

# Lindsay Australia Limited

ABN 81 061 642 733

ASX Code LAU

Half-Yearly Report

Half-Year Ended 31 December 2023

ASX Rule 4.2A.3

Information required by Appendix 4D

The information should be read in conjunction with the attached Half-Year Report for the period ending 31 December 2023.

## Lindsay Australia Limited (LAU)

### Results for announcement to the market

\$ A'000

Revenues from ordinary activities	up	23.88%	to	417,925
Profit from ordinary activities after tax attributable to owners	up	7.5%	to	18,079
Net Profit after tax attributable to members	up	7.5%	to	18,079
Dividends	Amount per security		Unfranked amount per security	
Interim Dividend	2.1¢		0.0¢	
Previous corresponding period	1.9¢		1.9¢	

Record date for determining entitlements to the dividend.	5 April 2024

## 4D Management discussion and comments

Refer Half Year Financial Report which has been lodged concurrently with App 4D.

### Non-cash financing and investing activities

	31 December 2023 \$A'000	31 December 2022 \$A'000
Acquisition of right-of-use assets – plant and equipment	14,018	15,168
Acquisition of right-of-use assets – property	14,790	1,458
Acquisition of right-of-use assets – other	113	602
Value of shares issued pursuant to dividend reinvestment plan	1,215	457
Value of shares converted from options issued under the Long Term Incentive (Option) Plan	282	-
Value of shares issued pursuant to acquisition of WB Hunter	7,987	-

### Ratios

	31 December 2023	31 December 2022
<b>Profit before tax / revenue</b> Consolidated profit before tax as a percentage of revenue	6.28%	7.13%
<b>Profit after tax / equity interests</b> Consolidated net profit after tax attributable to owners as a percentage of equity at the end of the half year	12.41%	14.65%

### Earnings Per Security (EPS)

	31 December 2023	31 December 2022
Basic EPS	5.8¢	5.6¢
Weighted average number of ordinary shares used in the calculation of the Basic EPS	309,434,645	302,353,319
Earnings \$A'000's used in calculating basic EPS	\$18,079	\$16,817

### NTA backing

	31 December 2023 \$A'000	31 December 2022 \$A'000
Net Tangible Assets (NTA)	\$118,945	\$106,168
Net tangible asset backing per ordinary security (cents per share)	*38.17 cents	*35.06 cents
<i>*The net tangible asset backing per ordinary share is inclusive of right-of-use assets and lease liabilities.</i>		

## Dividends

Date the dividend is payable	19 April 2024
Record date to determine entitlements to the dividend	5 April 2024

## Dividend amount per security

		Amount per security ¢	Unfranked amount per security ¢
<b>Interim dividend:</b>	Current year	2.1	0.0
	Previous year	1.9	1.9

## Dividend Reinvestment Plan

The company has a Dividend Reinvestment Plan. The last day for notification of an election to participate in respect of the dividend payable on 19 April 2024 is 09 April 2024. A discount of 5% to the volume weighted average price for the five business days prior to and including the record date will apply to reinvestments.

## Issued and Quoted securities at end of current period

Category of securities	Total number	Number quoted	Issue price per security (\$)
Ordinary securities 1/7/2023	303,404,886	303,404,886	
Changes during current period <i>Shares issued pursuant to:</i>			
Dividend reinvestment plan	1,146,273	1,146,273	\$1.06
Issue if shares pursuant to employee share option scheme	545,721	545,721	-
Acquisition of WB Hunter	6,493,506	6,493,506	\$1.23
Ordinary securities 31/12/2023	311,590,386	311,590,386	

Changes in accounting policies since the last annual report are disclosed as follows.

nil

**Audit Review/Status.**

This report is based on accounts that have been subject to review.

**Details of entities over which control has been gained or lost during the period.**

Lindsay Australia Limited acquired 100% of shares in W.B Hunter Pty Ltd on 7th August 2023.

**Compliance statement**

1. This report has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act.
2. This report and the accounts, upon which the report is based, use the same accounting policies.
3. This report does give a true and fair view of the matters disclosed.
4. The entity has a formally constituted audit committee.



Justin T Green  
Chief Financial Officer

Date 25 February 2024



**LINDSAY AUSTRALIA**  
LIMITED

ABN 81 061 642 733

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**INTERIM FINANCIAL REPORT**  
for the half-year ended 31 December 2023



**LINDSAY RURAL**

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

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### Directors

*Chair Non-executive Director*  
Mr Ian M Williams

*Chief Executive Officer*  
Mr Clayton J McDonald

*Non-executive Directors*  
Mr Robert L Green  
Mr Matthew R Stubbs  
Mr Stephen P Cantwell

### Group Legal Counsel & Company Secretary

Mr Broderick T Jones LLB

### Chief Financial Officer & Company Secretary

Mr Justin T Green BBus CPA

### Share Register

Computershare Investor Services Pty Ltd  
Level 1, 200 Mary Street, Brisbane, QLD, 4000  
Telephone: 1300 552 270  
Website: [www.computershare.com.au](http://www.computershare.com.au)

### Registered and Principal Administrative Office

152 Postle Street, Acacia Ridge, QLD, 4110  
Telephone: (07) 3240 4900  
Fax: (07) 3054 0240  
Website: [www.lindsayaustralia.com.au](http://www.lindsayaustralia.com.au)

### Auditor

Pitcher Partners  
Level 38, 345 Queen Street, Brisbane, QLD, 4000

### Stock Exchange Listing

Lindsay Australia Limited shares are listed on the Australian Securities Exchange, code LAU.

# **LINDSAY AUSTRALIA LIMITED and Controlled Entities CONTENTS**

## **PAGE**

---

DIRECTORS' REPORT	<b>3</b>
AUDITOR'S INDEPENDENCE DECLARATION	<b>9</b>
FINANCIAL STATEMENTS	
Consolidated Statement of Profit or Loss and Other Comprehensive Income	<b>10</b>
Consolidated Statement of Financial Position	<b>11</b>
Consolidated Statement of Cash Flows	<b>12</b>
Consolidated Statement of Changes in Equity	<b>13</b>
Notes to the Financial Statements	<b>14</b>
DIRECTORS' DECLARATION	<b>24</b>
INDEPENDENT AUDITOR'S REVIEW REPORT	<b>25</b>



# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## DIRECTORS' REPORT

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Your Directors present their report on the consolidated entity consisting of Lindsay Australia Limited and the entities it controlled (referred to as the “**Group**”) at the end of, or during the half-year ended 31 December 2023.

This interim financial report does not include all the notes of the type normally included in an annual financial report and should be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Lindsay Australia Limited (ASX:LAU) in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth).

### DIRECTORS

The following persons were Directors of Lindsay Australia Limited during or since the end of the half year:

I M Williams  
M R Stubbs  
S P Cantwell  
R L Green

The above-mentioned Directors held office during and since the end of the half-year.

### REVIEW OF OPERATIONS

Lindsay Australia Limited (“**Lindsay**” or the “**Company**”) incorporates the key divisions of Lindsay Transport (including Lindsay Fresh), Lindsay Rural and Hunters. These vertically integrated business units have a specific focus on servicing customers across several industries including fresh produce, horticulture, food processing, food services and logistics. As customers needs continue to evolve, the Group remains committed to deliver new and innovative solutions to meet these changing requirements.

### Reconciliation of results from the Group’s operations

A summary of the Group’s financial results from its continuing operations for the half-year ending 31 December 2023 and the prior comparative period is set out below.

Underlying operations defined in this report are the Group’s reported financial results as set out in the financial statements, adjusted for significant items that are non-recurring or items incurred outside the ordinary operations of the Group. Significant items for the half-year 2024 include merger and acquisition costs, software costs expensed in relation to the implementation of a new ERP system and the impact of AASB 16 *Leases*. Significant items arose in the prior year from the impact of AASB16 *Leases*.

The below table provides a reconciliation of the Group’s results as contained in the financial statements and non-IFRS (International Financial Reporting Standards) underlying operations. The Directors believe the additional information included in the report is useful for measuring the financial performance of the Group.

The following non-IFRS reconciliation has not been subject to the Group’s audit but is extracted from the reviewed interim financial statements.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities DIRECTORS' REPORT

6 months ended 31 December 2023	Transport	Rural	Hunters	Corporate unallocated	Group
Reconciliation of results from the Group	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Reported profit (loss) before tax</b>	40,619	4,135	1,171	(19,694)	26,231
<b><u>Underlying adjustments</u></b>					
<b>Impact AASB 16 Leases (a)</b>					
Depreciation right of use property/other	4,795	597	400	1,315	7,107
Finance costs right-of-use property/other	1,359	74	254	361	2,048
Operating lease rental payments (b)	(5,540)	(657)	(537)	(1,701)	(8,435)
<b>Total underlying adjustment AASB 16</b>	<b>614</b>	<b>14</b>	<b>117</b>	<b>(25)</b>	<b>720</b>
<b><u>Other underlying adjustments</u></b>					
Merger and acquisition costs (c)	-	-	-	930	930
Software implementation (d)	-	-	-	560	560
Total other underlying adjustments	-	-	-	1,490	1,490
<b>Total underlying adjustments</b>	<b>614</b>	<b>14</b>	<b>117</b>	<b>1,465</b>	<b>2,210</b>
<b>Underlying profit (loss) before tax</b>	<b>41,233</b>	<b>4,149</b>	<b>1,288</b>	<b>(18,229)</b>	<b>28,441</b>
<b>Reported EBITDA</b>	<b>64,412</b>	<b>4,919</b>	<b>2,049</b>	<b>(12,348)</b>	<b>59,032</b>
<b><u>Underlying adjustments</u></b>					
Operating lease rental payments (b)	(5,540)	(657)	(537)	(1,701)	(8,435)
Merger and acquisition costs (c)	-	-	-	930	930
Software implementation costs (d)	-	-	-	560	560
<b>Total underlying adjustments</b>	<b>(5,540)</b>	<b>(657)</b>	<b>(537)</b>	<b>(211)</b>	<b>(6,945)</b>
<b>Underlying EBITDA</b>	<b>58,872</b>	<b>4,262</b>	<b>1,512</b>	<b>(12,559)</b>	<b>52,087</b>

(a) Eliminates the impact of AASB 16 Leases.

(b) Operating lease rental payments were expensed prior to the adoption of AASB 16 Leases.

(c) Eliminates merger and acquisition costs that were expensed in the period.

(d) Eliminates costs associated with the implementation of a new ERP system.

**LINDSAY AUSTRALIA LIMITED and Controlled Entities  
DIRECTORS' REPORT**

6 months ended 31 December 2022 Reconciliation of results from the Group	Transport \$'000	Rural \$'000	Corporate unallocated \$'000	Group \$'000
Reported profit (loss) before tax	34,437	5,007	(15,394)	24,050
<b><u>Underlying adjustments</u></b>				
<b>Impact AASB 16 Leases (a)</b>				
Depreciation right of use property/other	3,408	548	1,283	5,239
Finance costs right-of-use property/other	1,134	48	409	1,591
Operating lease rental payments (b)	(4,039)	(593)	(1,596)	(6,228)
<b>Total underlying adjustment AASB 16</b>	<b>503</b>	<b>3</b>	<b>96</b>	<b>602</b>
<b>Other underlying adjustments</b>				
Total other underlying adjustments	-	-	-	-
<b>Total underlying adjustments</b>	<b>503</b>	<b>3</b>	<b>96</b>	<b>602</b>
<b>Underlying profit (loss) before tax</b>	<b>34,940</b>	<b>5,010</b>	<b>(15,298)</b>	<b>24,652</b>
<b>Reported EBITDA</b>	<b>52,360</b>	<b>5,739</b>	<b>(9,075)</b>	<b>49,024</b>
<b><u>Underlying adjustments</u></b>				
<b>Impact AASB 16 Leases (a)</b>				
Operating lease rental payments (b)	(4,039)	(593)	(1,596)	(6,228)
<b>Other underlying adjustments</b>				
<b>Total underlying adjustments</b>	<b>(4,039)</b>	<b>(593)</b>	<b>(1,596)</b>	<b>(6,228)</b>
<b>Underlying EBITDA</b>	<b>48,321</b>	<b>5,146</b>	<b>(10,671)</b>	<b>42,796</b>

(a) Eliminates the impact of AASB 16 Leases.

(b) Operating lease rental payments were expensed prior to the adoption of AASB 16 Leases.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## DIRECTORS' REPORT

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### Summary of Operating Results

During the half year ended 31 December 2023, the Group's integrated rural and logistics business model continued to perform positively despite adverse economic and weather conditions, coupled with persistent headwinds in the rural merchandise sector. Rollout of the Road, Rail and Rural strategy continued to deliver revenue and earnings growth whilst providing benefits for customers and stakeholders in this challenging period. Underpinning the positive result was Lindsay's resilient product mix and exposure to non-discretionary spend market segments in the Transport division, which saw the elevated freight volumes from FY2023 retained.

The Group continued to expand and diversify its operations and market exposure in the first half with the successful acquisition of WB Hunters in August 2023. Hunters provided Lindsay with a high quality and scale entry into the Victorian market with its eight regional branches strategically located throughout the key Goulburn Valley horticultural region in Northern Victoria and Southern New South Wales.

Group revenues of \$417.9 million increased by 23.9% compared to the prior period (H1 FY23) (pcp). Growth was primarily driven by capturing and retaining market share in the transport division and the five-month contribution of the Hunters business post-acquisition. The transport and rural divisions performed well to mitigate the adverse effects of unfavorable operating conditions including cyclones, persistent wet weather, rail disruptions and softer produce volumes in certain growing regions to deliver underlying EBITDA of \$52.1 million, an increase of 21.7% from the pcp. The Underlying EBITDA result excludes the impact of AASB 16 Leases and other one-off abnormal items where applicable, as set out on page 4.

Inflationary pressures and a competitive labour market continue to exert financial and performance headwinds, particularly in the logistics division. Strong rail volumes and an increase in top line revenue helped mitigate some pressures, however, input cost pressure is expected to persist. All operating divisions remain focused on controlling and reducing costs going forward.

Lindsay's capital investments focused on strategic transport assets and fleet renewal in the first half year. During the period the capital plan was reviewed and rebalanced with the planned investment being reduced from \$59 million to \$49 million. These investments continue to deliver positive returns on capital. The Group delivered a return on invested capital for the period end of 23.5%. The Group maintains a disciplined approach to capital allocation, ensuring the business is profitably sustained, while delivering growth and rewarding shareholders.

### Transport

Transport's revenue increased by \$48.4 million (+19.0% from the pcp) to \$302.3 million. The division achieved this strong growth through retaining the elevated volumes from FY23. The greatest uplift was achieved in the key metro lanes and improved volume and utilisation in the rail division.

The fleet investment made in FY2023 in both road and rail equipment provided additional capacity and flexibility for the transport division in the first half. This enabled operations to embed the increased volumes that were won last financial year and deliver strong performance for Lindsay customers over the peak Christmas period. The investment in equipment was also coupled with an increase in investment and additional facility capacity in both regional and capital cities.

The Transport division achieved underlying EBITDA of \$58.9 million, an increase of \$10.6 million (+21.8%) from the pcp.

The Group's unwavering priority remains the safety of all staff, customers, community members and stakeholders. Investment in safety and sustainability continues through Lindsay's annual fleet renewal plan, increasing road monitoring and compliance resources, and utilising technology to deliver positive safety outcomes. Further supporting the Group's commitment during the period was the appointment of a key executive Katie McMahon in the position of Head of Safety, Risk and Compliance.

In the second half of FY24, Lindsay will continue to invest in fleet renewal and facilities. A new Melbourne facility became operational in early January, significantly expanding the divisions cold chain capacity in this key hub.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## DIRECTORS' REPORT

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### Rural

The Rural division continued to face persistent industry headwinds and adverse weather, with revenue down \$6.5 million (-7.5% from pcp) to \$80.5 million. Sales in packaging remain positive, offset by lower sales prices for bulk commodities.

Rural's underlying EBITDA of \$4.2 million was \$0.9 million or -17.2% below pcp. Looking forward operating conditions are expected to remain mixed with some regions still recovering from weather-related impacts whilst others are forecasting positive growing seasons.

### Hunters

The Hunters acquisition was completed on the 7<sup>th</sup> of August 2023. Hunters is a high quality, rural retail operation with eight branches in Northern Victoria and NSW. The acquisition builds on the Group's key initiatives to diversify geographically and providing additional scale to the existing Rural operations.

Persistent wet weather and softer economic conditions have resulted in lower than anticipated revenues and EBITDA than originally forecast. Since the acquisition, Hunters has generated \$38.2 million in revenues and \$1.5 million in underlying EBITDA. We remain positive about the value the division will add to our portfolio as conditions recover and we integrate Hunters further into the broader rural business.

### Capital investment

During the half-year the Group invested \$20.6 million in capital expenditure on 16 prime movers, 12 trailer sets and other plant and equipment. The Group also invested \$5.0 million in facility upgrades, bringing total capital expenditure to \$25.6 million for the period. In H2 FY24, the Group anticipates making further capital investment of \$23.5m, including investment in road transport equipment and facilities.

### Sustainability

Lindsay remains committed to delivering improved sustainability outcomes across all of its operating divisions. To achieve this goal, the group is developing its sustainability strategy and ESG roadmap. The roadmap includes a carbon footprint analysis and a climate risk assessment focusing on assessing potential risks to company property and operating networks. Identifying environmental, social and governance risks that could have a material impact to future operations and develop key initiatives to ensure long-term sustainability is paramount to the ESG roadmap. During the period Lindsay completed its Modern Slavery Statement and reconfirmed our future commitments towards Modern Slavery.

### Dividends

The Board has recommended paying a half-year fully franked dividend of 2.10 cents per share. The increase in the dividend represents a rise of 10.5% compared with the unfranked dividend of 1.90 cents per share paid in the pcp, in line with the Group's growth in profit after tax. The Board considers profits, working capital cash requirements and capital expenditure when recommending dividend payments.

### Outlook

Lindsay is on track to deliver underlying EBITDA towards the lower end of the previously provided guidance range of \$102 million - \$108 million in FY24 up c.13% on the pcp. We expect any delay in recovery in the Rural and Hunters businesses to be offset by performance in the transport division, supported by a slowing in the inflationary outlook and the non-discretionary spend nature of the bulk of Lindsay's logistics freight. The Board continues to monitor the impacts of events as circumstances are subject to sudden change.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities DIRECTORS' REPORT

Segment revenue and contributions (refer Note 3):

Half-year	Dec 2023 \$'000	Dec 2022 \$'000	% Increase / (decrease)
<b>TRANSPORT</b>			
Revenue from provision of services	296,317	249,145	18.9%
Other revenue	1,969	1,226	60.6%
Inter-segment revenue	3,984	3,544	12.4%
<b>Total segment revenue</b>	<b>302,270</b>	<b>253,915</b>	<b>19.0%</b>
<b>Segment EBITDA</b>	<b>64,412</b>	<b>52,360</b>	<b>23.1%</b>
<b>Segment contribution to profit before tax</b>	<b>40,619</b>	<b>34,437</b>	<b>17.9%</b>
<b>RURAL</b>			
Revenue from sale of goods	78,783	85,802	(8.2%)
Other revenue	438	359	22.2%
Inter-segment revenue	1,273	863	47.5%
<b>Total segment revenue</b>	<b>80,494</b>	<b>87,024</b>	<b>(7.5%)</b>
<b>Segment EBITDA</b>	<b>4,919</b>	<b>5,739</b>	<b>(14.3)</b>
<b>Segment contribution to profit before tax</b>	<b>4,135</b>	<b>5,007</b>	<b>(17.4%)</b>
<b>HUNTERS</b>			
Revenue from sale of goods	38,169	-	-
Other revenue	11	-	-
Inter-segment revenue	-	-	-
<b>Total segment revenue</b>	<b>38,180</b>	-	-
<b>Segment EBITDA</b>	<b>2,049</b>	-	-
<b>Segment contribution to profit before tax</b>	<b>1,171</b>	-	-

## DIVIDEND

Dividends are paid taking account of profit, future cash requirements for capital expenditure (sustaining and growth), working capital and the mix of debt and equity. A franked interim dividend of 2.1 cents per share was declared on 25 February 2024. This dividend is payable on 19 April 2024. Lindsay Australia Limited's dividend reinvestment plan continues in force. The dividend has not been recognised as a liability at the end of the half-year.

## ROUNDING OF AMOUNTS

Unless otherwise stated, the amounts in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) relying on rounding relief under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument (2016/191)*. The Group is an entity to which the instrument applies.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under the section 307C of the *Corporations Act 2001* (Cth) accompanies this report.

This report is made in accordance with a resolution of the Directors.



**Ian M Williams**  
Chair of Directors

Brisbane, Queensland  
25 February 2024

Level 38, 345 Queen Street  
Brisbane, QLD 4000

Postal address  
GPO Box 1144  
Brisbane, QLD 4001

**p.** +61 7 3222 8444

The Directors  
Lindsay Australia Limited  
152 Postle St  
ACACIA RIDGE QLD 4110

### Auditor's Independence Declaration

In relation to the independent auditor's review for the half-year ended 31 December 2023, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Lindsay Australia Limited and the entities it controlled during the period

*Pitcher Partners*

PITCHER PARTNERS



JASON EVANS  
Partner

Brisbane, Queensland  
25 February 2024

Brisbane Sydney Newcastle Melbourne Adelaide Perth

**LINDSAY AUSTRALIA LIMITED and Controlled Entities**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Note	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>Revenues</b>	4	<b>417,925</b>	<b>337,371</b>
<b>Expenses</b>			
Changes in finished goods		(251)	79
Purchase of inventories		(96,635)	(71,157)
Employee benefits expense		(87,703)	(69,659)
Subcontractors		(94,228)	(75,875)
Depreciation and amortisation		(26,938)	(20,264)
Vehicle operating costs		(50,005)	(48,453)
Finance costs		(6,873)	(4,710)
Impairment loss on trade receivables		(527)	(265)
Rental and equipment hire costs		(1,166)	(1,071)
Professional fees		(1,223)	(1,007)
Other expenses		(26,145)	(20,939)
		(391,694)	(313,321)
<b>Profit before income tax</b>		<b>26,231</b>	<b>24,050</b>
Income tax expense		(8,152)	(7,233)
<b>Profit for the period</b>		<b>18,079</b>	<b>16,817</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>18,079</b>	<b>16,817</b>
Basic and diluted earnings per share		5.8¢	5.6¢

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



**LINDSAY AUSTRALIA LIMITED and Controlled Entities**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

	Note	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>Current assets</b>			
Cash and cash equivalents		33,369	51,973
Trade and other receivables		121,928	107,591
Inventories		34,072	18,064
Prepayments		7,526	7,802
<b>Total current assets</b>		<b>196,895</b>	<b>185,430</b>
<b>Non-current assets</b>			
Financial assets at fair value through other comprehensive income		147	25
Property, plant and equipment	8	97,321	91,443
Right-of-use assets	9	221,262	202,192
Intangible assets		26,688	8,708
<b>Total non-current assets</b>		<b>345,418</b>	<b>302,368</b>
<b>Total assets</b>		<b>542,313</b>	<b>487,798</b>
<b>Current liabilities</b>			
Trade and other payables		74,988	68,811
Borrowings	10	3,749	3,696
Lease liabilities	11	47,850	42,100
Provisions		15,362	12,881
Current tax liabilities		10,689	-
Other		13,202	6,591
<b>Total current liabilities</b>		<b>165,840</b>	<b>134,079</b>
<b>Non-current liabilities</b>			
Borrowings	10	35,310	42,220
Lease liabilities	11	159,747	146,020
Deferred tax liabilities	13	25,714	28,299
Provisions		2,252	2,065
Other		7,817	7,743
<b>Total non-current liabilities</b>		<b>230,840</b>	<b>226,347</b>
<b>Total liabilities</b>		<b>396,680</b>	<b>360,426</b>
<b>Net assets</b>		<b>145,633</b>	<b>127,372</b>
<b>Equity</b>			
Contributed equity	6	84,911	75,427
Reserves		795	788
Retained earnings		59,927	51,157
<b>Total equity</b>		<b>145,633</b>	<b>127,372</b>

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

**LINDSAY AUSTRALIA LIMITED and Controlled Entities**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Note	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>Cash flows from operating activities</b>			
Receipts in course of operations		451,546	359,310
Payments in the course of operations		(404,311)	(317,771)
Interest received		1,275	261
Finance costs paid		(6,576)	(4,357)
Income taxes reimbursed		-	-
Income taxes paid		(293)	(100)
<b>Net cash from operating activities</b>		<b>41,641</b>	<b>37,343</b>
<b>Cash flows from investing activities</b>			
Payment for acquisition of WB Hunter, net of cash acquired		(13,085)	-
Payment for acquisition of WB Hunter – deferred consideration		(3,520)	-
Payments for property, plant and equipment		(11,615)	(5,691)
Payments for intangibles		-	(396)
Proceeds from disposal of property, plant and equipment		2,352	1,166
<b>Net cash (used in) investing activities</b>		<b>(25,868)</b>	<b>(4,921)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		2,177	5,562
Repayment of borrowings		(6,899)	(7,818)
Repayment of equipment lease liabilities		(15,172)	(13,633)
Repayment of property lease liabilities		(5,869)	(4,330)
Repayment of other lease liabilities		(520)	(288)
Dividends paid	5	(8,094)	(4,979)
<b>Net cash (used in) financing activities</b>		<b>(34,377)</b>	<b>(25,486)</b>
Increase/(decrease) in cash and cash equivalents		(18,604)	6,936
Cash and cash equivalents at the beginning of the reporting period		51,973	29,041
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>33,369</b>	<b>35,977</b>

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

**LINDSAY AUSTRALIA LIMITED and Controlled Entities**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Note	Contributed equity \$'000	Share-based payments reserve \$'000	Retained profits \$'000	Total equity \$'000
<b>At 1 July 2023</b>		75,427	788	51,157	127,372
Profit for the period		-	-	18,079	18,079
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		-	-	18,079	18,079
Share-based payment expense		-	289	-	289
Allocation of shares under share option plan		282	(282)	-	-
Allocation of shares acquisition WB Hunter		7,987	-	-	7,987
Dividends reinvested / (paid) during the period	5	1,215	-	(9,309)	(8,094)
<b>At 31 December 2023</b>		<b>84,911</b>	<b>795</b>	<b>59,927</b>	<b>145,633</b>
<b>At 1 July 2022</b>		74,397	689	27,829	102,915
Profit for the period		-	-	16,817	16,817
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		-	-	16,817	16,817
Share-based payment expense		-	27	-	27
Allocation of shares under share option plan		-	-	-	-
Dividends reinvested / (paid) during the period	5	457	-	(5,436)	(4,979)
<b>At 31 December 2022</b>		<b>74,854</b>	<b>716</b>	<b>39,210</b>	<b>114,780</b>

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

## LINDSAY AUSTRALIA LIMITED and Controlled Entities

### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

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#### NOTE 1 CORPORATE INFORMATION

Lindsay Australia Limited (the “**Company**”) is a company limited by shares, domiciled and incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The condensed consolidated interim financial statements (“interim financial report”) of the Company as at and for the half-year ended 31 December 2023 comprise the financial statements of the Company and its subsidiaries (together referred to in these financial statements as the “**Group**”). The consolidated half-year financial report was authorised for issue in accordance with a resolution of the Directors on the 25 February 2024.

#### NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

This general-purpose financial report for the half-year ended 31 December 2023 has been prepared in accordance with accounting standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*.

The accounting policies and methods of computation adopted in the preparation of the consolidated financial statements are consistent with those adopted in the Group’s annual financial report for the year ended 30 June 2023. All new accounting standards and amendments applicable for the first time for this financial period have been adopted and have had no material impact on the Group.

There are a number of new accounting standards, interpretations and amendments that have been issued but not yet effective, however these are not considered relevant to the activities of the Group and are not expected to have a material impact on the financial statements of the Group.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### NOTE 3 SEGMENTS

The Group has identified the following reporting segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources:

- Transport – Cartage and distribution of general and refrigerated products and ancillary sales;
- Rural – Sale and distribution of a range of agricultural supply products; and
- Hunters – Sale and distribution of a range of agricultural, home, timber and hardware products.

Group revenues are derived predominately from customers within Australia.

6 months ended 31 December 2023	Transport \$'000	Rural \$'000	Hunters \$'000	Corporate unallocated \$'000	Total \$'000
<b>Revenue</b>					
Revenue from provision of services (i)	300,301	-	-	-	300,301
Revenue from sale of goods (ii)	-	80,056	38,169	-	118,225
Other revenue (refer note 4 for breakdown)	1,969	438	11	2,238	4,656
<b>Total segment revenue/income</b>	<b>302,270</b>	<b>80,494</b>	<b>38,180</b>	<b>2,238</b>	<b>423,182</b>
Inter-segment revenue elimination	(3,984)	(1,273)	-	-	(5,257)
<b>Total segment revenue/income</b>	<b>298,286</b>	<b>79,221</b>	<b>38,180</b>	<b>2,238</b>	<b>417,925</b>
<b>EBITDA</b>	<b>64,412</b>	<b>4,919</b>	<b>2,049</b>	<b>(12,348)</b>	<b>59,032</b>
Total depreciation and amortisation	(22,434)	(710)	(624)	(3,170)	(26,938)
<b>EBIT</b>	<b>41,978</b>	<b>4,209</b>	<b>1,425</b>	<b>(15,518)</b>	<b>32,094</b>
Total finance costs (iii)	(1,359)	(74)	(254)	(4,176)	(5,863)
<b>Segment net profit before tax</b>	<b>40,619</b>	<b>4,135</b>	<b>1,171</b>	<b>(19,694)</b>	<b>26,231</b>

6 months ended 31 December 2022	Transport \$'000	Rural \$'000	Hunters \$'000	Corporate unallocated \$'000	Total \$'000
<b>Revenue</b>					
Revenue from provision of services (i)	252,689	-	-	-	252,689
Revenue from sale of goods (ii)	-	86,665	-	-	86,665
Other revenue (refer note 4 for breakdown)	1,226	359	-	839	2,424
<b>Total segment revenue/income</b>	<b>253,915</b>	<b>87,024</b>	<b>-</b>	<b>839</b>	<b>341,778</b>
Inter-segment revenue elimination	(3,544)	(863)	-	-	(4,407)
<b>Total segment revenue/income</b>	<b>250,371</b>	<b>86,161</b>	<b>-</b>	<b>839</b>	<b>337,371</b>
<b>EBITDA</b>	<b>52,360</b>	<b>5,739</b>	<b>-</b>	<b>(9,075)</b>	<b>49,024</b>
Total depreciation and amortisation	(16,789)	(684)	-	(2,791)	(20,264)
<b>EBIT</b>	<b>35,571</b>	<b>5,055</b>	<b>-</b>	<b>(11,866)</b>	<b>28,760</b>
Total finance costs	(1,134)	(48)	-	(3,528)	(4,710)
<b>Segment net profit before tax</b>	<b>34,437</b>	<b>5,007</b>	<b>-</b>	<b>(15,394)</b>	<b>24,050</b>

- (i) Revenue from provision of services is recognised over time.  
(ii) Revenue from sale of goods is recognised at a point in time.  
(iii) Finance costs (net of bank interest received – refer note 4 for breakdown)

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### NOTE 4 REVENUE

In the following table, revenue from contracts with customers is disaggregated by customer type.

#### Horticulture customers

Customers are classified as horticulture if they are predominately exposed to the primary production of fresh fruit and vegetables. Horticulture customers include primary producers (growers), produce market agents and produce packing groups. Revenues for horticulture customers can fluctuate depending on season and can be impacted by weather related events.

#### Commercial customers

All other customers are classified as commercial customers. These customers do not have any direct involvement in the production of fresh fruit and vegetables. They are predominately manufacturers, food processors or distributors and third-party transport operators.

6 months ended 31 December 2023	Transport \$'000	Rural \$'000	Hunter \$'000	Corporate unallocated \$'000	Group \$'000
<b>Revenue</b>					
Horticulture	125,142	78,783	12,945	-	216,870
Commercial	171,175	-	25,224	-	196,399
<b>Revenue from contracts with customers</b>	<b>296,317</b>	<b>78,783</b>	<b>38,169</b>	<b>-</b>	<b>413,269</b>
Other revenue	1,969	438	11	2,238	4,656
<b>Total revenue</b>	<b>298,286</b>	<b>79,221</b>	<b>38,180</b>	<b>2,238</b>	<b>417,925</b>
<b>Other revenue comprises:</b>					
Rent received					224
Interest received - Other					264
Interest received - Bank					1,010
Insurance and other recoveries					872
Government wage subsidies					510
Other					1,776
<b>Total other revenue</b>					<b>4,656</b>

6 months ended 31 December 2022	Transport \$'000	Rural \$'000	Hunter \$'000	Corporate unallocated \$'000	Group \$'000
<b>Revenue</b>					
Horticulture	129,508	85,802	-	-	215,310
Commercial	119,637	-	-	-	119,637
<b>Revenue from contracts with customers</b>	<b>249,145</b>	<b>85,802</b>	<b>-</b>	<b>-</b>	<b>334,947</b>
Other revenue	1,226	359	-	839	2,424
<b>Total revenue</b>	<b>250,371</b>	<b>86,161</b>	<b>-</b>	<b>839</b>	<b>337,371</b>
<b>Other revenue comprises:</b>					
Rent received					77
Interest received					261
Insurance and other recoveries					655
Other					1,431
<b>Total other revenue</b>					<b>2,424</b>

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>NOTE 5 DIVIDENDS</b>		
Paid in cash	8,094	4,979
Satisfied by issue of shares	1,215	457
Dividends paid during the half-year	9,309	5,436
<b>Dividends not recognised at the end of the half-year</b>		
Since the end of the half-year, the directors have declared the payment of an interim dividend of 2.1 cents fully franked (2023: 1.9 cent unfranked) per fully paid ordinary share. The aggregate amount of the proposed interim dividend is expected to be paid on 19 April 2024 (2023: 14 April 2023), but not recognised as a liability at the end of the half-year.	6,543	5,753

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>NOTE 6 CONTRIBUTED EQUITY</b>		
Fully paid ordinary shares	84,911	75,427

Movement in fully paid ordinary share capital	Number of Shares	Issue Price \$	\$'000
Opening balance at 1 July 2023	303,404,886		75,427
Issue of shares pursuant to the dividend reinvestment plan	1,146,273	\$1.06	1,215
Issue of shares pursuant to employee share option scheme	400,000	-	-
Issue of shares pursuant to employee share option scheme	145,721	-	-
Transfer from SBP reserve on exercise of employee options	-	-	282
Issue of shares pursuant to acquisition of WB Hunter	6,493,506	\$1.23	7,987
Closing balance at 31 December 2023	<b>311,590,386</b>		<b>84,911</b>
Opening balance at 1 July 2022	301,987,330		74,397
Issue of shares pursuant to the dividend reinvestment plan	787,953	\$0.58	457
Closing balance at 31 December 2022	<b>302,775,283</b>		<b>74,854</b>

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>NOTE 7 NON-CASH FINANCING AND INVESTING ACTIVITIES</b>		
Acquisition of right-of-use assets – plant and equipment	14,018	15,168
Acquisition of right-of-use assets – property	14,790	1,458
Acquisition of right-of-use assets – other	113	602
Value of shares issued pursuant to dividend reinvestment plan	1,215	457
Value of shares issued pursuant to employee share option scheme	282	-
Value of shares issued pursuant to acquisition of WB Hunter	7,987	-

LINDSAY AUSTRALIA LIMITED and Controlled Entities

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>NOTE 8 PROPERTY, PLANT &amp; EQUIPMENT</b>		
<b>Freehold land and buildings</b>		
Land – at cost	8,798	8,798
Buildings – at cost	16,749	16,749
Accumulated depreciation	(3,211)	(2,998)
	<b>22,336</b>	<b>22,549</b>
<b>Leasehold improvements</b>		
At cost	26,071	25,296
Accumulated depreciation	(10,650)	(9,652)
	<b>15,421</b>	<b>15,644</b>
<b>Total property</b>	<b>37,757</b>	<b>38,193</b>
<b>Plant and equipment</b>		
At cost	168,839	153,654
Accumulated depreciation	(109,275)	(100,404)
<b>Total plant and equipment</b>	<b>59,564</b>	<b>53,250</b>
<b>Total property, plant and equipment</b>	<b>97,321</b>	<b>91,443</b>

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>NOTE 9 RIGHT-OF-USE ASSETS</b>		
<b>Right-of-use property leases</b>		
At cost	133,742	109,785
Accumulated depreciation	(53,097)	(46,236)
	<b>80,645</b>	<b>63,549</b>
<b>Right-of-use other leases</b>		
At cost	2,380	2,267
Accumulated depreciation	(1,250)	(1,003)
	<b>1,130</b>	<b>1,264</b>
<b>Right-of-use equipment leases</b>		
At cost	234,251	224,732
Accumulated depreciation	(94,764)	(87,353)
	<b>139,487</b>	<b>137,379</b>
<b>Total right-of-use assets</b>	<b>221,262</b>	<b>202,192</b>



# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>NOTE 10 BORROWINGS</b>		
<b>Current</b>		
<i>Secured</i>		
Equipment loans	1,831	1,778
Bank loans	2,000	2,000
Bank loans – borrowing costs offset	(82)	(82)
<b>Total current borrowings</b>	<b>3,749</b>	<b>3,696</b>
<b>Non-current</b>		
<i>Secured</i>		
Equipment loans	9,831	10,782
Bank loans	25,500	31,500
Bank loans – borrowing costs offset	(21)	(62)
<b>Total non-current borrowings</b>	<b>35,310</b>	<b>42,220</b>
<b>Total borrowings</b>	<b>39,059</b>	<b>45,916</b>

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>NOTE 11 LEASE LIABILITIES</b>		
Lease liabilities – current		
Property	13,313	9,236
Other	506	476
Equipment lease liabilities (i)	34,031	32,388
<b>Total current lease liabilities</b>	<b>47,850</b>	<b>42,100</b>
Lease liabilities – non-current		
Property	78,176	64,472
Other	698	828
Equipment lease liabilities (i)	80,873	80,720
Total non-current lease liabilities	159,747	146,020
<b>Total lease liabilities</b>	<b>207,597</b>	<b>188,120</b>

(i) The carrying amount of equipment lease liabilities includes an offsetting fair value gain of \$38,000 at 30 June 2023 (31 December 2023 – nil)

## LINDSAY AUSTRALIA LIMITED and Controlled Entities

### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

#### NOTE 12 SHARE-BASED PAYMENTS

Options over shares in Lindsay Australia Limited may be granted under the Long-Term Incentive (Option) Plan (LTIP). The LTIP is structured as a reward for length of service and is variable depending upon cumulative annual performance.

Total share-based payment expense of \$289,000 (2023: \$27,000) is included in the Consolidated Statement of Comprehensive Income.

A summary of the status of the Groups equity settled share option plans at 31 December 2023 is presented below. When vested and exercisable, each option is convertible into one ordinary share of Lindsay Australia Limited at a zero-exercise price.

Tranche	Fair Value Per Option (cents)	Grant Date	Expiry Date	Exercise Price	Balance 30 Jun 2023	Number Issued	Number Forfeited	Number Exercised	Balance 31 Dec 2023 (i)
LTIP – FY20	30.7	October 2019	October 2026	\$nil	400,000	-	-	(400,000)	-
LTIP – FY22	32.2	October 2021	October 2025	\$nil	400,000	-	-	-	400,000
LTIP – FY23	36.0	December 2022	December 2026	\$nil	275,000	-	(25,000)	-	250,000
LTIP – FY23	60.5	December 2022	December 2026	\$nil	275,000	-	(25,000)	-	250,000
LTIP – FY24	100.1	October 2023	October 2026	\$nil	-	115,000	-	-	115,000
LTIP – FY24	109.5	October 2023	October 2028	\$nil	-	145,721	-	(145,721)	-
LTIP – FY24	104.7	October 2023	October 2029	\$nil	-	248,850	-	-	248,850
					1,350,000	509,571	(50,000)	(545,721)	1,263,850

(i) All options unvested as of 31 Dec 2023

During the period, the Group issued share options under the LTIP to the CEO and other key employees. The share options issued had length of service as the only performance criteria.

A binomial valuation model has been used to determine the fair value at grant date for these share options.

The below assumptions were used in determining the fair value of the share options granted during the period:

Model Inputs	Tranche 1	Tranche 2	Tranche 3
Number of share options	145,721	115,000	248,850
Grant date	17 October 2023	17 October 2023	17 October 2023
Exercise price	\$nil	\$nil	\$nil
Vesting period	17 Jul-23 to 17 Oct-23	17 Oct-23 to 17-Oct-25	17 Oct-23 to 14 Oct-24
Risk-free interest rate (%) (i)	4.54%	4.54%	4.54%
Volatility (%) (ii)	31.73%	31.73%	31.73%
Share price at grant date	\$1.10	\$1.10	\$1.10
Fair value per share option	\$1.0950	\$1.0013	\$1.0471

(i) Risk-free rate is based on the Australian Government 10-year bond rate as at the grant date.

(ii) Expected volatility is based on the historic volatility of Lindsay Australia Limited (LAU) shares over a period of time.

Share options granted under the LTIP do not participate in dividends.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>NOTE 13 DEFERRED TAX</b>		
<b>Deferred Tax Assets</b>		
<i>The balance comprises temporary differences attributable to</i>		
Impaired receivables	511	135
Employee benefits	5,286	4,485
Payables	537	487
Other liabilities	2,180	2,079
Other	1,203	908
Carried forward losses	-	1,462
<b>Total Deferred Tax Assets</b>	<b>9,717</b>	<b>9,556</b>
<i>Set-off of against deferred tax liabilities pursuant to set-off provisions</i>	(9,717)	(9,556)
<b>Net Deferred Tax Assets</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax Liabilities</b>		
<i>The balance comprises temporary differences attributable to</i>		
Prepayments	1,226	1,570
Inventories	413	414
Depreciation and amortisation (i)	33,478	35,582
Other receivables	314	289
<b>Total Deferred Tax Liabilities</b>	<b>35,431</b>	<b>37,855</b>
<i>Set-off of deferred tax assets pursuant to set-off provisions</i>	(9,717)	(9,556)
<b>Net Deferred Tax Liabilities</b>	<b>25,714</b>	<b>28,299</b>

## NOTE 14 CONTINGENT LIABILITIES

### Guarantees

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Guarantees to secure property lease obligations	9,970	8,093
	<b>9,970</b>	<b>8,093</b>

### Other

From time to time the consolidated entity is subject to claims and litigation during the normal course of business. The directors have given consideration to such matters and are of the opinion that except for bank guarantees detailed above totalling \$9.97 million, there are no further material contingent liabilities as at reporting date or subsequently up to the date of this report that are likely to arise.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### NOTE 15 BUSINESS COMBINATION

#### Acquisition of W.B. Hunter Pty Ltd

On the 7th of August 2023, the group acquired 100% of the share capital of WB Hunters Pty Ltd ("WB Hunters"). The key strategic and commercial rationale for the acquisition include:

- Acquiring a market-leading supplier of rural merchandise and complimentary products and services;
- Establishing a regional footprint complementary to Lindsay Rural's store network;
- Enhanced exposure to the rapidly growing Australian agribusiness segment and the introduction of new products and services to the Lindsay Rural network;
- Provides a strategic entry point into the Victorian and New South Wales agricultural supply market and a platform for continued pursuit of growth opportunities for Lindsay; and
- Longstanding customer base with enduring relationships and loyalty evidenced through strong repeat buying behaviour.

As at the date of this report, the group has not completed the initial accounting for the business combination. The following disclosures therefore represent preliminary estimates of the fair value of consideration payable for the acquisition, the carrying value of net assets acquired (prior to any adjustments being recognised to reflect such net assets at their fair values), and goodwill to be recognised as a result of the business combination. The actual amounts arising on completion of the initial accounting for the business combination are expected to vary.

The measurement period in respect of this business combination will expire on the earlier of 12 months from the date of the acquisition (6 August 2024) and the date that the group has received all information it requires about facts and circumstances that existed as of the acquisition date. The group therefore anticipates reporting on the final accounting for this business combination in its 30 June 2024 annual financial statements.

	<b>\$'000</b>
<b>Purchase Consideration</b>	
Cash consideration paid	22,039
Deferred consideration <sup>1</sup>	13,541
Scrip consideration <sup>2</sup>	7,987
<b>Total purchase consideration</b>	<b><u>43,567</u></b>
<b>Fair value of Identifiable Net Assets Acquired</b>	
Cash and cash equivalents	8,954
Trade and other receivables <sup>3</sup>	12,173
Inventories	14,187
Investments	123
Prepayments	34
Property, plant and equipment	3,213
Right-of-use assets	9,167
Deferred tax assets	795
Trade payables	(10,406)
Accruals	(661)
Current tax liabilities	(1,043)
Employee provisions	(1,212)
Borrowings	(674)
Lease liabilities	(9,167)
Other liabilities	(333)
<b>Net identifiable assets acquired (excl. intangible assets<sup>4</sup>)</b>	<b><u>25,150</u></b>
Add: Goodwill and other intangible assets <sup>4</sup>	18,417
<b>Total purchase consideration</b>	<b><u>43,567</u></b>

## LINDSAY AUSTRALIA LIMITED and Controlled Entities

### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

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- 1. The group is required to pay an agreed amount for inventory held by WB Hunter at the acquisition date in four quarterly instalments over the period ending 12 months from the acquisition date. A discount rate of 6.25% has been applied in measuring the fair value of this deferred consideration, consistent with the group's prevailing cost of debt at the acquisition date.*
- 2. Total of 6,493,506 shares in Lindsay Australia Limited were issued as part of the consideration, with the fair value of consideration measured with reference to the share price as at the acquisition date.*
- 3. Receivables stated above is the net of gross contractual amounts receivable (\$12,904,000) net of the group's best estimate of contractual cash flows not expected to be received (\$731,000).*
- 4. As at the date of this report, the group has not yet valued intangible assets (other than goodwill) acquired. For purposes of the above disclosures, "goodwill" therefore incorporates all such assets. Identifiable intangible assets acquired include brand names, trademarks, customer loyalty program and customer relationships.*

Factors that make up the goodwill recognised on the transaction include the expected synergies arising from the transaction as described above, and intangible assets which do not qualify for separate recognition under Australian Accounting Standards, such as the value of the acquired workforce. No amount of goodwill is expected to be deductible for tax purposes.

The amount of revenue and profit of WB Hunter since the acquisition date included in these financial statements is set out on Note 3. Were WB Hunter consolidated for the whole of the half-year (that is, acquisition occurred on 1 July 2023 rather than 7 August 2023), the consolidated revenue and consolidated net profit before tax of the group would have been \$427.614 million and \$26.83 million respectively.

#### **NOTE 16 EVENTS OCCURRING AFTER THE REPORTING PERIOD**

Other than the dividends recommended after the end of the half-year as disclosed in the Directors' Report, to the Directors' knowledge, no matter or circumstance has arisen since the end of the half-year that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

## DIRECTORS' DECLARATION

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In the opinion of the directors the attached financial statements and notes:

- (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting and Corporations Regulations 2001*; and
- (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*; and
- (b) there are reasonable grounds to believe that Lindsay Australia Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



**Ian M Williams**  
*Chair of Directors*

Brisbane, Queensland  
25 February 2024

## Independent Auditor's Review Report to the Members of Lindsay Australia Limited

### Conclusion

We have reviewed the half-year financial report of Lindsay Australia Limited (the 'Company') and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Lindsay Australia Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

### Responsibility of the Directors for the Financial Report


The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PITCHER PARTNERS



JASON EVANS  
Partner



Brisbane, Queensland  
25 February 2024