



ABN 20 007 698 106

**ASX Release**

## **Trading Update**

### Trading Update

The Directors of Korvest Ltd (Korvest) advise that the absence of major project work in the markets serviced by Korvest has resulted in a first quarter trading loss for the business. There is not currently an expectation that those markets will significantly improve in the second quarter and as a result it is expected that Korvest will record a trading loss for the first half of FY2017. Based on current best estimates the loss could be in the range of \$1.3 to \$1.6 million.

There are a number of known projects in Korvest's markets that are likely to become opportunities later in the second half of FY2017 and into FY2018. Therefore it is expected that some improvement will be seen in that timeframe.

The Directors remain confident that the company's recent restructure and the ongoing cost structure review will position Korvest for growth as market conditions improve.

### Dividends

Directors acknowledge the importance for many shareholders of Korvest's regular payment of franked dividends. Korvest remains in a net cash position and has sufficient profit reserves to be able to pay an interim franked dividend and it is the current intention of the Board to do so.

The Annual General Meeting is to be held on 28<sup>th</sup> October 2016 and any updates to this position will be advised then.

### **For further information please contact:**

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