



**SPRINTEX LIMITED**

**ABN 38 106 337 559**

# **ASX APPENDIX 4D AND INTERIM FINANCIAL REPORT**

**For the period 31 December 2024**

## Results for announcement to the market

## Reporting Periods

- Current period: Six-month period ended 31 December 2024
- Previous corresponding period: Six-month period ended 31 December 2023

	Percentage Change		31 December 2024 \$	31 December 2023 \$ (restated)
<b>Revenue and net profit</b>				
▪ Revenue from ordinary activities	47%	to	1,033,706	704,247
▪ (Loss)/profit from ordinary activities	84%	to	(3,594,738)	(1,949,402)
▪ (Loss)/profit after tax attributable to members	84%	to	(3,594,738)	(1,949,415)

## Dividends

No dividends have been paid or declared since the start of the financial half-year by the Company. The directors do not propose to pay either a final or an interim dividend. The Company does not have a dividend reinvestment plan.

	Percentage Change		31 December 2024 (cents)	31 December 2023 (cents) (restated)
<b>Net Tangible Assets (NTA) per Share</b>				
NTA backing per ordinary share*	(161%)	to	(0.81)	(0.31)

\* Right of use assets and lease liabilities are included in the calculation.

## Operating results

Commentary of the half year financial results for the six months ended 31 December 2024 is contained on page 5 of the Interim Report included with this announcement. The half-year report should be read in conjunction with the most recent annual report.

As part of the June 2024 audit process, management discovered that the Chinese subsidiary had overstated revenue and expenses for the half-year period ended 31 December 2023. As a result, the 31 December 2023 statement of comprehensive income has been restated. The total comprehensive income/(loss) for the half-year ended 31 December 2023 decreased by \$368,406 resulting in a loss of \$1,836,433.

## Gain or Loss of Control over other Entities

The Company did not gain or lose control over any other entities during the half-year ended 31 December 2024.

## Details of associates

The Company did not have any associates or participate in any joint ventures during the half-year ended 31 December 2024.

## Foreign entities

Details of origin of accounting standards used in compiling the report:

International Financial Reporting Standards (IFRS)

## Independent Review Report

Refer to the attached half-year financial report for the half-year ended 31 December 2024, which contains an emphasis of matter relating to a material uncertainty relating to going concern.

## Compliance Statement

This report is based on the attached half-year financial report which has been reviewed by our auditors.



**SPRINTEX LIMITED**

**ABN 38 106 337 559**

**INTERIM CONSOLIDATED FINANCIAL  
REPORT**

**31 December 2024**

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## **SPRINTEX LIMITED**

AND CONTROLLED ENTITIES  
ACN 106 337 559

## **INTERIM REPORT**

31 December 2024

### **Corporate directory**

#### **Directors**

Steven Apedaile (Executive Chairman)  
Jude Upton (Managing Director and CEO)  
Li Chen (Non-executive Director)

#### **Company secretary**

John Bell (Company secretary and CFO)

#### **Registered office**

283 Rokeby Road Subiaco  
Perth, WA, 6008  
Tel: +61 8 9262 7277

#### **Principal place of business**

283 Rokeby Road Subiaco  
Perth, WA, 6008  
Tel: +61 8 9262 7277

#### **Auditor**

PFK Brisbane Audit  
Level 2/66 Eagle St  
Brisbane QLD 4000

#### **Share registry**

Automic Registry Services  
Level 5, 126 Phillip Street  
Sydney NSW 2000  
Tel: +61 2 9698 5414

#### **Solicitors**

Steinepreis Paganin  
Level 14/QV1 250 St Georges Terrace  
Perth WA 6000  
Tel: +61 8 9321 4000

#### **Bankers**

National Australia Bank  
100 St Georges Terrace  
Perth WA 6000  
Tel: +61 8 9476 7676

#### **ASX code**

SIX

#### **Website**

[www.sprintex.com.au](http://www.sprintex.com.au)

## Directors' report

Your directors present their report on the Consolidated entity, consisting of Sprintex Ltd (**Sprintex** or the **Company**) and its controlled entities (collectively **the Group**), for the half-year ended 31 December 2024. The half-year report should be read in conjunction with the most recent annual report.

Sprintex is listed on the Australian Securities Exchange (**ASX**).

### 1. Directors

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

- Steven Apedaile                      Executive Chairman
- Jude Upton                            Managing Director and CEO
- Li Chen                                 Non-Executive Director

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

### 2. Company Secretary

The following person held the position of Company Secretary at the end of the financial period:

- John Bell                              Company Secretary and CFO – Appointed on 17 October 2024
- Michael van Uffelen                Company Secretary and CFO – Terminated on 16 October 2024

### 3. Principal activities

The principal activity of the Group for the half-year ended 31 December 2024 was the manufacture and distribution of clean air compressors, with a particular focus on industrial air and hydrogen fuel cell applications.

### 4. Operating and financial review

#### 4.1. Operations Review

During the reporting period Sprintex made substantial advancements in its global expansion strategy, securing key distribution agreements, demonstrating the superior efficiency of its G-Series blower technology, and solidifying its position as a leader in industrial air solutions. The Company has also taken steps to strengthen its financial position while driving innovation in energy-efficient and environmentally sustainable technologies.

#### ***Strategic Partnerships & Global Expansion***

Sprintex successfully broadened its market reach through strategic agreements across the UK, Türkiye and India:

- The Company secured a minimum order commitment of A\$17.5m over five years with Air End Repair in the UK, marking Sprintex's largest single distribution agreement to date. This agreement is part of a broader A\$30m global order pipeline, reinforcing Sprintex's expansion into the European industrial air solutions market.
- Sprintex appointed Euroteck Environmental as its exclusive distributor for G-Series blowers in India, securing a three-year contract worth A\$7.16m. The deal positions Sprintex within India's A\$150m turbo blower market and includes plans for local assembly and retrofitting 3,000 existing aeration systems with energy-efficient blower technology.
- As part of its expansion into India, Sprintex delivered five G15 Jet Blowers for testing with Euroteck, a company operating across India and the Middle East with over 200 staff and four manufacturing facilities. This agreement serves as a precursor to a long-term supply contract, aimed at replacing outdated aeration systems and enhancing energy efficiency in industrial and wastewater applications.

#### ***Technology Validation & Product Performance***

Sprintex continued to demonstrate the effectiveness of its proprietary technology through real-world trials and validation programs:

- A successful trial at Ilknak Aquaculture in Türkiye, conducted with distributor Net 0 Enerji, demonstrated a 70% reduction in energy consumption compared to conventional side-channel blowers. This outcome highlights the efficiency, cost-effectiveness, and market potential of Sprintex's G-Series blowers in aquaculture and other industrial applications.
- Successful trial at Qunying Corporation, a leading textiles manufacturer, conducted by an Air Knife manufacturer in Jiangsu Province, China, demonstrated 69% energy savings, confirming that Sprintex G series is capable of offering exceptional energy savings in multiple industry sectors and applications.

**Directors' report**

- The Company validated the full integration of its Programmable Logic Controller (PLC) technology, enabling seamless operation within industrial automation systems.

***Development of Ammonia Reduction Technology***

Sprintex continues its collaboration with Mest Water on an innovative ammonia-reducing solution for agricultural applications:

- The Company concluded a high-temperature compressor test program under a A\$1m evaluation contract with Mest Water, successfully demonstrating the viability of its technology.
- Sprintex is set to deliver 20 custom-designed compressors to Mest Water's launch customer, valued at A\$1m. The customer has an anticipated requirement for over 1000 units, representing significant long-term sales potential.
- Through this partnership, Sprintex is playing a key role in reducing ammonia emissions in agriculture, with the ZLD-UP system offering farmers a solution to convert waste into clean water and fertilizer. The Company anticipates strong demand, given that each farm requires at least one compressor, with a target price of €19,000 (A\$31,000) per unit.

***Financial & Capital Management***

Sprintex has taken proactive steps to ensure financial stability while supporting its growth initiatives:

- The Company signed a binding underwriting agreement with China Automotive Holdings (CAHL) to secure up to A\$965,333 from the exercise of options priced at 7.5 cents, expiring 31 December 2024. This agreement ensures financial backing for Sprintex's ongoing expansion, with CAHL underwriting any shortfall from the exercise of up to 12,871,111 options. These were subsequently exercised in the March 2024 quarter.

**Post Reporting Period*****Sprintex Expects Landmark Order, Driving A\$31M Growth***

Sprintex expects to receive its first large-scale production order with Mest Water, with manufacturing set to begin in March 2025 and scaling to 1,000 p.a units by 2026, generating A\$31 million in annual revenue. Successful commissioning validates the compressors for full-scale deployment, unlocking significant market opportunities under strict EU ammonia regulations. Production optimisations, including potential new models, aim to enhance efficiency and expand applications across agriculture, food production, wastewater treatment, and renewable energy.

**Conclusion**

Sprintex continues to execute its strategy of expanding global partnerships, validating its energy-efficient technology, and strengthening its financial position. With major distribution agreements in place, successful product trials, and strong demand projections, the Company is well-positioned for sustainable growth in industrial air solutions and environmental applications.

**Directors' report****4.2. Financial Review**

The loss of the Group for the half-year ended 31 December 2024 amounted to \$3,594,738 (31 December 2023 (restated): \$1,949,415).

The Group had \$354,505 cash at bank as at 31 December 2024 (30 June 2024: \$1,908,240). During the half-year ended 31 December 2024, the Group raised \$297,500 from the exercise of options and converted \$266,250 of debt into equity.

During the half-year ended 31 December 2024, the Group entered into the following funding arrangements to support its ongoing operations and liquidity:

- An unsecured loan totaling A\$350,000 from Euromark Limited, with an interest rate of 6% per annum. The maturity date of this loan was extended from 30 April 2025 to 30 June 2025 after period end.
- An unsecured loan totaling A\$350,000 from Distacom Enterprises Limited, with an interest rate of 6% per annum and a maturity date of 31 March 2025.
- A loan totaling A\$330,593 (1.5 million RMB) from Jiangsu Kunshan Rural Commercial Bank Co., Ltd, with an interest rate of 3.2% per annum and a maturity date of 19 December 2025.

On 18 December 2024, the Company entered into an underwriting agreement with China Automotive Holdings Limited for the underwriting of 12,871,111 options, each with an exercise price of \$0.075 and expiry date of 31 December 2024.

As of 31 December 2024, all 12,871,111 options expired unexercised.

**5. Significant changes in the state of affairs**

There have been no significant changes in the state of affairs of the Group to the date of this report, not otherwise disclosed in this report.

**6. Dividends**

No dividends have been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year.

**7. Significant events after balance date**

On 2 January 2025, the Company announced that under the underwriting agreement with China Automotive Holdings Limited that the Shortfall Shares are 12,871,111 with an issue price of \$0.075 per share.

On 10 January 2025, the Company issued 12,871,111 shares to China Automotive Holdings Limited pursuant to the underwriting of unlisted options with an exercise price of \$0.075 and an expiry date of 31 December 2024 that lapsed. The Company raised a total of \$965,333 from this share issue.

On 22 January 2025, the company lodged a Cleansing Prospectus with the ASX for the purpose of removing any trading restriction on the sale of Shares issued by the group.

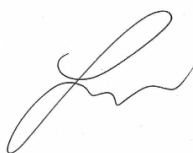
There are no other significant events subsequent to reporting date that are not covered in this Director's Report or within the financial statements at Note 22 Events subsequent to reporting period.

**8. Environmental Regulations**

The consolidated entity's operations are not subject to significant environmental regulations in the jurisdictions it operates in, namely Australia.

**9. Auditor's independence declaration**

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 (Cth) for the half-year ended 31 December 2024 has been received and can be found on page 8 of the interim financial report.

**JUDE UPTON**

Managing Director and CEO

Dated this Monday, 25 February 2025





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**AUDITOR'S INDEPENDENCE DECLARATION**  
**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTORS OF SPRINTX LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2024, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Sprintex Limited and the entities it controlled during the half year.

A handwritten signature in black ink, appearing to read 'PKF', is written above the printed name 'PKF BRISBANE AUDIT'.

PKF BRISBANE AUDIT

A handwritten signature in black ink, appearing to read 'Tim Follett', is written above the printed name 'TIM FOLLETT'.

TIM FOLLETT  
PARTNER

25 FEBRUARY 2025  
BRISBANE

**Consolidated statement of profit or loss and other comprehensive income**

for the half-year ended 31 December 2024

	Note	Dec 2024 \$	Dec 2023 (Restated) \$
Sales of goods and services	5	1,033,706	704,247
<b>Revenue</b>		<b>1,033,706</b>	<b>704,247</b>
Cost of goods sold		(640,505)	(634,348)
<b>Gross profit</b>		<b>393,201</b>	<b>69,899</b>
Other income		90,537	2,531
Distribution and marketing expenses		(271,851)	(221,489)
Employee benefits expenses		(629,437)	(675,717)
Research and development expenses		(953,028)	(257,859)
Impairment of assets	8	(45,448)	(187,365)
Depreciation and amortisation expenses		(275,368)	(152,060)
Administration expenses		(1,155,996)	(375,603)
Share-based payment expenses	16	(523,769)	-
<b>Operating loss</b>		<b>(3,371,159)</b>	<b>(1,797,663)</b>
Finance costs		(223,579)	(151,739)
<b>Loss before income tax expense</b>		<b>(3,594,738)</b>	<b>(1,949,402)</b>
Income tax expense		-	(13)
<b>Net loss after tax for the half-year</b>		<b>(3,594,738)</b>	<b>(1,949,415)</b>
<b>Other comprehensive income/(loss) net of tax</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Translation of foreign operations		(2,786)	112,972
<b>Total other comprehensive income/(loss), net of tax</b>		<b>(2,786)</b>	<b>112,972</b>
<b>Total comprehensive loss for the half-year</b>		<b>(3,597,524)</b>	<b>(1,836,443)</b>
<b>Loss per share attributable to the ordinary equity holders of the Company</b>			
Basic and diluted loss per share (cents/share)	6d	(0.66)	(0.59)

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

**SPRINTEX LIMITED**

AND CONTROLLED ENTITIES  
ACN 106 337 559

**INTERIM REPORT**

31 December 2024

**Consolidated statement of financial position**

as at 31 December 2024

	Note	Dec 2024 \$	Jun 2024 \$
<i>Current assets</i>			
Cash and cash equivalents		354,505	1,908,240
Pledged bank deposits		30,000	30,000
Trade and other receivables	7	662,319	467,650
Inventories	8	541,949	344,600
Other current assets	9	293,124	535,679
<b>Total current assets</b>		<b>1,881,897</b>	<b>3,286,169</b>
<i>Non-current assets</i>			
Property, plant and equipment	10	998,715	810,481
Right-of-use assets	11	461,578	389,194
<b>Total non-current assets</b>		<b>1,460,293</b>	<b>1,199,675</b>
<b>Total assets</b>		<b>3,342,190</b>	<b>4,485,844</b>
<i>Current liabilities</i>			
Trade and other payables	12	2,462,220	1,631,053
Borrowings	13	4,757,114	4,278,208
Provisions		33,908	33,908
Lease liabilities	11	372,371	295,536
<b>Total current liabilities</b>		<b>7,625,613</b>	<b>6,238,705</b>
<i>Non-current liabilities</i>			
Lease liabilities	11	124,079	136,653
<b>Total non-current liabilities</b>		<b>124,079</b>	<b>136,653</b>
<b>Total liabilities</b>		<b>7,749,692</b>	<b>6,375,358</b>
<b>Net liabilities</b>		<b>(4,407,502)</b>	<b>(1,889,514)</b>
<i>Equity</i>			
Contributed equity	14	74,528,150	73,972,383
Reserves	15	2,333,008	1,934,522
Accumulated losses		(81,268,660)	(77,796,419)
<b>Total Equity</b>		<b>(4,407,502)</b>	<b>(1,889,514)</b>

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

**SPRINTEX LIMITED**

AND CONTROLLED ENTITIES

ACN 628 415 887

**INTERIM REPORT**

31 December 2024

**Consolidated statement of changes in equity**

For the half-year ended 31 December 2024

	Note	Contributed Equity \$	Share-based Payment reserve \$	Foreign Translation Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2024		73,972,383	201,549	1,732,973	(77,796,419)	(1,889,514)
Loss for the year		-	-	-	(3,594,738)	(3,594,738)
Movement in the foreign translation reserve		-	-	(2,786)	-	(2,786)
<b>Total comprehensive loss for the year</b>		-	-	(2,786)	(3,594,738)	(3,597,524)
<b>Transactions with owners in their capacity as owners</b>						
Convertible loan notes converted	14	266,250	-	-	-	266,250
Share issue expenses	14	(7,983)	-	-	-	(7,983)
Options lapsed	16	-	(122,497)	-	122,497	-
Exercise of options	14	297,500	-	-	-	297,500
Performance rights issued/(forfeited)	16	-	523,769	-	-	523,769
<b>Balance at 31 December 2024</b>		<b>74,528,150</b>	<b>602,821</b>	<b>1,730,187</b>	<b>(81,268,660)</b>	<b>(4,407,502)</b>

	Note	Contributed Equity \$	Share-based Payment reserve \$	Foreign Translation Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2023		69,688,908	484,392	1,305,494	(73,660,232)	(2,181,438)
Loss for the year (restated)		-	-	-	(1,949,415)	(1,949,415)
Movement in the foreign translation reserve (restated)		-	-	112,972	-	112,972
<b>Total comprehensive loss for the year (restated)</b>		-	-	112,972	(1,949,415)	(1,836,443)
<b>Transactions with owners in their capacity as owners</b>						
Issue of shares	14	1,508,684	-	-	-	1,508,684
Convertible loan notes converted	14	1,527,500	-	-	-	1,527,500
Share issue expenses	14	(36,901)	-	-	-	(36,901)
<b>Balance at 31 December 2023 (restated)</b>		<b>72,688,191</b>	<b>484,392</b>	<b>1,418,466</b>	<b>(75,609,647)</b>	<b>(1,018,598)</b>

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

**SPRINTEX LIMITED**

AND CONTROLLED ENTITIES

ACN 628 415 887

**INTERIM REPORT**

31 December 2024

**Consolidated statement of cash flows**

For the half-year ended 31 December 2024

	Note	Dec 2024 \$	Dec 2023 \$
<i>Cash flows from operating activities</i>			
Receipts from customers		1,144,430	1,411,777
Other income		90,489	1,891
Payments to suppliers and employees		(3,104,246)	(3,040,808)
Interest and finance lease charges paid		(210,847)	(55,328)
Interest received		2,590	-
Income taxes received /(paid)		-	(13)
<b>Net cash used in operating activities</b>		<b>(2,077,584)</b>	<b>(1,682,481)</b>
<i>Cash flows from investing activities</i>			
Proceeds from sale of property, plant and equipment		-	641
Payment of property, plant and equipment	10	(295,071)	(19,043)
<b>Net cash provided (used in)/by investing activities</b>		<b>(295,071)</b>	<b>(18,402)</b>
<i>Cash flows from financing activities</i>			
Proceeds from loans and borrowings		1,019,303	501,708
Payment of loans and borrowings		(362,076)	(163,581)
Proceeds from the issue of shares		297,500	1,508,684
Share issue costs		(7,983)	(36,901)
Repayment of lease liabilities		(127,824)	(90,038)
<b>Net cash provided by financing activities</b>		<b>818,920</b>	<b>1,719,872</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(1,553,735)</b>	<b>18,989</b>
<b>Cash and cash equivalents at the beginning of the half-year</b>		<b>1,908,240</b>	<b>19,253</b>
<b>Cash and cash equivalents at the end of the half-year</b>		<b>354,505</b>	<b>38,242</b>

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

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2024

**Note 1 Basis of Preparation**

These are the consolidated financial statements and notes of Sprintex Ltd (**Sprintex** or **the Company**) and its controlled entities (collectively **the Group**). Sprintex is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue on 25 February 2025 by the directors of the Company.

**a Basis of preparation**

This consolidated interim financial report is intended to provide users with an update on the latest annual financial statements of Sprintex Ltd and its controlled entities. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in combination with the annual financial statements of the Sprintex for the half-year ended 31 December 2024, together with any public announcements made during the half-year.

All amounts are presented in Australian Dollars, unless otherwise noted. For the purposes of preparing the report, the half year has been treated as a discrete reporting period.

**i. Statement of compliance**

The half-year financial report is a general-purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**ii. Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

**b Going Concern assessment**

The Group has a net asset deficiency of \$4,407,502 (30 June 2024: net asset deficiency of \$1,889,514) and net current asset deficiency of \$5,743,716 as at 31 December 2024 (30 June 2024: net current asset deficiency \$2,952,536) and incurred a loss of \$3,594,738 (31 December 2023 (restated): loss of \$1,949,415) and net operating cash outflows of \$2,077,584 for the half-year ended 31 December 2024 (31 December 2023: outflow of \$1,682,481).

The Group's ability to continue as a going concern and meet its debts and future commitments as and when they fall due is dependent on a number of factors, including:

- delivery of existing and new products through the Group's distribution network to generate sales revenues and positive cash flows;
- the Group has secured new distribution contracts and has a robust sales pipeline, which is expected to generate significant future cash flows;
- the ability of the Group to extend existing borrowing due dates;
- the ability of the Group to raise additional funding; and
- the success of the manufacturing facilities in Malaysia and China.

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business and economic activities and the realisation of assets and discharge of liabilities in the normal course of business. In arriving at this position, in the opinion of the directors the Group will, based on varying cash flow forecasts, have access to sufficient funds to meet administrative and other committed expenditure for a period of not less than 12 months from the date of this report.

Consequently, the Directors believe that the above factors represent a material uncertainty as to whether the Group will be able to continue as a going concern and pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. No adjustments have been made relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2024

**Note 2 New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Note 3 Operating segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

The Group identifies its operating segments based on the internal reports that are reviewed and used by the executive management team (chief operating decision makers) in assessing performance and in determining the allocation of resources. Operating segments are identified by management based on the similarity of the products produced and sold.

The principal products of each of these operating segments are as follows:

- E-Compressors – Manufacture and sale of E-Compressors globally
- Superchargers – Manufacture and sale of superchargers globally

**Note 4 Prior period correction***Correction of material error in recognition of subsidiary*

As part of the June 2024 audit process, management discovered that the Chinese subsidiary had overstated revenue and expenses. As a result, the 31 December 2023 statement of comprehensive income has been restated. The total comprehensive income/(loss) for the half-year ended 31 December 2023 decreased by \$368,406 resulting in a loss of \$1,836,433.

Certain comparatives have also been reclassified to conform with current period presentation. The reclassifications have not had any impact on the financial position of the consolidated entity at 30 June 2024 or the results for the half-year ended 31 December 2023.

The error in revenue and expenses has been corrected by restating each of the affected financial statement line items for the prior period as follows:

	Dec 2023 \$	Increase/ (decrease) \$	Dec 2023 (restated) \$
<b>Statement of comprehensive income (extract)</b>			
Sales of goods and services	1,768,904	(1,064,657)	704,247
Cost of goods sold	(610,783)	(23,565)	(634,348)
Other income	2,531	-	2,531
Distribution and marketing expenses	(800,901)	579,412	(221,489)
Employee benefits expenses	-	(675,717)	(675,717)
Research and development expenses	(310,656)	52,797	(257,859)
Impairment of assets	(187,365)	-	(187,365)
Depreciation and amortisation expenses	-	(152,060)	(152,060)
Administration expenses	(1,171,628)	796,025	(375,603)
Finance costs	(55,328)	(96,411)	(151,739)
<b>Profit/(loss) before income tax</b>	<b>(1,365,226)</b>	<b>(584,176)</b>	<b>(1,949,402)</b>
Income tax	(13)	-	(13)
<b>Net loss for the period</b>	<b>(1,365,239)</b>	<b>(584,176)</b>	<b>(1,949,415)</b>

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2024

**Note 4 Prior period correction (continued)****Statement of comprehensive income (extract)****Other comprehensive income/(loss) net of tax**

Translation of foreign operations

**Total other comprehensive income/(loss), net of tax****Total comprehensive income/(loss) for the year**

Dec 2023	Increase/ (decrease)	Dec 2023 (restated)
\$	\$	\$
(102,798)	215,770	112,972
(102,798)	215,770	112,972
(1,468,037)	(368,406)	(1,836,443)

**Statement of changes in Equity**

Balance as at 1 July 2023

Loss for the year

Movement in foreign translation reserve

Issue of shares

Convertible loan notes converted

Share issue expenses

**Balance as at 31 December 2023**

Dec 2023	Increase/ (decrease)	Dec 2023 (restated)
\$	\$	\$
(2,181,438)	-	(2,181,438)
(1,365,239)	(584,176)	(1,949,415)
(102,798)	215,770	112,972
1,508,684	-	1,508,684
1,527,500	-	1,527,500
(36,901)	-	(36,901)
(650,192)	(368,406)	(1,018,598)

**Note 5 Revenue****Disaggregation of revenue from contracts with customers**

The Group has disaggregated revenue into two segments which is intended to depict how the nature, amount, timing and uncertainty of revenue and cashflows are affected by economic data.

All of the revenue for the Group is derived at a point in time.

**Revenue from contracts with customers**

Sale of goods – E-compressors

Sale of goods - Superchargers

Dec 2024	Dec 2023
\$	\$ (restated)
673,074	292,842
360,632	411,405
1,033,706	704,247



**SPRINTEX LIMITED**

AND CONTROLLED ENTITIES

ACN 628 415 887

**INTERIM REPORT**

31 December 2024

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2024

**Note 6 Earnings per share (EPS)**

Note

**a. Reconciliation of earnings to profit or loss**

Loss for the period

Loss used in the calculation of basic and diluted EPS

**b. Weighted average number of ordinary shares outstanding during the period used in calculation of basic EPS****c. Weighted average number of ordinary shares outstanding during the period used in calculation of diluted EPS****d. Earnings per share**

Basic EPS (cents)

Diluted EPS (cents)

For the purpose of calculating the basic and diluted EPS the denominator has excluded 45,445,696 options and 80,554,500 performance rights (31 December 2023: 49,024,585 options and 20,170,000 performance rights) as the effect would be anti-dilutive due to the loss for the half-year ended 31 December 2024.

**Note 7 Trade and other receivables****Current**

Trade receivables

Other receivables

Research and development incentive grant receivable

**Note 8 Inventories**

Finished goods – at cost

Provision for impairment

Total inventories at lower of cost and net realisable value

Inventory in all locations other than China was fully impaired as this represents inventory in respect of automotive supercharger parts where the market is in decline and would require significant time to achieve a realisable value. During the half-year ended 31 December 2024 the company recognised an impairment expense of \$45,448 (31 December 2023: \$187,365).

Dec 2024	Dec 2023
\$	\$
	(restated)
(3,594,738)	(1,949,415)
(3,594,738)	(1,949,415)
Dec 2024	Dec 2023
No.	No.
545,141,734	331,563,371
545,141,734	331,563,371
31 Dec 2024	31 Dec 2023
\$	\$
	(restated)
(0.66)	(0.59)
(0.66)	(0.59)

Dec 2024	Jun 2024
\$	\$
310,446	104,547
351,873	215,872
-	147,231
662,319	467,650

Dec 2024	Jun 2024
\$	\$
2,686,578	2,158,317
(2,144,629)	(1,813,717)
541,949	344,600

**SPRINTEX LIMITED**

AND CONTROLLED ENTITIES

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**Notes to the consolidated financial statements**

for the half-year ended 31 December 2024

**Note 9 Other current assets**

	Dec 2024 \$	Jun 2024 \$
Deposits	243,715	232,029
Prepayments	48,132	298,541
Borrowing costs	1,277	5,109
	293,124	535,679

**Note 10 Property, plant & equipment**

	Dec 2024 \$	Jun 2024 \$
Manufacturing plant and equipment at cost	4,039,719	3,723,903
Less: accumulated depreciation	(3,570,629)	(3,115,177)
	469,090	608,726
Engineering equipment and software at cost	95,776	60,602
Less: accumulated depreciation	(48,118)	(41,421)
	47,658	19,181
Motor vehicles at cost	367,834	405,673
Less: accumulated depreciation	(255,194)	(290,825)
	112,640	114,848
Office furniture and equipment at cost	177,472	46,823
Less: accumulated depreciation	(39,364)	(33,882)
	138,108	12,941
Capital work in progress at cost	231,219	54,785
	-	-
	231,219	54,785
Total plant and equipment	998,715	810,481

During the half-year ended 31 December 2024, the Group made acquisitions totalling \$315,898 and disposals amounting to \$20,826. The material acquisitions primarily comprised capital work in progress, which increased by \$165,313, and manufacturing plant and equipment, which increased by \$86,689.

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2024

**Note 11 Right-of-use assets**

Note	Dec 2024 \$	Jun 2024 \$
Right of use assets – at cost	919,357	871,591
Right of use assets – accumulated depreciation	(457,779)	(482,397)
Carrying value	461,578	389,194
Lease liabilities - current	372,371,	295,536
Lease liabilities – non-current	124,079	136,653
Closing balance	496,450	432,189

The Group has property leases in Malaysia, China and United States.

Property rented in Australia is not subject to a formal lease arrangement, and as such is considered a short-term lease.

**Note 12 Trade and other payables**

	Dec 2024 \$	Jun 2024 \$
<b>Current</b>		
Trade payables	1,010,696	599,110
Other payables	54,113	8,419
Credit cards	40,134	-
Superannuation payable	285,945	128,383
Accruals	232,379	129,326
Customer deposits	838,953	765,815
Total trade and other payables	2,462,220	1,631,053

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2024

**Note 13 Borrowings**

	Note	Dec 2024 \$	Jun 2024 \$
<b>Current – unsecured</b>			
Convertible loan notes	a)	3,700,857	3,898,199
Premium funding		25,664	68,437
Bank loans	b)	1,030,593	311,572
		4,757,114	4,278,208

## a) Convertible notes:

- i. A\$3,000,000 convertible notes have an annual interest rate of 6% per annum, convertible on or before 30 June 2025 at a variable conversion rate being the higher of 3 cents or 20% to discount to the VWAP of shares on ASX during 15 days concluding on the day of conversion.
- ii. A\$661,186 (3M RMB) convertible notes have an annual interest rate of 12% per annum, convertible on or before 31 March 2025 at a variable conversion rate being the higher of 3 cents or 20% to discount to the VWAP of shares on ASX during 15 days concluding on the day of conversion.
- iii. A\$39,671 (180,000 RMB) interest has been accrued in relation to the 3M RMB convertible notes.

## b) Bank loans:

- i. A\$350,000 unsecured loan from Euromark Limited with an interest rate of 6% per annum and a maturity date of 30 June 2025. In January 2025, the maturity date of the loan was extended from 30 April 2025 to 30 June 2025.
- ii. A\$350,000 unsecured loan from Distacom Enterprises Limited with an interest rate of 6% per annum and a maturity date of 31 March 2025.
- iii. A\$330,593 (1.5M RMB) loan from Jiangsu Kunshan Rural Commercial Bank Co., Ltd with an interest rate of 3.2% per annum and a maturity date of 19 December 2025.

The balances noted above represent the facility limits. There were no unused or undrawn facilities at 31 December 2024 (30 June 2024: nil). As at 31 December 2024, the company did not have any covenants associated with its borrowings.

The Group anticipates that its borrowings will be repaid in full, with repayment being funded from the proceeds expected to be received from the exercise of options.

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2024

Note	14	Contributed equity	Date	Dec 2024	Jun 2024	Dec 2024	Jun 2024
				No.	No.	\$	\$
		Fully paid ordinary shares at no par value		550,774,791	531,624,791	74,528,150	73,972,383
<b>a.</b>		<b>Ordinary shares</b>					
		At the beginning of the period		531,624,791	267,687,662	73,972,383	69,688,908
		Shares issued during the year:					
		• Debt conversion			214,685,741		2,917,750
		• Placement at \$0.045 per share	20.7.23, 8.9.23, 14.9.23		28,888,888		1,300,000
		• Placement at \$0.040 per share	20.7.23, 1.8.23, 11.8.23		5,362,500		214,500
		• Shares issued in lieu of services			15,000,000		195,000
		• Conversion of options at \$0.035	5.7.24	8,500,000	-	297,500	-
		• Conversion of convertible notes at \$0.025	10.7.24, 27.12.24	10,650,000	-	266,250	-
		• Transaction costs relating to share issues			-	(7,983)	(343,775)
		At reporting date		550,774,791	531,624,791	74,528,150	73,972,383

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid shares have no par value. There are no externally imposed capital requirements.

Voting at meetings is now conducted via a poll. Every member present at a meeting in person or by proxy shall have one vote.

There is no current on-market share buy-back.

Note	15	Reserves		Dec 2024	Jun 2024
				\$	\$
		Foreign exchange reserve	(i)	1,730,187	1,732,973
		Share based payment reserve	(ii)	602,821	201,549
				2,333,008	1,934,522

**(i) Foreign exchange translation reserve**

The foreign exchange reserve records exchange differences arising on translation of foreign controlled subsidiaries.

**(ii) Share based payment reserve**

Share based payments reserve represents the fair value of the actual or estimated number of unexercised share options granted to directors, management and consultants of the Company recognised in accordance with the accounting policy adopted for share-based payments and the amortisation of the value of performance rights at the value of the underlying shares at grant date to the expected date of achievement of the performance hurdle.

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2024

**Note 16 Share-based payments****a. Share-based payments:**

- Recognised on Share-based payments expense (rights)

Net share-based payment recognised in Profit or Loss

Expiration of vested share-based payments recognised in retained earnings

Gross share-based transactions

Note	Dec 2024 \$	Dec 2023 \$
16b		
	523,769	-
	523,769	-
	(122,497)	-
	401,272	-

**b. Share-based payment arrangements in effect during the period****(i) Share-based payments recognised in profit or loss****(1) Performance Rights**

As approved by shareholders on 29 November 2024 the Company issued 80,554,500 performance rights to key management personnel and employees to provide a performance linked incentive component to assist the Company in rewarding performance, and to align their interests with those of Shareholders on the terms as detailed below and as detailed below:

Class of Performance Right	Performance Condition	Performance rights No.	Milestone Date	Expiry Date	Performance Condition Satisfied
A	The Company achieving at least \$15 million in revenue for the financial year ending 30 June 2025.	21,997,500	30 June 2025	31 October 2025	No, expensed over vesting period
B	The Company achieving at least \$35 million in revenue for the financial year ending 30 June 2026.	51,057,000	30 June 2026	31 October 2026	No, expensed over vesting period
C	Vesting upon the Company achieving a market capitalisation of \$100 million on or before 30 June 2025.	2,500,000	30 June 2025	31 October 2025	No, expensed over vesting period
D	Vesting upon the Company achieving a market capitalisation of \$250 million on or before 31 December 2026.	5,000,000	31 December 2026	30 April 2027	No, expensed over vesting period

**Notes to the consolidated financial statements**

for the half-year ended 31 December 2024

**Note 16 Share-based payments (cont.)****(2) Fair value of performance rights granted during the period**

These values were calculated using the Black-Scholes option pricing model, applying the following inputs to 80,554,500 performance rights issued:

	Class A	Class B	Class C	Class D
Grant date share price:	\$0.0520	\$0.0520	\$0.0520	\$0.0520
Exercise price:	Nil	Nil	Nil	Nil
Number of rights issued:	21,997,500	51,057,000	2,500,000	5,000,000
Issue Date:	29 Nov 24	29 Nov 24	29 Nov 24	29 Nov 24
Expiry Date:	31 Oct 25	31 Oct 26	31 Oct 25	30 Apr 27
Volatility:	93.0%	121.4%	93.0%	122.5%
Risk-free interest rate:	3.77%	3.73%	4.29%	3.75%
Expected Vesting Probability <sup>1</sup>	0%	70%	100%	100%
Value <sup>2</sup>	\$784,000	\$986,803	\$10,694	\$98,652

<sup>1</sup>The probability ability of conditions being met represents an estimate by management.

**Note 20 Commitments**

The Group has no material commitments as at 31 December 2024 (30 June 2024: nil).

**Note 21 Contingent liabilities**

The Group has no contingent liabilities as at 31 December 2024 (30 June 2024: nil)

**Note 22 Events subsequent to reporting period**

On 2 January 2025, the Company announced that under the underwriting agreement with China Automotive Holdings Limited that the Shortfall Shares are 12,871,111 with an issue price of \$0.075 per share.

On 10 January 2025, the Company issued 12,871,111 shares to China Automotive Holdings Limited pursuant to the underwriting of unlisted options with an exercise price of \$0.075 and an expiry date of 31 December 2024 that lapsed. The Company raised a total of \$965,333 from this share issue.

On 22 January 2025, the company lodged a Cleansing Prospectus with the ASX for the purpose of removing any trading restriction on the sale of Shares issued by the group.

Apart from the items above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future.

**Directors' declaration**

In accordance with a resolution of the directors of Sprintex Limited, we stated that:

The directors declare that:

1. The consolidated financial statements and notes of the Group are in accordance with the Corporation Act 2001, including:

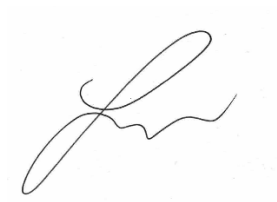
(a) compliance with Accounting Standard AASB 134 *Interim Financial Report* and the *Corporation Regulations 2001*; and

(b) 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

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 directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Jude Upton', is written over a light blue circular stamp. The stamp contains the text 'Sprintex Limited' and 'ACN 628 415 887'.

**JUDE UPTON**

Managing Director and CEO

Dated this Monday, 25 February 2025





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## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SPRINTX LIMITED

### Conclusion

We have reviewed the accompanying half-year financial report of Sprintex Limited ("the company"), which comprises the consolidated statement of financial position as at 31 December 2024, and 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 half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the half-year's end or from time to time during the financial half-year.

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024, and of its financial performance for the half-year ended on that date; and
- (b) complying with the Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Independence

In conducting our review, we have complied with the auditor independence requirements of the *Corporations Act 2001*. In accordance with the *Corporations Act 2001*, we have given the directors of the company a written Auditor's Independence Declaration.



### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the consolidated entity incurred a loss during the half-year ended 31 December 2024 and recorded a net current liability position as at 31 December 2024. As stated in Note 1, these events or conditions along with other matters set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

### Responsibility of the Directors for the Financial Report

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

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

Our responsibility is to express a conclusion on the half year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

A stylized, handwritten signature in blue ink, appearing to read 'PKF'.

PKF BRISBANE AUDIT

A stylized, handwritten signature in blue ink, appearing to read 'Tim Follett'.

TIM FOLLETT  
PARTNER

25 FEBRUARY 2025  
BRISBANE