Corvane Industries

Management report · August 2026

All 79 checks passed · Approved Sep 10, 2026

REVENUE	NET INCOME	CASH	NET INCOME, YEAR TO DATE
$36.03M	**$1.51M**	**$71.18M**	**$7.98M**
up $2.31M (7%) vs Jul	up $1.06M (230%) vs Jul	down $1.87M (3%) vs Jul	down $3.19M (29%) vs budget

HIGHLIGHTS

- Revenue was $282.23M for January to August across the five companies.
- Net income is $3.19M under budget year to date. Two items explain it: a pump order that slipped at Manufacturing, and a legal settlement at the parent in June that no budget carried.
- Corvane Connect is $2.02M ahead of budget, with subscriptions growing faster than planned and hiring behind plan.
- Aftermarket Services is $1.60M ahead, on parts sales well over budget.

Net income against budget, year to date, by company

- Corvane Manufacturing LLC: −$4.32M. Pump sales $4.79M under budget, and a steel tariff raised cost of sales.
- Corvane Industries, Inc. (parent): −$2.51M. A legal settlement in June, plus higher litigation and consulting fees.
- Corvane Connect LLC: +$2.02M. Subscriptions ahead of budget, hiring behind plan.
- Corvane Aftermarket Services LLC: +$1.60M. Parts sales ahead of budget.
- Corvane Distribution LLC: On budget.

PROFIT AND LOSS

Biggest movers against last month

$ THOUSANDS	AUG 2026	JUL 2026	CHANGE VS JUL	% CHANGE
Equipment Revenue	17,968	15,890	**2,078**	**13%**
Cost of sales	19,826	18,947	**880**	**5%**
Other expenses	1,117	784	**333**	**42%**
Aftermarket Revenue	8,930	8,789	**141**	**2%**
Personnel	8,834	8,727	**107**	**1%**

Combined profit and loss

$ THOUSANDS	AUG 2026			YEAR TO DATE		
	ACTUAL	BUDGET	CHANGE VS BUDGET	ACTUAL	BUDGET	CHANGE VS BUDGET
Revenue	36,029	35,913	**116**	282,233	284,308	**(2,075)**
Equipment Revenue	17,968	18,333	**(364)**	141,648	146,951	**(5,304)**
Aftermarket Revenue	8,930	8,576	**354**	70,392	67,759	**2,634**
Distribution Revenue	4,886	4,864	**22**	38,924	38,695	**229**
Software Revenue	4,027	3,919	**108**	29,556	29,126	**430**
Other Operating Revenue	217	222	**(4)**	1,713	1,778	**(64)**
Cost of sales	19,826	19,408	**419**	155,630	154,556	**1,074**
Cost of sales	19,826	19,408	**419**	155,630	154,556	**1,074**
Gross profit	**16,202**	**16,505**	**(303)**	**126,602**	**129,752**	**(3,150)**
Expenses	13,608	13,905	**(297)**	111,347	110,542	**804**
Personnel	8,834	9,286	**(453)**	68,925	72,105	**(3,180)**
Facilities	917	915	**2**	7,328	7,320	**8**
Travel & Entertainment	865	874	**(9)**	7,026	6,992	**34**
Technology	855	761	**94**	6,515	6,088	**427**

$ THOUSANDS	AUG 2026 ACTUAL	AUG 2026 BUDGET	AUG 2026 CHANGE VS BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE CHANGE VS BUDGET
Depreciation & Amortization	639	639	–	5,112	5,112	–
Marketing	557	549	**9**	5,291	5,200	**91**
Professional Fees	433	358	**75**	7,032	3,553	**3,479**
Insurance	243	243	–	1,944	1,944	–
General & Administrative	148	156	**(8)**	1,192	1,237	**(45)**
Research & Development	117	124	**(7)**	983	992	**(9)**
Intercompany	–	–	–	–	–	–
Net ordinary income	**2,594**	**2,600**	**(6)**	**15,256**	**19,210**	**(3,954)**
Other income	37	45	**(8)**	356	360	**(4)**
Other income	37	45	**(8)**	356	360	**(4)**
Other expenses	1,117	1,090	**27**	7,636	8,401	**(765)**
Other expenses	1,117	1,090	**27**	7,636	8,401	**(765)**
Net income	**1,514**	**1,555**	**(41)**	**7,976**	**11,169**	**(3,193)**
Net margin	**4.2%**	**4.3%**	**–0.1 pts**	**2.8%**	**3.9%**	**–1.1 pts**
EBITDA	**3,593**	**3,599**	**(6)**	**23,248**	**27,202**	**(3,954)**
EBITDA margin	**10.0%**	**10.0%**	**–0.0 pts**	**8.2%**	**9.6%**	**–1.3 pts**

Consolidated budget against actual $ thousands

	ACTUAL AUG 26	BUDGET AUG 26	VARIANCE FAV (UNFAV)	VAR % AUG 26	ACTUAL YTD 26	BUDGET YTD 26	VARIANCE FAV (UNFAV)	VAR % YTD 26
Revenue	36,029	35,913	116	0%	282,233	284,308	(2,075)	(1%)
Cost of sales	19,826	19,408	(419)	(2%)	155,630	154,556	(1,074)	(1%)
Gross profit	**16,202**	**16,505**	**(303)**	**(2%)**	**126,602**	**129,752**	**(3,150)**	**(2%)**
Expenses	13,608	13,905	297	2%	111,347	110,542	(804)	(1%)
Net ordinary income	**2,594**	**2,600**	**(6)**	**(0%)**	**15,256**	**19,210**	**(3,954)**	**(21%)**
Other income	37	45	(8)	(17%)	356	360	(4)	(1%)
Other expenses	1,117	1,090	(27)	(3%)	7,636	8,401	765	9%
Net income	**1,514**	**1,555**	**(41)**	**(3%)**	**7,976**	**11,169**	**(3,193)**	**(29%)**
Net income before tax	**1,992**	**2,046**	**(53)**	**(3%)**	**10,495**	**14,696**	**(4,201)**	**(29%)**
EBITDA	**3,593**	**3,599**	**(6)**	**(0%)**	**23,248**	**27,202**	**(3,954)**	**(15%)**

Against Budget 2026. Variances are favourable when positive.

Net income, budget to actual $ thousands

	AUG 26 MONTH	YTD 26 TO AUG 26
Budgeted net income	**1,555**	**11,169**
Corvane Manufacturing LLC	(473)	**(4,324)**
Corvane Industries, Inc.	(51)	**(2,511)**
Corvane Connect LLC	295	**2,023**
Corvane Aftermarket Services LLC	216	**1,599**
Corvane Distribution LLC	(28)	**20**
Actual net income	**1,514**	**7,976**

Each step is a company's actual less its budget, as it moves net income; open one for its lines and accounts.

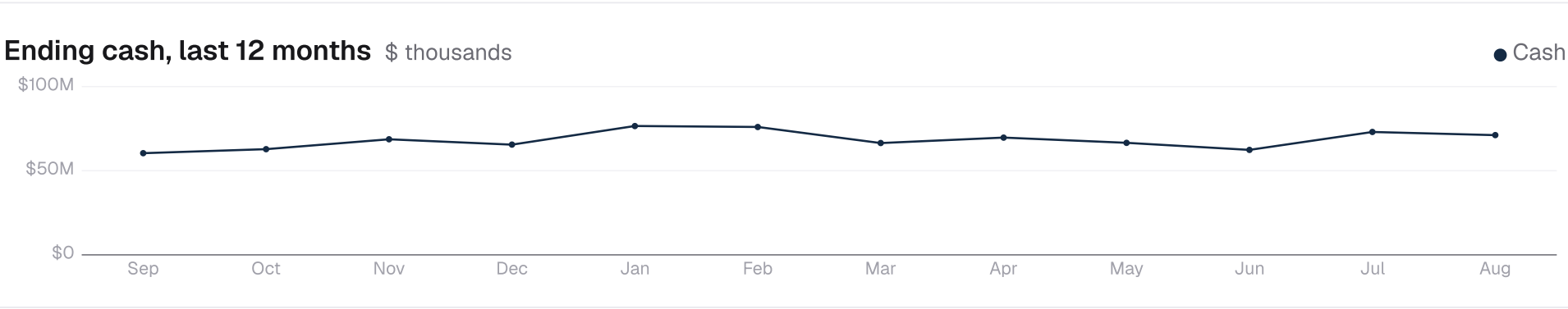
RESULTS BY COMPANY

Net income by company $ thousands

	SEP 25	OCT 25	NOV 25	DEC 25	JAN 26	FEB 26	MAR 26	APR 26	MAY 26	JUN 26	JUL 26	AUG 26
Corvane Industries, Inc.	(3,236)	(3,080)	(3,147)	(3,573)	(3,053)	(3,290)	(3,740)	(3,313)	(3,213)	(5,585)	(3,077)	(3,261)
Corvane Manufacturing LLC	3,271	2,963	3,191	4,325	1,745	2,361	4,013	1,853	2,208	3,675	1,319	2,533
Corvane Aftermarket Services LLC	2,110	2,064	2,065	2,142	2,595	2,518	2,574	2,727	2,598	2,592	2,557	2,629
Corvane Connect LLC	(575)	(839)	(552)	(470)	(518)	(475)	(393)	(371)	(700)	(389)	(282)	(299)
Corvane Distribution LLC	(143)	(80)	(122)	(200)	(52)	(98)	(48)	(85)	(35)	(100)	(58)	(88)
Total	**1,427**	**1,029**	**1,434**	**2,223**	**718**	**1,017**	**2,405**	**812**	**858**	**194**	**459**	**1,514**

A company inside another is shown beneath it and counted once, in its parent.

BALANCE SHEET AND CASH



Combined balance sheet

$ THOUSANDS	AUG 2026	JUL 2026	LAST YEAR END	AUG 2025
Total assets	424,167	420,915	407,708	394,463
Cash	71,184	73,053	65,537	64,616
Current assets	117,950	113,627	114,978	106,354
Other assets	144,973	145,190	146,476	147,092
Fixed assets	90,060	89,044	80,717	76,401
Total liabilities	239,425	238,072	234,023	228,430
Current liabilities	149,076	147,787	141,083	132,751
Long-term liabilities	90,349	90,285	92,940	95,679
Total equity	184,742	182,843	173,686	166,033
Equity	176,766	176,381	166,550	165,010
Net income, year to date	7,976	6,462	7,136	1,023
Total liabilities and equity	**424,167**	**420,915**	**407,708**	**394,463**

Consolidated cash flow, this month against last $ thousands

	AUG 26	JUL 26	CHANGE	CHANGE %
Beginning cash	73,053	62,388	10,665	17%
Net income	1,514	459	1,055	230%
Net income adjustments	(2,994)	4,218	(7,212)	(171%)
Operating cash flow	**(1,480)**	**4,677**	**(6,157)**	**(132%)**
Investing cash flow	**(800)**	**(957)**	**158**	**16%**
Financing cash flow	**410**	**6,945**	**(6,535)**	**(94%)**
Change in cash	**(1,869)**	**10,665**	**(12,534)**	**(118%)**
Ending cash	71,184	73,053	(1,869)	(3%)

EXPENSES

Expenses by category, this month against last

$ THOUSANDS	AUG 2026	JUL 2026	CHANGE VS JUL	% CHANGE VS JUL
Cost of sales	19,826	18,947	**880**	**5%**
Personnel	8,834	8,727	**107**	**1%**
Facilities	917	931	**(14)**	**(2%)**
Travel & Entertainment	865	862	**3**	**–**
Technology	855	833	**21**	**3%**
Depreciation & Amortization	639	639	–	–
Marketing	557	552	**5**	**1%**
Professional Fees	433	472	**(39)**	**(8%)**
Insurance	243	243	–	–
General & Administrative	148	153	**(5)**	**(3%)**
Research & Development	117	148	**(31)**	**(21%)**
Total	**33,435**	**32,507**	**927**	**3%**

Vendor, customer, class and department detail covers actual months where ledger detail was pulled or uploaded; everything else is shown as "Not split".

FORECAST

Consolidated full-year forecast $ thousands

	ACTUAL TO AUG 26	FORECAST SEP 26–DEC 26	FY 26 FORECAST	BUDGET FY 26	VS BUDGET FAV (UNFAV)	FY 25 ACTUAL	VS LAST YEAR FAV (UNFAV)
Revenue	282,233	143,386	**425,619**	440,167	(14,548)	394,032	31,586
Cost of sales	155,630	79,643	**235,274**	237,165	1,891	219,622	(15,651)
Gross profit	**126,602**	**63,743**	**190,345**	**203,002**	**(12,657)**	**174,410**	**15,935**
Expenses	111,347	57,717	**169,063**	167,643	(1,420)	157,266	(11,797)
Net ordinary income	**15,256**	**6,026**	**21,282**	**35,359**	**(14,077)**	**17,144**	**4,138**
Other income	356	154	**510**	540	(30)	536	(26)
Other expenses	7,636	3,487	**11,123**	14,122	2,999	10,544	(579)
Net income	**7,976**	**2,693**	**10,669**	**21,777**	**(11,108)**	**7,136**	**3,533**

The sum of each company's forecast, from its drivers (base scenario). Budget columns count only companies with a budget.

Consolidated forecast by month $ thousands

	AUG 26 ACTUAL	SEP 26 FORECAST	OCT 26 FORECAST	NOV 26 FORECAST	DEC 26 FORECAST
Revenue	36,029	35,839	35,915	35,890	35,742
Cost of sales and expenses	33,435	34,333	34,408	34,383	34,236
Other income less other expenses	(1,080)	(833)	(833)	(833)	(833)
Net income	**1,514**	**673**	**673**	**673**	**673**
Ending cash	**71,184**	**73,952**	**75,649**	**77,346**	**79,043**

Ending cash carries net income, adds back depreciation, moves with the days customers take to pay and the days taken to pay suppliers, and includes the loan repayments, distributions and other cash items on the Forecast page.

Consolidated reforecast against actual $ thousands

	ACTUAL AUG 26	REFORECAST AUG 26	VARIANCE FAV (UNFAV)	VAR % AUG 26	ACTUAL YTD 26	REFORECAST YTD 26	VARIANCE FAV (UNFAV)	VAR % YTD 26
Revenue	36,029	36,340	(312)	(1%)	282,233	282,920	(687)	(0%)
Cost of sales	19,826	19,916	90	0%	155,630	155,833	202	0%
Gross profit	**16,202**	**16,424**	**(222)**	**(1%)**	126,602	127,087	(485)	(0%)
Expenses	13,608	13,699	91	1%	111,347	111,461	115	0%
Net ordinary income	**2,594**	**2,725**	**(131)**	**(5%)**	15,256	15,626	(370)	(2%)
Other income	37	45	(8)	(17%)	356	373	(17)	(5%)
Other expenses	1,117	1,151	33	3%	7,636	7,729	93	1%
Net income	**1,514**	**1,620**	**(106)**	**(7%)**	7,976	8,270	(294)	(4%)
Net income before tax	**1,992**	**2,131**	**(139)**	**(7%)**	10,495	10,882	(386)	(4%)
EBITDA	**3,593**	**3,724**	**(131)**	**(4%)**	23,248	23,618	(370)	(2%)

Against Q2 Reforecast 2026. Variances are favourable when positive.

13-week cash forecast $ thousands

	WK 1 SEP 4	WK 2 SEP 11	WK 3 SEP 18	WK 4 SEP 25	WK 5 OCT 2	WK 6 OCT 9	WK 7 OCT 16	WK 8 OCT 23	WK 9 OCT 30	WK 10 NOV 6	WK 11 NOV 13	WK 12 NOV 20	WK 13 NOV 27	TOTAL 13 WKS
Beginning cash	71,184	69,184	72,574	68,389	71,254	69,314	72,704	70,969	74,854	73,834	76,909	75,039	78,784	71,184
Customer receipts	8,640	8,120	8,310	8,450	8,790	8,180	8,260	8,420	8,850	8,730	8,150	8,290	7,480	108,670
Other receipts	60	40	35	45	60	40	35	45	60	55	40	35	30	580
Total cash in	**8,700**	**8,160**	**8,345**	**8,495**	**8,850**	**8,220**	**8,295**	**8,465**	**8,910**	**8,785**	**8,190**	**8,325**	**7,510**	**109,250**
Payroll	(5,340)	–	(5,350)	–	(5,360)	–	(5,370)	–	(5,380)	–	(5,390)	–	(5,400)	(37,590)
Suppliers and operating costs	(4,180)	(4,560)	(4,470)	(4,310)	(4,240)	(4,610)	(4,420)	(4,350)	(4,290)	(4,540)	(4,430)	(4,360)	(3,890)	(56,650)
Rent, insurance and leases	(940)	–	–	–	(940)	–	–	–	–	(940)	–	–	–	(2,820)
Capital spending	(240)	(210)	(260)	(230)	(250)	(220)	(240)	(230)	(260)	(230)	(240)	(220)	(200)	(3,030)
Income taxes	–	–	(2,450)	–	–	–	–	–	–	–	–	–	–	(2,450)
Loan payments	–	–	–	(1,090)	–	–	–	–	–	–	–	–	–	(1,090)
Total cash out	**(10,700)**	**(4,770)**	**(12,530)**	**(5,630)**	**(10,790)**	**(4,830)**	**(10,030)**	**(4,580)**	**(9,930)**	**(5,710)**	**(10,060)**	**(4,580)**	**(9,490)**	**(103,630)**
Net cash flow	(2,000)	3,390	(4,185)	2,865	(1,940)	3,390	(1,735)	3,885	(1,020)	3,075	(1,870)	3,745	(1,980)	5,620
Ending cash	**69,184**	**72,574**	**68,389**	**71,254**	**69,314**	**72,704**	**70,969**	**74,854**	**73,834**	**76,909**	**75,039**	**78,784**	**76,804**	**76,804**
Above minimum cash ($60M)	9,184	12,574	8,389	11,254	9,314	12,704	10,969	14,854	13,834	16,909	15,039	18,784	16,804	16,804

Weeks end on Friday. Payroll runs every other Friday, rent, insurance and leases go out in the first week of each month, and the September 15 estimated tax payment and the quarterly term-loan payment are on their dates. Lowest point: week 3 (Sep 18), $68.4M, $8.4M above Corvane's $60M minimum cash.

APPENDIX

Consolidated cash flow $ thousands

	SEP 25	OCT 25	NOV 25	DEC 25	JAN 26	FEB 26	MAR 26	APR 26	MAY 26	JUN 26	JUL 26	AUG 26
Beginning cash	64,616	60,437	62,815	68,704	65,537	76,561	75,997	66,476	69,678	66,576	62,388	73,053
Net income	1,427	1,029	1,434	2,223	718	1,017	2,405	812	858	194	459	1,514
Net income adjustments	(3,422)	1,522	(781)	(3,362)	10,549	(893)	(9,750)	2,892	(3,138)	(2,188)	4,218	(2,994)
Operating cash flow	**(1,995)**	**2,551**	**653**	**(1,139)**	**11,266**	**124**	**(7,345)**	**3,704**	**(2,281)**	**(1,994)**	**4,677**	**(1,480)**
Investing cash flow	**(1,094)**	**(582)**	**(1,086)**	**(939)**	**(652)**	**(1,099)**	**(1,087)**	**(911)**	**(1,231)**	**(1,104)**	**(957)**	**(800)**
Financing cash flow	**(1,090)**	**410**	**6,322**	**(1,090)**	**410**	**410**	**(1,090)**	**410**	**410**	**(1,090)**	**6,945**	**410**
Change in cash	**(4,179)**	**2,379**	**5,889**	**(3,167)**	**11,025**	**(565)**	**(9,521)**	**3,202**	**(3,102)**	**(4,188)**	**10,665**	**(1,869)**
Ending cash	60,437	62,815	68,704	65,537	76,561	75,997	66,476	69,678	66,576	62,388	73,053	71,184

Figures in thousands of dollars; negatives in parentheses.

- From month-end trial balances.
- 60 checks passed before publishing; every trial balance balances.
- Operating cash: net income, adjusted for changes in current assets and liabilities.
- Investing: fixed assets, investments, money lent to affiliates.
- Financing: loans, lines of credit, money borrowed from affiliates, owners in and out.