



1. Company details

Name of entity:	Mayfield Group Holdings Ltd
ABN:	57 010 597 672
Reporting period:	For the half-year ended 31 December 2022
Previous period:	For the half-year ended 31 December 2021

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	6.2% to	42,029,266
Profit from ordinary activities after tax	up	352.6% to	1,349,902
Profit for the half-year	up	352.6% to	1,349,902

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The profit for the Consolidated Entity after providing for income tax amounted to \$1,349,902 (31 December 2021: loss of \$534,382).

The improved profit performance was driven by electrical manufacturing and services activities, while the newly merged telecommunications and power quality business ATI Australia Pty Ltd (ATI) was impacted by lower project activity due largely to NSW and WA weather events and slower test equipment sales.

Revenue and activity

Revenue eased to \$42,029,266 (31 December 2021: \$44,798,944), driven by lower ATI revenues, but the quality of revenue improved with strong margins across the Consolidated Entity. The Consolidated Entity maintains a strong order book for manufactured electrical and telecommunications products, although concerns remain for supply chain delays associated with imported electrical technologies.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>18.91</u>	<u>16.62</u>

4. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

On 23 February 2023, the Company declared a dividend of 0.71 cents per share, totalling \$643,160, to all ordinary shareholders.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.



5. Details of associates and control gained over associates

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
	Reporting period %	Previous period %	Reporting period \$	Previous period \$
ATI Australia Pty Ltd	-	-	-	218,959
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>				
Profit/(loss) from ordinary activities before income tax			-	218,959

The reporting entity acquired the remaining 60% of ATI Australia Pty Ltd (ATI) on 15 November 2021, when it became a wholly owned subsidiary of Mayfield.

The total profit contribution of ATI Australia Pty Ltd (ATI) for the prior year was \$572,464 consisting of \$218,959 equity-accounted profits and \$353,505 after the full acquisition of ATI on 15 November 2021.

6. 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 Report.

7. Attachments

Details of attachments (if any):

The final Financial Statements of Mayfield Group Holdings Ltd and controlled entities for the year ended 31 December 2022 are attached.

8. Signed

Signed _____

Date: 24 February 2023

JB Hobbs
Executive Director
South Australia



MAYFIELD
GROUP
HOLDINGS

Interim Report - 31 December 2022

Mayfield Group Holdings Ltd ABN 57 010 597 672



The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity') consisting of Mayfield Group Holdings Ltd (referred to hereafter as the 'Company' or 'Parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

Directors

The following persons were directors of Mayfield Group Holdings Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

SR Higgins - Non-executive Chairperson
LJ Phillips - Non-executive Director
AB Steele - Non-executive Director
JB Hobbs - Executive Director
SM Chase AM - Non-executive Director

Principal activities

During the financial half-year the principal continuing activities of the Consolidated Entity consisted of:

- manufacturing of switchboards, transportable switchrooms and electrical protection panels;
- provision of telecommunications and power quality solutions and services;
- construction services for electrical infrastructure; and
- maintenance services for electrical infrastructure.

Review of operations

The profit for the Consolidated Entity after providing for income tax amounted to \$1,349,902 (31 December 2021: loss of \$534,382).

The improved profit performance was driven by electrical manufacturing and services activities, while the newly merged telecommunications and power quality business ATI Australia Pty Ltd (ATI) was impacted by lower telecommunication project activity due largely to NSW and WA weather events and slower test equipment sales.

The Consolidated Entity generated strong operational cash flows driven by profits and the timing of cash receipts and payments.

Revenue and activity

Revenue eased to \$42,029,266 (31 December 2021: \$44,798,944), driven by lower ATI revenues, but the quality of revenue improved with strong margins across the Consolidated Entity. The Consolidated Entity maintains a strong order book for manufactured electrical and telecommunications products although concerns remain for supply chain delays associated with imported electrical technologies.

Health, Safety & Environment

The Consolidated Entity achieved an improved safety result, with a recordable injury frequency rate of 4.14 and retained all external ISO45001 occupational health and safety certifications.

No environmental incidents were recorded, and all ISO14001 environmental certifications were retained.

Strategy

The consolidated entity continues to align with the trends towards a carbon-neutral future, supply chain security, and increasing digitisation of electrical infrastructure. Implementation has continued on the key strategies:

- The growth of ATI Australia Pty Ltd following the merger of Power Parameters Pty Ltd through extended geographical reach and an expanded range of customer solutions.
- Improving manufacturing excellence with the mechanised washing plant operational and a new copper busbar machining centre now under commissioning at Mayfield Industries Pty Ltd.
- Continuing to expand the 3D design software application now that the transition to 3D design software at Mayfield Industries has been completed as planned. This capability is already improving client/supplier collaboration, speed to market and error reduction.
- Grow the Mayfield Services brand by promoting whole-of-life maintenance services for Mayfield Industries and medium voltage partner products. In particular, expand the Mayfield Services operation into WA with Mayfield Industries Henderson workshops as base
- Grow market penetration for ATI's battery remote monitoring capability following the execution of a major telco supply contract. Leverage the remote monitoring capability into a remote, condition-based maintenance.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Consolidated Entity during the financial half-year.



Matters subsequent to the end of the financial half-year

On 23 February 2023, the Company declared a dividend of 0.71 cents per share, totalling \$643,160, to all ordinary shareholders.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

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

JB Hobbs
Executive Director

24 February 2023
Adelaide



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

To the Directors of Mayfield Group Holdings Ltd

I declare that, to the best of my knowledge and belief, in relation to the review of Mayfield Group Holdings Ltd for the half-year ended 31 December 2022 there have been:

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



A handwritten signature in black ink, appearing to read 'Paul Cenko'.

Paul Cenko
Partner

Adelaide

24 February 2023

Mayfield Group Holdings Ltd and controlled entities

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31 December 2022



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General information

The financial statements cover Mayfield Group Holdings Ltd as a consolidated entity consisting of Mayfield Group Holdings Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Mayfield Group Holdings Ltd's functional and presentation currency.

Mayfield Group Holdings Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

3 Gidgie Crt, Edinburgh, SA 5111

A description of the nature of the Consolidated Entity'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 24 February 2023.

Mayfield Group Holdings Ltd and controlled entities
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022



	Note	December 2022 \$	December 2021 \$
Revenue	2	42,029,266	44,798,944
Share of profits of associates accounted for using the equity method		-	218,959
Other income	3	64,178	202,068
Interest income		8,105	4,838
Expenses			
Raw materials and consumables used		(19,162,920)	(25,666,147)
Employee benefits expense		(17,520,414)	(17,066,371)
Depreciation and amortisation expense		(1,085,530)	(1,001,819)
Occupancy expense		(350,058)	(279,180)
Finance expense		(186,021)	(127,733)
Other expenses		(1,847,977)	(1,925,495)
Profit/(loss) before income tax (expense)/benefit		1,948,629	(841,936)
Income tax (expense)/benefit		(598,727)	307,554
Profit/(loss) after income tax (expense)/benefit for the half-year		1,349,902	(534,382)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year		<u>1,349,902</u>	<u>(534,382)</u>
		Cents	Cents
Basic earnings per share	7	1.49	(0.60)
Diluted earnings per share	7	1.49	(0.60)

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

Mayfield Group Holdings Ltd and controlled entities
Consolidated statement of financial position
As at 31 December 2022



	Note	December 2022 \$	June 2022 \$
Assets			
Current assets			
Cash and cash equivalents	4	5,292,459	2,639,415
Trade and other receivables		10,299,976	11,820,028
Contract assets		5,389,233	5,258,291
Inventories		2,435,167	2,550,297
Income tax refund due		17,587	-
Other assets		1,719,391	944,939
Total current assets		<u>25,153,813</u>	<u>23,212,970</u>
Non-current assets			
Right-of-use assets		1,803,756	2,485,410
Property, plant and equipment		11,136,985	11,504,628
Intangibles		1,775,151	1,852,033
Deferred tax		4,152,128	4,750,855
Other assets		18,991	72,725
Total non-current assets		<u>18,887,011</u>	<u>20,665,651</u>
Total assets		<u>44,040,824</u>	<u>43,878,621</u>
Liabilities			
Current liabilities			
Trade and other payables		4,906,039	4,995,767
Contract liabilities		5,235,582	5,560,947
Borrowings		214,405	257,450
Lease liabilities		814,066	1,065,654
Income tax		-	190,916
Provisions		3,185,833	3,046,390
Total current liabilities		<u>14,355,925</u>	<u>15,117,124</u>
Non-current liabilities			
Borrowings		5,467,641	5,552,369
Lease liabilities		1,295,279	1,675,988
Provisions		166,771	131,890
Total non-current liabilities		<u>6,929,691</u>	<u>7,360,247</u>
Total liabilities		<u>21,285,616</u>	<u>22,477,371</u>
Net assets		<u>22,755,208</u>	<u>21,401,250</u>
Equity			
Issued capital		10,568,133	10,568,133
Reserves		(106,554)	(110,610)
Retained profits		12,293,629	10,943,727
Total equity		<u>22,755,208</u>	<u>21,401,250</u>

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

Mayfield Group Holdings Ltd and controlled entities
Consolidated statement of changes in equity
For the half-year ended 31 December 2022



	Issued capital \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2021	7,093,730	(119,188)	10,943,589	17,918,131
Adjustment for correction of error	1,184,985	-	1,816,140	3,001,125
Balance at 1 July 2021 - restated	8,278,715	(119,188)	12,759,729	20,919,256
Loss after income tax benefit for the half-year	-	-	(534,382)	(534,382)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(534,382)	(534,382)
<i>Transactions with owners in their capacity as owners:</i>				
Cost of combination for acquisition by Mayfield	2,089,818	-	-	2,089,818
Share-based payments	99,800	-	-	99,800
Transfer from reserves upon the derecognition of subsidiary	-	5,515	(5,515)	-
Balance at 31 December 2021	<u>10,468,333</u>	<u>(113,673)</u>	<u>12,219,832</u>	<u>22,574,492</u>
	Issued capital \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2022	10,568,133	(110,610)	10,943,727	21,401,250
Profit after income tax expense for the half-year	-	-	1,349,902	1,349,902
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	1,349,902	1,349,902
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	-	4,056	-	4,056
Balance at 31 December 2022	<u>10,568,133</u>	<u>(106,554)</u>	<u>12,293,629</u>	<u>22,755,208</u>

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

Mayfield Group Holdings Ltd and controlled entities
Consolidated statement of cash flows
For the half-year ended 31 December 2022



	December 2022	December 2021
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	53,547,788	55,326,410
Payments to suppliers and employees (inclusive of GST)	<u>(49,569,608)</u>	<u>(52,143,165)</u>
	3,978,180	3,183,245
Interest received	8,105	4,838
Interest and other finance costs paid	(186,021)	(127,733)
Other income	-	154,605
Income taxes paid	<u>(208,503)</u>	<u>(27,942)</u>
Net cash from operating activities	<u>3,591,761</u>	<u>3,187,013</u>
Cash flows from investing activities		
Net cash acquired in a business combination	-	3,171,061
Payments for property, plant and equipment	(303,905)	(567,044)
Proceeds from disposal of property, plant and equipment	22,232	75,410
Derecognition of subsidiary	<u>-</u>	<u>(189,739)</u>
Net cash from/(used in) investing activities	<u>(281,673)</u>	<u>2,489,688</u>
Cash flows from financing activities		
Repayment of borrowings	(127,773)	(1,641,372)
Repayment of principle portion of lease liabilities	<u>(529,271)</u>	<u>(220,290)</u>
Net cash used in financing activities	<u>(657,044)</u>	<u>(1,861,662)</u>
Net increase in cash and cash equivalents	2,653,044	3,815,039
Cash and cash equivalents at the beginning of the financial half-year	<u>2,639,415</u>	<u>1,390,825</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>5,292,459</u></u>	<u><u>5,205,864</u></u>

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



Note 1. Significant accounting policies

Reporting entity

Mayfield Group Holdings Limited (the "Company") is a company domiciled in Australia. These condensed consolidated interim financial statements ("interim financial statements") as at and for the six months ended 31 December 2022 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is primarily involved in the provision of electrical and telecommunications infrastructure products and services.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2022 are available upon request from the Company's registers office or at <https://mayfieldgroup.com.au>.

Basis of accounting

These general purpose financial statements for the interim financial statements period ended 31 December 2022 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 2022 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. They have been authorised for issue by the Board of Directors on 24 February 2023.

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

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

New or amended Accounting Standards and Interpretations adopted

The Consolidated Entity 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 adopted early and are not expected to have a material impact on adoption.

Note 2. Revenue

	December 2022	December 2021
	\$	\$
<i>Revenue from contracts with customers</i>		
Sales recognised over a period of time	40,428,578	42,553,075
Sales recognised at a point in time	1,437,087	2,158,221
	<u>41,865,665</u>	<u>44,711,296</u>
<i>Other revenue</i>		
Rental income	23,084	13,231
Sundry revenue	140,517	74,417
	<u>163,601</u>	<u>87,648</u>
Revenue	<u><u>42,029,266</u></u>	<u><u>44,798,944</u></u>



Note 2. Revenue (continued)

Disaggregation of revenue

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

	December 2022 \$	December 2021 \$
<i>Major product lines</i>		
Sale of purchased products	1,437,087	2,158,221
Revenue from rendering of services	8,908,159	11,151,051
Revenue from manufactured products	31,520,419	31,402,024
	<u>41,865,665</u>	<u>44,711,296</u>

Note 3. Other income

	December 2022 \$	December 2021 \$
Net foreign exchange gain	2,268	27,789
Net gain on disposal of property, plant and equipment	-	19,674
Apprentices subsidies rebates	61,910	131,604
Government grants	-	23,001
Other income	<u>64,178</u>	<u>202,068</u>

Accounting policy for government grants

Government grants are recognised as income when it is reasonably assured that the condition attached to the subsidies can be complied with and that the subsidies will or have been received.

Note 4. Cash and cash equivalents

	December 2022 \$	June 2022 \$
<i>Current assets</i>		
Cash on hand	1,021	1,021
Cash at bank	5,291,438	2,638,394
	<u>5,292,459</u>	<u>2,639,415</u>
	December 2022 \$	December 2021 \$
Reconciliation of cash		
Cash on hand	1,021	1,000
Cash at bank	5,291,438	5,050,579
Cash on deposit	-	154,285
	<u>5,292,459</u>	<u>5,205,864</u>

Note 5. Dividends

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



Note 6. Events after the reporting period

On 23 February 2023, the Company declared a dividend of 0.71 cents per share, totalling \$643,160, to all ordinary shareholders.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Note 7. Earnings per share

	December 2022	December 2021
	\$	\$
Profit/(loss) after income tax	<u>1,349,902</u>	<u>(534,382)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>90,585,894</u>	<u>88,845,890</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>90,585,894</u>	<u>88,845,890</u>
	Cents	Cents
Basic earnings per share	1.49	(0.60)
Diluted earnings per share	1.49	(0.60)

Mayfield Group Holdings Ltd and controlled entities
Directors' declaration
31 December 2022



In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 31 December 2022 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

JB Hobbs
Executive Director

24 February 2023
Adelaide



Independent Auditor's Review Report

To the shareholders of Mayfield Group Holdings Ltd

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of Mayfield Group Holdings Ltd.

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 Mayfield Group Holdings 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 2022 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 **Half-year Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2022;
- 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;
- Notes 1 to 7 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Mayfield Group Holdings 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 Half-year 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
- 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 Half-year 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 does not comply with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2022 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 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 handwritten signature in black ink, appearing to read 'Paul Cenko', written in a cursive style.

Paul Cenko
Partner

Adelaide

24 February 2023