

Symal Group Pty Ltd and controlled entities

ABN: 72 615 255 466

Consolidated Financial report

For the year ended 30 June 2023

Pitcher Partners

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SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

DIRECTORS' REPORT

The Directors present their report together with the financial report Symal Group Pty Ltd (the "Company") and its controlled entities (the "Group"), for the year ended 30 June 2023 and auditor's report thereon.

Directors names

The names of the Directors in office at any time during or since the end of the year are:

Joseph Bartolo

Andrew Fairbairn

Raymond Dando

The Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Results

The profit of the Group for the year after providing for income tax and eliminating non-controlling interests amounted to \$7,297,168 (2022: \$2,724,682).

Review of operations

The Group continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant changes in state of affairs

There were no significant changes in the Group's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

Principal activities

The principal activity of the Group during the year was civil construction.

No significant change in the nature of these activities occurred during the year.

After balance date events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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DIRECTORS' REPORT

Likely developments

The Group expects to maintain the present status and level of operations.

Environmental regulation

The group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends paid, recommended and declared

Dividends paid or declared since the start of the financial year are as follows:

- Dividends paid at \$138,750 per share (2022: \$58,904) fully franked at 30% \$11,100,000 (2022: \$4,712,350)
- Grampians Excavations Pty Ltd paid dividends to non-controlling interests \$NIL (2022: \$533,000)
- Symal Contractors Pty Ltd dividend paid to non-controlling interests \$1,200,000 (2022: \$NIL)
- Grampians Group Holdings dividend paid to non-controlling interest \$700,000 (2022: \$NIL)

Options

No options over unissued shares or interests in the Group were granted during or since the end of the year and there were no options outstanding at the end of the year.

Indemnification of officers

During or since the end of the year, the Group has given indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums in order to indemnify the Directors of the Group.

Further disclosure required under section 300(9) of the *Corporations Act 2001* is prohibited under the terms of the contract.

Indemnification of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the company.

Auditor's independence declaration

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is provided with this report.

Proceedings on behalf of the Group

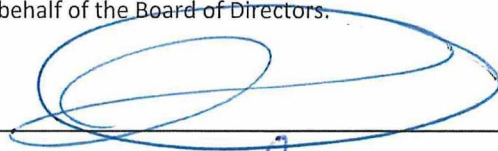
No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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DIRECTORS' REPORT

Signed on behalf of the Board of Directors.

Director:

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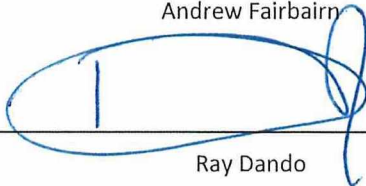
Joseph Bartolo

Director:

A blue ink signature, likely belonging to Andrew Fairbairn, written over a horizontal line.

Andrew Fairbairn

Director:

A blue ink signature, likely belonging to Ray Dando, written over a horizontal line.

Ray Dando

Dated this 31st day of October 2023


SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF SYMAL GROUP PTY LTD

In relation to the independent audit for the year ended 30 June 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 Symal Group Pty Ltd and the entities it controlled during the year.



S D WHITCHURCH

Partner



PITCHER PARTNERS

Melbourne

Date: 31 October
2023

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue and other income			
Revenue from contracts with customers	3	312,564,729	242,187,153
Other revenue	4	<u>1,639,626</u>	<u>1,632,993</u>
		<u>314,204,355</u>	<u>243,820,146</u>
Less: expenses			
Materials and consumables used	5	(247,174,848)	(209,211,112)
Depreciation and amortisation expense	5	(27,012,941)	(13,136,904)
Employee benefits expense	5	(12,445,111)	(9,596,286)
Finance costs	5	(3,406,759)	(1,644,805)
Professional fees		(122,661)	(16,384)
Other expenses		<u>(7,649,414)</u>	<u>(4,924,836)</u>
		<u>(297,811,734)</u>	<u>(238,530,327)</u>
Share of net profits of associates and joint ventures accounted for using the equity method		<u>160,383</u>	<u>647,638</u>
Profit before income tax expense		16,553,004	5,937,457
Income tax expense	6	<u>(4,984,820)</u>	<u>(1,532,742)</u>
Profit from continuing operations		<u>11,568,184</u>	<u>4,404,715</u>
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit and loss</i>			
Revaluation of property, plant and equipment, net of tax		<u>(605,991)</u>	<u>16,215,613</u>
Total comprehensive income		<u>10,962,193</u>	<u>20,620,328</u>
Profit is attributable to:			
- Owners of Symal Group Pty Ltd		7,297,168	2,724,682
- Non-controlling interests		<u>4,271,016</u>	<u>1,680,033</u>
		<u>11,568,184</u>	<u>4,404,715</u>
Total comprehensive income is attributable to:			
- Owners of Symal Group Pty Ltd		6,731,568	18,718,323
- Non-controlling interests		<u>4,230,625</u>	<u>1,902,005</u>
		<u>10,962,193</u>	<u>20,620,328</u>

The accompanying notes form part of these financial statements.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	7	3,173,404	7,997,015
Receivables	8	78,392,318	48,220,380
Inventories	9	5,331,774	6,332,938
Investments accounted for using equity method	11	1,268,261	1,107,878
Other assets	10	<u>786,655</u>	<u>752,011</u>
Total current assets		<u>88,952,412</u>	<u>64,410,222</u>
Non-current assets			
Receivables	8	120,709	-
Other assets	10	8,690	8,690
Intangible assets	12	210,364	206,771
Lease assets	13	1,187,065	607,718
Property, plant and equipment	14	<u>94,837,679</u>	<u>88,996,162</u>
Total non-current assets		<u>96,364,507</u>	<u>89,819,341</u>
Total assets		<u>185,316,919</u>	<u>154,229,563</u>
Current liabilities			
Current tax liabilities	6	2,966,505	3,692,019
Payables	15	45,347,955	51,763,285
Lease liabilities	13	223,897	162,677
Borrowings	16	9,505,746	15,091,454
Provisions	17	2,529,169	6,360,871
Other liabilities	18	<u>26,155,695</u>	<u>7,600,678</u>
Total current liabilities		<u>86,728,967</u>	<u>84,670,984</u>
Non-current liabilities			
Deferred tax liabilities	6	1,818,240	5,141,715
Payables	15	11,100,000	2,984,391
Lease liabilities	13	1,002,124	467,291
Borrowings	16	61,905,226	35,040,883
Provisions	17	<u>156,132</u>	<u>120,662</u>
Total non-current liabilities		<u>75,981,722</u>	<u>43,754,942</u>
Total liabilities		<u>162,710,689</u>	<u>128,425,926</u>
Net assets		<u>22,606,230</u>	<u>25,803,637</u>

The accompanying notes form part of these financial statements.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
Equity			
Share capital	19	80	80
Reserves	20	9,232,291	14,271,669
Retained earnings	21	<u>8,929,307</u>	<u>9,417,971</u>
Equity attributable to owners of Symal Group Pty Ltd		18,161,678	23,689,720
Non-controlling interests	23	<u>4,444,552</u>	<u>2,113,917</u>
Total equity		<u><u>22,606,230</u></u>	<u><u>25,803,637</u></u>

The accompanying notes form part of these financial statements.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Contributed equity \$	Reserves \$	Retained earnings \$	Non- controlling interests \$	Total equity \$
Consolidated					
Balance as at 1 July 2021	80	(1,500,000)	11,405,639	744,912	10,650,631
Profit for the year	-	-	2,724,682	1,680,033	4,404,715
Other comprehensive income for the year	-	<u>15,993,641</u>	-	<u>221,972</u>	<u>16,215,613</u>
Total comprehensive income for the year	-	<u>15,993,641</u>	<u>2,724,682</u>	<u>1,902,005</u>	<u>20,620,328</u>
Transactions with owners in their capacity as owners:					
Dividends	-	-	(4,712,350)	(533,000)	(5,245,350)
Transfers to non- controlling interests	-	<u>(221,972)</u>	-	-	<u>(221,972)</u>
Total transactions with owners in their capacity as owners	-	<u>(221,972)</u>	<u>(4,712,350)</u>	<u>(533,000)</u>	<u>(5,467,322)</u>
Balance as at 30 June 2022	<u>80</u>	<u>14,271,669</u>	<u>9,417,971</u>	<u>2,113,917</u>	<u>25,803,637</u>

The accompanying notes form part of these financial statements.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Contributed equity \$	Reserves \$	Retained earnings \$	Non- controlling interests \$	Total equity \$
Balance as at 1 July 2022	80	14,271,669	9,417,971	2,113,917	25,803,637
Profit for the year	-	-	7,297,168	4,271,016	11,568,184
Other comprehensive income for the year	-	(565,600)	-	(40,391)	(605,991)
Total comprehensive income for the year	-	(565,600)	7,297,168	4,230,625	10,962,193
Transfers	-	(3,314,168)	3,314,168	-	-
Transactions with owners in their capacity as owners:					
Dividends	-	-	(11,100,000)	(1,900,000)	(13,000,000)
Transactions with non- controlling interests	-	(1,159,610)	-	10	(1,159,600)
Total transactions with owners in their capacity as owners	-	(1,159,610)	(11,100,000)	(1,899,990)	(14,159,600)
Balance as at 30 June 2023	<u>80</u>	<u>9,232,291</u>	<u>8,929,307</u>	<u>4,444,552</u>	<u>22,606,230</u>

The accompanying notes form part of these financial statements.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Cash flow from operating activities			
Receipts from customers		314,137,690	223,848,843
Payments to suppliers and others		(259,184,944)	(211,093,763)
Interest received		227,619	13,574
Finance costs		(3,406,759)	(1,646,917)
Income tax paid		<u>(8,623,766)</u>	<u>(1,841,043)</u>
Net cash provided by operating activities		<u>43,149,840</u>	<u>9,280,694</u>
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment		17,210,088	1,632,234
Payment for property, plant and equipment		<u>(50,767,227)</u>	<u>-</u>
Net cash (used in) investing activities		<u>(33,557,139)</u>	<u>1,632,234</u>
Cash flow from financing activities			
Receipts from / (payments to) related parties (net)		(31,236,850)	19,542,942
Proceeds from / (payments for) borrowings (net)		21,278,635	(18,577,993)
Principal portion of lease payments		(285,747)	(229,264)
Dividends paid		<u>(4,172,350)</u>	<u>(5,245,350)</u>
Net cash provided by / (used in) financing activities		<u>(14,416,312)</u>	<u>(4,509,665)</u>
Reconciliation of cash			
Cash at beginning of the financial year		7,997,015	1,593,752
Net increase / (decrease) in cash held		<u>(4,823,611)</u>	<u>6,403,263</u>
Cash at end of financial year		<u>3,173,404</u>	<u>7,997,015</u>

The accompanying notes form part of these financial statements.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards - Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The financial report covers Symal Group Pty Ltd and its consolidated entities. Symal Group Pty Ltd is a Company limited by shares, incorporated and domiciled in Australia. Symal Group Pty Ltd is a for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the Directors at the date of the Directors' report.

The following are the significant accounting policies adopted by the Group in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Significant accounting estimates and judgements

The preparation of the financial report requires the use of certain estimates and judgements in applying the Group's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the financial statements.

(b) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Principles of consolidation

The consolidated financial statements are those of the consolidated entity ("the Group"), comprising the financial statements of the parent entity and all of the entities the parent controls. The Group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entity to affect the amount of its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All inter-company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation. Subsidiaries are consolidated from the date on which control is obtained by the Group and are de-recognised from the date that control ceases.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as non-controlling interests. Non-controlling interests are initially recognised either at fair value or at the non-controlling interests' proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. Non-controlling interests in the results of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of financial position respectively.

(d) Revenue from contracts with customers

The Group derives revenue from construction contracts with customers. A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Revenue from construction contracts is recognised over time, as the services are provided to the customer, based on costs incurred for work performed to date as a percentage of total estimated costs under the contract. Recognising revenue on the basis of costs incurred is considered an appropriate method of recognising revenue as it is consistent with the manner in which services are provided to the customer.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

All expected loss projects are recognised as an expense immediately when it is probable that total contract costs will exceed total contract revenue.

All revenue is measured net of the amount of goods and services tax (GST).

Receivables from contracts with customers

A receivable from a contract with a customer represents the Group's unconditional right to consideration arising from the transfer of goods or services to the customer (i.e., only the passage of time is required before payment of the consideration is due). Subsequent to initial recognition, receivables from contracts with customers are measured at amortised cost and are tested for impairment.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Other revenue and other income

Dividend and other distributions

Dividend and other distribution revenue is recognised when the right to receive a dividend or other distribution has been established. Dividends and other distributions received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Interest

Interest revenue is measured in accordance with the effective interest method.

All revenue is measured net of the amount of goods and services tax (GST).

(f) Income tax

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax Consolidation

The parent entity and its wholly owned subsidiaries have implemented the tax consolidation legislation and have formed a tax-consolidated group on 1 July 2018. This means that:

- each entity recognises their own current and deferred tax amounts in respect of the transactions, events and balances of the entity.
- the parent entity assumes the current tax liability and any deferred tax assets relating to tax losses, arising in the subsidiary, and recognises a contribution to (or distribution from) the subsidiaries.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Construction contracts work in progress and deferred income

Construction work in progress

Construction work in progress represents the company's right to consideration (not being an unconditional right recognised as a receivable) in exchange for goods and services transferred to the customer. Construction work in progress is measured at the amount of consideration that the company expects to be entitled in exchange for goods or services transferred to the customer.

Construction deferred income

Construction deferred income represents the company's obligation to transfer goods or services to the customer for which the company has received consideration (or an amount of consideration is due) from the customer. Amounts recorded as construction deferred income are subsequently recognised as revenue when the company transfers the contracted goods or services to the customer.

(i) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Classification of financial assets

Financial assets recognised by the Group are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the Group's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

Trade and other receivables

Trade and other receivables arise from the Group's transactions with its customers and are normally settled within 30 days.

Consistent with both the Group's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (Continued)

Impairment of financial assets

The following financial assets are tested for impairment by applying the 'expected credit loss' impairment model:

- (a) debt instruments measured at amortised cost;
- (b) debt instruments classified at fair value through other comprehensive income; and
- (c) receivables from contracts with customers, contract assets and lease receivables.

The Group applies the simplified approach under AASB 9 to measuring the allowance for credit losses for receivables from contracts with customers, contract assets and lease receivables. Under the AASB 9 simplified approach, the Group determines the allowance for credit losses for receivables from contracts with customers, contract assets and lease receivables on the basis of the lifetime expected credit losses of the financial asset. Lifetime expected credit losses represent the expected credit losses that are expected to result from default events over the expected life of the financial asset.

For all other financial assets subject to impairment testing, when there has been a significant increase in credit risk since the initial recognition of the financial asset, the allowance for credit losses is recognised on the basis of the lifetime expected credit losses. When there has not been an increase in credit risk since initial recognition, the allowance for credit losses is recognised on the basis of 12-month expected credit losses. '12-month expected credit losses' is the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Group considers a range of information when assessing whether the credit risk has increased significantly since initial recognition. This includes such factors as the identification of significant changes in external market indicators of credit risk, significant adverse changes in the financial performance or financial position of the counterparty, significant changes in the value of collateral, and past due information.

The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition when the financial asset is determined to have a low credit risk at the reporting date. The Group considers a financial asset to have a low credit risk when the counterparty has an external 'investment grade' credit rating (if available) of BBB or higher, or otherwise is assessed by the Group to have a strong financial position and no history of past due amounts from previous transactions with the Group.

The Group assumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

The Group determines expected credit losses based on the Group's historical credit loss experience, adjusted for factors that are specific to the financial asset as well as current and future expected economic conditions relevant to the financial asset. When material, the time value of money is incorporated into the measurement of expected credit losses. There has been no change in the estimation techniques or significant assumptions made during the reporting period.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (Continued)

The Group has identified contractual payments more than 90 days past due as default events for the purpose of measuring expected credit losses. These default events have been selected based on the Group's historical experience. Because contract assets are directly related to unbilled work in progress, contract assets have a similar credit risk profile to receivables from contracts with customers. Accordingly, the Group applies the same approach to measuring expected credit losses of receivables from contracts with customers as it does to measuring impairment losses on contract assets.

The measurement of expected credit losses reflects the Group's 'expected rate of loss', which is a product of the probability of default and the loss given default, and its 'exposure at default', which is typically the carrying amount of the relevant asset. Expected credit losses are measured as the difference between all contractual cash flows due and all contractual cash flows expected based on the Group's exposure at default, discounted at the financial asset's original effective interest rate.

Financial assets are regarded as 'credit-impaired' when one or more events have occurred that have a detrimental impact on the estimated future cash flows of the financial asset. Indicators that a financial asset is 'credit-impaired' include observable data about the following:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) breach of contract;
- (c) the lender, for economic or contractual reasons relating to the borrower's financial difficulty, has granted concessions to the borrower that the lender would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (i.e., reduced directly) when the counterparty is in severe financial difficulty and the Group has no realistic expectation of recovery of the financial asset. Financial assets written off remain subject to enforcement action by the Group. Recoveries, if any, are recognised in profit or loss.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Property, plant and equipment

Each class of plant and equipment is measured at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

Plant and equipment and motor vehicles

Plant and equipment and motor vehicles are measured at revalued amounts, being the fair value at the date of the revaluation, less any subsequent accumulated depreciation and any accumulated impairment losses. At each reporting date the carrying amount of each asset is reviewed to ensure that it does not differ materially from the asset's fair value at reporting date. Where necessary, the asset is revalued to reflect its fair value.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in equity. To the extent that the increase reverses a decrease of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. Decreases that offset previous increases of the same asset.

Leasehold improvements and furniture, fixture and fittings

Leasehold improvements and furniture, fixture and fittings is measured at cost, less accumulated depreciation and any accumulated impairment losses.

Depreciation

The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Class of fixed asset	Depreciation rates	Depreciation basis
Leasehold improvements at cost	33%	Straight line
Plant and equipment	10-100%	Straight line
Motor vehicles	10-30%	Straight line
Furniture, fixtures and fittings at cost	10-50%	Diminishing value
Computer equipment at cost	10-33%	Diminishing value

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Interests in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about the relevant activities are required. Joint arrangements are classified as either joint operations or joint ventures based on the rights and obligations of the parties to the arrangement.

Joint ventures

The Group's interest in joint ventures are accounted for using the equity method after initially being recognised at cost. Under the equity method, the Group's share of the profits or losses of the joint venture are recognised in the Group's profit or loss and the Group's share of the joint venture's other comprehensive income is recognised in the Group's other comprehensive income.

Unrealised gains and losses on transactions between the Group and a joint venture are eliminated to the extent of the Group's interest in the joint venture.

(l) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

(m) Leases

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Lease assets

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the Group, and an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease liabilities

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Leases (Continued)

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12-months or less and leases of low value assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

(n) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the consolidated statement of financial position.

(ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. For currencies in which there is no deep market in such high quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency are used. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Employee benefits (Continued)

Other long-term employee benefit obligations are presented as current liabilities in the consolidated statement of financial position if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the consolidated statement of financial position.

(o) Borrowing costs

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of lease arrangements, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs are expensed as incurred, except for borrowing costs incurred as part of the cost of the construction of a qualifying asset, in which case the costs are capitalised until the asset is ready for its intended use or sale.

(p) Goods and services tax (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(q) Intangible assets

Goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identifiable or separately recognised. Goodwill is initially recognised at an amount equal to the excess of: (a) the aggregate of the consideration transferred, the amount of any non controlling interest, and the acquisition date fair value of the acquirer's previously held equity interest (in the case of a step acquisition); over (b) the net fair value of the identifiable assets acquired and liabilities assumed. For accounting purposes, such measurement is treated as the cost of goodwill at that date.

Goodwill is not amortised, but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Intangible assets (Continued)

Separately acquired intangible assets - Branding and trademarks

Except for indefinite useful life intangible assets, which are not amortised but are tested annually for impairment, separately acquired intangible assets are recognised at cost and amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset. Subsequent to initial recognition, separately acquired intangible assets are measured at cost, less accumulated amortisation (where applicable) and any accumulated impairment losses.

Formation costs

Formation costs are capitalised at cost and amortised.

(r) Impairment of non-financial assets

Goodwill, intangible assets not yet ready for use and intangible assets with indefinite useful lives are not subject to amortisation and are therefore tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash flows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash-generating unit level. Because it does not generate cash flows independently of other assets or groups of assets, goodwill is allocated to the cash generating unit or units that are expected to benefit from the synergies arising from the business combination that gave rise to the goodwill.

Assets other than goodwill, intangible assets not yet ready for use and intangible assets with indefinite useful lives are assessed for impairment whenever events or circumstances arise that indicate the asset may be impaired.

An impairment loss is recognised when the carrying amount of an asset or cash generating unit exceeds the asset's or cash generating unit's recoverable amount. The recoverable amount of an asset or cash generating unit is defined as the higher of its fair value less costs of disposal and value in use (where 'value in use' is determined as the present value of the future cash flows expected to be derived from an asset or cash-generating unit).

Impairment losses in respect of individual assets are recognised immediately in profit or loss unless the asset is measured at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and is recognised in other comprehensive income to the extent that it does not exceed the amount in the revaluation surplus for the same asset. Impairment losses in respect of cash generating units are allocated first against the carrying amount of any goodwill attributed to the cash generating unit with any remaining impairment loss allocated on a pro rata basis to the other assets comprising the relevant cash generating unit.

A reversal of an impairment loss for an asset measured at cost is recognised in profit or loss. A reversal of an impairment loss for an asset measured at a revalued amount is treated as a revaluation increase and is recognised in other comprehensive income, except to the extent that an impairment loss on the same asset was previously recognised in profit or loss, in which case a reversal of that impairment loss is also recognised in profit or loss.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Business combinations

A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses and results in the consolidation of the assets and liabilities acquired. Business combinations are accounted for by applying the acquisition method.

The consideration transferred is the sum of the acquisition date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree. Deferred consideration payable is measured at its acquisition date fair value. Contingent consideration to be transferred by the acquirer is recognised at the acquisition date fair value. At each reporting date subsequent to the acquisition, contingent consideration payable is measured at its fair value with any changes in the fair value recognised in profit or loss unless the contingent consideration is classified as equity, in which case the contingent consideration is measured at its acquisition date fair value.

Goodwill is initially recognised at an amount equal to the excess of: (a) the aggregate of the consideration transferred, the amount of any non-controlling interest, and the acquisition date fair value of the acquirer's previously held equity interest (in the case of a step acquisition); over (b) the net fair value of the identifiable assets acquired and liabilities assumed. For accounting purposes, such measurement is treated as the cost of goodwill at that date.

If the net fair value of the acquirer's interest in the identifiable assets acquired and liabilities assumed is greater than the aggregate of the consideration transferred, the amount of any non-controlling interest, and the acquisition date fair value of the acquirer's previously held equity interest, the difference is immediately recognised as a gain in profit or loss.

Acquisition related costs are expensed as incurred.

(t) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(u) Prior period adjustment

The Group previously reported its investment in non-controlled entities at cost. It was identified in the current year that whilst the Group did not control the investment it did have significant influence and therefore it is required to account for the investment under AASB 128 *Investments in Associates and Joint Ventures*. The adjustment has been corrected in the comparative information with the resulting impact being a \$460,191 increase in opening retained earnings, a \$647,638 increase in Share of net profits of associates and joint ventures accounted for using the equity method and a corresponding increase in Investments accounted for using equity method of \$1,107,829.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Group's accounting policies, management makes various judgements that can significantly affect the amounts recognised in the financial statements. In addition, the determination of carrying amounts of some assets and liabilities require estimation of the effects of uncertain future events. Outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amounts of those assets and liabilities affected by the assumption.

The below outlines the major judgements made by management in applying the Group's accounting policies and/or the major sources of estimation uncertainty, that have the most significant effect on the amounts recognised in the financial statements and/or have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Certain accounting estimates include assumptions concerning the future, which, by definition, will seldom represent actual results. Estimates and assumptions based on future events have a significant inherent risk, and where future events are not as anticipated there could be a material impact on the carrying amounts of the assets and liabilities discussed below.

(a) Construction contracts

Revenue from construction contracts is recognised over time, as the services are provided to the customer, based on costs incurred for work performed to date as a percentage of total estimated costs under the contract. Judgements made in the application of the Australian Accounting Standards that could have a significant effect on the financial report and estimates with a risk of adjustment in the next year are as follows:

- determination of stage of completion;
- estimation of total contract revenue and contract costs; and
- estimation of project completion date.

(b) Impairment of non-financial assets other than goodwill

All assets are assessed for impairment at each reporting date by evaluating whether indicators of impairment exist in relation to the continued use of the asset by the consolidated entity. Impairment triggers include declining product or manufacturing performance, technology changes, adverse changes in the economic or political environment and future product expectations. If an indicator of impairment exists the recoverable amount of the asset is determined.

(c) Income tax

Deferred tax assets and liabilities are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(d) Revaluation of property, plant and equipment

Assessing fair value as at the reporting date involves uncertainties around the underlying assumptions. The values adopted within this report have been determined during a period of significant market fluctuation and uncertainty caused by the COVID-19 event. The impact these fluctuations, and any future fluctuations, will have on asset value is not clearly known and cannot be predicted in the short term. The values have been applied based on available current data and taking into considerations all facts known at balance date. These values may fluctuate significantly in the short, medium and long term.

	2023 \$	2022 \$
NOTE 3: REVENUE FROM CONTRACTS WITH CUSTOMERS		
Revenue from contracts with customers		
Construction contract revenue	249,046,323	233,332,189
Equipment and labour hire revenue	<u>63,518,406</u>	<u>8,854,964</u>
	<u>312,564,729</u>	<u>242,187,153</u>

NOTE 4: OTHER REVENUE

Other revenue		
Dividend income	49,000	-
Interest income	227,619	13,574
Government subsidies and support revenue	868,845	67,849
(Loss) / Profit on sale of non current assets	(442,351)	374,305
Fuel tax rebates	856,280	687,635
Other income	<u>80,233</u>	<u>67,493</u>
	<u>936,513</u>	<u>755,128</u>
	<u>1,639,626</u>	<u>1,210,856</u>

NOTE 5: OPERATING PROFIT

Profit before income tax has been determined after:		
Cost of sales	247,174,848	209,211,112
Finance costs	3,406,759	1,644,805
Depreciation	27,007,925	13,135,759
Amortisation	5,016	1,145
Employee benefits	12,445,111	9,596,286

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 6: INCOME TAX		
(a) Components of tax expense		
Current tax	7,926,098	5,184,474
Deferred tax	(3,052,140)	(3,444,753)
(Over) / under provision in prior years	<u>110,862</u>	<u>(206,979)</u>
	<u><u>4,984,820</u></u>	<u><u>1,532,742</u></u>
(b) Income tax reconciliation		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Prima facie income tax payable on profit before income tax at 30.0% (2022: 30.0%)	4,965,901	1,781,237
Add tax effect of:		
- Other non-allowable items	5,172	209,782
- Under provision for income tax in prior year	<u>110,862</u>	<u>-</u>
	116,034	209,782
Less tax effect of:		
- Over provision for income tax in prior years	-	206,729
- Franking credits	49,000	57,257
- Equity accounted investment	<u>48,115</u>	<u>194,291</u>
	<u>97,115</u>	<u>458,277</u>
Income tax benefit attributable to profit	<u><u>4,984,820</u></u>	<u><u>1,532,742</u></u>
(c) Current tax		
Current tax relates to the following:		
<i>Current tax liabilities</i>		
Opening balance	3,692,019	551,587
Income tax	7,926,098	5,184,474
Tax payments	(8,623,766)	(1,841,043)
(Over) / under provision for income tax in prior years	(27,846)	(206,729)
Tax asset transferred from subsidiary	<u>-</u>	<u>3,730</u>
Current tax liabilities	<u><u>2,966,505</u></u>	<u><u>3,692,019</u></u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
NOTE 6: INCOME TAX (CONTINUED)		
(d) Deferred tax		
Deferred tax relates to the following:		
<i>Deferred tax assets</i>		
The balance comprises:		
Tax losses carried forward	22,356,537	6,417,619
Employee benefits	675,968	903,816
Accruals	44,516	69,048
Provisions	105,256	1,044,407
Leases	<u>11,687</u>	<u>6,675</u>
	<u>23,193,964</u>	<u>8,441,565</u>
<i>Deferred tax liabilities</i>		
The balance comprises:		
Depreciation	<u>25,012,204</u>	<u>13,583,280</u>
	<u>25,012,204</u>	<u>13,583,280</u>
Net deferred tax liabilities	<u>1,818,240</u>	<u>5,141,715</u>
(e) Deferred income tax expense/(revenue) included in income tax expense comprises		
(Increase) in deferred tax assets	(14,752,399)	(4,528,110)
Increase in deferred tax liabilities	<u>11,700,259</u>	<u>1,083,357</u>
	<u>(3,052,140)</u>	<u>(3,444,753)</u>
(f) Deferred income tax related to items charged or credited directly to equity		
Increase in deferred tax liabilities	<u>(271,335)</u>	<u>6,854,411</u>
NOTE 7: CASH AND CASH EQUIVALENTS		
Cash on hand	300	352
Cash at bank	<u>3,173,104</u>	<u>7,996,663</u>
	<u>3,173,404</u>	<u>7,997,015</u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 8: RECEIVABLES		
CURRENT		
Receivables from contracts with customers	61,399,983	44,847,012
Other receivables	2,543,748	114,918
Loans to associates	13,279,587	3,258,450
Receivables from non-controlling interests	<u>1,169,000</u>	<u>-</u>
	<u>78,392,318</u>	<u>48,220,380</u>
NON CURRENT		
Loans to associates	<u>120,709</u>	<u>-</u>
NOTE 9: INVENTORIES		
CURRENT		
<i>At cost</i>		
Gross construction work in progress	<u>5,331,774</u>	<u>6,332,938</u>
NOTE 10: OTHER ASSETS		
CURRENT		
Prepayments	750,712	734,583
Prepaid borrowing expenses	<u>35,943</u>	<u>17,428</u>
	<u>786,655</u>	<u>752,011</u>
NON CURRENT		
Other non-current assets	<u>8,690</u>	<u>8,690</u>
NOTE 11: INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD		
CURRENT		
Equity accounted investments	<u>1,268,261</u>	<u>1,107,878</u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
NOTE 12: INTANGIBLE ASSETS		
Goodwill on consolidation at cost	154,467	154,467
Patents, trademarks and licences at cost	53,749	49,273
Formation costs	4,422	4,422
Accumulated amortisation	<u>(2,274)</u>	<u>(1,391)</u>
	<u>2,148</u>	<u>3,031</u>
Total intangible assets	<u><u>210,364</u></u>	<u><u>206,771</u></u>

(a) Reconciliations

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year

Goodwill on consolidation at cost

Opening balance	154,467	154,467
Additions	<u>-</u>	<u>-</u>
Closing balance	<u><u>154,467</u></u>	<u><u>154,467</u></u>

Patents, trademarks and licences at cost

Opening balance	49,273	35,660
Additions	<u>4,476</u>	<u>13,613</u>
Closing balance	<u><u>53,749</u></u>	<u><u>49,273</u></u>

Formation costs

Opening balance	3,031	4,176
Amortisation	<u>(883)</u>	<u>(1,145)</u>
Closing balance	<u><u>2,148</u></u>	<u><u>3,031</u></u>

NOTE 13: LEASE ASSETS AND LEASE LIABILITIES

(a) Lease assets

Land and buildings		
Under lease	1,696,193	977,974
Accumulated depreciation	<u>(509,128)</u>	<u>(370,256)</u>
	1,187,065	607,718
Plant and equipment under lease	-	123,801
Accumulated depreciation	<u>-</u>	<u>(123,801)</u>
	<u>-</u>	<u>-</u>
Total carrying amount of lease assets	<u><u>1,187,065</u></u>	<u><u>607,718</u></u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 13: LEASE ASSETS AND LEASE LIABILITIES (CONTINUED)		
Reconciliations		
Reconciliation of the carry amount of lease assets at the beginning and end of the financial year:		
<i>Land and buildings</i>		
Opening carrying amount	607,718	789,692
Additions	804,919	-
Depreciation	<u>(225,572)</u>	<u>(181,974)</u>
Closing carrying amount	<u><u>1,187,065</u></u>	<u><u>607,718</u></u>
<i>Total lease assets</i>		
Carrying amount at 1 July	607,718	825,140
Additions	804,919	-
Depreciation	<u>(225,572)</u>	<u>(217,422)</u>
Carrying amount at 30 June	<u><u>1,187,065</u></u>	<u><u>607,718</u></u>
(b) Lease liabilities		
CURRENT		
Lease liability	<u>223,897</u>	<u>162,677</u>
NON CURRENT		
Lease liability	<u>1,002,124</u>	<u>467,291</u>
Total carrying amount of lease liabilities	<u><u>1,226,021</u></u>	<u><u>629,968</u></u>
NOTE 14: PROPERTY, PLANT AND EQUIPMENT		
Leasehold improvements		
At cost	93,856	55,066
Accumulated depreciation	<u>(65,956)</u>	<u>(30,228)</u>
	<u>27,900</u>	<u>24,838</u>
Plant and equipment		
Plant and equipment at fair value	94,122,332	101,601,409
Accumulated depreciation	<u>(19,739,394)</u>	<u>(26,075,909)</u>
	74,382,938	75,525,500

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 14: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
Motor vehicles at fair value	5,028,378	5,980,193
Accumulated depreciation	<u>(806,877)</u>	<u>(1,605,654)</u>
	4,221,501	4,374,539
Motor vehicles under lease at fair value	16,744,369	10,484,219
Accumulated depreciation	<u>(2,984,586)</u>	<u>(1,596,758)</u>
	13,759,783	8,887,461
Furniture, fixtures and fittings at cost	79,425	60,673
Accumulated depreciation	<u>(27,281)</u>	<u>(8,924)</u>
	52,144	51,749
Computer equipment at cost	212,621	208,897
Accumulated depreciation	<u>(168,709)</u>	<u>(119,943)</u>
	43,912	88,954
Assets under construction	<u>2,349,501</u>	<u>43,121</u>
Total plant and equipment	<u>94,809,779</u>	<u>88,971,324</u>
Total property, plant and equipment	<u><u>94,837,679</u></u>	<u><u>88,996,162</u></u>

(a) Valuations

The fair values of plant and equipment and motor vehicles have been determined by reference to director valuations, based upon independent valuations previously obtained for 30 June 2022 by valuer Pickles Auctions Pty Ltd ("Pickles"). Such valuations are performed on a fair value basis, being the amounts for which the assets could be exchanged between market participants in an arm's length transaction at the valuation date. Refer to Note 1 (i) for additional information on the fair value of property, plant and equipment.

(b) Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

Leasehold improvements

Opening carrying amount	24,838	44,760
Additions	39,151	6,364
Depreciation expense	<u>(36,089)</u>	<u>(26,286)</u>
Closing carrying amount	<u><u>27,900</u></u>	<u><u>24,838</u></u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
NOTE 14: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
(b) Reconciliations (Continued)		
<i>Plant and equipment</i>		
Opening carrying amount	75,525,500	36,294,338
Additions	37,172,837	33,565,749
Disposals	(16,163,566)	(1,245,168)
Net revaluation increments	-	18,401,561
Depreciation expense	(23,155,908)	(11,081,980)
Transfer to / from motor vehicles	<u>1,033,000</u>	<u>(409,000)</u>
Closing carrying amount	<u><u>74,411,863</u></u>	<u><u>75,525,500</u></u>
<i>Motor vehicles</i>		
Opening carrying amount	13,262,000	3,914,958
Additions	11,226,748	6,242,806
Disposals	(1,488,873)	(7,621)
Net revaluation increments	-	4,446,476
Depreciation expense	(3,985,591)	(1,743,619)
Transfer to / from plant and equipment	<u>(1,033,000)</u>	<u>409,000</u>
Closing carrying amount	<u><u>17,981,284</u></u>	<u><u>13,262,000</u></u>
<i>Furniture, fixtures and fittings</i>		
Opening carrying amount	51,749	15,495
Additions	18,751	44,855
Disposals	-	(261)
Depreciation expense	<u>(18,356)</u>	<u>(8,340)</u>
Closing carrying amount	<u><u>52,144</u></u>	<u><u>51,749</u></u>
<i>Computer equipment</i>		
Opening carrying amount	88,954	103,372
Additions	3,360	48,573
Disposals	-	(4,879)
Depreciation expense	<u>(48,402)</u>	<u>(58,112)</u>
Closing carrying amount	<u><u>43,912</u></u>	<u><u>88,954</u></u>
<i>Assets under construction</i>		
Opening carrying amount	43,121	-
Additions	<u>2,306,380</u>	<u>43,121</u>
Closing carrying amount	<u><u>2,349,501</u></u>	<u><u>43,121</u></u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 14: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
(b) Reconciliations (Continued)		
<i>Total property, plant and equipment</i>		
Carrying amount at 1 July	88,996,162	40,372,923
Additions	50,767,227	39,951,468
Disposals	(17,652,439)	(1,257,929)
Net revaluation increments	-	22,848,037
Depreciation expense	<u>(27,244,346)</u>	<u>(12,918,337)</u>
Carrying amount at 30 June	<u>94,866,604</u>	<u>88,996,162</u>
 NOTE 15: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	27,208,703	18,046,552
Sundry creditors and accruals	14,378,379	15,788,506
Loan from associates	<u>3,760,873</u>	<u>17,928,227</u>
	<u>45,347,955</u>	<u>51,763,285</u>
 NON CURRENT		
<i>Unsecured liabilities</i>		
Loan from associates	<u>11,100,000</u>	<u>2,984,391</u>
 NOTE 16: BORROWINGS		
CURRENT		
<i>Secured liabilities</i>		
Hire purchase liability	<u>9,505,746</u>	<u>15,091,454</u>
 NON CURRENT		
<i>Secured liabilities</i>		
Hire purchase liability	<u>61,905,226</u>	<u>35,040,883</u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 17: PROVISIONS		
CURRENT		
Employee benefits	2,124,068	2,913,723
Provision for losses on incomplete projects	329,210	3,413,898
Other	<u>75,891</u>	<u>33,250</u>
	<u><u>2,529,169</u></u>	<u><u>6,360,871</u></u>
NON CURRENT		
Employee benefits	136,132	100,662
Other	<u>20,000</u>	<u>20,000</u>
	<u><u>156,132</u></u>	<u><u>120,662</u></u>
NOTE 18: OTHER LIABILITIES		
CURRENT		
Deferred income	<u><u>26,155,695</u></u>	<u><u>7,600,678</u></u>
NOTE 19: SHARE CAPITAL		
Issued and paid-up capital		
80 (2022: 80) ordinary shares	<u><u>80</u></u>	<u><u>80</u></u>
NOTE 20: RESERVES		
Asset revaluation reserve	20(a) 11,932,291	15,771,669
Share premium reserve	20(b) <u>(2,700,000)</u>	<u>(1,500,000)</u>
	<u><u>9,232,291</u></u>	<u><u>14,271,669</u></u>
(a) Asset revaluation reserve		
The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.		
<i>Movements in reserve</i>		
Opening balance	15,771,669	-
Revaluation of property, plant and equipment, net of tax	(565,600)	15,993,641
Transfers to retained earnings	(3,314,168)	-
Transfers to non-controlling interests	<u>40,390</u>	<u>(221,972)</u>
Closing balance	<u><u>11,932,291</u></u>	<u><u>15,771,669</u></u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 20: RESERVES (CONTINUED)		
(b) Share premium reserve		
The share premium reserve is used to record transactions with non-controlling interests that result in a change in the groups interest in a subsidiary that does not result in a gain or loss of control.		
<i>Movements in reserve</i>		
Opening balance	(1,500,000)	(1,500,000)
Transactions with non-controlling interests	<u>(1,200,000)</u>	<u>-</u>
Closing balance	<u><u>(2,700,000)</u></u>	<u><u>(1,500,000)</u></u>
NOTE 21: RETAINED EARNINGS		
Retained earnings at beginning of year	9,417,971	11,405,639
Net profit	7,297,168	2,724,682
Transfers from reserves	3,314,168	-
Dividends paid	<u>(11,100,000)</u>	<u>(4,712,350)</u>
	<u><u>8,929,307</u></u>	<u><u>9,417,971</u></u>
NOTE 22: DIVIDENDS		
Dividends paid at \$138,750 per share (2022: \$58,904) fully franked at 30%	11,100,000	4,712,350
Grampians Excavations Pty Ltd dividend paid to non-controlling interest	-	533,000
Symal Contractors Pty Ltd dividend paid to non-controlling interest	1,200,000	-
Grampians Group Holdings dividend paid to non-controlling interest	<u><u>700,000</u></u>	<u><u>-</u></u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 23: NON-CONTROLLING INTERESTS		
Capital	41	31
Reserves	181,581	221,972
Retained Earnings	<u>4,262,930</u>	<u>1,891,914</u>
	<u><u>4,444,552</u></u>	<u><u>2,113,917</u></u>
(a) Share capital		
<i>Movements in non-controlling interest share capital</i>		
Opening balance	31	31
Acquisition of shares	<u>10</u>	<u>-</u>
Closing balance	<u><u>41</u></u>	<u><u>31</u></u>
(b) Retained earnings		
<i>Movements in non-controlling interest retained earnings</i>		
Opening balance	1,891,914	744,881
Share of profit	4,271,016	1,680,033
Share of dividends	<u>(1,900,000)</u>	<u>(533,000)</u>
Closing balance	<u><u>4,262,930</u></u>	<u><u>1,891,914</u></u>
(c) Asset revaluation reserve		
<i>Movements in reserve</i>		
Opening balance	221,972	-
Revaluation of property, plant and equipment, net of tax	<u>(40,391)</u>	<u>221,972</u>
Closing balance	<u><u>181,581</u></u>	<u><u>221,972</u></u>

NOTE 24: RELATED PARTY TRANSACTIONS

(a) Transactions with entities with joint control or significant influence over the entity

Transactions occur regularly in the ordinary course of business with the following related parties:

- Symal Infrastructure Pty Ltd and controlled entities
- Wammara Pty Ltd
- Symal PPL Pty Ltd

See below for a summary of transactions during the year:

Sales	46,360,837	33,286,069
Purchases	(28,577,585)	(22,879,079)
Intercompany recharges paid	(6,565,176)	(6,111,400)
Intercompany recharges received	<u>-</u>	<u><u>1,573,313</u></u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 24: RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Outstanding balances with related parties

The following related party balances were outstanding at year end.

Trade receivables	1,676,071	3,002,073
Trade payables	(317,114)	(97,850)
Loans to associates	13,400,296	3,258,450
Loans from associates	<u>(14,860,873)</u>	<u>(20,912,618)</u>

NOTE 25: CONTINGENT LIABILITIES

A contingent liability exists relative to any future claims against construction works completed which may be made against the company for works performed.

Estimates of the maximum amounts of contingent liabilities that may become payable:

Bank guarantees	<u>10,044,596</u>	<u>4,808,736</u>
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NOTE 26: KEY MANAGEMENT PERSONNEL COMPENSATION

Key Management Personnel are not remunerated within this entity, however are covered by the management fee charged and disclosed within the related parties note.

The names of directors who are considered the Key Management Personnel of the entity who have held office during the year are:

Joseph Bartolo
Raymond Dando
Andrew Fairbairn

NOTE 27: REMUNERATION OF AUDITORS

Remuneration of auditors for:

Pitcher Partners (Melbourne)

Audit and assurance services

- Audit or review of the financial report	155,000	102,000
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Other non-audit services

- Taxation services	<u>38,700</u>	<u>37,700</u>
	<u>193,700</u>	<u>139,700</u>

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
NOTE 28: PARENT ENTITY DETAILS			
Summarised presentation of the parent entity, Symal Group Pty Ltd (Consolidated), financial statements:			
(a) Summarised statement of financial position			
Assets			
Current assets		5,314,522	407,816
Non-current assets		<u>10,480,155</u>	<u>9,264,151</u>
Total assets		<u>15,794,677</u>	<u>9,671,967</u>
Liabilities			
Current liabilities		2,694,996	7,779,073
Non-current liabilities		<u>11,100,000</u>	<u>-</u>
Total liabilities		<u>13,794,996</u>	<u>7,779,073</u>
Net assets		<u>1,999,681</u>	<u>1,892,894</u>
Equity			
Share capital		80	80
Retained earnings		<u>1,999,601</u>	<u>1,892,814</u>
Total equity		<u>1,999,681</u>	<u>1,892,894</u>

(b) Summarised statement of comprehensive income

Profit for the year	11,206,787	10,419,077
Other comprehensive income for the year	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>11,206,787</u>	<u>10,419,077</u>

(c) Parent entity information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except for the following.

Symal Group Pty Ltd and its wholly owned subsidiaries have formed a tax-consolidated group and entered into a tax funding agreement, under which:

- each group entity accounts for their own current and deferred tax amounts on a stand-alone taxpayer basis; and
- current tax liabilities and deferred tax assets in respect of tax losses are transferred from the relevant subsidiary to Symal Group Pty Ltd (Consolidated) (the parent entity) as intercompany payables and receivables. Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to or distribution by the parent entity.

Investments in subsidiaries are accounted for at cost in the financial statements of the parent entity.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 29: INTERESTS IN SUBSIDIARIES

The following are the Group's significant subsidiaries:

	Ownership interest held by the group	
	2023 %	2022 %
Bridge & Civil Pty Ltd	100	100
Grampians Group Holdings Pty Ltd and controlled entities	90	90
Symal Contractors Pty Ltd	80	80
Symal Management Pty Ltd	100	100
Symal Resources Pty Ltd	100	100
Symal Solutions Pty Ltd	100	100
Symal Structures Pty Ltd	100	100
Symal Waste Resource Recovery Pty Ltd	100	100

NOTE 30: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 30 June 2023 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2023, of the group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2023, of the group.

NOTE 31: ENTITY DETAILS

The registered office of the Group is:

Symal Group Pty Ltd (Consolidated)
Pitcher Partners
Level 13
664 Collins Street

The principal place of business is:

Symal Group Pty Ltd
208 - 2010 Hall Street
SPOTSWOOD VIC 3015

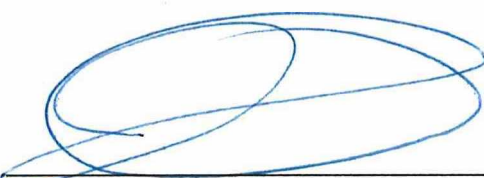
SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES
ABN: 72 615 255 466


DIRECTORS' DECLARATION

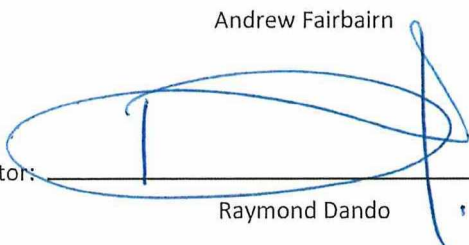
The directors of the Company declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 5 - 38, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*; and
 - (b) giving a true and fair view of the financial position of the consolidated entity as at 30 June 2023 and its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company 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 Board of Directors.

Director: 
Joseph Bartolo

Director: 
Andrew Fairbairn

Director: 
Raymond Dando

Dated this 31st day of October 2023

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES

ABN: 72 615 255 466

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SYMAL GROUP PTY LTD (CONSOLIDATED)**Report on the Audit of the Financial Report***Opinion*

We have audited the financial report of Symal Group Pty Ltd ("the Company") and its subsidiaries, ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit 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 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 Group, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES**ABN: 72 615 255 466****INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SYMAL GROUP PTY LTD (CONSOLIDATED)***Other Information (Continued)*

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

SYMAL GROUP PTY LTD AND CONTROLLED ENTITIES

ABN: 72 615 255 466

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SYMAL GROUP PTY LTD (CONSOLIDATED)*Auditor's Responsibilities for the Audit of the Financial Report (Continued)*

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



S D WHITCHURCH

Partner



PITCHER PARTNERS

Melbourne

Date: 31 October 2023