Appendix 4E

Preliminary final report

1. Name of entity

SCHAFFER CORPORATION LIMITED

ACN	Financial year ended ('current period')
008 675 689	**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

		Amount per security	Franked amount per security
2.3	**Dividends (see note 7)**		
	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

	Note	Consolidated June 2026 $'000	Consolidated June 2025 $'000
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			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation (loss)/gain attributable to parent		**(1,811)**	1,476
Items that may not be reclassified subsequently to profit or loss			
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	**163.5¢**	178.5¢
Diluted EPS	9	**163.5¢**	178.5¢
Dividends paid per share	7.2	**90.0¢**	90.0¢

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
Type of goods or service	$'000	$'000
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
	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							
	Issued capital	Retained earnings	Reserves			Total	Non-controlling interests	Total equity
			Asset revaluation reserve	Share based payment - EPUs	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

	Note	Consolidated June 2026 $'000	Consolidated June 2025 $'000
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

	Note	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)

	Current year	Previous year
Ordinary securities	90¢	90¢
Preference securities	-	-

7.3 Dividend Plans

The company does not have a dividend reinvestment plan.

8. Consolidated retained profits

	Consolidated	
	June 2026	June 2025
	$'000	$'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	June 2025
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	June 2025
	$'000	$'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 *not* 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