



Appendix 4D

Half-year report

1. Company details

Name of entity: Alfabs Australia Limited
 ABN: 52 674 455 442
 Reporting period: For the half-year ended 31 December 2024
 Previous period: For the half-year ended 31 December 2023

2. Results for announcement to the market

	31 Dec 2024 \$	31 Dec 2023 \$	Change \$	Change %
Revenues from ordinary activities	43,448,980	48,780,196	(5,331,216)	(11%)
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	12,544,083	10,361,276	2,182,807	21%
Earnings Before Interest and Tax (EBIT)	8,606,801	6,602,671	2,004,130	30%
Profit from ordinary activities after tax attributable to the owners of Alfabs Australia Limited	5,739,619	4,126,342	1,613,277	39%
Profit for the half-year attributable to the owners of Alfabs Australia Limited	5,739,619	4,126,342	1,613,277	39%

	31 Dec 2024 Cents	31 Dec 2023 Cents
Basic earnings per share	2.00	2.75
Diluted earnings per share	2.00	2.75

Comments

The profit for the Group after providing for income tax and non-controlling interest amounted to \$5,739,619 (31 December 2023: \$4,126,342).

Reference is made to the *Operating and Financial Review* in the Directors' Report contained in the attached Interim Financial Report for Alfabs Australia Limited for the half-year ended 31 December 2024.

3. Net tangible assets

	Reporting period 31 Dec 2024 Cents	Previous period 30 Jun 2024 Cents
Net tangible assets per ordinary security	23.49	21.52

4. Control gained over entities

Not applicable.

Appendix 4D (continued)

5. Loss of control over entities

Not applicable.

6. Dividends

	Amount per share (cents)	Franked amount per share (cents)	Record date	Payment date
2025 interim dividend*	1.5	1.5	28 February 2025	14 March 2025

* Declared on 21 February 2025.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

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

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Financial Report.

11. Attachments

Details of attachments (if any):

The Interim Financial Report of Alfabs Australia Limited for the half-year ended 31 December 2024 is attached.



Half Year Report 2025

Alfabs Australia Limited
ACN 674 455 442



Financial Report

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Directors' Report

31 December 2024

The Directors present their report, together with the condensed consolidated financial statements, comprising Alfabs Australia Limited (referred to hereafter as the 'Company' or 'parent entity') and its subsidiaries (together referred to hereafter as the 'Group') for the period 1 July 2024 to 31 December 2024.

Alfabs Australia Limited (AAL) was incorporated on 24 January 2024 and on 31 January 2024 underwent a capital reorganisation of various entities including Alfabs Mining Equipment Pty Limited ('AME') with Alfabs Australia Limited becoming the new holding company and parent entity.

The comparative condensed financial statements for the half-year ended 31 December 2023 were prepared as a continuation of the combined financial statements of Alfabs Mining Equipment Pty Ltd ('AME').

Directors

The following persons were directors of Alfabs Australia Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

William Wavish	Non-Executive Chairman
Robert Neale	Non-Executive Deputy Chairman
Matthew Torrance	Managing Director and Chief Executive Officer
Mark Harrison	Finance Director and Chief Financial Officer
Aimee Travis	Non-Executive Director (appointed 24 January 2025)

Principal activities

During the half-year the principal continuing activities of the Group consisted of Mining and Engineering related services.

The Mining division primarily sells to national and internationally owned black coal mines in Australia.

- Equipment hire: Providing equipment hire to operators in the underground black coal mining industry in Australia.
- Mining consumables: Supplying mining consumables and spare parts to mining operators.
- Workshop capability: Providing repair, maintenance, overhaul and construction of underground mining equipment.

The Engineering division primarily sells to Tier 1 and Tier 2 contractors for public and private infrastructure projects.

- Engineering Fabrication: Fabrication of heavy structural steel for public and private infrastructure projects in Australia.
- Engineering Services: Site based installation and pre-assembly works supporting the fabrication business unit.

Other ancillary activities include:

- Protective Coatings: Provides abrasive blasting and protective coatings for clients and internal projects.
- Forklift and Access: Hire of forklifts, elevated work platforms (EWPs) and materials handling equipment.
- Logistics: Australia wide transport and logistics services.
- Labour Hire: Provision of personnel for engineering and site-based maintenance and upgrade projects.

Directors' Report (continued)

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Since the half-year end, the Directors have recommended the payment of an interim dividend of 1.5 cents per fully paid ordinary share.

Operating and Financial Review

Our first 6 month trading period to 31 December 2024 has been pleasing and in line with expectations.

EBITDA of \$12,544,083 for the half-year to 31 December 2024 exceeded the previous corresponding period by \$2,182,807 or 21%. Net profit after tax of \$5,739,619 for the half-year to 31 December 2024 exceeded the previous corresponding period by \$1,613,277 or 39%.

The allocation of resources to internal asset rejuvenation for subsequent hire has seen a decrease in third party sales but not in profitability. The Engineering division also had a comparably softer first quarter as previously reported.

Reconciliation of profit before income tax to EBIT and EBITDA (unaudited):

	31 Dec 2024 \$	31 Dec 2023 \$
Profit before tax	8,112,406	6,112,592
Interest revenue	(83,848)	-
Finance costs	578,243	490,079
EBIT	8,606,801	6,602,671
Depreciation and amortisation	3,937,282	3,758,605
EBITDA	12,544,083	10,361,276

EBIT and EBITDA are non-AASB earnings measures which do not have any standardised meaning prescribed by AASB and therefore may not be comparable to EBIT and EBITDA presented by other companies. These measures, which are unaudited, are important to management as an additional way to evaluate the Group's performance.

The Malabar contract is a significant long term (initial 4 year period plus 2 year option to extend) hire agreement for Alfabs to supply 12 pieces of development equipment. 11 of 12 Malabar contract assets have now been completed and revenues have commenced. Significant activity has been undertaken within our internal workshops to support this deliverable during the period, alongside the continued overhaul of various other assets for future hire.

The Group maintains an ongoing strong focus on working capital management and balance sheet strength continues to improve. Cash and net debt was well controlled during the period with closing net debt as at 31 December 2024 of \$11,046,405.

Business conditions have been good and the outlook for the remainder of FY25 and CY25 are encouraging.



Directors' Report (continued)

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the half-year.

Matters subsequent to the end of the financial half-year

Apart from the dividend declared as discussed above, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the directors' report and in the financial report have been rounded to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the directors

William Wavish
Chair

Matthew Torrance
Managing Director and Chief Executive Officer

21 February 2025
Kurri Kurri

Auditor's Independence Declaration



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Auditor's Independence Declaration To the Directors of Alfabs Australia Limited

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the review of the financial report of Alfabs Australia Limited for the half-year ended 31 December 2024, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the review.

A handwritten signature in dark ink, appearing to read 'Shaun Mahony'.

Shaun Mahony - Partner

A handwritten signature in dark ink, appearing to read 'Pitcher Partners NH Partnership'.

Pitcher Partners NH Partnership
Chartered Accountants

21 February 2025
Newcastle West

Adelaide | Brisbane | Melbourne | Newcastle | Perth | Sydney



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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2024

		Consolidated	
	Note	31 Dec 2024 \$	31 Dec 2023 \$
Revenue	4	43,448,980	48,780,196
Other income	5	557,883	203,952
Interest revenue		83,848	-
Expenses			
Purchases of raw materials and consumables used and changes in inventories		(8,225,738)	(18,404,465)
Employee benefits expense		(16,409,869)	(14,302,010)
Depreciation and amortisation expense		(3,937,282)	(3,758,605)
Electricity and gas		(474,841)	(448,066)
Insurance		(1,307,905)	(755,666)
Rent – property and equipment short-term and low-value leases		(16,400)	(401,604)
Repairs and maintenance		(1,785,730)	(1,373,737)
Other expenses		(3,242,297)	(2,937,324)
Finance costs		(578,243)	(490,079)
Total expenses		(35,978,305)	(42,871,556)
Profit before income tax expense		8,112,406	6,112,592
Income tax expense		(2,372,787)	(1,875,389)
Profit after income tax expense for the half-year		5,739,619	4,237,203
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year		5,739,619	4,237,203
Profit for the half-year is attributable to:			
Non-controlling interest		-	110,861
Owners of Alfabs Australia Limited		5,739,619	4,126,342
		5,739,619	4,237,203
Total comprehensive income for the half-year is attributable to:			
Non-controlling interest		-	110,861
Owners of Alfabs Australia Limited		5,739,619	4,126,342
		5,739,619	4,237,203

		Cents	Cents
Basic earnings per share	10	2.00	2.75
Diluted earnings per share	10	2.00	2.75

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

Condensed Consolidated Statement of Financial Position

As at 31 December 2024

		Consolidated	
	Note	31 Dec 2024 \$	30 Jun 2024 \$
Assets			
Current assets			
Cash and cash equivalents		5,645,158	23,595,792
Trade and other receivables		14,981,848	13,694,273
Contract assets		1,117,696	624,291
Inventories		7,449,782	5,893,274
Other		941,268	-
Total current assets		30,135,752	43,807,630
Non-current assets			
Property, plant and equipment	6	76,134,473	62,229,993
Right-of-use assets		5,169,363	5,581,759
Intangibles		239,784	239,934
Deferred tax		3,732,035	3,922,224
Total non-current assets		85,275,655	71,973,910
Total assets		115,411,407	115,781,540
Liabilities			
Current liabilities			
Trade and other payables		12,465,501	14,690,452
Contract liabilities		5,441,968	2,884,488
Borrowings	7	15,030,405	16,583,291
Lease liabilities		767,749	756,879
Income tax		1,382,037	4,634,563
Employee benefits		2,439,663	2,471,643
Total current liabilities		37,527,323	42,021,316
Non-current liabilities			
Borrowings	7	1,661,158	2,792,355
Lease liabilities		5,017,421	5,404,198
Deferred tax		8,058,183	8,522,539
Employee benefits		518,537	297,092
Total non-current liabilities		15,255,299	17,016,184
Total liabilities		52,782,622	59,037,500
Net assets		62,628,785	56,744,040
Equity			
Issued capital	8	54,622,759	54,622,759
Reserves		(13,372,637)	(13,517,763)
Retained profits		21,378,663	15,639,044
Total equity		62,628,785	56,744,040

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



Condensed Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2024

Consolidated	Issued capital \$	Reserves \$	Retained profits \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2023	396,972	-	24,091,444	1,007,584	25,496,000
Profit after income tax expense for the half-year	-	-	4,126,342	110,861	4,237,203
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	4,126,342	110,861	4,237,203
Difference arising on acquisition of interest in Camel Hire Company Pty Ltd	170,000	-	183,445	(1,118,445)	(765,000)
Balance at 31 December 2023	566,972	-	28,401,231	-	28,968,203

Consolidated	Issued capital \$	Reserves \$	Retained profits \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2024	54,622,759	(13,517,763)	15,639,044	-	56,744,040
Profit after income tax expense for the half-year	-	-	5,739,619	-	5,739,619
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	5,739,619	-	5,739,619
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	-	145,126	-	-	145,126
Balance at 31 December 2024	54,622,759	(13,372,637)	21,378,663	-	62,628,785

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

Condensed Consolidated Statement of Cash Flows

For the half-year ended 31 December 2024

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	48,886,426	53,803,089
Payments to suppliers and employees (inclusive of GST)	(41,107,736)	(45,927,912)
Interest received	83,848	-
Interest and other finance costs paid	(578,243)	(490,079)
Income taxes paid	(5,899,480)	(82,501)
Net cash from operating activities	1,384,815	7,302,597
Cash flows from investing activities		
Payments for property, plant and equipment	(16,804,985)	(4,748,160)
Proceeds from disposal of property, plant and equipment	529,526	-
Net cash used in investing activities	(16,275,459)	(4,748,160)
Cash flows from financing activities		
Proceeds from bank loans	8,500,000	7,408,982
Proceeds from asset finance	228,712	653,603
Repayment of bank loans	(9,568,981)	(2,000,000)
Repayment of asset finance	(2,423,112)	(3,823,537)
Repayment of principal element of finance leases	(375,907)	(389,532)
Net repayment of related party loans	-	(1,566,701)
Net proceeds from insurance premium funding	579,298	-
Net cash (used in)/from financing activities	(3,059,990)	282,815
Net (decrease)/increase in cash and cash equivalents	(17,950,634)	2,837,252
Cash and cash equivalents at the beginning of the financial half-year	23,595,792	2,951,515
Cash and cash equivalents at the end of the financial half-year	5,645,158	5,788,767

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



Notes to the Condensed Consolidated Financial Statements

31 December 2024

Note 1. Corporate information and basis of preparation

The financial statements cover Alfabs Australia Limited as a Group consisting of Alfabs Australia Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Alfabs Australia Limited's functional and presentation currency.

Alfabs Australia Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

152 Mitchell Avenue
Kurri Kurri
NSW 2327

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 21 February 2025.

Basis of preparation

Alfabs Australia Limited (AAL) was incorporated on 24 January 2024. On 31 January 2024 a capital reorganisation was completed with Alfabs Australia Limited becoming the new holding company and parent entity of the Group.

The Directors determined that the capital reorganisation did not represent a business combination as defined by AASB 3 '*Business combinations*'.

The comparative condensed financial statements for the half-year ended 31 December 2023 were prepared as a continuation of the combined financial statements of Alfabs Mining Equipment Pty Ltd ('AME').

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 '*Interim Financial Reporting*' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This half-year financial report presents reclassified comparative information where required for consistency with the current half year's presentation.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period unless otherwise stated.

Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the financial report have been rounded to the nearest dollar.

Notes to the Condensed Consolidated Financial Statements (continued)

Note 2. Significant or unusual items

The Malabar contract is a significant long term (initial 4 year period plus 2 year option to extend) hire agreement for Alfabs to supply 12 pieces of development equipment. The progression of construction of assets as part of the Malabar contract has seen a significant increase in the period in the 'Plant, Machinery and Vehicles' asset category. Conversely a reduction in the cash balance can be observed.

Note 3. Operating segments

Identification of reportable operating segments

The Group is organised into three operating segments: Mining, Engineering and Other. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

The reportable segments of the business are as follows:

Segment	Description of segment
Mining	The manufacture, repair, overhaul servicing and hire of underground mining and ancillary equipment together with sales of mining related consumables and spare parts.
Engineering	Heavy steel fabrication, site installation works and site based maintenance.
Other	Represents head office (including shared corporate services) plus ancillary businesses including protective coatings and transport.

Intersegment transactions

Intersegment transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.



Notes to the Condensed Consolidated Financial Statements (continued)

Operating segment information

Consolidated – 31 Dec 2024	Mining \$	Engineering \$	Other \$	Eliminations \$	Total \$
Revenue					
Sales to external customers	21,536,403	19,788,160	1,854,199	–	43,178,762
Intersegment sales	31,971	88,581	2,653,123	(2,773,675)	–
Total sales revenue	21,568,374	19,876,741	4,507,322	(2,773,675)	43,178,762
Other revenue	270,218	–	–	–	270,218
Interest revenue	28,780	25,093	29,975	–	83,848
Total revenue	21,867,372	19,901,834	4,537,297	(2,773,675)	43,532,828
EBITDA	10,405,283	3,653,106	(1,514,306)	–	12,544,083
Depreciation and amortisation	(3,249,229)	(283,331)	(404,722)	–	(3,937,282)
Interest revenue	28,780	25,093	29,975	–	83,848
Finance costs	(377,904)	(118,413)	(81,926)	–	(578,243)
Profit/(loss) before income tax expense	6,806,930	3,276,455	(1,970,979)	–	8,112,406
Income tax expense					(2,372,787)
Profit after income tax expense					5,739,619
Assets					
Segment assets	92,688,467	18,747,528	93,439,742	(89,840,529)	115,035,208
Unallocated assets: <i>Alfabs Australia Ltd (the parent entity)*</i>					
Cash at bank					376,199
Total assets					115,411,407
Liabilities					
Segment liabilities	60,466,418	13,485,203	39,131,013	(60,300,012)	52,782,622
Total liabilities					52,782,622

* The assets of Alfabs Australia Ltd (the parent entity) are considered to be not attributable to any operating segment of the Group and have been left unallocated.

Notes to the Condensed Consolidated Financial Statements (continued)

Consolidated – 31 Dec 2023	Mining \$	Engineering \$	Other \$	Eliminations \$	Total \$
Revenue					
Sales to external customers	24,955,563	20,995,746	2,828,887	–	48,780,196
Intersegment sales	300,398	850,156	3,324,842	(4,475,396)	–
Total revenue	25,255,961	21,845,902	6,153,729	(4,475,396)	48,780,196
EBITDA**	8,365,286	2,209,876	(213,886)	–	10,361,276
Depreciation and amortisation	(3,008,926)	(349,469)	(400,210)	–	(3,758,605)
Finance costs	(379,490)	(56,613)	(53,976)	–	(490,079)
Profit/(loss) before income tax expense	4,976,870	1,803,794	(668,072)	–	6,112,592
Income tax expense					(1,875,389)
Profit after income tax expense					4,237,203
Consolidated – 30 Jun 2024					
Assets					
Segment assets	91,328,405	20,619,292	12,103,148	(35,786,021)	88,264,824
<i>Unallocated assets:</i>					
<i>Alfabs Australia Ltd (the parent entity)*</i>					
Cash at bank					18,097,803
Receivables					9,418,913
Total assets					115,781,540
Liabilities					
Segment liabilities	63,005,943	18,094,636	14,302,709	(36,365,788)	59,037,500
Total liabilities					59,037,500

* The assets of Alfabs Australia Ltd (the parent entity) are considered to be not attributable to any operating segment of the Group and have been left unallocated.

** Since listing on the ASX in June 2024 certain overhead costs, which are considered corporate in nature, are now reported under the segment of 'Other'. To align the comparative information EBITDA for 31 December 2023, the Mining segment has been increased by \$517,348 and the Engineering segment by \$514,930. In contrast Other segment EBITDA has been decreased by \$1,032,278.

Note 4. Revenue

	Consolidated	
	31 Dec 2024 \$	31 Dec 2023 \$
<i>Revenue from contracts with customers</i>		
Rendering of services	27,803,192	33,464,115
Equipment hire	11,918,847	11,512,850
Sale of goods	3,456,723	3,803,231
	43,178,762	48,780,196
<i>Other revenue</i>		
Rent	270,218	–
Revenue	43,448,980	48,780,196



Notes to the Condensed Consolidated Financial Statements (continued)

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	31 Dec 2024 \$	31 Dec 2023 \$
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	3,456,723	3,803,231
Services transferred over time	31,436,788	35,208,366
Services transferred at a point in time	8,285,251	9,768,599
	43,178,762	48,780,196

Included in the following tables are reconciliations of the disaggregated revenue and other revenue with the consolidated entity's reportable segments (refer note 3).

	Mining \$	Engineering \$	Other \$	Eliminations \$	Total \$
31 Dec 2024					
Rendering of services	6,392,682	19,876,740	4,128,987	(2,595,217)	27,803,192
Sale of goods	3,488,694	-	-	(31,971)	3,456,723
Equipment hire	11,686,998	-	378,336	(146,487)	11,918,847
Total sales revenue per segment	21,568,374	19,876,740	4,507,323	(2,773,675)	43,178,762
Other revenue	270,218	-	-	-	270,218
Revenue	21,838,592	19,876,740	4,507,323	(2,773,675)	43,448,980

	Mining \$	Engineering \$	Other \$	Eliminations \$	Total \$
31 Dec 2023					
Rendering of services	10,051,755	21,845,902	5,627,181	(4,060,723)	33,464,115
Sale of goods	4,103,629	-	-	(300,398)	3,803,231
Equipment hire	11,100,577	-	526,548	(114,275)	11,512,850
Total sales revenue per segment	25,255,961	21,845,902	6,153,729	(4,475,396)	48,780,196

Note 5. Other income

	Consolidated	
	31 Dec 2024 \$	31 Dec 2023 \$
Net gain on disposal of property, plant and equipment	241,835	21,997
Other	316,048	181,955
Other income	557,883	203,952

Notes to the Condensed Consolidated Financial Statements (continued)

Note 6. Property, plant and equipment

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
Non-current assets		
Land and buildings – at cost	22,370,522	22,245,664
Less: Accumulated depreciation	(761,635)	(302,826)
	21,608,887	21,942,838
Leasehold improvements – at cost	896,000	891,939
Less: Accumulated depreciation	(134,487)	(112,485)
	761,513	779,454
Plant and equipment – at cost	69,963,976	53,886,860
Less: Accumulated depreciation	(28,419,081)	(29,738,075)
	41,544,895	24,148,785
Furniture, fittings and equipment – at cost	464,012	429,477
Less: Accumulated depreciation	(290,444)	(260,070)
	173,568	169,407
Capital work in progress	12,045,610	15,189,509
	76,134,473	62,229,993

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Land and buildings \$	Leasehold improvements \$	Plant, machinery and vehicles \$	Furniture, fittings and equipment \$	Capital work in progress \$	Total \$
Balance at 1 July 2024	21,942,838	779,454	24,148,785	169,407	15,189,509	62,229,993
Additions	124,858	4,061	3,264,608	34,535	14,288,995	17,717,057
Disposals	-	-	(287,691)	-	-	(287,691)
Transfers in/(out)	-	-	17,432,894	-	(17,432,894)	-
Depreciation expense	(458,809)	(22,002)	(3,013,701)	(30,374)	-	(3,524,886)
Balance at 31 December 2024	21,608,887	761,513	41,544,895	173,568	12,045,610	76,134,473

The significant additions in the current period to plant, machinery and vehicles relate to the capitalisation of completed Malabar assets. Refer also to note 2.



Notes to the Condensed Consolidated Financial Statements (continued)

Note 7. Borrowings

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
Current liabilities		
Secured:		
Bank loans*	11,672,550	12,741,531
Equipment finance	2,778,556	3,841,760
Unsecured:		
Insurance premium funding	579,299	-
	15,030,405	16,583,291
Non-current liabilities		
Secured:		
Equipment finance	1,661,158	2,792,355
	16,691,563	19,375,646

* Secured bank loans of \$11,672,550 have been classified as current borrowings based on facility expiry dates. The Directors expect that \$3,172,550 of corporate markets loan in relation to property debt, to be renewed and subsequently repaid over longer than 12 months. The remaining \$8,500,000 relates to construction debt associated with the Malabar project and is also expected to be renewed and to be repaid over a 36 month period.

Loan covenants

The bank loans are subject to certain financial covenants. The loans will be repayable immediately if the covenants are breached. The Group is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period.

Note 8. Issued capital

	Consolidated			
	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
	Shares	Shares	\$	\$
Ordinary shares – fully paid	286,588,003	286,588,003	54,622,759	54,622,759

Share buy-back

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

Note 9. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Since the half-year end the Directors have recommended the payment of an interim dividend of 1.5 cents per fully paid ordinary share.

Notes to the Condensed Consolidated Financial Statements (continued)

Note 10. Earnings per share

	Consolidated	
	31 Dec 2024 \$	31 Dec 2023 \$
Profit after income tax	5,739,619	4,237,203
Non-controlling interest	–	(110,861)
Profit after income tax attributable to the owners of Alfabs Australia Limited	5,739,619	4,126,342

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	286,588,003	150,000,003
Weighted average number of ordinary shares used in calculating diluted earnings per share	286,588,003	150,000,003

	Cents	Cents
Basic earnings per share	2.00	2.75
Diluted earnings per share	2.00	2.75

Share options are considered to be dilutive potential ordinary shares. As the average market price did not exceed their exercise price for the 31 December 2024 half year they were not included in the calculation of diluted earnings per share. These options could potentially dilute basic earnings per share in the future.

Note 11. Events after the reporting period

Other than disclosed in note 9, no matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.



Directors' Declaration

31 December 2024

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 '*Interim Financial Reporting*' and the Corporations Regulations 2001;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- 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 303(5)(a) of the *Corporations Act 2001*.

On behalf of the directors

William Wavish
Chair

Matthew Torrance
Managing Director and Chief Executive Officer

21 February 2025
Kurri Kurri

Independent Auditor's Review Report

To the Members of Alfabs Australia Limited



Level 5, 12 Stewart Avenue
Newcastle West NSW 2302

20 Church Street
Maitland NSW 2320

Box 29, Hunter Region MC NSW
2310

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Independent auditor's review report

To the members of Alfabs Australia Limited ACN 674 455 442

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Alfabs Australia Limited ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, and notes comprising material accounting policy information and other explanatory information, and the directors' declaration.

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

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the 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 the Code.

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for

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Independent Auditor's Review Report (continued)



such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's 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 Group'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.

Shaun Mahony - Partner

Pitcher Partners NH Partnership
Chartered Accountants

21 February 2025
Newcastle West, NSW

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Corporate Directory

31 December 2024

Directors

William Wavish
Non-Executive Chairman

Robert Neale
Non-Executive Deputy Chairman

Matthew Torrance
Managing Director and Chief Executive Officer

Mark Harrison
Finance Director and Chief Financial Officer

Aimee Travis
Non-Executive Director

Company Secretary

Clayton Freeman

Registered office and Principal place of business

152 Mitchell Avenue
Kurri Kurri NSW 2327

Share register

Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000

Auditor

Pitcher Partners NH Partnership
Level 5, 12 Stewart Avenue
Newcastle West NSW 2302

Solicitors

Travis Partners Law
Level 3, The Boardwalk
1 Honeysuckle Drive
Newcastle NSW 2300

Bankers

National Australia Bank Limited
Level 3, 2 Carrington Street
Sydney NSW 2000

Stock exchange listing

Alfabs Australia Limited shares are listed on the
Australian Securities Exchange (ASX code: AAL)

Website

www.alfabs.com.au

Corporate Governance Statement

www.alfabs.com.au/corporate-governance/



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