



**ABN 28 095 466 961**

**Interim Financial Report  
for the six months ended 31 December 2021**

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## DIRECTORS' REPORT

Your Directors present their report on the consolidated entity (referred to hereafter as "the Group") consisting of Boom Logistics Limited ("Boom Logistics" or "the Company") and the entities it controlled for the half-year ended 31 December 2021.

### Directors

The names of the Company's Directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Ms Melanie Jayne Allibon	Chair (independent, non-executive) effective 27 November 2021
Mr Tony Spassopoulos	Managing Director (executive)
Mr Stephen Anthony Grove	Director (non-independent, non-executive)
Mr Kieran Pryke	Director (independent, non-executive)
Mr Damian Banks	Director (independent, non-executive) appointed 29 November 2021
Mr James Scott	Director (independent, non-executive) appointed 29 November 2021
Mr Maxwell John Findlay	Chair (independent, non-executive) resigned 26 November 2021
Mr Terence Alexander Hebiton	Director (independent, non-executive) resigned 26 November 2021

### Operating and Financial Review

The Group recorded a net profit after tax for the half year ended 31 December 2021 (1H FY22) of \$2.9 million (1H FY21: profit of \$0.4 million). Earnings before interest expense, depreciation and amortisation (EBITDA) were a profit of \$22.5 million (1H FY21: \$17.9 million). Earnings before interest expense and tax (EBIT) were a profit of \$4.6 million (1H FY21: profit of \$2.3 million). This was a strong result as the group focussed on quality revenue in key markets.

Revenue of \$123.5 million was considerably higher than the previous corresponding period (pcp) (1H FY21: \$84.2 million), with key contributions from windfarm construction and maintenance projects during the period. Ongoing Snowy 2.0 infrastructure work and the SCM21 BHP Olympic Dam major shutdown project contributed significant revenues during the current period, compared to pcp.

#### *Crane Services*

The group serves a diverse range of industries with a major proportion of business in mining maintenance and shutdown services. Maintenance work across the group's mining maintenance customer base was strong. Shutdown activity was impacted by Covid-19 restrictions and border closures, creating delays and limiting mobility of people into and out of sites.

During the period the group continued to strengthen its revenue base with increased maintenance works in Central Queensland with Anglo and BMA, in Western Australia with Boddington Gold and in NSW with Mt Arthur. Contract extensions were also implemented with Alcoa, Anglo and BHP during the period.

## **DIRECTORS' REPORT (continued)**

### **Operating and Financial Review (continued)**

#### ***Boom Projects***

The group continued wind farm construction work in New South Wales and Queensland, with the group providing assets and specialist wind farm crews on these projects. During the period the group also completed a number of wind farm maintenance programmes which continues to be an important and growing revenue stream.

The group continued supporting the Snowy 2.0 infrastructure project during the period with involvement in building the on-site tunnel boring machines (TBMs) .

#### ***Travel Towers***

The Powerlines Plus FMG utilities work on the West Coast was a key project for the business in this period. The travel towers business was significantly impacted by Covid-19 related work commencement delays and construction interruptions, particularly in metropolitan Melbourne and Sydney.

#### ***Balance Sheet & Cash Flows***

Net debt<sup>1</sup> was \$27.9 million at 31 December 2021, down from \$29.4 million at 30 June 2021. Net assets as at 31 December 2021 were slightly lower than pcg at \$111.7 million (30 June 2021: \$112.7 million). Net Tangible Assets per share remained at \$0.26.

Cash flows from operating activities before tax were \$23.4 million (1H FY21: \$14.4 million). Capital Expenditure for the half was \$9.4m partially offset by \$1.1m of cash from proceeds on the sale of old assets. The group also benefited from continued use of its flexible asset rental model, allowing the group to rent large assets to match requirements for contracted project work. Lease payments of \$9.9m were made during the period along with \$1.1m in tax, and last financial years final dividend of \$4.3m

#### ***Dividend***

Demand for the group's services remains steady and, with continued strong cash flow, the board has resolved to pay an interim dividend consistent with the pcg. An unfranked interim dividend of 0.5 cents per share will be paid on 6 April 2022 to shareholders on the register at 18 March 2022.

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<sup>1</sup> Net Debt includes interest bearing loans and borrowings plus finance lease liabilities less cash, and excludes operating lease liabilities.

## **DIRECTORS' REPORT (continued)**

### **Auditor's Independence Declaration to the Directors**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6.

### **Rounding**

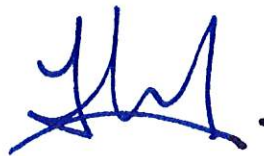
The amounts contained in this report and in the financial report are presented in Australian dollars and have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available under ASIC Corporations Instrument 2016/191. The Group is of a kind to which the Corporations Instrument applies.

Signed in accordance with a resolution of the Directors.



Melanie Allibon  
**Chair**

Melbourne, 24 February 2022



Tony Spassopoulos  
**Managing Director**



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Boom Logistics Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Boom Logistics Limited for the half-year ended 31<sup>st</sup> December 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature of the KPMG firm, written in blue ink.

KPMG

A handwritten signature of Andrew Hounsell, written in blue ink.

Andrew Hounsell

Partner

Melbourne

24 February 2022

**Boom Logistics Limited**  
**A.B.N. 28 095 466 961**

**Consolidated Interim Statement of Comprehensive Income**  
**for the half-year ended**  
**31 December 2021**

	Note	2021 \$'000	2020 \$'000
<b>Revenue</b>	2	<b>123,492</b>	84,230
Other income	3(a)	<b>226</b>	260
Salaries and employee benefits expense		<b>(50,427)</b>	(43,474)
Equipment service and supplies expense	3(b)	<b>(42,229)</b>	(17,211)
Operating lease expense		<b>(281)</b>	(136)
Other expenses	3(b)	<b>(8,250)</b>	(5,699)
Depreciation expense		<b>(8,402)</b>	(8,040)
Depreciation expense - Right-of-use assets	12	<b>(9,489)</b>	(7,582)
<b>Profit before financing expense and income tax</b>		<b>4,640</b>	2,348
Financing expense	10	<b>(1,044)</b>	(1,238)
Financing expense - Lease liabilities	12	<b>(698)</b>	(675)
<b>Profit before income tax</b>		<b>2,898</b>	435
Income tax	4	-	-
<b>Net profit attributable to members of Boom Logistics Limited</b>		<b>2,898</b>	435
<b>Other comprehensive income / (loss)</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Cash flow hedges recognised in equity, net of tax		<b>(18)</b>	106
<b>Other comprehensive income / (loss) for the period, net of tax</b>		<b>(18)</b>	106
<b>Total comprehensive income for the period attributable to members of Boom Logistics Limited</b>		<b>2,880</b>	541
Basic earnings per share (cents per share)	5	<b>0.68</b>	0.10
Diluted earnings per share (cents per share)	5	<b>0.67</b>	0.10

The accompanying notes form an integral part of the Consolidated Interim Statement of Comprehensive Income.

**Boom Logistics Limited**  
**A.B.N. 28 095 466 961**

**Consolidated Interim Statement of Financial Position**  
**as at 31 December 2021**

	Note	31 December 2021 \$'000	30 June 2021 \$'000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		2,940	2,347
Trade receivables, contract assets and other receivables	2	48,446	42,915
Inventories, prepayments and other current assets		4,466	2,639
Lease receivables	12	-	437
		-----	-----
<b>TOTAL CURRENT ASSETS</b>		<b>55,852</b>	48,338
		-----	-----
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	115,227	122,654
Right-of-use assets	12	32,974	25,619
Deferred tax asset		19	11
		-----	-----
<b>TOTAL NON-CURRENT ASSETS</b>		<b>148,220</b>	148,284
		-----	-----
<b>TOTAL ASSETS</b>		<b>204,072</b>	196,622
		=====	=====
<b>CURRENT LIABILITIES</b>			
Trade and other payables		25,234	15,570
Interest bearing loans and borrowings	10	17,056	23,609
Lease liabilities	12	16,690	15,733
Employee provisions		10,024	9,122
Other provisions and liabilities	9	6,094	5,762
Derivative financial instruments		73	93
Income tax payable	4	1,297	2,224
		-----	-----
<b>TOTAL CURRENT LIABILITIES</b>		<b>76,468</b>	72,113
		-----	-----
<b>NON-CURRENT LIABILITIES</b>			
Interest bearing loans and borrowings	10	-	361
Lease liabilities	12	12,853	8,483
Employee provisions		408	497
Other provisions and liabilities	9	2,638	2,248
Income tax payable	4	-	185
		-----	-----
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>15,899</b>	11,774
		-----	-----
<b>TOTAL LIABILITIES</b>		<b>92,367</b>	83,887
		=====	=====
<b>NET ASSETS</b>		<b>111,705</b>	112,735
		=====	=====
<b>EQUITY</b>			
Contributed equity	11	310,327	310,327
Retained losses		(201,988)	(200,608)
Reserves		3,366	3,016
		-----	-----
<b>TOTAL EQUITY</b>		<b>111,705</b>	112,735
		=====	=====

The accompanying notes form an integral part of the Consolidated Interim Statement of Financial Position.



**Boom Logistics Limited**  
**A.B.N. 28 095 466 961**

**Consolidated Interim Statement of Cash Flows**  
**for the half-year ended**  
**31 December 2021**

	Note	2021 \$'000	2020 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers		132,185	94,973
Payments to suppliers and employees		(107,126)	(78,813)
Interest paid		(924)	(1,111)
Interest paid - Lease liabilities		(698)	(675)
Interest received		10	42
Income tax (paid)		(1,112)	(926)
		-----	-----
<b>Net cash provided by operating activities</b>		22,335	13,490
		-----	-----
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(1,665)	(3,201)
Proceeds from the sale of property, plant and equipment		1,119	4,373
		-----	-----
<b>Net cash (used in) / provided by investing activities</b>		(546)	1,172
		-----	-----
<b>Cash flows from financing activities</b>			
Payment of dividends		(4,278)	(2,139)
Proceeds from borrowings		-	11,821
Repayment of borrowings		(7,034)	(14,332)
Repayment of lease liabilities	12	(10,321)	(7,698)
Receipts from finance leases as lessor	12	437	578
Payment of transaction costs related to share buy-back and borrowings		-	(300)
		-----	-----
<b>Net cash used in financing activities</b>		(21,196)	(12,070)
		-----	-----
Net increase in cash and cash equivalents		593	2,592
Cash and cash equivalents at the beginning of the period		2,347	2,131
		-----	-----
<b>Cash and cash equivalents at the end of the period</b>		2,940	4,723
		=====	=====

The accompanying notes form an integral part of the Consolidated Interim Statement of Cash Flows.

**Boom Logistics Limited**  
A.B.N. 28 095 466 961

**Consolidated Interim Statement of Changes in Equity**  
**for the half-year ended**  
**31 December 2021**

	Note	Contributed Equity \$'000	Retained Losses \$'000	Retained Profits \$'000	Cash Flow Hedge Reserve \$'000	Employee Equity Benefits Reserve \$'000	Total Equity \$'000
<b>At 1 July 2020</b>		310,327	(197,560)	-	(163)	2,670	115,274
		=====	=====	=====	=====	=====	=====
Profit for the half-year		-	435	-	-	-	435
Other comprehensive income		-	-	-	106	-	106
		-----	-----	-----	-----	-----	-----
<b>Total comprehensive income</b>		-	435	-	106	-	541
<b>Transactions with owners in their capacity as owners:</b>							
Cost of share based payments		-	-	-	-	116	116
Dividends paid		-	(2,139)	-	-	-	(2,139)
		-----	-----	-----	-----	-----	-----
<b>At 31 December 2020</b>		310,327	(199,264)	-	(57)	2,786	113,792
		=====	=====	=====	=====	=====	=====
<b>At 1 July 2021</b>		310,327	(201,838)	1,230	(33)	3,049	112,735
		=====	=====	=====	=====	=====	=====
Profit for the half-year		-	-	2,898	-	-	2,898
Other comprehensive loss		-	-	-	(18)	-	(18)
		-----	-----	-----	-----	-----	-----
<b>Total comprehensive income</b>		-	-	2,898	(18)	-	2,880
<b>Transactions with owners in their capacity as owners:</b>							
Cost of share based payments		-	-	-	-	368	368
Dividends paid		-	(4,278)	-	-	-	(4,278)
		-----	-----	-----	-----	-----	-----
<b>At 31 December 2021</b>		310,327	(206,116)	4,128	(51)	3,417	111,705
		=====	=====	=====	=====	=====	=====

The accompanying notes form an integral part of the Consolidated Interim Statement of Changes in Equity.

## **Notes to the Interim Consolidated Financial Statements**

Half-Year Ended 31 December 2021

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### **About This Report**

The financial report of Boom Logistics Limited and its subsidiaries ("the Group") for the half-year ended 31 December 2021 was authorised for issue in accordance with a resolution of the Board of Directors on 24 February 2022.

Boom Logistics Limited is a company domiciled in Australia and limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

The Group is a for-profit entity and the nature of its operations and principal activities are described in note 1.

This general purpose condensed financial report for the half-year ended 31 December 2021 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual financial report as at and for the year ended 30 June 2021.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report. It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2021 and considered together with any public announcements made by Boom Logistics Limited during the half-year ended 31 December 2021 in accordance with the continuous disclosure obligations of the ASX listing rules.

The half-year financial report has been prepared in accordance with the historical cost convention rounded to the nearest thousand dollars (\$'000) in accordance with ASIC Corporations Instrument 2016/191. The half-year financial report is presented in Australian dollars which is the Company's functional currency.

Boom's Directors have included information in this report that they deem to be material and relevant to the understanding of the financial report. Disclosure may be considered material and relevant if the dollar amount is significant due to size or nature, or the information is important to understand the:

- Group's current period results;
- impact of significant changes in Boom's business; or
- aspects of the Group's operations that are important to future performance.

Disclosure of information that is not material may undermine the usefulness of the half-year financial report by obscuring important information.

## **Notes to the Interim Consolidated Financial Statements**

Half-Year Ended 31 December 2021

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### **Section A: Financial Performance**

This section provides the information that is most relevant to understanding the financial performance of the Group during the period.

#### **1. Segment Reporting**

##### **Description of operating segments**

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Maker ("CODM") to make decisions about resource allocation and to assess performance. The CODM who is responsible for allocating resources and assessing performance of the operating segments is the Managing Director and CEO.

The business is considered from a product perspective and has two reportable segments:

- "Lifting Solutions", which consists of all lifting activities including the provision of cranes, travel towers, access equipment and all associated services; and
- "Labour Hire", which includes the provision of skilled labour with a wide range of trades, such as, electricians, boiler makers, mechanics, plus the traditional crane and travel tower operators, riggers, truck drivers.

The segment information provided to the CODM is measured in a manner consistent with that of the financial statements.

All inter-segment sales are carried out at arm's length prices.

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section A: Financial Performance (continued)

#### 1. Segment Reporting (continued)

##### Segment information

	Lifting Solutions \$'000	Labour Services \$'000	Other * \$'000	Elimination \$'000	Consolidated \$'000
<i>Half-year ended: 31 December 2021</i>					
<b>Segment revenue</b>					
Total external revenue	123,255	237	-	-	123,492
Inter-segment revenue	-	7,165	-	(7,165)	-
	-----	-----	-----	-----	-----
Total segment revenue	123,255	7,402	-	(7,165)	123,492
Other income					226
					-----
Total revenue and other income					123,718
					=====
<b>Segment result</b>					
Operating result	25,648	188	(3,531)	-	22,305
Net profit on disposal of property, plant and equipment	216	-	-	-	216
Depreciation expense	(17,632)	(33)	(226)	-	(17,891)
	-----	-----	-----	-----	-----
Profit before net interest and tax	8,232	155	(3,757)	-	4,630
	-----	-----	-----	-----	-----
Net interest	(1,722)	(1)	(9)	-	(1,732)
Income tax					-
					-----
Profit from continuing operations					2,898
					=====
<b>Segment assets and liabilities</b>					
Segment assets	203,525	737	1,718	(1,908)	204,072
Segment liabilities	85,994	522	5,851	-	92,367
	-----	-----	-----	-----	-----
Additions to non-current assets	18,280	2	18	-	18,300

\* Other represents centralised costs including national office and shared services.

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section A: Financial Performance (continued)

#### 1. Segment Reporting (continued)

##### Segment information (continued)

	Lifting Solutions \$'000	Labour Services \$'000	Other * \$'000	Elimination \$'000	Consolidated \$'000
<i>Half-year ended: 31 December 2020</i>					
<b>Segment revenue</b>					
Total external revenue	83,697	533	-	-	84,230
Inter-segment revenue	-	7,930	-	(7,930)	-
	-----	-----	-----	-----	-----
Total segment revenue	83,697	8,463	-	(7,930)	84,230
Other income					260
					-----
Total revenue and other income					84,490
					=====
<b>Segment result</b>					
Operating result	19,490	910	(2,690)	-	17,710
Net profit on disposal of property, plant and equipment	218	-	-	-	218
Depreciation expense	(15,202)	(26)	(394)	-	(15,622)
	-----	-----	-----	-----	-----
Profit before net interest and tax	4,506	884	(3,084)	-	2,306
	-----	-----	-----	-----	-----
Net interest	(1,856)	(3)	(12)	-	(1,871)
Income tax					-
					-----
Profit from continuing operations					435
					=====
<i>Year ended: 30 June 2021</i>					
<b>Segment assets and liabilities</b>					
Segment assets	196,833	416	1,033	(1,660)	196,622
Segment liabilities	77,937	864	5,086	-	83,887
	-----	-----	-----	-----	-----
Additions to non-current assets	14,711	-	-	-	14,711

\* Other represents centralised costs including national office and shared services.

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section A: Financial Performance (continued)

#### 2. Revenue from Contracts with Customers

##### *Disaggregation of revenue from contracts with customers*

Boom Logistics Limited is domiciled in Australia and all core revenue is derived from customers within Australia. The Group derives revenue from the transfer of services over time in the following industry segments:

<i>Industry segment</i>	<i>Note</i>	<b>Lifting Solutions \$'000</b>	<b>Labour Services \$'000</b>	<b>Consolidated \$'000</b>
<b><i>Half-year ended 31 December 2021</i></b>				
Mining & resources	(i)	65,022	-	65,022
Wind, energy, & utilities		29,257	-	29,257
Infrastructure & construction		16,700	94	16,794
Industrial maintenance		8,037	57	8,094
Telecommunications		3,744	25	3,769
Other		495	61	556
		-----	-----	-----
Total revenue from contracts with customers		123,255	237	123,492
		=====	=====	=====
<b><i>Timing of revenue recognition</i></b>				
Services transferred over time		123,255	237	123,492
		=====	=====	=====
<b><i>Half-year ended 31 December 2020</i></b>				
Mining & resources	(i)	39,081	-	39,081
Wind, energy, & utilities		22,143	147	22,290
Infrastructure & construction		8,919	68	8,987
Industrial maintenance		8,034	99	8,133
Telecommunications		5,295	-	5,295
Other		226	218	444
		-----	-----	-----
Total revenue from contracts with customers		83,698	532	84,230
		=====	=====	=====
<b><i>Timing of revenue recognition</i></b>				
Services transferred over time		83,698	532	84,230
		=====	=====	=====

- (i) Under AASB 15, the Group has assessed that the rendering of services under certain contracts contained embedded lease arrangements. As the lessor, these arrangements are accounted for as operating leases and totalled \$0.667 million (31 December 2020: \$0.667 million).

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section A: Financial Performance (continued)

#### 2. Revenue from Contracts with Customers (continued)

##### *Contract balances*

	Note	31 December 2021 \$'000	30 June 2021 \$'000
Trade and other receivables		41,746	35,595
Contract assets	(ii)	6,700	7,320
		-----	-----
Total trade receivables, contract assets and other receivables		48,446	42,915
		=====	=====

(ii) Contract assets relate to the Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group issues the invoices to the customers.

#### **Recognition and measurement**

Revenue from the hire of lifting/access equipment, labour and other services provided is recognised where the right to be compensated for the services can be reliably measured. This typically occurs when the job dockets or timecards are approved by the customers. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated on a relative fair value basis.

Revenue from the installation of wind towers is recognised by using either the equipment hire and labour rate models (schedule of rates) or the stage of completion of the contract, as specified in the contracts. The stage of completion is measured by reference to work completed on each stage of a wind tower unit calculated as a percentage of the total wind towers included under the contract.

The total consideration in the services above is allocated based on their standalone selling prices. The stand-alone selling prices are determined based on the list prices at which the Group sells the services in separate transactions. The fair value and the stand-alone selling prices of both types of services are considered broadly similar.

#### **Key estimate and judgement**

Determining the stage of completion requires an estimate of the wind tower units completed to date as a percentage of the total wind tower units under the contract. Where variations and claims are made to the contract, assumptions are made regarding the probability that the customer will approve the variations and claims and the amount of revenue that will arise. Changes in these estimation methods could have a material impact on the financial statements.



## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section A: Financial Performance (continued)

	2021 \$'000	2020 \$'000
<b>3. Other Income And Expenses</b>		
<b>(a) Other income</b>		
Profit on disposal of plant and equipment	217	223
Loss on disposal of plant and equipment - Right-of-use assets	(1)	(5)
Interest income	5	4
Interest income - Lease receivables	5	38
	-----	-----
<b>Total other income</b>	<b>226</b>	<b>260</b>
	=====	=====
<b>(b) Expenses</b>		
External equipment hire	11,963	3,936
External labour hire	13,969	1,251
Maintenance	6,471	4,412
Fuel	1,615	1,050
External transport	3,802	2,694
Employee travel and housing	1,269	936
Other reimbursable costs (on-charged to customers)	659	926
Other equipment services and supplies	2,481	2,006
	-----	-----
<b>Total equipment services and supplies expense</b>	<b>42,229</b>	<b>17,211</b>
	=====	=====
Employee related	1,815	906
Insurance and compliance	2,610	1,675
IT and communications	1,424	1,340
Occupancy	576	502
Other overheads	1,825	1,276
	-----	-----
<b>Total other expense</b>	<b>8,250</b>	<b>5,699</b>
	=====	=====

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section A: Financial Performance (continued)

	2021 \$'000	2020 \$'000
<b>4. Income Tax</b>		
A reconciliation between tax benefit and the accounting profit before income tax is as follows:		
Accounting profit before tax from continuing operations	2,898	435
At the Group's statutory income tax rate of 30% (2020: 30%)	869	131
Expenditure not allowable for income tax purposes	30	26
Previously unrecognised tax credits now recouped to reduce current tax expense	(1,817)	(157)
Derecognition of tax losses recognised in previous years	918	-
	-----	-----
Income tax	-	-
	=====	=====

#### *Income tax payable*

Income tax payable represents the remaining franking deficit tax that is being paid in twenty four interest free equal monthly instalments from August 2020 to July 2022. As at 31 December 2021, \$1.817 million was utilised to offset the income tax payable arising from the half-year results.

#### *Tax losses*

As at 31 December 2021, the Group has total tax losses of \$31.165 million tax effected (30 June 2021: \$31.165 million tax effected). \$2.982 million of these losses have been recognised on balance sheet and \$28.183 million has not been recognised as a deferred tax asset based on an assessment of the probability that sufficient taxable profit will be available to allow the tax losses to be utilised in the near future. The unused tax losses remain available indefinitely and are in addition to the franking deficit tax payments that can also be used to offset future tax payable.

#### **Key estimate and judgement**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable profits will be available to utilise those temporary differences and losses, and the losses continue to be available having regard to their nature and timing of origination. Judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and the level of future taxable profits. Utilisation of tax losses also depends on the ability of the Group to satisfy certain tests at the time the losses are recouped.

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section A: Financial Performance (continued)

#### 5. Earnings Per Share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

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

	Note	2021 \$'000	2020 \$'000
Net profit after tax		2,898	435
		<b>No. of shares</b>	
Weighted average number of ordinary shares used in calculating basic earnings per share		427,774,207	427,774,207
<i>Effect of dilutive securities:</i>			
- employee share awards	(i)	4,381,980	259,252
		-----	-----
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share		432,156,187	428,033,459
		=====	=====
Number of ordinary shares at half-year end		427,774,207	427,774,207
		=====	=====

(i) Dilutive securities are options granted to employees under the long term incentive plan and included in the calculation of diluted earnings per share assuming all vesting conditions are met.

#### 6. Dividends

The Company paid an unfranked final dividend of 1.0 cents per share on 5 November 2021 totalling \$4.278 million.

##### *Dividends proposed and not recognised as a liability*

The Board have resolved to pay an unfranked interim dividend of 0.5 cents per share on 6 April 2022 to shareholders on the register at 18 March 2022. The estimated liability based on the number of ordinary shares at the half-year is \$2.139 million.

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section B: Operating Assets and Liabilities

This section provides information relating to the key operating assets used and liabilities incurred to support delivery of the financial performance of the Group.

<b>7. Property, Plant and Equipment</b>	<b>Rental Equipment \$'000</b>	<b>Motor Vehicles \$'000</b>	<b>Machinery, Furniture, Fittings &amp; Equipment \$'000</b>	<b>Freehold Land &amp; Buildings \$'000</b>	<b>Total \$'000</b>
<b><i>Half-year ended 31 December 2021</i></b>					
Carrying amount at beginning net of accumulated depreciation and impairment	118,863	1,926	422	1,443	<b>122,654</b>
Additions	1,303	83	10	-	<b>1,396</b>
Disposals	(421)	-	-	-	<b>(421)</b>
Transfers	(28)	18	10	-	<b>-</b>
Depreciation charge for the period	(7,802)	(367)	(173)	(60)	<b>(8,402)</b>
	-----	-----	-----	-----	-----
Carrying amount at end net of accumulated depreciation and impairment	<b>111,915</b>	<b>1,660</b>	<b>269</b>	<b>1,383</b>	<b>115,227</b>
	=====	=====	=====	=====	=====
<b><i>Closing balance at 31 December 2021</i></b>					
At cost	290,926	19,146	6,223	3,120	<b>319,415</b>
Accumulated depreciation	(179,011)	(17,486)	(5,954)	(1,737)	<b>(204,188)</b>
	-----	-----	-----	-----	-----
Net carrying amount	<b>111,915</b>	<b>1,660</b>	<b>269</b>	<b>1,383</b>	<b>115,227</b>
	=====	=====	=====	=====	=====

#### Key estimate and judgement

##### *Property, plant and equipment*

The Group determines the estimated useful lives of assets and related depreciation charges for its property, plant and equipment based on projected capital equipment lifecycles for periods up to twenty years based on useful life assumptions.

Residual values are determined based on the value the Group would derive upon ultimate disposal of the individual piece of property, plant and equipment at the end of its useful life. The achievement of these residual values is dependent upon the second hand equipment market at any given point in the economic cycle. Management will increase the depreciation charge where useful lives are less than previously estimated lives or there is indication that residual values can not be achieved.

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

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### Section B: Operating Assets and Liabilities (continued)

#### 8. Impairment Testing of Assets

##### Key estimate and judgement

The carrying values of the CGU's fixed assets were tested at 31 December 2021 by reference to management's assessment of their fair value less costs of disposal. Fair value was determined after considering information from a variety of sources including a valuation obtained from an independent valuer dated 13 December 2021. The Group did not make any allowance for costs to sell as they were deemed immaterial given the Group's in house expertise and track record of successful asset sales. The Group has classified the assessment as Level 2 in the fair value hierarchy (as per AASB 13) where "inputs other than quoted prices in active markets that are observable for the asset either directly or indirectly".

The independent valuation supported the carrying value of the CGU's fixed assets as stated in the consolidated interim statement of financial position. The evaluation is consistent with the Group's assessment of the economic environment, lengthening lead times for new equipment and second hand asset values. Consequently, no impairment adjustment to the carrying value of fixed assets was considered necessary at 31 December 2021.

#### 9. Other Provisions and Liabilities

Other provisions and liabilities include accruals for PAYG, GST, wages, superannuation and payroll tax. The balance also includes provision for make good costs on leases of \$1.211 million (30 June 2021: \$1.145 million) which principally relates to shipment costs of returning leased equipment, including onshore transportation costs.

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section C: Funding Structures

This section provides information relating to the Group's funding structure and its exposure to financial risk, how they affect the Group's financial position and performance and how the risks are managed.

	Note	31 December 2021 \$'000	30 June 2021 \$'000
<b>10. Interest bearing loans and borrowings</b>			
<i>Current</i>			
Other loans	(i)	17,294	23,967
Prepaid borrowing costs		(238)	(358)
Total current interest bearing liabilities		17,056	23,609
<i>Non current</i>			
Other loans	(i)	-	361
Total non-current interest bearing liabilities		-	361
Total interest bearing liabilities		17,056	23,970

(i) Other loans includes an amortising loan of \$2.704 million which expires in July 2022.

Other current loans also includes the receivables finance facility that has a committed facility limit to December 2023. The drawings made under the committed facility limit are however revolving in nature and accordingly, the debt of \$14.590 million outstanding under the facility at half-year end has been disclosed as a current liability. Amounts outstanding under the facility are not required to be repaid until December 2023 at the end of the facility term.

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section C: Funding Structures (continued)

#### 10. Interest Bearing Loans and Borrowings (continued)

##### *Terms and debt repayment schedule*

				31 December 2021 \$'000	30 June 2021 \$'000
	Currency	Weighted average interest rate	Year of maturity	Carrying amount	
Trade receivables loan	AUD	7.05%	December 2023	14,590	19,349
Finance arrangement	AUD	5.92%	July 2022	2,704	4,979
Prepaid borrowing costs				(238)	(358)
Total interest bearing liabilities				17,056	23,970
				2021 \$'000	2020 \$'000
<b>Financing expense</b>					
Interest expense				715	672
Borrowing costs - amortisation (non-cash)				120	172
Borrowing costs - other				209	394
Total financing expense				1,044	1,238

##### **Covenant position**

The Group is not subject to any financial covenants under existing facilities.

#### 11. Contributed Equity

	31 December 2021 \$'000	30 June 2021 \$'000
Issued and fully paid ordinary shares	310,327	310,327
	31 December 2021 No. of shares	\$'000
<i>Movements in ordinary shares on issue</i>		
Beginning and end of the half-year	427,774,207	310,327

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section D: Other Disclosures

This section provides additional financial information that is required by the Australian Accounting Standards and management considers relevant for shareholders.

#### 12. Leases

##### *Group as a lessee*

The Group has commercial leases on certain plant and equipment, motor vehicles and property. These lease contracts have typically fixed terms of 1 to 5 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The impact of leases on the financial statements for the period is as follows:

	2021 \$'000	2020 \$'000
<b><i>Statement of Comprehensive Income</i></b>		
Depreciation expense of right-of-use assets	(9,489)	(7,582)
Interest expense on lease liabilities	(698)	(675)
Interest income on sublease of right-of-use assets	5	38
Losses on termination of leases	(1)	(5)
Rent expense - short-term leases and leases of low value assets	(281)	(136)
	-----	-----
Total amounts recognised in profit or loss	(10,464)	(8,360)
	=====	=====
<b><i>Statement of Cash Flows</i></b>		
Net cash flows from operating activities	9,884	7,120
Net cash flows from financing activities	(9,884)	(7,120)
	=====	=====



## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section D: Other Disclosures (continued)

#### 12. Leases (continued)

##### Statement of Financial Position

	Right-of-use Assets						
Note	Rental Equipment \$'000	Motor Vehicles \$'000	Other Equipment \$'000	Land & Buildings \$'000	Total \$'000	Lease Receivables \$'000	Lease Liabilities \$'000
<i>Half-year ended 31 December 2021</i>							
Opening carrying amount	18,015	4,747	13	2,845	25,620	437	24,216
Additions	12,351	474	37	4,042	16,904	-	15,708
Terminations	-	(46)	-	(15)	(61)	-	(60)
Depreciation expense	(6,068)	(1,270)	(21)	(2,130)	(9,489)	-	-
Impairment expense	-	-	-	-	-	-	-
Receipts / payments	-	-	-	-	-	(437)	(10,321)
Closing carrying amount	24,298	3,905	29	4,742	32,974	-	29,543

##### Recognition and measurement

Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use. The right-of-use asset is depreciated over the lease term on a straight-line basis. The lease payment is allocated between the lease liability and interest expense. The interest expense is charged to profit or loss over the lease term.

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

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### Section D: Other Disclosures (continued)

#### 12. Leases (continued)

##### Recognition and measurement (continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any initial direct costs; and
- restoration costs.

Lease liabilities are measured at the present value of lease payments to be made over the lease term discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The present value of lease payments include:

- fixed payments;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option if reasonably certain to exercise the option; and
- payments of penalties for terminating the lease.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section D: Other Disclosures (continued)

#### 13. Share-based Payments

The terms and conditions of the executive remuneration plans remain the same as at 30 June 2021. Movements in the executive remuneration plans during the period are as follow:

	Salary Sacrifice Rights Plan		Short Term Incentive Plan		Long Term Incentive Plan	
	Average fair value per right	No. of rights	Average fair value per right	No. of rights	Average exercise price per option	No. of options
At start of period	\$0.1309	3,179,047	\$0.1631	2,483,970	\$0.1522	29,229,782
Granted during the period	\$0.1535	501,580	\$0.1823	730,843	\$0.1790	17,147,495
Exercised during the period	\$0.1831	(1,014,381)	\$0.1802	(873,228)	-	-
Forfeited during the period	-	-	-	-	\$0.1522	(2,677,188)
At end of period	<b>\$0.1849</b>	<b>2,666,246</b>	<b>\$0.1627</b>	<b>2,341,585</b>	<b>\$0.1627</b>	<b>43,700,089</b>

Options granted during the period have the following details and assumptions:

	31 December 2021
Grant date	6 December 2021
Vesting date	31 August 2024
Expiry date	30 September 2024
Share price at grant date	\$0.180
Fair value at grant date	\$0.040
Exercise price	\$0.179
Expected life	2.8 years
Expected price volatility of Boom's shares	47%
Risk-free interest rate	0.85%
Expected dividend yield	5.40%

	31 December 2021 \$'000	30 June 2021 \$'000
<i>Carrying values</i>		
Salary Sacrifice Rights Plan	976	907
Short Term Incentive Plan	989	856
Long Term Incentive Plan	1,452	1,286
	-----	-----
Total employee equity benefits reserve	<b>3,417</b>	3,049
	=====	=====

## Notes to the Interim Consolidated Financial Statements

Half-Year Ended 31 December 2021

### Section D: Other Disclosures (continued)

#### 13. Share-based Payments (continued)

##### *Legacy employee incentive schemes*

Two discontinued legacy employee incentive schemes that had vested ordinary shares were wound up on 30 August 2021 at an average share price of \$0.1824 with the proceeds distributed to the beneficiaries.

	2021 \$'000	2020 \$'000
<b>14. Commitments</b>		
<b>(a) Capital commitments</b>		
Capital expenditure contracted for at reporting date but not recognised in the financial statements are as follows:		
<i>Property, plant and equipment</i>		
- within one year	8,119	11,790
	=====	=====
The assets will be delivered progressively over the next 12 months.		

#### 15. Contingencies

##### *Contingent liabilities*

Performance guarantees totalling \$0.736 million (30 June 2021: \$0.736 million) have been provided in relation to wind farm construction projects which will expire by 1 May 2022. In addition, other bank guarantees totalling \$2.578 million (30 June 2021: \$2.532 million) have been provided to landlords and work cover authority. There are no other contingent liabilities identified at reporting date.

#### 16. Subsequent Events

Subsequent to 31 December 2021, the Board have resolved to pay an unfranked interim dividend of 0.5 cents per share on 6 April 2022 to shareholders on the register at 18 March 2022. The estimated liability based on the number of ordinary shares at the half-year is \$2.139 million. The dividend has not been provided for in the 31 December 2021 half-year end financial statements.

#### 17. Changes in Significant Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding reporting period with no new accounting standards impacting the Group during the period.

## Directors' Declaration

1. In the opinion of the Directors of Boom Logistics Limited ("the Company"):
  - (a) the consolidated interim financial statements and notes that are set out on pages 7 to 28 are in accordance with the Corporations Act 2001, including:
    - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
    - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001; and
  - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Melanie Allibon  
**Chair**



Tony Spassopoulos  
**Managing Director**

Melbourne, 24 February 2022



# Independent Auditor's Review Report

To the shareholders of Boom Logistics Limited

## Conclusion

We have reviewed the accompanying **Interim Financial Report** of Boom Logistics Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Boom Logistics Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2021 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Consolidated Interim Statement of Financial Position as at 31 December 2021
- Consolidated Interim Statement of Comprehensive Income, Consolidated Interim Statement of Changes in Equity and Consolidated Interim Statement of Cash Flows for the Half-year ended on that date
- Notes 1 to 17 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises Boom Logistics Limited (the Company) and the entities it controlled at the Half-year's end or from time to time during the Half-year.

## 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 Group 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 these requirements.



### Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim 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 Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period 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.

KPMG

Andrew Hounsell

Partner

Melbourne

24 February 2022