

Appendix 4E

Preliminary final report

1. Name of entity

SCHAFFER CORPORATION LIMITED

ACN

008 675 689

Financial year ended ('current period')

30 JUNE 2026

Previous corresponding period

30 JUNE 2025

2. Results for announcement to the market

					\$'000
2.1	Revenues from continuing operations	down	-11.8%	to	202,700
2.2	Net profit for the period attributable to members	down	-8.6%	to	22,177
2.3	Dividends (see note 7)	Amount per security		Franked amount per security	
	Final – Ordinary Dividend		45¢		45¢
	Interim – Ordinary Dividend		45¢		45¢
	Total		90¢		90¢
2.4	Record date for determining entitlements to the dividend	4 September 2026			

3. Consolidated Statement of Comprehensive Income for the year ended 30 June 2026

		Consolidated	
		June 2026	June 2025
		\$'000	\$'000
	Note		
Revenue			
Revenue from contracts with customers	3.1	191,447	218,847
Rental income	3.2(a)	7,999	7,636
Dividends and distributions		1,237	1,398
Finance income	3.2(b)	2,017	1,829
Total revenue		202,700	229,710
Cost of sales and services rendered		(163,899)	(169,732)
Rental property expenses	3.2(a)	(4,159)	(3,900)
Gross profit		34,642	56,078
Share of profit in equity accounted investments		844	848
Other income	3.2(c)	18,171	2,259
Marketing expenses		(663)	(457)
Administrative expenses		(14,505)	(15,639)
Profit before tax and finance costs		38,489	43,089
Finance costs	3.2(b)	(3,542)	(3,579)
Profit before income tax		34,947	39,510
Income tax expense		(10,116)	(11,671)
Net profit for the period		24,831	27,839
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation (loss)/gain attributable to parent		(1,811)	1,476
<i>Items that may not be reclassified subsequently to profit or loss</i>			
Foreign currency translation (loss)/gain attributable to non-controlling interest		(250)	260
Other comprehensive (loss)/income for the period, net of tax		(2,061)	1,736
Total comprehensive income for the period		22,770	29,575
Profit for the period is attributable to:			
Non-controlling interest		2,654	3,582
Owners of the parent		22,177	24,257
		24,831	27,839
Total comprehensive income for the period attributable to:			
Non-controlling interest		2,404	3,842
Owners of the parent		20,366	25,733
		22,770	29,575
Earnings per share (EPS)			
Basic EPS	9	163.5c	178.5c
Diluted EPS	9	163.5c	178.5c
Dividends paid per share	7.2	90.0c	90.0c

The above Consolidated Statement of Comprehensive Income should be read with the accompanying notes.

3.1 Consolidated revenue from Contracts with Customers

	Consolidated	
	June 2026	June 2025
	\$'000	\$'000
Type of goods or service		
Sale of automotive leather components	176,350	185,518
Sale of land	-	449
Construction services	12,606	27,903
Transport income	1,235	3,611
Sale of goods - hospitality business	1,256	1,366
Total revenue from contracts with customers	191,447	218,847
Geographical Markets		
Europe	160,846	161,944
Asia	15,504	23,574
Australia	15,097	33,329
Total revenue from contracts with customers	191,447	218,847
Timing of revenue recognition		
Goods transferred at a point in time	177,606	187,333
Services transferred over time	13,841	31,514
Total revenue from contracts with customers	191,447	218,847

3.2 Significant Other Income and Expenses

a) Net rental income

	Consolidated	
	June 2026	June 2025
	\$'000	\$'000
Rental property income	7,999	7,636
Rental property expenses	(4,159)	(3,900)
Net rental income	3,840	3,736

b) Finance (costs)/income

	Consolidated	
	June 2026	June 2025
	\$'000	\$'000
Interest on loans	(3,032)	(3,099)
Interest on leases	(510)	(480)
Total interest costs	(3,542)	(3,579)
Interest income on cash and term deposits	2,017	1,829
Total interest income	2,017	1,829

c) Other income/(losses)

	Consolidated	
	June 2026	June 2025
	\$'000	\$'000
Net revaluation gain from investment property	14,163	7,012
Net revaluation gain/(loss) from financial assets at fair value through profit or loss	3,654	(3,916)
Net fair value increase on financial liabilities at fair value through profit or loss	(464)	(867)
Net gain/(loss) on disposal of property, plant and equipment	65	(82)
Foreign currency losses	(11)	(4,713)
Foreign currency gains	660	4,636
Sundry income	104	189
Total	18,171	2,259

d) Depreciation and amortisation

	Consolidated	
	June 2026	June 2025
	\$'000	\$'000
Depreciation included in:		
Cost of sales	9,872	9,103
Marketing and administrative expenses	95	75
Total depreciation	9,967	9,178

e) Employee benefits expense

	Consolidated	
	June 2026	June 2025
	\$'000	\$'000
Employee benefits included in:		
Cost of sales	46,640	42,738
Marketing and administrative expenses	8,729	5,907
Total employee benefits expense	55,369	48,645
Employee benefits expense comprises:		
Wages, salaries and bonuses	53,941	48,270
Net decrease in post-employment benefits provision	(315)	(1,251)
Long service leave	180	84
Worker's compensation costs	395	371
Superannuation costs	1,168	1,171
	55,369	48,645

4. Consolidated Statement of Financial Position as at 30 June 2026

	Note	Consolidated June 2026 \$'000	June 2025 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	6.1	28,412	29,423
Cash and cash equivalents - controlled equity funds	6.1,15	14,986	10,625
Trade and other receivables		44,817	45,234
Current tax assets		-	103
Inventories		43,627	46,542
Contract assets		3,455	1,667
Prepayments and deposits		6,510	5,554
Financial assets at fair value through profit or loss		13,995	15,732
Other financial assets		10,073	16,742
Total current assets		165,875	171,622
Non-current assets			
Inventories		928	892
Contract assets		938	1,643
Financial assets at fair value through profit or loss		42,258	42,310
Other financial assets		2,683	3,124
Property, plant and equipment		19,125	20,756
Investment properties		190,141	169,014
Right of use assets		29,003	29,174
Equity accounted investments		8,577	8,205
Deferred income tax asset		4,962	5,718
Goodwill		1,299	1,299
Total non-current assets		299,914	282,135
Total assets		465,789	453,757
LIABILITIES			
Current liabilities			
Trade and other payables		29,450	29,602
Contract liabilities		3,810	1,007
Interest-bearing loans and borrowings		22,495	21,792
Lease liabilities		6,468	5,742
Financial liabilities at fair value through profit or loss		15,186	14,266
Income tax payable		140	1,255
Provisions		10,981	10,622
Total current liabilities		88,530	84,286
Non-current liabilities			
Interest-bearing loans and borrowings		46,484	51,096
Lease liabilities		18,826	18,352
Deferred income tax liabilities		40,569	36,672
Provisions		10,360	11,078
Total non-current liabilities		116,239	117,198
Total liabilities		204,769	201,484
Net assets		261,020	252,273
Equity			
Equity attributable to equity holders of the parent			
Issued capital		9,398	9,925
Reserves		4,458	6,269
Retained earnings		232,006	222,061
Total parent entity interest in equity		245,862	238,255
Non-controlling interests		15,158	14,018
Total equity		261,020	252,273

5. Consolidated Statement of Changes in Equity for the year ended 30 June 2026

	Attributable to Equity Holders of the Parent					Total	Non-controlling interests	Total equity
	Issued capital	Retained earnings	Reserves					
			Asset revaluation reserve	Share based payment - EPU's	Foreign currency translation reserve			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 July 2025	9,925	222,061	2,585	(589)	4,273	238,255	14,018	252,273
Profit for the year	-	22,177	-	-	-	22,177	2,654	24,831
Other comprehensive income	-	-	-	-	(1,811)	(1,811)	(250)	(2,061)
Total comprehensive income for the year	-	22,177	-	-	(1,811)	20,366	2,404	22,770
Transactions with owners in their capacity as owners:								
Shares acquired under buy-back scheme	(527)	-	-	-	-	(527)	-	(527)
Equity dividends	-	(12,232)	-	-	-	(12,232)	(1,264)	(13,496)
At 30 June 2026	9,398	232,006	2,585	(589)	2,462	245,862	15,158	261,020
At 1 July 2024	9,781	210,036	2,585	(589)	2,797	224,610	13,542	238,152
Profit for the year	-	24,257	-	-	-	24,257	3,582	27,839
Other comprehensive income	-	-	-	-	1,476	1,476	260	1,736
Total comprehensive income for the year	-	24,257	-	-	1,476	25,733	3,842	29,575
Transactions with owners in their capacity as owners:								
Employee share options exercised	144	-	-	-	-	144	-	144
Equity dividends	-	(12,232)	-	-	-	(12,232)	(3,366)	(15,598)
At 30 June 2025	9,925	222,061	2,585	(589)	4,273	238,255	14,018	252,273

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

6. Consolidated Statement of Cash Flows for the year ended 30 June 2026

		Consolidated	
		June 2026	June 2025
		\$'000	\$'000
	Note		
Cash flows from operating activities			
Receipts from customers		189,365	210,404
Payments to suppliers and employees - other		(166,013)	(180,203)
Interest received		1,576	1,575
Dividends and distributions received		1,197	1,632
Other revenue received		7,735	7,142
Government subsidies		94	247
Interest paid		(3,447)	(3,578)
Income taxes paid		(6,483)	(7,439)
Goods and services tax (paid)/received		(147)	170
Net cash from operating activities		23,877	29,950
Cash flows from investing activities			
Investments in term deposits		(7,200)	(30,190)
Proceeds on maturity of term deposits		16,690	13,680
Acquisition of property, plant and equipment		(5,428)	(5,759)
Proceeds on sale of property, plant and equipment		102	-
Improvements to investment properties		(6,915)	(2,818)
Acquisition of non-current financial assets at fair value through profit or loss		(1,488)	(2,742)
Capital returns from financial assets at fair value through profit or loss		1,703	2,071
Acquisition of non-current financial assets at amortised cost		(1,873)	(729)
Disposal of financial assets at amortised cost – loans receivable		-	35
Purchase of equity accounted investments		-	(770)
Settlement of derivative financial instruments		854	(747)
Acquisition of current financial assets at fair value through profit or loss - controlled equity funds		(26,309)	(31,967)
Proceeds on disposal of current financial assets at fair value - controlled equity funds		28,553	35,541
Net cash used in investing activities		(1,311)	(24,395)
Cash flows from financing activities			
Proceeds from borrowings		6,044	16,060
Repayment of borrowings		(8,074)	(5,039)
Lease principal repayments		(7,137)	(6,155)
Lease principal receipts		4,028	2,666
Dividends paid		(13,491)	(15,563)
Shares acquired under share buy-back scheme		(527)	-
Proceeds from exercise of employee share options		-	144
Application funds received from investors in controlled equity funds		1,200	1,650
Net cash used in financing activities		(17,957)	(6,237)
Net increase/(decrease) in cash and cash equivalents		4,609	(682)
Net foreign exchange differences		(1,259)	3,126
Cash and cash equivalents at the beginning of the period		40,048	37,604
Cash and cash equivalents at the end of the period	6.1	43,398	40,048

The above Consolidated Statement of Cash Flows should be read with the accompanying notes.

6.1 Reconciliation of cash

	Consolidated	
	June 2026	June 2025
	\$'000	\$'000
Cash balance comprises:		
Cash at bank and on hand	28,412	29,423
Cash at bank and on hand - controlled equity funds (i)	14,986	10,625
Total cash and cash equivalents	43,398	40,048

- (i) The Group controls and manages equity investment funds. The cash held by the funds is to be applied by the fund manager to purchase assets following the funds' mandates.

6.2 Non-cash financing and investing activities

Details of financing and investing transactions that have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows.

\$Nil (2025 - \$Nil)

6.3 Financing facilities available

The consolidated entity had financing facilities available at the balance date of \$120,124,000 (2025 - \$97,244,000). The unutilised facility for the consolidated entity at the balance date was \$44,733,000 (2025 - \$21,516,000).

7. Dividends

Date the dividend is payable

18 September 2026

Record date to determine entitlement to the dividend (i.e. based on security holding balances established by 5:00pm or such later time permitted by SCH Business Rules – securities are CHESS approved).

4 September 2026

If it is a final dividend, has it been declared?

YES

7.1 Dividends paid

	Consolidated	
	June 2026	June 2025
	\$'000	\$'000
(a) Dividends paid		
Final 2025 dividend paid in September 2025	6,116	6,117
Per share (c)	45	45
Interim 2026 dividend paid in March 2026	6,116	6,115
Per share (c)	45	45
Fully franked dividends paid by the parent	12,232	12,232
Fully franked dividend paid by controlled entities to minority shareholders	1,264	3,366
Total fully franked dividends paid	13,496	15,598

7.2 Total dividend per security (interim *plus* final and special)

Ordinary securities
Preference securities

Current year	Previous year
90¢	90¢
-	-

7.3 Dividend Plans

The company does not have a dividend reinvestment plan.

8. Consolidated retained profits

	Consolidated June 2026 \$'000	June 2025 \$'000
Retained earnings		
Balance at the beginning of the year	222,061	210,036
Net profit attributable to members of the parent entity	22,177	24,257
Dividends provided for or paid	(12,232)	(12,232)
Balance at 30 June	232,006	222,061

9. Earnings per security (EPS)

Details of basic and diluted EPS reported separately in accordance with AASB 133: *Earnings Per Share* are as follows.

	Consolidated June 2026 \$'000	June 2025 \$'000
Basic EPS	163.5¢	178.5¢
Diluted EPS	163.5¢	178.5¢

The following reflects the income and share data used in the calculation of basic and diluted EPS:

	Consolidated June 2026 \$'000	June 2025 \$'000
Net profit attributable to ordinary equity holders of the parent from continuing operations	22,177	24,257

	Number of Shares June 2026	June 2025
Weighted average number of ordinary shares for basic earnings per share	13,564,669	13,589,123
Weighted average number of ordinary shares adjusted for the effect of dilution	13,564,669	13,589,123

10. NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$18.03	\$17.44

11. Foreign entities

For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).

International Financial Reporting Standards (IFRS).

12. Controlled gained/lost over entities having material effect

N/A

13. Significant events after balance date

The company will pay a fully franked final dividend of 45¢ per share on 18 September 2026.

14. Segment information

	Automotive Leather		Group Investments		Building Materials		South Connect Jandakot		Consolidated	
	June 2026 \$'000	June 2025 \$'000	June 2026 \$'000	June 2025 \$'000	June 2026 \$'000	June 2025 \$'000	June 2026 \$'000	June 2025 \$'000	June 2026 \$'000	June 2025 \$'000
Revenue										
Revenue from contracts with customers	176,350	185,518	1,256	1,815	13,841	31,514	-	-	191,447	218,847
Other revenue	10	19	10,295	9,893	31	71	917	880	11,253	10,863
Total revenue	176,360	185,537	11,551	11,708	13,872	31,585	917	880	202,700	229,710
Results										
Net profit/(loss) after tax	14,172	19,642	4,752	3,533	(1,343)	4,874	10,660	2,968	28,241	31,017
Less profit attributable to non-controlling interests	(2,386)	(3,306)	(268)	(276)	-	-	-	-	(2,654)	(3,582)
Profit/(loss) attributable to owners of the parent	11,786	16,336	4,484	3,257	(1,343)	4,874	10,660	2,968	25,587	27,435
Unallocated items										
Corporate overheads									(4,872)	(4,540)
Income tax benefit									1,462	1,362
Profit after tax									22,177	24,257
Assets										
Total segment non-current assets	42,646	44,959	122,508	122,683	12,010	12,956	121,440	100,250	298,604	280,848
Unallocated items									1,310	1,287
Total non-current assets									299,914	282,135
Total segment assets	148,290	155,380	172,574	177,961	21,355	18,083	121,440	100,250	463,659	451,674
Unallocated items									2,130	2,083
Total assets									465,789	453,757
Liabilities										
Segment liabilities	84,882	97,362	62,606	61,848	8,533	5,280	18,328	12,200	174,349	176,690
Unallocated items									30,420	24,794
Total liabilities									204,769	201,484

15. Net assets attributable to external investors in controlled funds

The Group has acted as Trustee and Fund Manager for managed equity funds under the control of the Group. At 30 June 2026, the controlled funds and the Group's holding of units therein were as follows:

- SFC Global Equities Fund – 46% (2025: 48%)
- SFC Global Fallen Angels Fund – 67% (2025: 67%)

The SCE Global Fallen Angels Fund ceased operations at close of day 30 June 2026. The amounts owing to investors were transferred to the SFC Global Equities Fund effective 1 July 2026.

External investors hold the remaining units in the funds and have the right to withdraw on notice.

The Group has irrevocably designated the net assets attributable to external investors in the funds as a financial liability at fair value through profit or loss. The Group determined that designation of the financial liability at fair value through profit or loss significantly reduces an accounting mismatch that would otherwise arise if the liability and corresponding financial assets in the funds were measured on different bases. As such, movements in net assets attributable to external investors in the funds are included as fair value adjustments in the Consolidated Statement of Comprehensive Income.

The financial position of the controlled funds is shown below.

	June 2026 \$'000	June 2025 \$'000
Net assets in controlled equity funds attributable to shareholders of the Group	13,020	12,620
Net assets in controlled equity funds attributable to external investors	14,756	13,073
Net assets held in controlled equity funds	27,776	25,693
Comprising:		
Current assets		
Cash and cash equivalents - controlled equity funds (i)	14,986	10,625
Financial assets at fair value through profit or loss	13,259	15,697
Other financial assets	52	53
Total current assets	28,297	26,375
Current liabilities		
Trade and other payables	91	318
Financial liabilities at fair value through profit or loss	430	364
Total current liabilities	521	682
Net assets held in controlled equity funds	27,776	25,693
(i) Cash held by the controlled equity funds is to be applied by the fund manager to purchase assets following each fund's mandate.		

16. Other significant information

All other significant information other than in this Appendix 4E, is disclosed in the letter to shareholders released on the same date as this Appendix 4E.

17. Commentary on results

For a commentary on the results see the letter to shareholders released on the same date as this 4E.

18. Status of audit or review

This report is based on accounts to which one of the following applies.

- | | |
|--|---|
| ☐ The accounts have been audited. | ☐ The accounts have been subject to review. |
| ☒ The accounts are in the process of being audited or subject to review. | ☐ The accounts have <i>not</i> yet been audited or reviewed. |

19. Dispute or qualification – accounts not yet audited or subject to review

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.

N/A

20. Dispute or qualification – accounts audited or subject to review

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.

N/A



Sign here: Date: 19 AUGUST 2026
Company Secretary

Print Name: JASON MARK CANTWELL