



## Appendix 4D

### Half year report for the six months ended 31 December 2024

#### Reporting period

Report for the half year ended 31 December 2024

Previous corresponding period is the financial year ended 30 June 2024 and the half year ended 31 December 2023

#### Results for announcement to the market

	31 Dec 2024	31 Dec 2023	Change	Change
	\$M	\$M	\$M	%
Revenue from ordinary operations	184.7	185.7	(1.0)	-0.5%
Underlying EBITDA <sup>1</sup>	9.9	9.8	0.1	1.0%
Net loss after tax from ordinary operations attributable to members	(0.7)	(0.4)	(0.3)	-75.0%

*1. Underlying EBITDA is earnings before interest, tax, depreciation, amortisation and has been adjusted to exclude the impact of AASB 16 Leases and significant items. Underlying EBITDA is a non-IFRS measure and reflects how management measures performance of the Group.*

#### Dividends

No dividends have been declared in relation to the half year ended 31 December 2024.

A final dividend of \$4.4 million was paid during the period in relation to the financial year ended 30 June 2024.

#### Amount of dividend per security

		Amount per security	Franked amount per security at 30% tax
Interim dividend	current year	Nil	Nil
	previous year	Nil	Nil
Final dividend	current year	3.75 cents	3.75 cents
	previous year	3.5 cents	3.5 cents

The Company's Dividend Reinvestment Plan has been reinstated.

#### Net Tangible Assets Per Security

As at 31 December 2024	0.27
As at 31 December 2023	0.38

The financial information provided in Appendix 4D is based on the half year condensed consolidated financial report (attached).

The attached financial statements and Directors' declaration have been subject to an independent review.



**Coventry Group Ltd**

# **31 DECEMBER 2024 HALF YEAR REPORT**

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# VALUES

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AT COVENTRY GROUP, OUR VALUES ARE

## **SAFETY FIRST**

We place the health, safety and wellbeing of our people first

## **DO THE RIGHT THING - FAIRNESS, INTEGRITY & RESPECT**

We treat everyone equally, we operate with competence and we treat everyone with respect

## **WORK AS A TEAM**

We work with strength and resilience together

## **BE THE BEST AT EVERYTHING WE DO**

We strive to be better every day, finding new ways to grow our Company and each other

**OUR PEOPLE** we trust and empower our people

**OUR CUSTOMERS** we are dedicated to our customer's needs

**OUR SUPPLIERS** we work in partnership with our suppliers

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# DIRECTORS' REPORT

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The Directors present their report on the Consolidated entity consisting of Coventry Group Ltd and controlled entities at the end of, or during, the half year ended 31 December 2024.

Throughout the report, the Consolidated entity is referred to as the Group.

**Our vision at Coventry is to be a leading industrial supply and services group in Australia and New Zealand.**

## DIRECTORS

The Directors of the Company at any time during the half year ended 31 December 2024 and up to the date of this report are:

Neil George Cathie, Chairman

Robert James Bulluss, Managing Director and Chief Executive Officer

James Scott Charles Todd

Anthony John Howarth

Alexander James White

Rob Martino

Daniel Palumbo





## REVIEW OF OPERATIONS

Group had Sales for H1 FY25 down -0.0% to \$185.2m (\$185.3m H1 FY24). Group underlying EBITDA<sup>1</sup> up +0.8% to \$9.9m (\$9.8m H1 FY24). Group underlying EBIT<sup>2</sup> of \$7.8m (\$7.8m H1 FY24). Statutory net loss for the half of \$0.7m (-\$0.4m H1 FY24). NPAT impacted by \$5.2m of costs relating to the ERP project.

At 31 December 2024, the Group has Net Assets of \$140.8m, Current Assets exceeding Current Liabilities by \$31.5m and Net Tangible Assets of \$32.0m.

*Note 1: All references to EBITDA are to Pre AASB16 before Significant Items*

*Note 2: All references to EBIT are before Significant Items*



## SALES AND UNDERLYING EBITDA<sup>1</sup> GROWTH

Percentage sales and underlying EBITDA<sup>1</sup> growth change for H1 FY25 when compared with the prior corresponding period is shown below:

Reportable segments	H1 FY25 vs H1 FY24 % sales change	H1 FY25 vs H1 FY24 % underlying EBITDA <sup>1</sup> change
Fluid Systems (FS)	-5.4%	-23.0%
Trade Distribution (TD)	+3.9%	+19.0%
<b>Consolidated Group</b>	<b>-0.0%</b>	<b>+0.8%</b>

*Note 1: Underlying EBITDA excludes the impact of AASB 16 Leases and significant items.*

Fluid Systems (FS) sales for the half year of \$73.3m down -5.4% on the prior year. FS EBITDA<sup>1</sup> down -23.0% to \$7.2m compared to \$9.4m in H1 FY24. Trade Distribution (TD) sales for the half year of \$111.9m up 3.9% on the prior year. TD EBITDA<sup>1</sup> up +19.0% to \$10.1m compared to \$8.5m in H1 FY24.

## ERP UPGRADE PROJECT

The ERP upgrade has been successfully completed, with all business units in scope, Fluid Systems (FS), Konnect Australia (KA), Konnect New Zealand (KNZ) and Finance, operating successfully on the system.

The ERP upgrade has been completed broadly to plan, schedule and budget. We do not expect any further material costs in relation to the project in 2025.

The Microsoft D365 ERP system utilises the latest technology and will deliver significant customer service and productivity improvements. Whilst customer service and productivity benefits are already evident, we expect to realise the full benefits during calendar year 2025.

## NET DEBT POSITION

Net debt at 31 December 2024 of \$52.9m (Net debt at 30 June 2024 of \$47.3m). This was higher than planned but was impacted by some larger customer payments (\$2.3m) which were not received at the end of the half as expected, but were collected in January 2025, and the balance of the ERP project costs (\$5.2m).

## BALANCE SHEET

At 31 December 2024, the Group has Net Assets of \$140.8m, Current Assets exceeding Current Liabilities by \$31.5m and Net Tangible Assets of \$32.0m.

## DIVIDENDS

The Board has determined that no interim dividend be declared.

## OUTLOOK

Demand remains positive in the mining and resources sector in Western Australia and Queensland. There is some short-term softening in the other Australian states. Economic conditions remain challenging in the short term in New Zealand.

The Group operates in multi-billion-dollar fragmented markets and has very modest market shares. With its latest technology ERP platform now fully operational, the number one priority for the Group is profitable sales growth. In order to achieve this, our plans are geared to increasing market share via new branch openings, branch refurbishments, business development, product range expansion and additional targeted marketing.

## LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 8 and forms part of the directors' report for the six months ended 31 December 2024.



## ROUNDING OF AMOUNTS

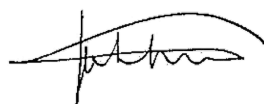
The Company is of a kind referred to in the ASIC Corporations (*Rounding in Financial/Directors' Report*) Instrument 2016/191 and in accordance with that instrument, amount in the condensed consolidated half year financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

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



**N.G. Cathie**  
Chairman

Melbourne  
18 February 2025



**R.J. Bulluss**  
Chief Executive Officer and Managing Director

Melbourne  
18 February 2025





# LEAD AUDITOR'S INDEPENDENCE DECLARATION



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

To the Directors of Coventry Group Ltd

I declare that, to the best of my knowledge and belief, in relation to the review of Coventry Group Ltd for the half-year ended 31 December 2024 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.

KPMG

KPMG

A handwritten signature in black ink, appearing to read 'Simon Dubois', written over a light blue horizontal line.

Simon Dubois

*Partner*

Melbourne

18 February 2025



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# Coventry Group Ltd and its controlled entities

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the half year ended 31 December 2024

	NOTE	31 December 2024	31 December 2023
		\$'000	\$'000
Revenue from sale of goods		184,706	185,734
Cost of sales		(103,827)	(108,948)
<b>Gross profit</b>		<b>80,879</b>	76,786
Other income		3,532	2,791
Employment costs		(47,716)	(43,907)
Depreciation and amortisation expense	4, 5, 6	(10,555)	(9,209)
Occupancy costs		(1,539)	(1,225)
Communication costs		(1,967)	(2,042)
Freight costs		(3,114)	(3,988)
Vehicle operating costs		(1,556)	(1,646)
ERP implementation costs	9	(5,156)	(5,406)
Other expenses		(9,367)	(8,621)
<b>Profit before financial income and tax</b>		<b>3,441</b>	3,533
Financial income, including net foreign exchange gain		161	129
Financial expense, including net foreign exchange loss		(4,679)	(4,022)
<b>Net financial expense</b>		<b>(4,518)</b>	(3,893)
<b>Loss before income tax</b>		<b>(1,077)</b>	(360)
Income tax benefit/(expense)		399	(27)
<b>Loss for the half year</b>		<b>(678)</b>	(387)
<b>Earnings per share:</b>			
Basic loss per share:		(0.6) cents	(0.4) cents
Diluted loss per share:		(0.6) cents	(0.4) cents

The condensed consolidated statement of profit or loss is to be read in conjunction with the accompanying notes to the condensed consolidated financial statements.

Coventry Group Ltd and its controlled entities

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 31 December 2024

	NOTE	31 December 2024	31 December 2023
		\$'000	\$'000
Loss for the half year		(678)	(387)
Other comprehensive income/(loss) items that may be reclassified to profit or loss:			
Foreign currency translation differences		(310)	(145)
Effective portion of changes in fair value of cash flow hedges		301	(34)
Other comprehensive loss for the half year, net of income tax		(9)	(179)
Total comprehensive loss for the half year		(687)	(566)

The condensed consolidated statement of comprehensive income is to be read in conjunction with the accompanying notes to the condensed consolidated financial statements.





# Coventry Group Ltd and its controlled entities

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	NOTE	31 December 2024 \$'000	30 June 2024 \$'000
<b>Assets</b>			
Cash and cash equivalents		2,666	7,727
Trade and other receivables		48,389	57,864
Inventories		84,486	83,232
Other financial assets		4,612	2,614
Prepayments		8,672	5,527
Income tax receivable		331	38
<b>Total current assets</b>		<b>149,156</b>	157,002
Trade and other receivables		806	988
Deferred tax assets <sup>1</sup>		20,239	19,572
Property, plant and equipment	4	16,865	16,389
Right-of-use assets	5	70,194	66,669
Intangible assets <sup>1</sup>	6	88,579	88,760
<b>Total non-current assets</b>		<b>196,683</b>	192,378
<b>Total assets</b>		<b>345,839</b>	349,380
<b>Liabilities</b>			
Trade and other payables		50,920	56,598
Employee benefits		10,856	9,835
Interest-bearing loans and borrowings	7	38,027	37,076
Lease liability		17,371	16,609
Provisions		528	537
<b>Total current liabilities</b>		<b>117,702</b>	120,655
Employee benefits		693	665
Interest-bearing loans and borrowings	7	17,500	18,000
Other payables		144	454
Provisions		2,739	2,813
Lease liability		66,253	63,720
<b>Total non-current liabilities</b>		<b>87,329</b>	85,652
<b>Total liabilities</b>		<b>205,031</b>	206,307
<b>Net assets</b>		<b>140,808</b>	143,073
<b>Equity</b>			
Issued capital	8	189,379	186,229
Reserves		(6,165)	(5,815)
Profit reserve		949	6,014
Accumulated losses		(43,355)	(43,355)
<b>Total equity</b>		<b>140,808</b>	143,073

1. As per the requirements of AASB 3 Business Combinations the fair value adjustments have been reflected in the balance sheet as at 31 December 2024 resulting in the restatement of the Balance Sheet as at 30 June 2024. Refer to note 3.

The condensed consolidated statement of financial position is to be read in conjunction with the accompanying notes to the condensed consolidated financial statements.





Coventry Group Ltd and its controlled entities

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2024

	Hedge reserve	Translation reserve	Other reserve	Total reserves	Profit reserve	Share capital	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2024	3	(2,925)	(2,893)	(5,815)	6,014	186,229	(43,355)	143,073
<b>Total comprehensive loss for the half year</b>								
Loss for the half year	-	-	-	-	(678)	-	-	(678)
<b>Other comprehensive (loss)/income for the half year:</b>								
Foreign currency translation differences	-	(310)	-	(310)	-	-	-	(310)
Effective portion of changes in fair value of cash flow hedges	301	-	-	301	-	-	-	301
<b>Total other comprehensive (loss)/income</b>	<b>301</b>	<b>(310)</b>	<b>-</b>	<b>(9)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9)</b>
<b>Total comprehensive loss for the half year</b>	<b>301</b>	<b>(310)</b>	<b>-</b>	<b>(9)</b>	<b>(678)</b>	<b>-</b>	<b>-</b>	<b>(687)</b>
<b>Transactions with owners, recorded directly in equity</b>								
Share issue	-	-	-	-	-	3,196	-	3,196
Share issues - qualifying costs	-	-	-	-	-	(46)	-	(46)
Equity-settled share-based payments	-	-	(341)	(341)	-	-	-	(341)
Dividends	-	-	-	-	(4,387)	-	-	(4,387)
<b>Balance at 31 December 2024</b>	<b>304</b>	<b>(3,235)</b>	<b>(3,234)</b>	<b>(6,165)</b>	<b>949</b>	<b>189,379</b>	<b>(43,355)</b>	<b>140,808</b>

Amounts are stated net of tax

The condensed consolidated statement of changes in equity is to be read in conjunction with the accompanying notes to the condensed consolidated financial statements.

	Hedge reserve	Translation reserve	Other reserve	Total reserves	Profit reserve	Share capital	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2023	15	(2,831)	(2,214)	(5,030)	8,611	152,725	(43,355)	112,951
<b>Total comprehensive income for the half year</b>								
Profit for the half year	-	-	-	-	(387)	-	-	(387)
<b>Other comprehensive income/(loss):</b>								
Foreign currency translation differences	-	(145)	-	(145)	-	-	-	(145)
Effective portion of changes in fair value of cash flow hedges	(34)	-	-	(34)	-	-	-	(34)
<b>Total other comprehensive income/(loss)</b>	(34)	(145)	-	(179)	-	-	-	(179)
<b>Total comprehensive income/(loss) for the half year</b>	(34)	(145)	-	(179)	(387)	-	-	(566)
<b>Transactions with owners, recorded directly in equity</b>								
Share issue	-	-	-	-	-	3,232	-	3,232
Share issue costs	-	-	-	-	-	(16)	-	(16)
Equity-settled share-based payments	-	-	(379)	(379)	-	-	-	(379)
Dividends	-	-	-	-	(3,255)	-	-	(3,255)
<b>Balance at 31 December 2023</b>	(19)	(2,976)	(2,593)	(5,588)	4,969	155,941	(43,355)	111,967

Amounts are stated net of tax

The condensed consolidated statement of changes in equity is to be read in conjunction with the accompanying notes to the condensed consolidated financial statements.



# Coventry Group Ltd and its controlled entities

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 31 December 2024

	NOTE	31 December 2024 \$'000	31 December 2023 \$'000
<b>Cash flows from operating activities</b>			
Cash receipts from customers		208,678	213,819
Cash paid to suppliers and employees		(196,088)	(202,745)
<b>Cash from operations</b>		<b>12,590</b>	11,074
Interest paid		(4,570)	(3,924)
Income taxes paid		(559)	(707)
<b>Net cash from operating activities</b>		<b>7,461</b>	6,443
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		94	166
Interest received		93	268
Acquisition of property, plant and equipment	4	(2,236)	(2,140)
Acquisition of intangible assets	6	(297)	-
<b>Net cash used in investing activities</b>		<b>(2,346)</b>	(1,706)
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	7	452,775	360,760
Repayment of borrowings	7	(452,275)	(359,260)
Repayment of lease liabilities		(8,754)	(7,282)
Share issue costs		(46)	(16)
Dividends paid	8	(1,533)	(816)
<b>Net cash used in financing activities</b>		<b>(9,833)</b>	(6,614)
Net decrease in cash and cash equivalents		(4,718)	(1,877)
Cash and cash equivalents at 1 July		7,727	3,859
Effect of movements in exchange rates on cash and cash equivalents		(343)	39
<b>Cash and cash equivalents at 31 December</b>		<b>2,666</b>	2,021

The condensed consolidated statement of cash flows is to be read in conjunction with the accompanying notes to the condensed consolidated financial statements.

# Coventry Group Ltd and its controlled entities

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2024

### 1. MATERIAL ACCOUNTING POLICIES

Coventry Group Ltd (the "Company") is a for profit company domiciled in Australia. The condensed consolidated half year financial statements of the Company as at and for the half year ended 31 December 2024 comprises the Company and its controlled entities (together referred to as the "Group").

The Company is party to a deed of cross-guarantee with its subsidiary entities. Under the deed of cross-guarantee, each body has guaranteed that the debts to each creditor of each other body which is a party to the deed will be paid in full in accordance with the deed.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2024 are available upon request from the Company's registered office at 235 Settlement Road, Thomastown VIC 3074, Australia or at [www.cgl.com.au](http://www.cgl.com.au).

The accounting policies applied in these half year financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2024.

The Group primarily is involved in the distribution of industrial products and the provision of fluid products and services.

These condensed consolidated half year financial statements were approved by the Board of Directors on 18 February 2025.

#### a) Statement of compliance

The condensed consolidated half year financial statements for the half year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

Selected explanatory notes are included to explain events and transactions that are material to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 30 June 2024.

The condensed consolidated half year financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 30 June 2024.

#### b) Basis of preparation

The half year report is presented in Australian Dollars. The half year report is prepared on the historical cost basis except share-based payments and derivative financial instruments which are stated at their fair value.

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and in accordance with that instrument, amounts in the half year financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

#### c) Judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The significant judgements made by management in applying the Group's accounting policies, and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2024.

#### d) Going concern

In preparing the half year financial report, the Directors have made an assessment of the ability of the Group to continue as a going concern, which contemplates the continuity of business operations, realisation of assets and settlement of liabilities in the ordinary course of business and at the amounts stated in the half year financial report.

The Directors have a reasonable expectation that the Group will have adequate resources to continue to meet its obligations as they fall due.



## 2. SEGMENT INFORMATION

### (a) Description of segments

The Group has reportable segments as described below. For each of the strategic reportable segments, the CEO reviews internal management accounts on a monthly basis. The following summary describes the operations of each of the Group's reportable segments:

<b>Trade Distribution</b>	Includes the importation, distribution and marketing of industrial fasteners, industrial hardware supplies and associated products, temporary fencing, and cabinet making hardware.
<b>Fluid Systems</b>	Includes the design, manufacture, distribution, installation and maintenance of lubrication and hydraulic fluid systems and hoses.

## 2. Segment Information (continued)

### (b) Segment information

Information regarding the results of each reportable segment is included below.

Information about reportable segments <sup>#</sup>	Trade Distribution	Fluid Systems	Other business units and consolidation adjustments	Total reportable segments
<b>31 December 2024</b>	\$'000	\$'000	\$'000	\$'000
Segment revenue	111,866	73,373	-	185,239
Inter-segment revenue	-	-	-	-
<b>Revenue from external customers</b>	<b>111,866</b>	<b>73,373</b>	<b>-</b>	<b>185,239</b>
Timing of revenue recognition at				
point in time	110,572	72,427	-	182,999
over time	1,294	946	-	2,240
<b>Total</b>	<b>111,866</b>	<b>73,373</b>	<b>-</b>	<b>185,239</b>
<b>Underlying EBITDA<sup>##</sup></b>	<b>10,134</b>	<b>7,223</b>	<b>(7,470)</b>	<b>9,887</b>
Depreciation and amortisation	916	645	554	2,115
<b>Underlying EBIT<sup>##</sup></b>	<b>9,218</b>	<b>6,578</b>	<b>(8,024)</b>	<b>7,772</b>

<sup>#</sup> Underlying EBITDA and underlying EBIT are non-IFRS measures and reflect how management measures performance of the Group.

<sup>##</sup> Underlying EBITDA is earnings before interest, tax, depreciation, amortisation and has been adjusted to exclude the impact of AASB 16 Leases and significant items. Underlying EBIT is earnings before interest and tax and has been adjusted to exclude the impact of AASB 16 Leases and significant items.



## 2. Segment Information (continued)

Information about reportable segments <sup>#</sup>	Trade Distribution	Fluid Systems	Other business units and consolidation adjustments	Total reportable segments
<b>31 December 2023</b>	\$'000	\$'000	\$'000	\$'000
Segment revenue	107,713	77,569	-	185,282
Inter-segment revenue	-	-	-	-
<b>Revenue from external customers</b>	<b>107,713</b>	<b>77,569</b>	<b>-</b>	<b>185,282</b>
Timing of revenue recognition at				
point in time	106,252	75,674	-	181,926
over time	1,461	1,895	-	3,356
<b>Total</b>	<b>107,713</b>	<b>77,569</b>	<b>-</b>	<b>185,282</b>
<b>Underlying EBITDA<sup>##</sup></b>	<b>8,514</b>	<b>9,387</b>	<b>(8,096)</b>	<b>9,805</b>
Depreciation and amortisation	720	588	713	2,021
<b>Underlying EBIT<sup>##</sup></b>	<b>7,794</b>	<b>8,799</b>	<b>(8,809)</b>	<b>7,784</b>

<sup>#</sup> Underlying EBITDA and underlying EBIT are non-IFRS measures and reflect how management measures performance of the Group.

<sup>##</sup> Underlying EBITDA is earnings before interest, tax, depreciation, amortisation and has been adjusted to exclude the impact of AASB 16 Leases and significant items. Underlying EBIT is earnings before interest and tax and has been adjusted to exclude the impact of AASB 16 Leases and significant items..



## 2. Segment Information (continued)

### (c) Other segment information

#### i. Segment Revenue

A reconciliation of segment revenue to total revenue from the sale of goods in the consolidated statement of profit or loss is provided as follows:

	31 December 2024	31 December 2023
	\$'000	\$'000
<b>Total segment revenue</b>	<b>185,239</b>	185,282
Foreign exchange translation variance	(533)	452
<b>Total revenue</b>	<b>184,706</b>	185,734

#### ii. Segment Operating Loss

The performance of the Group's reportable segments is based on underlying EBIT<sup>1</sup>. Reconciliation of underlying EBIT<sup>1</sup> to operating loss in the condensed consolidated statement of profit or loss is provided as follows:

	NOTE	31 December 2024	31 December 2023
		\$'000	\$'000
<b>Total segment underlying EBIT<sup>1</sup></b>		<b>7,772</b>	7,784
Foreign exchange translation variance		(323)	14
Significant items		(5,691)	(5,437)
Net financing expense, excluding interest on lease liabilities (AASB16)		(1,928)	(1,687)
Income tax expense		127	(337)
Impact of AASB16			
Depreciation of right-of-use assets		(8,486)	(7,165)
Net interest on lease liabilities and sub-lease investment		(2,601)	(2,199)
Reversal of net rent and lease payments and receivables		10,179	8,330
Income tax benefit		273	310
<b>Loss for the half year</b>		<b>(678)</b>	(387)

### 3. BUSINESS COMBINATIONS

#### (a) Prior period business combination provisional amounts finalised

At 30 June 2024 the amounts disclosed as the fair value of the identifiable assets and liabilities acquired in the business combination of Steel Masters Auckland Limited ("Steelmasters Group") on 30 April 2024 were presented as provisional amounts.

The amounts have been finalised and the following table summarises the adjustments made to the fair values of identifiable net assets and goodwill:

	Provisional Amount \$'000	Revised Amount \$'000	Adjustment \$'000
<b>Purchase consideration</b>			
Cash paid	45,632	45,632	-
<b>Total</b>	<b>45,632</b>	<b>45,632</b>	<b>-</b>
 Fair value of net assets acquired			
Cash and cash equivalents	4,604	4,604	-
Trade and other receivables	3,502	3,502	-
Inventories	9,633	9,633	-
Other current assets	443	443	-
Property, plant and equipment	1,216	1,216	-
Deferred tax assets	3,334	3,334	-
Right-of-use assets	9,305	9,305	-
Trade and other payables	(2,661)	(2,661)	-
Employee benefits	(968)	(968)	-
Income tax payable	(50)	(50)	-
Deferred tax liabilities	(2,451)	(5,646)	(3,195)
Provisions	(385)	(385)	-
Lease liabilities	(10,125)	(10,125)	-
<b>Total identifiable net assets acquired</b>	<b>15,397</b>	<b>12,202</b>	<b>(3,195)</b>
Goodwill on consolidation (note 6)	30,235	22,414	(7,821)
Brand names (note 6)	-	2,111	2,111
Customer relationships (note 6)	-	8,905	8,905
<b>Total</b>	<b>45,632</b>	<b>45,632</b>	<b>-</b>

#### 4. PROPERTY, PLANT AND EQUIPMENT

#### Plant and Equipment

\$'000

Cost at 1 July 2024	58,569
Accumulated Depreciation at 1 July 2024	(42,180)
Carrying amounts at 1 July 2024	<b>16,389</b>
Additions	2,236
Depreciation charge for the half year	(1,664)
Disposals	(60)
Effect of movements in foreign exchange	(36)
<b>Carrying amounts at 31 December 2024</b>	<b>16,865</b>

#### 5. RIGHT-OF-USE ASSETS

	Property	Vehicles	Total
	\$'000	\$'000	\$'000
Carrying amounts at 1 July 2024	55,257	11,412	66,669
Additions	3,771	1,242	5,013
Terminations	(106)	(113)	(219)
Lease reassessments	7,138	412	7,550
Depreciation for the half year	(5,956)	(2,505)	(8,461)
Effect of movements in foreign exchange	(354)	(4)	(358)
<b>Carrying amounts at 31 December 2024</b>	<b>59,750</b>	<b>10,444</b>	<b>70,194</b>

#### 6. INTANGIBLE ASSETS

	Goodwill	Brand name	Customer relationships	Computer software	Internal Development Costs	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amounts at 1 July 2024 <sup>1</sup>	59,421	14,038	11,754	3,390	157	88,760
Additions	-	-	-	297	-	297
Amortisation for the half year	-	-	(305)	(110)	(15)	(430)
Effect of movements in foreign exchange	(42)	(6)	-	-	-	(48)
<b>Carrying amounts at 31 December 2024</b>	<b>59,379</b>	<b>14,032</b>	<b>11,449</b>	<b>3,577</b>	<b>142</b>	<b>88,579</b>

1. As per the requirements of AASB 3 Business Combinations the fair value adjustments have been reflected in the balance sheet as at 31 December 2024 resulting in the restatement of the Balance Sheet as at 30 June 2024.



## 7. INTEREST-BEARING LOANS AND BORROWINGS

	31 December 2024	30 June 2024
	\$'000	\$'000
<b>Current</b>		
Borrowing base facility	37,527	37,076
Revolving cash advance facility	500	-
<b>Non-current</b>		
Revolving cash advance facility	17,500	18,000
<b>Total interest-bearing loans and borrowings</b>	<b>55,527</b>	<b>55,076</b>

	Total interest-bearing loans and borrowings
<b>Opening Balance as at 1 July 2024</b>	<b>55,076</b>
Proceeds	452,775
Repayments	(452,275)
Effects of movements in FX	(49)
<b>Closing balance at 31 December 2024</b>	<b>55,527</b>

### Non-cash investing and financing activities

There were no non-cash investing and financing activities.

#### Borrowing base facility

The Group has a \$55.0 million Borrowing base facility against eligible inventory and debtors with a current expiry of July 2026 (2023: \$55.0 million). The overall facility is secured by General Security Deeds with Australian and New Zealand entities as well as Rights of Entry to eligible inventory locations. The facility is subject to a floating interest on funds drawn. The facility limit is scalable for future growth.

#### Revolving cash advance facility

The Group has a \$25.0 million Revolving cash advance facility with a current expiry of July 2027 to accommodate future acquisitions (2023: nil). The facility is subject to a floating interest on funds drawn. A minimum of \$5.0m is repayable annually. Any undrawn limit or repaid balance can be redrawn for future permitted acquisitions.

#### Guarantee facility

In addition to the borrowing facilities above, the Group has a \$5.0 million Standby Letter of Credit to provide security for Transactional Banking, Bank Guarantees, FX and other transactional facilities up to the limit specified in each individual guarantee.

#### ANZ facilities

The Group maintains a small residual intraday facility with ANZ which will be closed upon full transition of transactional banking to the NAB.

## 8. CAPITAL AND RESERVES

### *Performance rights*

In July 2024, 707,427 performance rights were granted in accordance with the Executive and Director Incentive Plan with a fair value of \$1.35 per right.

### *Share Capital*

In September 2024, 190,806 performance rights were converted to ordinary shares at a weighted average fair value of \$1.79 per performance right.

Total expenses arising from share-based payment transactions during the half year was nil.

### *Dividends*

A final dividend of \$4.4 million (3.75 cents per share, fully franked) in relation to the financial year ended 30 June 2024 was declared and paid by the Group in the 6 months ended 31 December 2024 (2023: \$3.3 million, 3.5 cents per share, fully franked). Final dividend paid includes dividend reinvested of \$2.9 million.

## 9. SIGNIFICANT ITEMS

	For the 6 months ended 31 December	
	2024	2023
	\$'000	\$'000
ERP implementation costs	5,156	5,406
Acquisition related costs on completed transactions	173	-
Restructuring costs	242	-
Other significant items	114	33
<b>Total significant items</b>	<b>5,685</b>	<b>5,439</b>

## 10. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Other than the matters outlined elsewhere in the Group's half year financial statements, no other matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs of the Group in subsequent accounting periods.

# Coventry Group Ltd and its controlled entities

## DIRECTORS' DECLARATION

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In the opinion of the directors of Coventry Group Ltd ("the Company")

1. the condensed consolidated financial statements and notes set out pages 10 to 25, are in accordance with the Corporation Act 2001 including:

a. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the six months period ended on that date and

b. complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001 and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

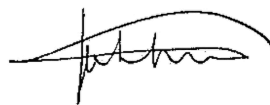
Signed in accordance with a resolution of the directors:



**N.G. CATHIE**

Chairman

Melbourne  
18 February 2025



**R.J. BULLUSS**

Chief Executive Officer and Managing Director

Melbourne  
18 February 2025

# INDEPENDENT AUDITOR'S REVIEW REPORT



## Independent Auditor's Review Report

To the shareholders of Coventry Group Ltd

### Report on the Condensed Half-year Financial Report

#### Conclusion

We have reviewed the accompanying *Condensed Half-year Financial Report* of Coventry Group Ltd.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Half-year Financial Report of Coventry Group Ltd 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 2024 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 *Condensed Half-year Financial Report* comprises:

- Condensed consolidated statement of financial position as at 31 December 2024
- Condensed consolidated statement of profit or loss, Condensed consolidated statement of comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the Half-year ended on that date
- Notes 1 to 10 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

The *Group* comprises Coventry Group Ltd (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 Condensed Half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Condensed Half-year 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 Condensed Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for the Review of the Condensed Half-year Financial Report

Our responsibility is to express a conclusion on the Condensed Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Half-year 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 2024 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 a Condensed Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A stylized, handwritten-style version of the KPMG logo, with the letters 'KPMG' in a dark grey or black ink.

KPMG

A handwritten signature in dark ink, appearing to read 'Simon Dubois', with a long, sweeping horizontal line extending to the right.

Simon Dubois

Partner

Melbourne

18 February 2025

