earnings per share (number)	**118,666,183**	97,233,454
Earnings/(loss) used in basic and diluted earnings per share calculation ($)	(29,555,341)	659,427
Earnings/(loss) per share (cents)	(24.9) cents	0.7 cents
Diluted earnings/(loss) per share (cents)	(24.9) cents	0.7 cents

9. CASH AND CASH EQUIVALENTS

	2025	2024
	$'000	$'000
Cash and cash equivalents	**3,335**	7,727

10. TRADE AND OTHER RECEIVABLES

	2025	2024
	$'000	$'000
Current		
Trade receivables	52,973	58,510
Loss allowance (note 21(a))	(528)	(970)
	52,445	57,540
Net investment in sub-lease	381	324
Total	**52,826**	57,864
Other assets	3,409	2,614
Prepayments	6,592	5,527
	10,001	8,141
Non-current		
Net investment in sub-lease	608	988
Total trade and other receivables	**63,435**	66,993

During the year the Group recognised interest income of $82,000 on sub-lease receivables.

Information about the Group's exposure to credit risk, foreign currency risk and interest rate risk is disclosed in note 21.

11. INVENTORIES

	2025	2024
	$'000	$'000
Work in progress	5,666	5,756
Finished goods	88,673	83,445
Provision for obsolescence	(5,320)	(5,969)
Net Inventory balance	**89,019**	83,232

12. PROPERTY, PLANT AND EQUIPMENT

	$'000
Cost at 1 July 2024	58,569
Accumulated Depreciation at 1 July 2024	(42,180)
Carrying amounts at 1 July 2024	**16,389**
Additions	5,134
Additions through business combinations (note 3)	-
Depreciation charge for the year	(3,517)
Disposals	(117)
Effect of movements in foreign exchange	44
Carrying amounts at 30 June 2025	**17,933**

Cost at 1 July 2023	56,361
Accumulated Depreciation at 1 July 2023	(42,371)
Carrying amounts at 1 July 2023	13,990
Additions	4,370
Additions through business combinations (note 3)	1,216
Depreciation charge for the year	(3,041)
Disposals	(140)
Effect of movements in foreign exchange	(6)
Carrying amounts at 30 June 2024	16,389

13. RIGHT-OF-USE ASSETS

	Property	Vehicles	Total
	$'000	$'000	$'000
Carrying amounts at 1 July 2024	55,257	11,412	66,669
Additions	7,267	3,080	10,347
Additions through business combinations (note 3)	-	-	-
Terminations	(103)	(76)	(179)
Lease reassessments	7,791	581	8,372
Depreciation for the period	(11,974)	(5,030)	(17,004)
Effect of movements in foreign exchange	161	38	199
Carrying amount at 30 June 2025	**58,399**	**10,005**	**68,404**
Carrying amounts at 1 July 2023	44,429	9,703	54,132
Additions	5,522	5,726	11,248
Additions through business combinations (note 3)	9,228	77	9,305
Terminations	(7)	-	(7)
Lease reassessments	6,219	521	6,740
Depreciation for the period	(10,152)	(4,614)	(14,766)
Effect of movements in foreign exchange	18	(1)	17
Carrying amount at 30 June 2024	55,257	11,412	66,669

14. INTANGIBLE ASSETS

	Goodwill	Brand names	Customer relationships	Computer software	Development costs	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Carrying amounts at 1 July 2024	67,242	11,927	2,849	3,390	157	85,565
Additions	-	-	-	330	70	400
Additions through business combinations (note 3)	(7,821)	2,111	8,905	-	-	3,195
Amortisation for the year	-	-	(1,600)	(222)	(37)	(1,859)
Impairment loss	(22,414)	(2,111)	-	-	-	(24,525)
Effect of movements in foreign exchange	58	8	-	-	-	66
Carrying amounts at 30 June 2025	**37,065**	**11,935**	**10,154**	**3,498**	**190**	**62,842**
Carrying amounts at 1 July 2023	37,022	11,929	3,459	2,451	-	54,861
Additions	-	-	-	1,074	157	1,231
Additions through business combinations (note 3)	30,235	-	-	-	-	30,235
Amortisation for the year	-	-	(610)	(135)	-	(745)
Effect of movements in foreign exchange	(15)	(2)	-	-	-	(17)
Carrying amounts at 30 June 2024	67,242	11,927	2,849	3,390	157	85,565

15. IMPAIRMENT OF NON-FINANCIAL ASSETS

Impairment testing of goodwill

For the purpose of impairment testing, goodwill and indefinite life intangible assets are allocated to the Group's reportable segments which represents the lowest level within the Group at which management monitors goodwill. The aggregate carrying amounts of goodwill and indefinite life intangible assets allocated to each CGU are as follows:

	2025			2024		
	Goodwill	**Brand Name**	**Total**	**Goodwill**	**Brand Name**	**Total**
	$'000	$'000	$'000	$'000	$'000	$'000
Fluid Systems	15,682	-	15,682	15,682	-	15,682
Trade Distribution	21,383	11,935	33,318	51,560	11,927	63,487
Total	**37,065**	**11,935**	**49,000**	67,242	11,927	79,169

Goodwill is assessed for impairment on an annual basis, or more frequently when there is an indication that the CGU to which it belongs may be impaired. Where indicators exist, impairment testing is undertaken by comparing the carrying and recoverable amounts of goodwill. Impairment losses are recognised in the profit or loss when carrying amounts are higher than recoverable amounts.

In FY25, the Group impaired the Trade Distribution CGU intangibles by $24.5 million as a result of an update to the recoverable amount based on assumptions detailed below. The impairment loss arose due to assumptions updated for more modest revenue growth compared to the prior forecast and softened working capital improvement assumptions.

Key assumptions used in the calculation of the recoverable amount

The key assumptions used in the value in use calculations include projected sales growth, projected gross margins, terminal growth rate and the discount rate. These assumptions are based on historical experience and projected performance. Budget and forecast calculations cover a period of five years. A long-term growth rate is determined and applied to project future cash flows after the fifth year.

The values assigned to a number of key assumptions are as follows:

Fluid Systems

- Sales growth at 6.55% for FY26, 7.50% for FY27 to FY30.
- Terminal growth rate of 2.5%
- Post-tax WACC of 11.25%
- Average EBITDA growth of 9.3% for FY27-FY30

Trade Distribution

- Sales growth at 11.47% for FY26, 5.00% for FY27-FY30.
- Terminal growth rate of 2.5%
- Post-tax WACC of 10.3%
- Average EBITDA growth of 9.1% for FY27-FY30

Impact of possible changes in key assumptions

Management assessed whether any CGU for which the carrying amount of goodwill is significant could be impaired as a result of a reasonably possible change in a key assumptions (with all other inputs remaining the same). Partial impairment has been recognised for the Trade Distribution segment and therefore any adverse change in assumptions would lead to further impairment. The following impairments would be recognised as a result of the change in key assumptions listed:

- An increase in the WACC by 30 basis points $4,700,000
- A decrease in forecast sales by 1% $4,200,000
- A decrease in forecast gross profit by 0.5% $9,400,000

Significant headroom was observed between the recoverable amount calculated for Fluid Systems and the carrying amount for the segment. Management considered the reasonably possible change in key assumptions and with all other inputs remaining the same, it was confirmed that the recoverable value would remain above the carrying value if the following chage in assumptions occured:

- A decrease in forecast sales by 4%
- A decrease in forecast gross profit by 1%
- A decrease in the terminal growth rate by 1%

16. TRADE AND OTHER PAYABLES

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 21.

	2025 $'000	2024 $'000
Trade payables	49,053	44,516
Other trade payables and accrued expenses	13,224	12,536
Total trade and other payables	**62,277**	57,052
Current	62,098	56,598
Non-current	179	454
Total trade and other payables	**62,277**	57,052

17. INTEREST-BEARING LOANS AND BORROWINGS

	2025 $'000	2024 $'000
Current		
Borrowing base facility	41,643	37,076
Revolving cash advance facility	3,000	-
Non-current		
Revolving cash advance facility	15,000	18,000
Total interest-bearing loans and borrowings	**59,643**	55,076

Non-cash investing and financing activities

There were no non-cash investing and financing activities.

Borrowing base facility

The Group has a $55.0 million Borrowing base facility secured against eligible inventory and debtors with a current expiry of July 2026 (2024: $55.0 million). The overall facility is secured by General Security Deeds with Australian and New Zealand entities as well as Rights of Entry to eligible inventory locations. The facility is subject to a floating interest on funds drawn.

The Borrowing Base Facility has the following Quarterly Financial Covenants:

- Working Capital Ratio – Greater than 1.60 times
  - (cash + trade debtors + inventories) / (trade creditors + statutory arrears + Facility A drawings)
- Fixed Charge Cover Ratio – No less than 1.3 times
  - (EBITDA + operating lease expenses) / (total interest + operating lease expenses)
- Gross Leverage Ratio – No greater than 3.0 times
  - Gross debt / EBITDA (rolling 12 month)

The Group exceeded its maximum leverage threshold in the third quarter of the financial year. The bank provided a waiver in May 2025, and the breach was remedied. In June 2025, the Gross Leverage Ratio was amended by the Bank to greater than 4.0 times for the 30 June 2025 compliance and calculation date, and the covenant was satisfied at that date.

On 8 August 2025, the Group's $55m Borrowing Base Facility was replaced by a new $55m Revolving Cash Advance Facility with an expiry of 31 July 2027. The Revolving Cash Advance Facility has the following Quarterly Financial Covenants:

Current	**Sep-25**	**Dec-25**	**Mar26**	**Jun-26**	**Thereafter**
Gross leverage ratio	≤5.00x	≤5.25ξ	≤4.25x	≤3.00x	≤3.00
Fixed charge cover ratio	≥1.25x	≥1.20x	≥1.30x	≥1.30x	≥1.30
Working capital ratio	≥1.60x	≥1.60x	≥1.60x	≥1.60x	≥1.60

Guarantee facility

In addition to the borrowing facilities above, the Group has a $5.0 million Standby Letter of Credit to provide security for Transactional Banking, Bank Guarantees, foreign exchange and other transactional facilities up to the limit specified in each individual guarantee.

Revolving cash advance facility

As at 30 June 2025, the Group had a $25.0 million Revolving cash advance facility with a current expiry of July 2027 to accommodate future acquisitions (2024: $25.0 million). The facility is subject to a floating interest rate on funds drawn. A minimum of $5.0m is repayable annually. Any undrawn limit or prepaid balance can be redrawn for future permitted acquisitions. On 8 August 2025, this facility was reduced to $18 million.

18. PROVISIONS

	Make good	**Warranties**	**Onerous Contract**	**Total**
	$'000	$'000	$'000	$'000
Balance at 1 July 2024	3,213	137	-	3,350
Provisions increased/(decreased)	221	90	190	501
Provisions used	(207)	(166)	-	(373)
Provisions released	-	(61)	-	(61)
Effects of movements in FX	6	-	-	6
Balance at 30 June 2025	**3,233**	**-**	**190**	**3,423**
Current	734	-	190	924
Non-current	2,499	-	-	2,499
Total	**3,233**	**-**	**190**	**3,423**

19. SHARE-BASED PAYMENTS

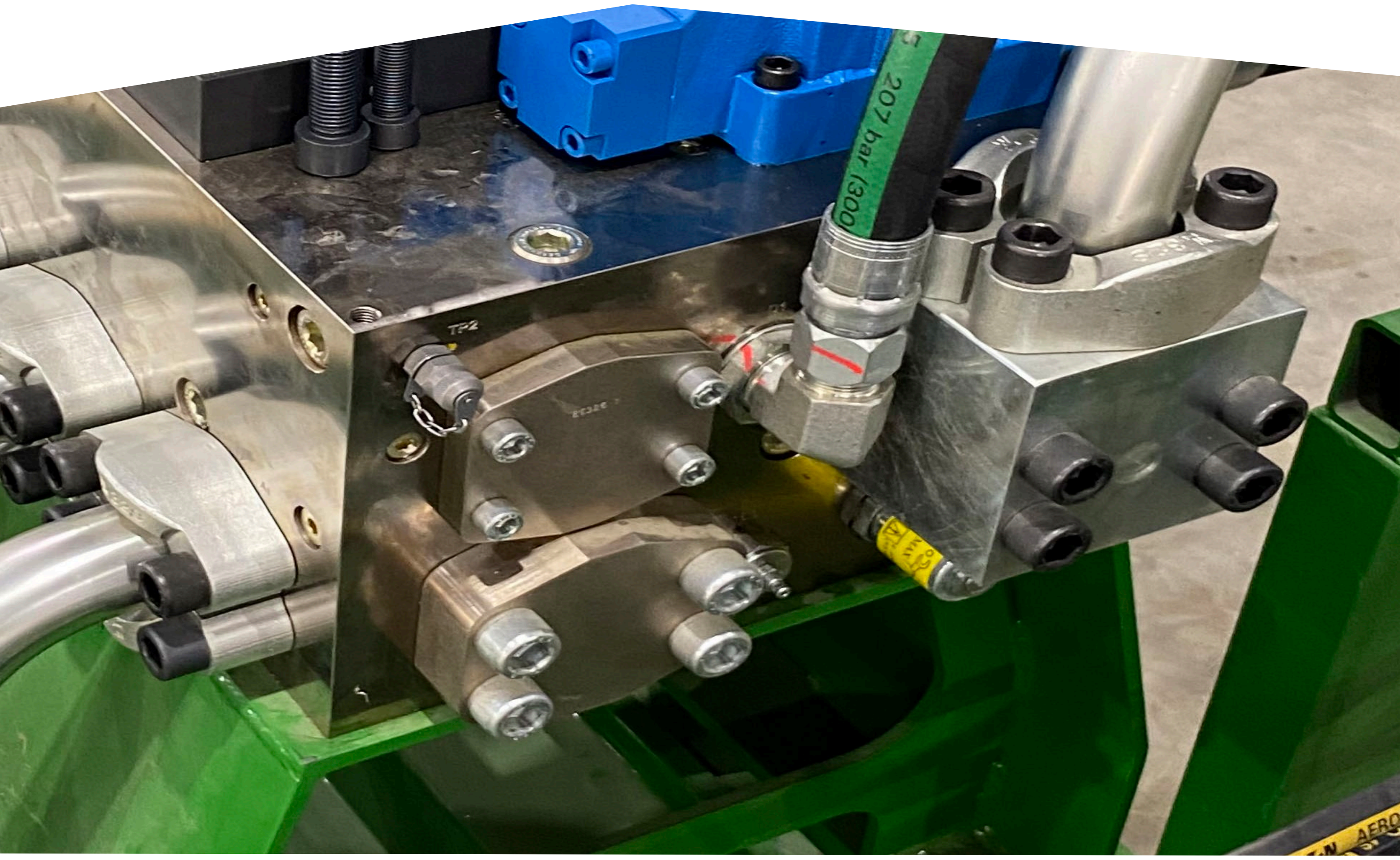
Executive and Director Incentive Plan

An Executive and Director Incentive Plan was re-approved by shareholders in 2023. The Plan governs the future granting of performance rights and issue of shares based on annual Company performance. Vesting of performance rights may vary subject to the extent performance hurdles have been met and the exercise of Board discretion. On vesting, the performance rights entitle the recipient to receive fully paid shares in the Company.

The following share-based payments existed at 30 June 2025:

	30 June 2025		30 June 2024	
	Number of performance rights	**Weighted average fair value**	**Number of performance rights**	**Weighted average fair value**
Outstanding at the beginning of the year	190,808	$1.79	856,448	$1.3243
Granted	707,427	$1.31	891,416	$1.1800
Forfeited	(707,427)	$1.31	(891,416)	$1.1800
Exercised	(190,808)	$1.79	(665,640)	$1.1908
Lapsed	-	-	-	-
Outstanding at the end of the year	**-**	**-**	190,808	$1.79

Total expenses arising from share-based payment transactions recognised in employment costs during the year were nil (2024: $113,837).



20. CAPITAL AND RESERVES

	Ordinary shares	Ordinary shares
	2025	**2024**
Share capital	'000	'000
On issue at 1 July	116,791	92,356
Conversion of performance rights	191	666
Dividend reinvestment plan	2,309	2,321
Issued for cash	-	21,448
On issue at 30 June	**119,291**	116,791

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared 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.

Nature and purpose of reserves

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the functional currency of the reporting entity, as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

Other reserve

The Other reserve comprises the fair value of shares and options that are yet to vest under share-based payment arrangements.

Hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in the consolidated statement of profit or loss as the hedged cash flows affect profit or loss.

Profit reserve

The profit reserve comprises retained profits since the reserve was first established in the 2021 financial year.

Dividends

The Board has suspended the declaration of dividends as part of prioritising the reduction of net debt and to support the Company's growth objectives. The dividend will be reviewed periodically in line with financial performance and capital requirements.

A final dividend of $4.4 million (3.75 cents per share, fully franked) in relation to the financial year ended 30 June 2024 was declared and paid by the Group in the financial year ended 30 June 2025 (2024: $3.3 million). Final dividend paid includes dividend reinvested of $2.9 million.

	Company	
	2025	**2024**
	'000	'000
Dividend franking account		
30 per cent franking credits available to shareholders of the Company for subsequent financial years	**8,855**	7,125

21. FINANCIAL RISK MANAGEMENT

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

- Credit risk
- Liquidity risk
- Market risk

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

Fair value disclosures

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices 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. as prices) or indirectly (i.e. derived from prices)
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(a) Credit risk

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

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure.
The maximum exposure to credit risk at the reporting date was:

		Carrying amount	
	Note	**2025**	**2024**
		$'000	$'000
Cash and cash equivalents	9	3,335	7,727
Trade receivables	10	53,434	58,852
Total		**56,769**	66,579

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. The Group has no significant concentration of customer base.

Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered.

Goods are sold subject to retention of title clauses, so that in the event of non-payment the Group may have a secured claim. The Group's terms and conditions of trade have been amended to incorporate the Personal Property Security legislation. The Group does not normally require collateral in respect of trade and other receivables.

The Group's maximum exposure to credit risk for trade receivables at the reporting date by geographic region was Australia $47,904,000 (2024: $52,665,000) and New Zealand $5,530,000 (2024: $6,188,000).

Cash at bank and short-term or long-term deposits are held with Australian and New Zealand banks with acceptable credit ratings.

Impairment of Trade Receivables

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics, days past due and historic credit loss data.

The loss allowance as at 30 June 2025 was determined as follows for trade receivables:

	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
30 June 2025					
Australia					
Expected loss rate (%)	**0.0%**	**0.1%**	**0.9%**	**34.0%**	
Gross carrying amount ($'000) / balance outstanding as reporting date	**40,474**	**3,593**	**2,239**	**1,010**	**47,316**
Loss allowance ($'000)	**-**	**2**	**19**	**343**	**364**
New Zealand					
Expected loss rate (%)	**1.1%**	**1.3%**	**3.4%**	**79.8%**	
Gross carrying amount ($'000) / balance outstanding at reporting date	**5,228**	**142**	**162**	**125**	**5,657**
Loss allowance ($'000)	**56**	**2**	**6**	**100**	**164**
30 June 2024					
Australia					
Expected loss rate (%)	0.0%	0.1%	1.4%	55.1%	
Gross carrying amount ($'000) / balance outstanding as reporting date	44,421	4,872	1,309	1,224	51,826
Loss allowance ($'000)	-	4	18	675	697
New Zealand					
Expected loss rate (%)	1.2%	1.5%	3.9%	91.3%	
Gross carrying amount ($'000) / balance outstanding at reporting date	5,677	360	96	213	6,346
Loss allowance ($'000)	69	5	4	195	273

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group maintains a $55 million Borrowing Base facility and $25 million Revolving Cash Advance facility on which interest is payable at prevailing market rates.

On 8 August 2025, the Group's $55m Borrowing Base Facility was replaced by a new $55m Revolving Cash Advance Facility with an expiry of 31 July 2027. The new facility sits alongside the Group's existing $18m Amortising Term Loan Facility and $5m Multi Option Facility (Letter of Credit Facility).

Maturities of financial liabilities

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

			2025			
Non derivative financial liabilities	**Carrying amount**	**Contractual cash flow**	**6 mths or less**	**6-12 mths**	**1-2 years**	**More than 2 years**
	$'000	$'000	$'000	$'000	$'000	$'000
Trade and other payables	62,277	(62,277)	(61,666)	(433)	(106)	(72)
Borrowing facility	59,643	(61,758)	(42,689)	(3,049)	(5,854)	(10,166)
Lease liability	81,267	(100,341)	(11,198)	(10,104)	(18,085)	(60,954)
Total	**203,187**	**(224,376)**	**(115,553)**	**(13,586)**	**(24,045)**	**(71,192)**

The outflows associated with forward contracts used for hedging are US$13.2 million (A$19.9 million), 2024: US$11.3 million (A$17.1 million) and will have been made within 11 months or less

			2024			
Non derivative financial liabilities	**Carrying amount**	**Contractual cash flow**	**6 mths or less**	**6-12 mths**	**1-2 years**	**More than 2 years**
	$'000	$'000	$'000	$'000	$'000	$'000
Trade and other payables	57,052	(57,052)	(56,532)	(65)	(435)	(20)
Borrowing facility	55,076	(58,234)	(37,075)	(985)	(4,145)	(16,029)
Lease liability	80,329	(99,745)	(10,626)	(9,852)	(17,351)	(61,916)
Total	192,457	(215,031)	(104,233)	(10,902)	(21,931)	(77,965)

Changes in liabilities arising from financing activities

	Borrowings	Lease liabilities	Total liabilities from financing activities
	$'000	$'000	$'000
30 June 2025[1]			
Opening balance at the beginning of the financial year	55,076	80,329	135,405
Proceeds	853,715	-	853,715
Repayments	(849,215)	(17,719)	(866,934)
New leases, reassessments and disposals	-	18,464	18,464
Effects of movement in foreign exchange	67	193	260
Closing balance	**59,643**	**81,267**	**140,910**
30 June 2024[1]			
Opening balance at the beginning of the financial year	37,394	67,529	104,923
Proceeds	809,504	-	809,504
Repayments	(792,004)	(15,233)	(807,237)
New leases, reassessments and disposals	-	17,932	17,932
Assumed in business combinations (note 3)	-	10,125	10,125
Effects of movement in foreign exchange	182	(24)	158
Closing balance	55,076	80,329	135,405

[1] Repayments are presented net of interest expense

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group'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 Group is exposed to foreign currency risk on purchases that are denominated in a currency other than the Australian dollar. The currencies giving rise to this risk are primarily US dollars and Euros. The Group adopts a policy of obtaining, foreign currency forward contracts to hedge its exposure to USD foreign currency risks.

The Group's borrowing base facility includes a NZ$5m balance that is subject to foreign exchange risk.

Reasonably foreseeable changes in exchange rates would not be expected to have a material effect on the Group's earnings and balance sheet as it relates to this facility.

Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group defines capital as cash, banking facilities and equity.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing liabilities with variable interest rates where interest rate movements can impact the Group's cash flow exposures.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	Carrying amount	
	2025	**2024**
	$'000	$'000
Variable rate financial assets	3,335	7,727
Variable rate borrowing facility	(59,643)	(55,076)
Total	**(56,308)**	(47,349)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any material fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

22. LEASES

Leases as lessee

The Group leases various premises, plant and equipment and motor vehicles under short-term or low value leases. The leases run for 12 months or less or are of low value. Lease payments are reviewed periodically to reflect market rentals. None of the leases include contingent rentals.

During the financial year ended 30 June 2025 the Group recognised $243,000 (2024: $176,000) as an expense in the consolidated statement of profit or loss in respect of short-term or low value leases.

Leases as lessor

At the end of the reporting period, the future minimum lease payments under non-cancellable leases are receivable as follows:

	2025	2024
	$'000	$'000
Less than one year	1,174	1,386
Between one and five years	1,222	2,336
More than five years	-	-
Total	**2,396**	3,722

During the financial year ended 30 June 2025, the Group recognised $1,424,000 (2024: 1,354,000) as income in the consolidated statement of profit or loss.

23. CONTROLLED ENTITIES

	Country of Incorporation	Ownership interest	
		2025	2024
	%	%	%
COV Holdings (Aust) Pty Ltd	Australia	100	100
Coventry Group (NZ) Limited	New Zealand	100	100
COV Holdings (NZ) Limited (i)	New Zealand	100	100
Nubco Proprietary Limited	Australia	100	100
Steel Masters Auckland Limited	New Zealand	100	100
Galvmasters Limited	New Zealand	100	100
Boltmasters Pty Ltd	Australia	100	100
Profast Pty Ltd	Australia	100	100

The ultimate parent entity is Coventry Group Ltd.

(i) The company is a 100% controlled entity of COV Holdings (Aust) Pty Ltd and operates in New Zealand.

24. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	Note	2025	2024
Cash flows from operating activities		$'000	$'000
Profit/(loss) for the period		**(29,555)**	659
Adjustments for:			
Equity-settled share-based payments		-	114
Depreciation and amortisation		22,380	18,552
Impairment loss on intangible assets and goodwill		24,525	-
Other non-cash or non-operating exceptional items		(284)	(344)
Interest income from other entities		(212)	(277)
Interest expense	6	9,730	8,417
Net (gain)/loss on disposal of property, plant and equipment		(137)	(88)
Income tax (benefit)/expense	7	(2,816)	412
Operating profit before changes in working capital and provisions		**23,631**	27,445
Change in trade and other receivables		3,496	(855)
Change in inventories		(5,787)	(1,196)
Change in trade and other payables		5,226	1,600
Change in provisions and employee benefits		(64)	818
Operating profit after changes in working capital and provisions		**26,502**	27,812
Interest paid		(9,510)	(8,218)
Income taxes paid		(764)	(1,042)
Net cash from operating activities		**16,228**	18,552

25. RELATED PARTIES

Transactions with key management personnel	2025	2024
Key management personnel compensation comprised the following:	$	$
Short-term employee benefits	1,273,947	1,462,954
Post-employment benefits	108,531	94,807
Other long-term benefits	19,457	24,148
Termination benefits	147,135	-
Share-based payments	-	51,954
Total	**1,549,070**	1,633,863

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

Key management personnel transactions

From time to time, key management personnel may purchase goods from companies within the Group on the same terms as apply to other employees of the Group. The value of these transactions is insignificant.

Transactions with other related parties

The Group has a related party relationship with its controlled entities (see Note 23). Transactions between the parent entity and its controlled entities are eliminated on consolidation and are not disclosed.

26. SIGNIFICANT ITEMS

The following significant costs were incurred in the year ended 30 June 2025.

	2025	**2024**
Significant items	$'000	$'000
ERP implementation costs	6,772	9,096
Restructuring costs	446	108
Acquisition costs on completed transactions	222	775
Onerous Contract[1]	1,269	-
HRIS implementation	233	-
Impairment on intangible assets	24,525	-
Other	374	774
Total	**33,841**	10,753

[1] Following review of its contractual obligations, the Fluid Systems business identified an onerous contract which has resulted in a one-off, pre-tax loss of $1.3m for the period. Expense is included within cost of sales.

27. PARENT ENTITY DISCLOSURES

As at, and throughout the financial year ending 30 June 2025 the parent company of the Group was Coventry Group Ltd.

	2025	2024
Results of the parent entity	$'000	$'000
Profit/(loss) for the year	(35,564)	5,320
Other comprehensive income/(loss)	(32)	(14)
Total comprehensive income/(loss) for the year after tax	**(35,596)**	5,306
Financial position of parent entity at year end		
Current assets	98,819	98,514
Total assets	289,010	301,933
Current liabilities	138,137	95,729
Total liabilities	190,104	149,659
Net assets	**98,906**	152,274
Total equity of the parent entity comprising:		
Issued capital	189,379	186,229
Reserves	(15,887)	680
Profit reserve	3,393	7,781
Accumulated losses	(77,979)	(42,415)
Total equity	**98,906**	152,274

The parent entity is able to manage its current asset deficiency by way of its exertion of control over entities within the group to ensure necessary funds are available as and when required.

28. DEED OF CROSS GUARANTEE

The Company is party to a deed of cross-guarantee with its subsidiary entities. All entities listed in Note 23, with the exception of Steel Masters Auckland Limited and Galvmasters Limited are parties to the deed under which each company guarantees the debts of the others. Pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785, Nubco Proprietary Limited, Boltmasters Pty Ltd, and Profast Pty Ltd are relieved from the Corporations Act requirements to prepare a financial report and Directors' report.

Statement of profit or loss and other comprehensive income and retained earnings	2025 $'000	2024 $'000
Revenue from sale of goods	350,647	368,003
Cost of sales	(203,015)	(215,173)
Gross profit	**147,632**	152,830
Operating expenses	(172,914)	(144,413)
Financial income	701	451
Financial expense	(9,311)	(8,348)
Profit/(Loss) before income tax	**(33,892)**	520
Income tax benefit/(expense)	3,244	(258)
Profit/(Loss) for the year	**(30,648)**	262
Items that will be reclassified to profit or loss:		
Foreign currency translation differences	(306)	(1)
Effective portion of changes in fair value of cash flow hedges	(41)	(12)
Other comprehensive loss for the year, net of income tax	(347)	(13)
Total comprehensive income/(loss) for the year	**(30,995)**	249
Retained earnings at the beginning of the year	(44,147)	(41,140)
Profit/(loss) for the year	(30,995)	249
Dividends recognised during the year	(4,387)	(3,256)
Retained earnings at the end of the year	**(79,529)**	(44,147)

Statement of financial position

	2025 $'000	2024 $'000
Assets		
Cash and cash equivalents	2,790	6,064
Trade and other receivables	51,551	56,330
Inventories	85,858	80,053
Other assets	3,409	2,614
Prepayments	6,581	5,470
Income tax receivable	230	224
Total current assets	**150,419**	150,755
Other receivables	607	988
Deferred tax assets	22,482	22,272
Property, plant and equipment	17,265	15,651
Right-of-use assets	64,305	62,593
Investment in Controlled Entities	12,315	36,840
Intangible assets	34,651	55,840
Total non-current assets	**151,625**	194,184
Total assets	**302,044**	344,939
Liabilities		
Trade and other payables	60,797	54,950
Employee benefits	9,276	9,443
Interest-bearing loans and borrowings	44,643	37,076
Lease liability	16,639	15,910
Provisions	917	537
Total current liabilities	**132,272**	117,916
Employee benefits	728	665
Interest-bearing loans and borrowings	15,000	18,000
Other payables	21,064	454
Provisions	2,411	2,727
Lease liability	59,931	59,877
Total non-current liabilities	**99,134**	81,723
Total liabilities	**231,406**	199,639
Net assets	**70,638**	145,300
Equity		
Issued capital	189,379	186,230
Reserves	(39,212)	3,219
Accumulated losses	(79,529)	(44,147)
Total equity	**70,638**	145,302

29. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 8 August 2025, the Group's $55m Borrowing Base Facility was replaced by a new $55m Revolving Cash Advance Facility with an expiry of 31 July 2027. The new facility sits alongside the Group's existing $18m Amortising Term Loan Facility and $5m Multi Option Facility (Letter of Credit Facility).

Other than the matters outlined elsewhere in the Group's financial statements, no other matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs of the Group in subsequent accounting periods.

Coventry Group Ltd and its controlled entities

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

For the year ended 30 June 2025

Entity Name	Type of entity	Place incorporated	% of share capital held	Australian or foreign tax resident	Jurisdiction of foreign tax resident
Coventry Group Limited	Body corporate	Australia	N/A	Australian	N/A
COV Holdings (Aust) Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Coventry Group (NZ) Limited	Body corporate	New Zealand	100%	Foreign	New Zealand
COV Holdings (NZ) Limited	Body corporate	New Zealand	100%	Foreign	New Zealand
Nubco Proprietary Limited	Body corporate	Australia	100%	Australian	N/A
Steel Masters Auckland Limited	Body corporate	New Zealand	100%	Foreign	New Zealand
Galvmasters Limited	Body corporate	New Zealand	100%	Foreign	New Zealand
Boltmasters Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Profast Pty Ltd	Body corporate	Australia	100%	Australian	N/A

Determination of Tax Residency

Section 295 (3A) of the *Corporation Acts 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in *Tax Ruling TR 2018/5*.

- Foreign tax residency

  The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Coventry Group Ltd and its controlled entities

DIRECTORS' REPORT

For the year ended 30 June 2025

The Directors present their report together with the consolidated financial report of the Group comprising Coventry Group Ltd (the "Company") and its controlled entities for the year ended 30 June 2025.

CONTENTS OF DIRECTORS' REPORT

1. DIRECTORS

Information on Directors

The Directors of the Company at any time during or since the end of the financial year and up to the date of this report are:

NEIL GEORGE CATHIE
FCPA, GAICD

INDEPENDENT NON-EXECUTIVE CHAIRMAN

Chairman of Remuneration Committee
Member of Audit and Risk Committee

Mr Cathie was appointed as a Director of the Company in September 2014 and as Chairman in January 2015. He has extensive experience in very relevant areas including having a 27 year career at Australia's largest and most successful plumbing and bathroom distributor, ASX listed Reece Limited, during which time he served as its Chief Financial Officer, Company Secretary and General Manager, Finance and IT.

Mr Cathie is a Non-Executive Director of Experience Co. Limited (since 2019). He is also an independent advisor and Chair at Middendorp Electric and Non-Executive Director at Bowens Timber & Hardware.

Other than those listed above, he held no other listed company directorships during the past three financial years.

TONY HOWARTH AO
FAICD (Life), SF FIN (Life)

NON-EXECUTIVE DIRECTOR

Member of Audit and Risk Committee

Mr Howarth was appointed as a Director of the Company on 4 May 2020.Mr Howarth has a strong background in the banking and finance industry having held executive positions in government, regional and major banks as well as building societies and stockbroking companies. He has broad based industry experience from his time as President of the Australian Chamber of Commerce and Industry and Australian International Chamber of Commerce, as well as Chair of Catholic Health Australia. He is also a Trustee of the University of Notre Dame, Australia.

He is currently the Chairman of BWP Management Ltd and St John of God Foundation Inc, as well as a Non-Executive Director at Viburnum Funds.

Mr Howarth was a Non-Executive Director of Alinta Energy from 2017 to 2022 and Chairman from 2022 to 2025, a non-Executive Director of Wesfarmers Ltd from 2007 to 2019 and Chairman of MMA Offshore Ltd from 2006 to 2017. Previously he had been Chairman of Home Building Society and Deputy Chairman of Bank of Queensland Ltd. He has held no other listed company directorships during the past three financial years.

ALEX WHITE
B.Bus (EconFin)

NON-EXECUTIVE DIRECTOR

Member of Audit and Risk Committee
Member of Remuneration Committee

Mr White was appointed as a Director of the Company on 1 March 2022.

Mr White is a Director of Richmond Hill Capital ("RH Capital") and is jointly responsible for managing its RH High Conviction Fund. He has over fifteen years of corporate and investment management experience.

Mr White is a Non-Exeuctive Director of Experience Co Ltd..

Mr White was previously a Director of the following ASX listed companies:

- MOQ Digital Limited (from June 2019 to November 2022)
- HRL Holdings (from March 2021 to August 2022)

DANIEL PALUMBO

B Bus (Int. Bus)

INDEPENDENT NON-EXECUTIVE DIRECTOR

Member of Remuneration Committee

Mr Palumbo was appointed as a Director of the Company on 28 October 2024.

Mr Palumbo has extensive expertise in trade distribution and operational excellence.

He built a distinguished career with the Reece Group, where he was a member of the Senior Leadership Team for over 10 years. During this time, he demonstrated a strong track record in driving financial performance, enhancing operational efficiencies, fostering customer growth, and developing organisational leadership.

Mr Palumbo is a Non-Executive Director at Beacon Lighting Ltd and a Director of Daisy's Garden Group.

CRAIG COLEMAN

B.Comm

NON-EXECUTIVE DIRECTOR

Mr Coleman was appointed as a Director of the Company on 23 April 2025.

Mr Coleman is the co-founder and Managing Partner of Viburnum Funds, Coventry Group's largest shareholder.

He is an experienced senior executive and director, with a 30-year career spanning banking and finance, corporate advisory, and funds management.

Mr Coleman is a Chairman at Sports Entertainment Group Ltd., a Non-Executive Director of 3PLearning Ltd, a Non-Executive Director at GTN Ltd. .

Mr Coleman was previously a Director of the following ASX listed companies: Universal Biosensors Ltd (from June 2016 to June 2025), Bell Financial Group (from July 2017 to February 2021), Amcom Telecommunications Ltd (from January 2010 to June 2015), Keybridge Capital (from March 2014 to May 2016), Longreach Oil Ltd (from May 2014 to October 2014) and Pulse Health Ltd (from January 2010 to May 2017).

ANNE LOCKWOOD

B.Comm (BAcc, LLB), CA, FCA, GAICD

INDEPENDENT NON-EXECUTIVE DIRECTOR

Chairperson of Audit and Risk Committee

Mrs Lockwood was appointed as a Director of the Company on 24 April 2025. Mrs Lockwood has over 30 years of experience in finance, risk management, audit and mergers & acquisitions across numerous industries.

She has been the Chief Financial and Commercial Officer at ASX-listed Integral Diagnostics and Chief Financial Officer at privately owned Planet Innovation.

Mrs Lockwood spent over 30 years in finance roles including 18 years at Arthur Andersen and EY and is currently a Fellow of the Institute of Chartered Accountants, and a Graduate of the Australian Institute of Company Directors.

Mrs Lockwood is also a Non-Executive Director of ASX-listed Mayne Pharma Limited, Genetic Signatures Limited and Symal Group Limited.

ROBERT JAMES BULLUSS
FCPA, GAICD, B Bus (Acc)

CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

Mr Bulluss was appointed Chief Executive Officer on 3 May 2017 and Managing Director and Chief Executive Officer on 29 August 2017. He was previously Chief Financial Officer (CFO) of the Company from October 2016 to April 2017. Prior to joining the Company he was CFO for over 15 years for the Australasian division of Bunzl plc.

He held no other listed company directorships during the past three financial years.

Mr Bulluss left the business on 6 June 2025.

JAMES SCOTT CHARLES TODD
B.Comm, LLB, FFin, MAICD

INDEPENDENT NON-EXECUTIVE DIRECTOR

Chairman of Audit and Risk Committee
Member of Remuneration Committee

Mr Todd was appointed as a Director of the Company on 3 September 2018.

Mr Todd is an experienced company director, corporate adviser and investor.
He commenced his career in investment banking, and has taken active roles with, and invested in, a range of public and private companies. He was until recently Managing Director of Wolseley Private Equity, an independent private equity firm which he co-founded in 1999.

He is also the Chair of IVE Group Limited since June 2024 (Director since June 2015), a Non-Executive Director of Bapcor Limited (since September 2020) and was a Non-Executive Director of HRL Holdings Limited between March 2018 and August 2022.

Other than those listed above, he held no other listed company directorships during the past three financial years.

Mr Todd left the business on 22 April 2025.

ROB MARTINO
B.Comm, LLB

NON-EXECUTIVE DIRECTOR

Mr Martino was appointed as a Director of the Company on 1 November 2024.

Mr Martino is a partner of Viburnum Funds, Coventry Group's largest shareholder.

He has over 18 years' financial markets experience across investment banking, institutional equity research and funds management, including over 10 years within Viburnum's Strategic Equities Fund.

Mr Martino ceased being a Non-Executive Director of the business on 23 April 2025.
He is curretly an Alternate Director for Mr Coleman.

DIRECTORS' INTERESTS

As at the date of this report particulars of the relevant interest of each Director in the securities of the Company are as follows:

	Number of Ordinary Shares
N.G. Cathie	1,312,000
A. White #	31,241
T. Howarth #	54,564
D. Palumbo	20,000
C.Coleman #	-
A. Lockwood	-

Mr Howarth, Mr Coleman, and Mr White have declared their indirect interests in the shares of the Company as being shareholders of Viburnum Funds Pty Ltd, Richmond Hill Capital Pty Ltd and Rat Pack Adventures Pty Ltd respectively, who are major shareholders of the Company.

During the 2024/25 financial year and as at the date of this report no Director has declared any interest in a contract or proposed contract with the Company, the nature of which would be required to be reported in accordance with subsection 300(11)(d) of the *Corporations Act 2001*.

DIRECTORS' MEETINGS

The following table sets out the number of meetings of the Company's Board of Directors and each Board Committee, held during the year ended 30 June 2025, and the number of meetings attended by each Director.

	NG Cathie	T Howarth	A White	D Palumbo	C Coleman[1]	A Lockwood	RJ Bulluss	JSC Todd	R Martino
Board of Directors									
Held	10	10	10	10	10	10	10	10	10
Eligible to attend	10	10	10	6	2	2	8	8	4
Attended	10	10	10	8	2	2	7	8	5
Audit & Risk Committee									
Held	3	3	3	3	3	3	3	3	3
Eligible to attend	3	3	3	0	0	1	0	2	0
Attended	3	3	3	2	1	1	2	2	1
Remuneration Committee									
Held	2	2	2	2	2	2	2	2	2
Eligible to attend	2	1	2	1	0	0	0	1	0
Attended	2	1	2	1	0	0	0	1	0

Note: Directors may pass resolutions in writing without a formal meeting being convened. Such resolutions are deemed by the Company's Constitution to be meetings. The above table does not include such meetings.

1. Attended Board meetings by way of Director's Alternate Director - Rob Martino attended the April 2025 Board meeting as Alternate Director for Craig Coleman.

2. PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were:

Trade Distribution

- The importation, distribution and marketing of industrial fasteners, stainless steel fasteners, construction fasteners, specialised fastener products and systems, industrial hardware and associated industrial tools and consumables
- Importation, distribution and marketing of hardware, components and finished products to the commercial cabinet making, joinery and shop fitting industries
- Temporary fencing sales and hire and scaffolding plank hire.

Fluid Systems

- Design and installation of lubrication systems
- Distribution of hose, connectors, fittings and hydraulic hose assemblies
- Design and supply of service truck components
- Installation of fire suppression systems
- Design and distribution of fluid handling systems, pneumatic component sales and sale of hydraulic associated products and consumables
- Rock hammer service and repair.

3. CONSOLIDATED RESULTS

Results of the Group were as follows:

	2025	2024
	$'000	$'000
Revenue from sale of goods	364,628	370,805
Profit/(loss) before income tax	(32,371)	1,071
Income tax benefit/(expense)	2,816	(412)
Profit/(loss) after tax for the year	**(29,555)**	659

4. DIVIDENDS

The Board has suspended the declaration of dividends as part of prioritising the reduction of net debt and to support the Company's growth objectives. The dividend will be reviewed periodically in line with financial performance and capital requirements.

5. REVIEW OF OPERATIONS AND RESULTS

People

The Group prioritises the Health, Safety and Well-being of our people along with our customers, suppliers and communities. We aspire to zero LTI's and zero harm to our people. During FY25 we had 2 Lost Time Injuries (LTI's) across all of our business units. All incidents and serious near misses are reviewed by our safety team and the Coventry Leadership Team (CLT) to ensure we share lessons and improve safety systems.

Our values of Safety First, Do the Right Thing (Fairness, Integrity, Respect), Work as a Team and Be the Best at Everything we do, continue to guide us in our day to day operations. We have a culture focussed on doing the right thing in all our interactions with our people, customers, suppliers and communities.

Financial performance

Group sales revenue was down 1.7% to $364.6m ($370.8m FY24) while Underlying EBITDA[1] declined 40.9% to $12.3m ($20.8m FY24). Group underlying EBIT[2] for FY25 was $6.9m ($17.0m FY24) and Statutory Net Loss after Tax for the year was $29.6m (FY24 Profit $0.7m). The reduction in Net Profit after Tax was due to costs relating to the ERP project ($6.8m), impairment of intangible assets ($24.5m) and poor financial performance.

At 30 June 2025, the Group had Net Assets of $111.2m, Net Tangible Assets of $25.4m, and Net Debt of $56.3m ($47.3m FY24). The increase in Net Debt reflects impacts of poor financial performance, ERP implementation costs, a disproportionate cost base and high inventory carrying levels, and capital expenditure ($5.1m). Cash Conversion[3] for the year was 136.6% (112.1% FY24).

Fluid Systems delivered sales of $147.4m for the year, a decrease of 7.4% compared to FY24. EBITDA[1] declined by 29.1%, to $13.4m (FY24 19.0m).

Trade Distribution achieved sales of $217.8 million, representing growth of 2.7% on the prior year. However, EBITDA[1] decreased by 13.4% to $14.4m ($16.7m FY24). FY25 includes full year Steelmasters contribution as compared to two months in FY24.

Review of businesses

The businesses within each segment continue to provide specialised industrial products, services and customised solutions to our wide network of customers throughout Australia and New Zealand. This time last year we expected the market softness being experienced on the east coast of Australia and in New Zealand to ease. With the exception of Queensland, that has not been the case so for now we will focus on what we can control in markets in which we generally only have a small share. Our emphasis on "specialisation" is key to this and is underpinned by our customer value proposition of quality products, stock availability, expertise, agility and a growing branch network.

	FY25 $M	FY24 $M	% change
Revenue from sale of goods	**364.6**	370.8	(1.7)
Underlying EBIT[2]	**6.9**	17.0	(59.4)
Underlying EBITDA[2]	**12.3**	20.8	(40.9)
Statutory Net profit/ (loss) after tax	**(29.6)**	0.7	(4,328.6)
Net debt	**56.3**	47.3	19.0
Net tangible assets	**25.4**	34.7	(26.8)

Note 1: Underlying EBITDA and Underlying EBIT are non-IFRS measures and reflect how management measure performance of the Group. Non-IFRS measures have not been subjected to audit.

Note 2: Underlying EBITDA is earnings before interest, tax, depreciation, amortisation and has been adjusted to exclude leases and significant items. Underlying EBIT is earnings before interest and tax and has been adjusted to exclude leases and significant items.

Note 3: Cash conversion = Gross operating cash flow less cash lease payments, addback significant items, divided by EBITDA[1].

6. EARNINGS PER SHARE

Basic earnings per share and diluted earnings per share for the year ended 30 June 2025 was a loss of 24.9 cents and 24.9 cents respectively. This compares to a basic earnings per share and diluted earnings per share for the previous year of 0.7 cents and 0.7 cents respectively.

7. SIGNIFICANT CHANGE IN THE COMPANY'S AFFAIRS

In the opinion of the Directors, there have been no other significant changes in the Group's state of affairs during the financial year.

8. EVENTS SUBSEQUENT TO REPORTING DATE

On 8 August 2025, the Group's $55m Borrowing Base Facility was replaced by a new $55m Revolving Cash Advance Facility with an expiry of 31 July 2027. The new facility sits alongside the Group's existing $18m Amortising Term Loan Facility and $5m Multi Option Facility (Letter of Credit Facility).

Other than the matters outlined elsewhere in the Group's financial statements, no other matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs of the Group in subsequent accounting periods.

9. REMUNERATION REPORT - AUDITED

Remuneration is referred to as compensation throughout this Remuneration Report.

9.1 Key Management Personnel (KMPs)

KMPs are the persons who have authority and responsibility for planning, directing and controlling the activities of the Company and the Group. The following were KMPs of the Group at any time during the reporting period and unless otherwise indicated were KMPs for the entire period:

Directors	*Other Key Management Personnel*
NG Cathie	RJ Jackson
T Howarth	N Alpert - from 26 June 2025
A White	
D Palumbo - from 28 October 2024	
C Coleman - from 23 April 2025	
A Lockwood - from 24 April 2025	
RJ Bulluss - up until 6 June 2025	
JSC Todd - up until 22 April 2025	
R Martino - from 1 November 2024 until 23 April 2025	

9.2 Principles used to determine the nature and amount of compensation

Non-Executive Directors

Non-Executive Directors receive cash fees for their Board and Committee work. They are eligible to participate in the Executive and Director Incentive Plan which was re-approved by shareholders at the Annual General Meeting of the Company in October 2024.

Non-Executive Directors' cash fees are determined within an aggregate Directors' fees pool limit, which is periodically recommended for approval by shareholders. The total pool currently stands at $550,000 (2024: $550,000) per annum, and was last approved by shareholders in November 2004 with effect from 1 July 2004. The Board determines the allocation of the maximum amount approved by shareholders amongst the respective Directors, having regard to their duties and responsibilities. Directors' fees are not directly linked to Company performance. Non-Executive Directors do not receive termination benefits. There is no provision for retirement allowances to be paid to Non-Executive Directors.

As at 30 June 2025 the Non-Executive Directors' fees were allocated as follows (includes statutory superannuation contributions):

	2025	**2024**
	$	$
Chairman (inclusive of Board and Committee work)	**130,000**	130,000
Chair of Audit and Risk Committee (inclusive of Board and Committee work)	**85,000**	85,000
Non-Executive Directors (inclusive of Board and Committee work)	**80,000**	80,000

Executive Pay

Remuneration policies

Remuneration of Directors and senior executives is the responsibility of the Remuneration Committee. The Committee has resolved to set remuneration packages which are appropriate in the context of the company's size, complexity and performance but which will attract the calibre of executive required to drive necessary change in order to enhance performance. The Committee seeks external advice in relation to these matters where necessary.

Remuneration for the CEO and senior executives currently comprises fixed, cash-based remuneration which includes salary, superannuation and benefits; and, eligibility to participate in the Company's short-term incentive plan (STI Plan) which, if triggered, is paid 50% in cash and 50% in shares in the Company.

The CEO and senior executives have employment contracts with notice periods executable by either party. There are no arrangements in place to provide the CEO or any senior executive with a retirement benefit other than those which accrue by law. Superannuation contributions are paid at the superannuation guarantee rate.

Cash incentives under the STI Plan of up to 100% of fixed annual compensation are payable to the CEO and senior executives based on financial and non-financial measures framed around the Company's trading performance and each individual's performance.

The Company's long term share-based Executive and Director Incentive Plan (LTI Plan) which was re-approved by shareholders at the 2024 annual general meeting has been suspended for FY26. The Remuneration Committee and Board are currently reviewing the incentive frameworks for Executive KMP to assess their alignment with current business objectives, strategic priorities and shareholder value creation.

Business Performance

In considering the Group's performance and benefits for shareholder wealth, the Remuneration Committee have regard to the following financial performance metrics in respect of the current financial year and the previous four financial years.

	2025	**2024**	**2023**	**2022**	**2021**
	$'000	$'000	$'000	$'000	$'000
Sales revenue	**364,628**	370,805	358,543	322,324	288,522
Underlying EBITDA[1]	**12,294**	20,809	17,005	15,505	13,357
Underlying EBIT	**6,905**	17,014	13,377	12,355	10.561
NPAT	**(29,555)**	659	2,472	4,841	7,246
Dividends paid	**4,387**	3,256	3,227	2,721	-
Share price at year end ($)	**0.79**	1.41	1.15	1.33	1.45

Note 1: Underlying EBITDA is the key financial performance target considered in setting the Short-Term Incentive (STI).

Where applicable, comparative information has been restated for the effects of the application of new accounting standards.

9.2 Principles used to determine the nature and amount of compensation (continued)

Performance Rights (PR's)

PR's Key Inputs

	FY22 Performance Period	**FY23 Performance Period**	**FY24 Performance Period**	**FY25 Performance Period**
Measurement date 10-day VWAP (ii)	$1.4210	$1.2165	$1.0286	$1.349
No. of PR's granted	572,424	718,742	891,416	707,427
Grant date	22.10.2021	21.10.2022	20.10.2023	25.10.2024
Share price at Grant Date	$1.79	$1.24	$1.18	$1.31
Vesting date (1) (i)	01.09.2022	01.9.2023	01.09.2024	01.09.2025
Vesting date (2) (i)	01.09.2023	01.9.2024	01.09.2025	01.09.2026
Vesting date (3) (i)	01.09.2024	01.9.2025	01.09.2026	01.09.2027
% of PR's vested - Vesting date (1)	33.3%	0.0%	0.0%	0.0%
% of PR's vested – Vesting date (2)	33.3%	0.0%	0.0%	0.0%
% of PR's vested – Vesting date (3)	33.3%	0.0%	0.0%	0.0%
No. of eligible PR's vested - Vesting date (1)	190,809	-	-	-
No. of eligible PR's vested – Vesting date (2)	190,807	-	-	-
No. of eligible PR's vested – Vesting date (3)	190,808	-	-	-
No. of PR's lapsed & forfeited	-	718,742	891,416	707,427
No. of eligible PR's exercised up to 30 June 2025	572,424	-	-	-
No. of PR's remaining to be vested and/or exercised subject to service conditions	-	-	-	-

Share-based payments recognised as an expense in the financial statements of the Company.

	FY22	**FY23**	**FY24**	**FY25**
No. of performance rights issued	572,424	718,742	891,416	707,427
No. of eligible performance Rights vested (iii)	572,424	-	-	-
Share price at Grant Date	$1.79	$1.24	$1.18	$1.31
Share-based payments expense	$1,002,052	$434,960	$113,837	-

(i) Subject to service conditions.

(ii) Used to calculate grant of Performance Rights.

(iii) Performance rights granted in relation to FY22 will vest in accordance with performance and employment conditions and in three separate annual vesting events. Consequently, the share-based payments expense for FY22 is recognised based on graded vesting and the probability that 100% of participants will receive 100% of their grant over a three-year period.

9.3 Details of compensation

The following The following table provides the details, nature and amount of elements of compensation for the key management personnel of the Company and the Group for the year ended 30 June 2025.

		Short-term			Post-employment					Proportion of remuneration performance related
		Cash salary, leave entitlement and fees	STI cash bonus	Short term total	Super-annuation (i)	Long-service & annual leave provision movement	Termination benefits	Share-based payment	Total	
		$	$	$	$	$		$	$	
Directors										
NG Cathie - Chairman	**2025**	**116,592**	-	**116,592**	**13,408**	-	**-**	-	**130,000**	-
	2024	117,117	-	117,117	12,883	-	-	-	130,000	-
RJ Bulluss	**2025**	**490,114**	**-**	**490,114**	**29,932**	**-**	**147,135**	**-**	**667,181**	**0.00%**
	2024	492,257	146,375	638,632	27,399	16,921	-	32,538	715,490	25.01%
T Howarth	**2025**	**71,749**	**-**	**71,749**	**8,251**	**-**	**-**	**-**	**80,000**	**-**
	2024	72,072	-	72,072	7,928	-	-	-	80,000	-
A White	**2025**	**61,364**	**-**	**61,364**	**7,364**	**-**	**-**	**-**	**68,728**	**-**
	2024	61,916	-	61,916	6,811	-	-	-	68,727	-
JSC Todd	**2025**	**61,795**	**-**	**61,795**	**7,106**	**-**	**-**	**-**	**68,901**	**-**
	2024	76,577	-	76,577	8,423	-	-	-	85,000	-
D Palumbo (commenced 28 Oct 2024)	**2025**	**41,667**	**-**	**41,667**	**5,000**	**-**	**-**	**-**	**46,667**	**-**
C Coleman (commenced 23 Apr 2025)	**2025**	13,317	-	13,317	1,531	-	-	-	14,848	-
A Lockwood (commenced 24 Apr 2025)	**2025**	14,149	-	14,149	1,627	-	-	-	15,776	-
R Martino (from 01 Nov 2024 to 23 Apr 2025)	**2025**	34,516	-	34,516	3,970	-	-	-	38,486	-
Total Directors' remuneration	**2025**	**905,263**	**-**	**905,263**	**78,189**	**-**	**147,135**	**-**	**1,130,586**	**-**
	2024	819,939	146,375	966,314	63,444	16,921	-	32,538	1,079,217	-
Other Key Management Personnel										
RJ Jackson	**2025**	**364,804**	**-**	**364,804**	**29,932**	**19,126**	**-**	**-**	**413,862**	**0.00%**
	2024	351,116	109,488	460,604	27,399	7,227	-	19,416	514,646	25.05%
N Alpert (commenced as Acting CEO 26 Jun 2025)	**2025**	**3,880**	**-**	**3,880**	**411**	**331**	**-**	**-**	**4,622**	**-**
Total other key management personnel remuneration	**2025**	**368,684**	**-**	**368,684**	**30,343**	**19.457**	**-**	**-**	**418,484**	**0.00%**
	2024	351,116	109,488	460,604	27,399	7,227	-	19,416	514,646	25.05%
Total Directors' and other key management personnel remuneration	**2025**	**1,273,947**	**-**	**1,273,947**	**108,531**	**19,457**	**147,135**	**-**	**1,549,070**	**0.00%**
	2024	1,171,055	255,863	1,426,918	90,843	24,148	-	51,954	1,593,863	19.31%

Premiums in respect of the Directors' and Officers' insurance policy are not included above, as the policy does not specify the premium paid in respect of individual Directors and officers.

(i) Includes statutory superannuation contributions and additional voluntary contributions.

9.4 Service contracts

Compensation and other terms of employment for the CEO and Managing Director and other key management personnel are formalised in employment contracts. Major provisions of the contracts relating to compensation are set out below:

Chief Exeuctive Officer

- The contract has no fixed term.
- Fixed annual compensation to be reviewed annually by the Remuneration Committee.
- Long service leave is payable by the Company in accordance with relevant state legislation.
- The contract provides for participation in short-term and long-term incentive plans.
- Other than for an act that may have a serious detrimental effect on the Company, such as wilful disobedience, fraud or misconduct, termination of employment requires six months' notice by the Company or employee.

Chief Financial Officer

- The contract has no fixed term.
- Fixed annual compensation to be reviewed annually by the Remuneration Committee.
- Long service leave is payable by the Company in accordance with relevant state legislation.
- The contract provides for participation in short-term and long-term incentive plans.
- Other than for an act that may have a serious detrimental effect on the Company, such as wilful disobedience, fraud or misconduct, termination of employment requires eighteen weeks' notice by the Company or employee.

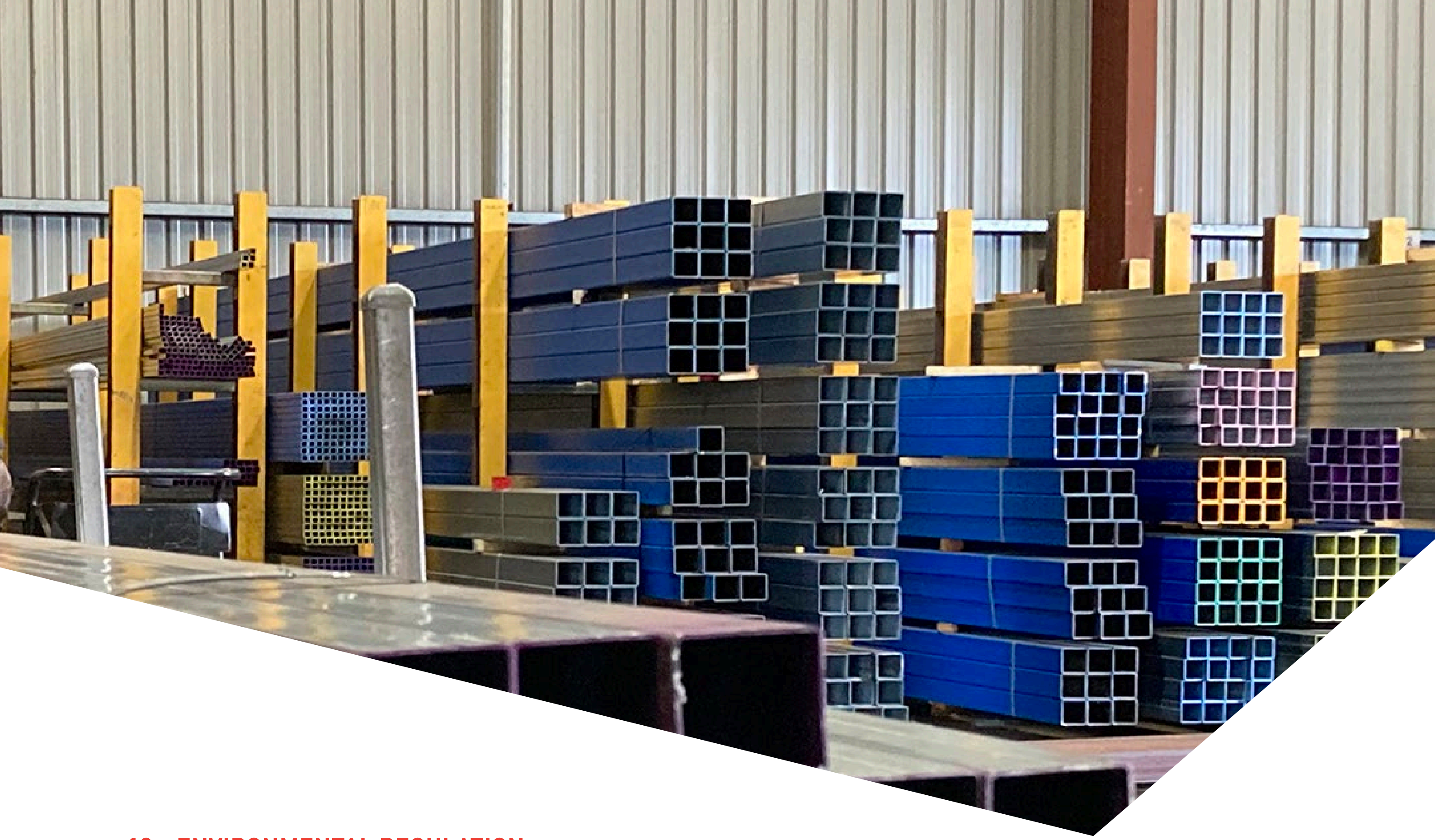
9.5 Director share movement

The movement during the reporting period in the number of ordinary shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

Shares held by Key Management Personnel	Held at 30 June 2024	Purchases (includes DRP allotments)	Conversion of Performance Rights	Sales	Held at 30 June 2025
Directors					
NG Cathie	1,180,657	131,343	-	-	**1,312,000**
T Howarth#	-	54,564	-	-	**54,564**
A White#	31,241	-	-	-	**31,241**
RJ Bulluss	1,132,616	25,430	54,539	159,449	**1,053,136**
JSC Todd	147,238	4,468	-	-	**151,706**
D Palumbo	-	20,000	-	-	**20,000**
C Coleman#	-	-	-	-	**-**
A Lockwood	-	-	-	-	**-**
R Martino#	-	-	-	-	**-**
Other Key Management Personnel					
RJ Jackson	499,157	16,135	32,545	-	**547,837**
N. Alpert	-	-	-	-	**-**

Mr Howarth, Mr White, Mr Martino and Mr Coleman have declared their indirect interests in the shares of the Company as being shareholders of Viburnum Funds Pty Ltd, Richmond Hill Capital Pty Ltd and Rat Pack Adventures Pty Ltd respectively, who are major shareholders of the Company.

End of Remuneration Report.



10. ENVIRONMENTAL REGULATION

The Group is not subject to any specific environmental regulation.

The Group mainly operates from warehousing and distribution facilities throughout Australia and New Zealand which have general obligations under environmental legislation of the respective statutory authorities in relation to pollution prevention.

The Company has reviewed its obligations under the National Greenhouse & Energy Reporting Act 2007 (the Act). As the Group is under the minimum greenhouse and energy thresholds stipulated in the Act, there are no registration and reporting requirements that have to be complied with as at the date of this report.

For the financial year ended 30 June 2025 and as at the date of this report, the Group has not been prosecuted nor incurred any infringement penalty for environmental incidents.

11. INSURANCE OF OFFICERS

During the financial year the Company has paid premiums in respect of contracts insuring the Directors and officers of the Company against certain liabilities incurred in those capacities. The contracts prohibit further disclosure of the nature of the liabilities and the amounts of the premiums.

12. CORPORATE GOVERNANCE

The Statement of Corporate Governance Practices is disclosed on the Company's website.

13. 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 is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor 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 have been reviewed by the Company's Audit and Risk Committee to ensure they do not impact the integrity and objectivity of the auditor; 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 risks and rewards.

Details of the amounts paid to the auditor of the Company, KPMG, and its related practices for audit and non-audit services provided during the year are set out in Note 4 to the full financial report.

14. LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration made in accordance with Section 307C of the Corporations Act 2001 forms part of this Directors' report.

15. COMPANY SECRETARY

Mr Mark Licciardo of Acclime Australia is the Company Secretary.

16. ROUNDING OFF

The Group 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.

Signed in accordance with a resolution of the Directors.

N.G. CATHIE
Chairman

Melbourne
29 August 2025

Coventry Group Ltd and its controlled entities

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Coventry Group Ltd ("the Group"):

a) the consolidated financial statements and notes that are set out on pages 6 to 46 and the Remuneration report on pages 56 to 61 in the Directors' report, are in accordance with the Corporations Act 2001, including:

   i. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and

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

b) the consolidated entity disclosure statement as at 30 June 2025 set out on page 45 is true and correct; and ;

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

2. There are reasonable grounds to believe that the Company and the group entities identified in Note 23 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those group entities pursuant to ASIC Corporations (Wholly owned Companies) Instrument 2016/785.

3. 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 2025.

4. The Directors draw attention to Note 1 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:

N.G. CATHIE

Chairman

Melbourne
29 August 2025

LEAD AUDITOR'S INDEPENDENCE DECLARATION

KPMG

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

To the Directors of Coventry Group Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit of Coventry Group Ltd for the financial year ended 30 June 2025 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	G.A.
KPMG	Glenn Austin
	Partner
	Melbourne
	29 August 2025

KPMG

INDEPENDENT AUDITOR'S REPORT

KPMG

Independent Auditor's Report

To the shareholders of Coventry Group Ltd

Report on the audit of the Financial Report

Opinion

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

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group's*** financial position as at 30 June 2025 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:

- Consolidated statement of financial position as at 30 June 2025
- Consolidated statement of profit or loss, Consolidated statement of comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2025
- Notes, including material accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

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 Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report 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.

Valuation of Goodwill ($37.1 million) and indefinite life intangible assets ($11.9 million)

Refer to Note 14 and 15 to the Financial Report

The key audit matter	How the matter was addressed in our audit
A key audit matter was the Group's annual testing of goodwill and indefinite life intangible assets due to: • the size of the balance (being 28% of total assets). • The inherent estimation uncertainty in auditing the significant forward-looking assumptions the Group applied in the value in use models (VIU) for each Cash Generating Unit (CGU). We focused on the significant forward-looking assumptions the Group applied in their VIU models including forecast cash flows, discount rates and terminal growth rates. These forward-looking assumptions may be prone to greater risk for potential bias, error and inconsistent application, therefore necessitating additional scrutiny by us, in particular to address the objectivity of sources used for assumptions, and their consistent application. • In addition to the above, the Group recorded an impairment charge of $24.5m against goodwill and intangible assets, in relation to the Trade Distribution business, increasing the sensitivity of the model to small changes. This further increased our audit effort in this key audit area. • We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	Our procedures included: • Assessing the appropriateness of the VIU methodology applied by the Group to perform the annual impairment test of goodwill and intangible assets against the requirements of the accounting standards. • Assessing the integrity of the VIU models used, including the accuracy of the underlying calculation formulas. • Considering the sensitivity of the models by varying key assumptions, such as forecast growth rates, discount rates and terminal growth rates, within a reasonably possible range. We do this to inform where to focus further procedures. • Assessing the accuracy of previous Group forecasts to inform our evaluation of forecasts incorporated in the VIU models. • Challenging the Group's key forecast cash flow and growth assumptions. We compared forecast growth rates and terminal growth rates to published studies of industry trends and expectations. We used our knowledge of the Group, its past performance, business and customers, and our industry experience. • Comparing the relevant cash flow forecasts to the Group's approved budgets. • Working with our valuation specialists we independently developed a discount rate range considered comparable, using publicly available market data for comparable entities, adjusted by risk factors and factors specific to the Group and the industry it operates in.

KPMG

	• Working with our valuation specialists compared terminal growth rates to published studies of industry trends and expectations and considered differences for the Group's operations. We used our knowledge of the Group, its past performance, business and customers, and our industry experience. • Recalculating the impairment charge against the recorded amount disclosed. • Assessing the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in Coventry Group 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 Group, 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 Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and 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 Group and 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/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Coventry Group Ltd for the year ended 30 June 2025, 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 56 to 61 of the Directors' report for the year ended 30 June 2025.

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

KPMG

Glenn Austin

Partner

Melbourne

29 August 2025

Coventry Group Ltd

SHAREHOLDER INFORMATION

As at 27 August 2025

		Ordinary Shares	
		Number	% of Total
1	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	40,793,161	34.20
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	20,446,396	17.14
3	PALM BEACH NOMINEES PTY LIMITED	12,851,659	10.77
4	CITICORP NOMINEES PTY LIMITED	9,775,025	8.19
5	BNP PARIBAS NOMS PTY LTD	3,894,850	3.26
6	HANCOCK & GORE LTD	2,740,000	2.30
7	DIXSON TRUST PTY LIMITED	1,590,758	1.33
8	DORSETT INVESTMENTS PTY LTD	1,403,276	1.18
9	MR ROBERT JAMES BULLUSS	1,049,644	0.88
10	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	1,039,543	0.87
11	HGL INVESTMENTS PTY LTD	933,186	0.78
12	ROMNEY LODGE PTY LTD	929,293	0.78
13	DIXSON TRUST PTY LIMITED <NO 1 A/C>	835,847	0.70
14	MRS ANNE KYLE	582,793	0.49
15	MR RODNEY JAMES JACKSON	547,837	0.46
16	COWOSO CAPITAL PTY LTD <COWOSO SUPER FUND A/C>	423,000	0.35
17	ABTOURK (SYD NO 415) PTY LTD <MICHAEL JOHN COLE PSF A/C>	350,000	0.29
18	MR LIONEL MCFADYEN + MRS JENNIFER MCFADYEN + MS SKYE MCFADYEN <MCFADYEN SUPER FUND A/C>	300,503	0.25
19	ROSSBOW PTY LTD <ANDREW MACPHERSON TDT A/C>	300,000	0.25
20	HGL INVESTMENTS PTY LTD	287,190	0.24
	Total	**101,073,961**	**84.73**

DISTRIBUTION OF SHAREHOLDING	Number of holders	Number of shares	%
Size of holding			
1 – 1,000	405	224,045	0.19
1,001 - 5,000	555	1,395,199	1.17
5,001 - 10,000	201	1,501,973	1.26
10,001 - 100,000	278	8,779,060	7.36
100,001 Over	60	107,391,029	90.02
Total	**1,499**	**119,291,306**	**100.00**

	Holders	Units
Unmarketable parcels field information	292	122,774

SUBSTANTIAL SHAREHOLDERS

The Company's register of substantial shareholders showed the following particulars as at 27 August 2025.

Name of Substantial Shareholder	Extent of Interest (Number of Shares)	Date of last notification
Viburnum Funds Pty Ltd	30,403,284	20 May 2024
Richmond Hill Capital Pty Ltd	23,442,214	30 April 2025
Sandon Capital Pty Ltd	9,874,432	10 Aug 2023
DUMAC Inc.	4,498,152	23 Dec 2019

UNQUOTED EQUITY SECURITIES

Nil.

SECURITIES SUBJECT TO VOLUNTARY ESCROW

There are no securities on issue subject to voluntary escrow.

VOTING RIGHTS

Each member present at a general meeting of the Company in person or by proxy, attorney or official representative is entitled:

- on a show of hands - to one vote
- on a poll - to one vote for each share held

There are no other classes of equity securities.

ON-MARKET BUY-BACK

On 12 August 2024 the Company announced an on-market buy-back of a maximum of 11,679,081 ordinary fully paid shares (up to 10% of issued capital) in the Company from the period 4 September 2024 to 3 September 2025.

Coventry Group Ltd

CORPORATE DIRECTORY

Coventry Group
ABN 37 008 670 102

Registered and Principal Administrative Office
235 Settlement Road,
Thomastown, Victoria 3074

Postal Address
P O Box 526
Thomastown, Victoria 3074

Website
www.cgl.com.au

Secretary
Mark Licciardo

Bankers
National Australia Bank Limited
Australian and New Zealand Banking Group Limited
Bank of New Zealand
Auckland Savings Bank Limited
Westpac Banking Corporation
Commonwealth Bank of Australia

Auditors
KPMG
Tower Two
Collins Square
727 Collins Street
Melbourne, Victoria 3008

Share Registry
Computershare Limited

Yarra Falls
452 Johnston Street, Abbotsford
Melbourne Victoria 3067

or

GPO Box 2975
Melbourne, Victoria 3000

Telephone from within Australia: 1300 763 414
Telephone from outside Australia: (+61) 3 9415 5000
Facsimile: +(61) 3 9473 2500
Email: web.queries@computershare.com.au
Website: www.investorcentre.com

Securities Exchange Listing
The Company's shares are listed on the ASX Limited and trade under the code CYG. The home exchange is Melbourne.

Shareholder Enquiries/Change of Address
Shareholders wishing to enquire about their shareholdings, dividend payments, or change their address should contact the Company's share registry.

Coventry Group Ltd