Appendix 4E

Shriro Holdings Limited
ACN 605 279 329

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RESULTS FOR ANNOUNCEMENT TO MARKET

Results summary	12 months to 30 June 2024 $million	12 months to 30 June 2023 $million	Change %
Revenue from ordinary activities	119.5	152.4	(21.6%)
Gross margin	44.2%	41.8%	5.7%
Operating expenses	38.3	46.1	(16.9%)
EBITDA	**14.5**	**17.6**	**(17.6%)**
Depreciation and amortisation	4.3	5.2	(17.3%)
Interest	(0.3)	0.4	(175.0%)
Profit before tax	10.5	12.0	(12.5%)
Profit after tax	**6.9**	**8.0**	**(13.8%)**

	Cents per security	Percentage franked
Interim dividend paid on 5 April 2024	2.0	100%
Final dividend declared for the year ended 30 June 2024	3.0	100%
Return of capital paid on 4 January 2024	18.5	N/A

Subsequent to the year end the Directors have declared a final dividend for the financial year of 3.0 cents per share fully franked with an ex-dividend date of 10 September 2024, record date of 11 September 2024 and payable on 27 September 2024.

	30 June 2024 $	30 June 2023 $
Net tangible assets* per share (cents per share)	46.8	67.0
Diluted net tangible assets* per share (cents per share)	45.9	66.2

*The net tangible assets include right of use assets and lease liabilities recognised in accordance with AASB16.

CONTROL GAINED OVER ENTITIES DURING THE YEAR

On 28 December 2023, Shriro Australia Pty Limited (wholly owned subsidiary of Shriro Holdings Limited) acquired 100% of the issued capital of Shriro (Guangzhou) Company Limited. The contribution of the acquisition to Shriro Holding Limited's profit during the period is not material.

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SHRIRO

ANNUAL REPORT 2024

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Contents

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Performance Summary

EBITDA
$14.5m
down 17.6% PCP[1]

REVENUE
$119.5m
down 21.6% PCP

NET CASH
$24.3m
down 25.9% PCP

DIVIDENDS
5.0cps[2]
fully franked

CAPITAL RETURN
18.5cps

EMPLOYEES
153
full-time equivalent

NETWORK
38
countries traded in

1. Previous corresponding period ("pcp") refers to the 12 months to 30 June 2024 and includes the discontinued Australian Appliances business.
2. Cents per share.

Our Brands

Shriro is a leading consumer products marketing and distribution business operating in Australia and New Zealand. The Group is also expanding internationally with barbeques, pizza ovens, and cooling products.

Shriro markets and distributes an extensive range of company-owned brands (including Everdure and Everdure by Heston Blumenthal, Robinhood, Omega and Omege Altise) and third party owned brands (including Casio, Pioneer, Grohe and American Standard).

EVERDURE BY HESTON BLUMENTHAL

Whether you love the convenience of cooking on gas, or want to reconnect with the primal beauty of cooking on charcoal – home, or away – Everdure by Heston Blumenthal will help you unleash your creativity and bring out the best in BBQ food.

EVERDURE

Everdure has a rich 89-year history with an expertise in designing and developing innovative products. Our range of BBQs, pizza ovens, and cooling products combine clever technology and functionality with stylish, aesthetic design.

ROBINHOOD

Robinhood is a leading Australasian brand of kitchen and laundry products. The range includes rangehoods and ducting solutions, laundry tubs, ironing centres, waste disposers, and related accessories.

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CASIO WATCHES

Casio is fixed on forging new possibilities for timepieces. Beyond the conventional, beyond the previously imagined, beyond what everyone says is possible. This year marks the 50th Anniversary.

G-SHOCK

Born from the pursuit to create an unbreakable watch, G-SHOCK have been providing Absolute Toughness for over 40 years!

BABY-G

30 years ago BABY-G became known for its 'Pretty Tough' watches. Today they are as practical as it is pretty, embracing all shapes, colours and sizes for all women and lifestyles.

EDIFICE

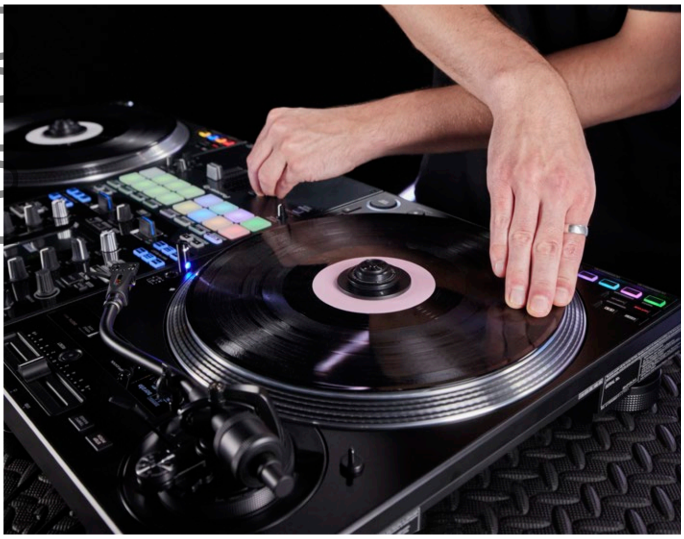
A dynamic and high performing men's watch that is ever evolving in design and technology. Unchained from restraints, Casio Edifice is built so that time knows no limits.

CASIO CALCULATORS

Casio produces a wide selection of products including school calculators, desktop calculators and printer calculators.

CASIO MUSIC

Casio are dedicated to the pursuit of grand piano tradition, and are meticulous about focussing on the essence of the piano — its sound and touch.



PIONEER DJ[1]

Pioneer DJ has been a by-word for high-calibre DJ equipment for the past two decades. Since the release in 1994 of the world's first flat-top CDJ player, the CDJ-500, Pioneer has truly been at the cutting edge of DJ equipment in the industry.

PIONEER CAR[1]

Pioneer Car Audio is a leading brand in the car audio industry, known for its innovative designs and high-performance products.

1. Shriro is the exclusive distributor of Pioneer in New Zealand.

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AMERICAN STANDARD[2]

Making life healthier, safer, and more beautiful at home, at work, around town, and throughout the world.

As one of the most iconic brands in sanitary ware, American Standard has earned the trust of its customers by constantly delivering style, quality and reliability.

GROHE

Quality, technology, design and sustainability. Luxury fittings for exceptional bathrooms and kitchens.

OMEGA[3]

Omega is driven by balance. The perfect balance between beautiful design and brilliant capability. Omega products are designed to enhance your life by transforming your kitchen into a stylish and simple environment to delight and satisfy.

2. Shriro is the exclusive distributor of American Standard and GROHE in New Zealand and the Pacific Islands.
3. Shriro is the owner and exclusive distributor of Omega in New Zealand. Shriro sold the Australian Omega brand in March 2023.

Chair's Report

DEAR SHAREHOLDERS,

FY23 saw the exit of the Australian Appliances business and FY24 focussed on a change of strategy for the Seasonal business. In the almost 10 years since its IPO, Shriro has generated cash, paid off debt, returned capital and paid dividends totalling $152.0 million.

The exit of the Australian Appliances business resulted in shareholders receiving an 18.5 cents per share capital return in January 2024. The change in strategy for the Seasonal business reduces the capital requirements for Shriro. This with the new product pipeline, paves the way for growing the profits of the Seasonal business globally.

This Board and executive continue to work well together overseeing Shriro with a practical approach.

FY24 PERFORMANCE

Revenue was $119.5 million, down 21.6% on the prior corresponding period ('pcp'), or 3.7% on a continuing operations basis (excluding the Australian Appliances business), primarily due to the lower export sales.

The market conditions have been depressed in the outdoor home products industry post COVID-19. The COVID-19 period resulted in unusually high sales of BBQs in FY21 and FY22, bringing forward purchases which negatively impacted trading in FY23 and leaving an overstock of inventory at the start of FY24. Shriro successfully cleared this excess stock in Australia in FY24. There remains some excess stock in Europe and the USA, however the levels are much lower than the prior year.

EBITDA of $14.5 million was impacted by the one-off costs of $1.2 million from the Seasonal business strategy change and by $1.6 million from the ERP implementation which commenced in FY24. NPAT was $6.9 million and earning per share was 7.2 cents per share.

Gross margin increased to 44.2% (pcp: 41.8%), primarily due to the change in product mix with the exit of the Australian Appliances business in the prior year.

Operating cashflows were $20.5 million or 297% of NPAT, which despite paying out $26.0 million in dividends and a capital return, resulted in a healthy cash balance of $24.3 million as at 30 June 2024.

The Directors declared a final dividend of 3.0 cents per share fully franked which brought the full year dividend declared to 5.0 cents per share fully franked (FY23: 10.0 cents per share).

I would like to thank the members of the Board for their considerable contribution and guidance throughout the year.

Thank you to Tim Hargreaves, Shane Booth and their staff for their continued focus on results and adapting the business to the current environment. To those staff who left with the exit of the Seasonal business, thank you for your service and best wishes in your future endeavours.

The cost of living constraints on consumers makes FY25 a difficult market environment, however Shriro's product suite leaves it well positioned to withstand the challenging market conditions and to grow shareholder value.

Abigail Cheadle
Chair

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“The change in strategy for the Seasonal business...with the new product pipeline, paves the way for growing the profits of the Seasonal business globally.”

Managing Director's Report

"The Executive continues to focus on maximising return on capital."

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DEAR FELLOW SHAREHOLDERS,

Thank you for your continued support of our business, as we continue to evolve and reshape our business for future growth. The executive continues to focus on maximising return on capital. Shriro is in a strong financial position with net assets of $48.4 million and a year-end cash position of $24.3 million. Shriro operates in a highly competitive environment with many competitors being subsidiaries of overseas manufacturers, so Shriro evaluates the risks in each business category and has been successful in investing in products which have been able to establish market leading positions. The EBITDA margin was 12.1% of sales, which remains strong despite one-off costs.

Shriro continued the optimal allocation of resources within its business in FY24 by focussing on the long-term strategic objectives of the Seasonal business. Without scale in the Australia Seasonal business, freight costs proved prohibitive resulting in insufficient returns. To counter this, Shriro outsourced its operations to an established distributor who operates in similar retail channels with like-sized products. Our deepest gratitude to the former staff who were involved in this business. Their commitment is evident in the brands being so well regarded in the Australian market.

We have made non-binding indicative offers to acquire businesses, but to date none have been accepted. We continue looking for potential acquisitions that would grow and diversify our business.

GROWTH POTENTIAL

The new Seasonal business strategy removes operational responsibility and will allow the product development and marketing teams to focus on global sales. The new model is capital light and the new product pipeline is anticipated to be received favourably by global consumers, therefore increased returns are expected.

The Casio business continues to be a strong contributor to the Australia and New Zealand operations. Shriro's dominant market share in the school calculator market remains. Timepiece grew in FY24 due to the release of a new range of products and marketing initiatives for the 40th anniversary of G-Shock and the 50th anniversary of Casio watches. The refurbishment and relocation of our Auckland airport store, to be completed in FY25, is also anticipated to have a positive impact on Timepiece revenue for FY25. Sales of Casio digital pianos and keyboards, as well as Pioneer DJ equipment in New Zealand, continues to be challenging. However, sales growth in the fourth quarter of FY24 has shown signs the market conditions have now normalised, and growth is expected in FY25 for these categories.

Sales in New Zealand were down 9% on the prior period due to operating in a recessionary environment. However, gross margin was only down 1% due to lower container costs and favourable currency movements in the second half of the financial year. Inflation resulted in New Zealand's net profit before tax ("NPBT") reducing, hence the focus for FY25 is sales growth to ensure the increasing costs are offset by increasing revenue, thereby protecting the profit. Establishing a relationship

with an appropriate wide-ranging plumbing retailer in New Zealand has taken longer than expected, but Shriro's long-term focus for the American Standard and Grohe brands is to grow these brands and replicate their established success in other countries.

International revenues are anticipated to grow during FY25 as the downturn in the overall global market demand for BBQ's is alleviating and our BBQ stock level is appropriate. Shriro will also release new products and has entered into an agreement with Blaze Grills in the USA to accelerate the growth of BBQs.

Shriro is investing in the future with a cloud-based ERP system being implemented and completed in FY25. This will future proof our business from an IT perspective and provide efficiencies when interconnecting with other information technology systems.

OPERATIONS

As a result of the change to the Seasonal business strategy, Shriro sold its Australian Seasonal stock, reducing its warehouse footprint (exiting the Queensland third party logistics warehouse; reducing the third-party logistics in Western Australia; and reducing the New South Wales warehouse footprint by 72%). 15 roles were also made redundant with most of the staff transitioning to the new Australian distributor.

OUTLOOK

Following the change of the Seasonal business strategy and all other things remaining equal, Shriro will have no debt and anticipates its EBITDA will grow from $14.5 million.

The following are expected to occur in FY25:

- As a result of appointing a distributor for the Seasonal business in Australia effective 30 June 2024, there will be lower revenue in FY25 for the Australian business, however it will significantly reduce costs, which should eventually result in increased profits.
- Shriro is now focused on product development, marketing and making a greater return on capital from exports.
- Shriro continues evaluating potential acquisitions of strategically aligned businesses and continues to have staff employed to focus on this objective.
- Included in the above FY25 EBITDA guidance is the implementation cost of the new ERP system of $1.6 million (total cost: $3.2 million over two years). The ERP implementation should be completed in FY25.
- In FY25, management is focusing on BBQ sales and operations in the USA. To increase sales, Shriro added an employee in the Florida region. To enhance operational capability and promote the Everdure brand in that region, Shriro has partnered with Blaze Grills, which is owned by BBQ Guys, the leading online retailer of premium grills in the US. Everdure will continue its product innovation roll out in FY25 with a new range of outdoor kitchens, portable BBQs and Pizza Oven products..

Thank you to our Board for their continued support and specifically to our Chair for managing competing interests and for pursuing maximum returns for all shareholders.

Finally, thank you to the staff for their hard work during a difficult year, including the staff who have left Shriro, as their hard work over many years has contributed to Shriro's continued success and resilience. I wish you all the best in your new roles and hope you stay in touch with Shriro in the future.

Tim Hargreaves
Chief Executive Officer

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Business Review

AUSTRALIA

- 12-month EBITDA was $11.9m – down 10.5% pcp
- EBITDA was impacted by the one-off costs of $1.2m from the Seasonal business strategy change and by the ERP implementation which commenced in FY24
- Casio division proved resilient with sales increasing 3.4%
- Seasonal sales were down 0.1%, however gross margin was down 8.2% due to discounting to clear excess inventory

NEW ZEALAND

- 12-month EBITDA was $4.5m – down 17.8% pcp – also impacted by one-off costs related to the ERP implementation which commenced in FY24
- Seeking appropriate mainstream retailer to range new American Standard and Grohe brands
- Casio division sales were down 0.3%, with musical instrument sales proving difficult post record sales during COVID-19

REST OF WORLD

- 12-month EBITDA loss was $1.9m – down 28.5% pcp
- Challenging market conditions persisted during the year, especially in Europe where consumer demand for outdoor products remains subdued
- Sales down 44.6% pcp, however retailer store sell-through was significantly higher, suggesting channel destocking is nearly complete.

Board of Directors

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ABIGAIL CHEADLE
Chair

TIM HARGREAVES
Chief Executive Officer

JOHN MURPHY
Non-Executive Director

BRIAN BUNKER
Non-Executive Director

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Financial Report

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Corporate Governance Statement

The Board and management of Shriro Holdings Limited ("the Company") and its subsidiaries (collectively the "Group") are committed to effective corporate governance to ensure accountability and transparency to shareholders and other stakeholders, including customers, employees, suppliers and regulatory bodies. The Company has adopted, and has substantially complied with, the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('the Recommendations') to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared a statement which sets out the corporate governance practices that were in operation through the financial year for the Company (Corporate Governance Statement).

The Corporate Governance Statement approved by the Board will be lodged together with the Company's Annual Report with the ASX and can also be found on the Company's website at shriro.com.au/investor/corporate_governance

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Directors' Report

The Directors present their report in compliance with the provisions of the *Corporations Act 2001* for Shriro Holdings Limited ("Shriro" or "the Company") and its subsidiaries (collectively "the Group") for the year ended 30 June 2024.

DIRECTORS

Directors of Shriro Holdings Limited during the year ended 30 June 2024 were:

Abigail Cheadle – Independent Chair

Brian Bunker – Non-independent Director

John Murphy – Non-independent Director

Tim Hargreaves – Managing Director

COMPANY SECRETARIES

Shane Booth held the position of Company Secretary from 14 April 2015 to 27 January 2021 and was reappointed on 24 March 2022. Mr Booth is a Chartered Accountant who has previously held senior finance roles at Objective Corporation Limited and AMA Group Limited. He continues to serve as Chief Financial Officer.

Kerry Smith was appointed as joint Company Secretary on 15 December 2022. Ms Smith is a New South Wales solicitor and has predominantly spent her professional legal career working in-house. Ms Smith holds a Bachelor of Laws (LLB), a Graduate Diploma of Legal Practice and is working toward a Graduate Diploma of Applied Corporate Governance and Risk Management.

PRINCIPAL ACTIVITIES

The Group is a leading consumer products marketing and distribution business operating in Australia, New Zealand, the United States, and China. The Group is also expanding internationally and exports its barbeques, pizza ovens, and cooling products globally.

The Group markets and distributes an extensive range of company-owned brands (including Everdure, Everdure by Heston, Robinhood and Omega Altise) and third party owned brands (including Casio, Pioneer, Grohe and American Standard).

Products include calculators, watches, musical instruments, audio products, kitchen appliances, laundry, bathroom and sanitaryware products, consumer electronics, car audio, amplifiers, professional DJ, Hi-Fi/speakers, gas heaters, gas barbeques, pizza ovens, charcoal barbeques, electric heaters and cooling products.

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REVIEW OF OPERATIONS

Results summary	12 months to 30 June 2024 $ million	12 months to 30 June 2023 $ million	Change %
Revenue	119.5	152.4	(21.6%)
Gross margin	44.2%	41.8%	5.7%
Operating expenses	38.3	46.1	(16.9%)
EBITDA	**14.5**	**17.6**	**(17.6%)**
Depreciation and amortisation	4.3	5.2	(17.3%)
Interest	(0.3)	0.4	(175.0%)
Profit before tax	10.5	12.0	(12.5%)
Profit after tax	**6.9**	**8.0**	**(13.8%)**

Shriro's revenue was $119.5 million, down 3.7% pcp on a continuing operations basis (excluding the Australian Appliances business), primarily due to lower export sales.

The COVID-19 pandemic brought forward many consumer purchases of outdoor home products including BBQs and Pizza Ovens, which resulted in an overstock in the market in FY23. Shriro countered by promoting strongly and correcting its stock levels in FY24 which has reduced working capital and resulted in the cash balance of $24.3 million. Higher interest rates negatively impacted consumer demand in FY24 and therefore revenue, however categories such as Calculators (-0.1%) and Watches (+7.5%) proved resilient.

Shriro completed its Seasonal business strategic change effective as of 30 June 2024. The impact was a one-off expense of $1.2 million comprised of redundancies, asset impairments, warranties and other costs associated with the transition. Shriro traditionally only outsourced manufacturing, but now will also outsource its operations to an established distributor called Worldwide Appliances Pty Ltd (known as Eurolinx). Eurolinx has scale with large products in the Australian market, leaving Shriro to focus on intellectual property development and marketing its new products globally. Eurolinx has entered into a 5-year agreement to buy Shriro's inventory, utilise excess warehouse capacity, employ around 10 staff and fulfill Shriro's warranty obligations for the Seasonal business. The new model will be working capital light with the potential to drive profit once the pipeline of new products is launched in FY26, thereby resulting in a greater return.

Operating expenses were reduced to $38.3 million, down 16.9% on the prior year. As a result of the exit of the Australian Appliances business, Shriro has significantly restructured its overheads, reducing them by $15.3 million per annum from FY22 to FY24 (which includes a reduction in depreciation of $1.0 million). As of 30 June 2024, Shriro's operational facilities have reduced with 72% of its main distribution centre at Chullora now being utilised by Eurolinx. The third-party warehouse and logistics operation in Queensland was discontinued entirely.

EBITDA was $14.5 million, down 17.6% pcp and 3.3% below the lower end of the guidance range because of the Seasonal businesses' strategic change resulting in $1.2 million of one-off costs which were all recognised in FY24. The EBITDA also includes $1.6 million expensed in FY24 for the ERP system implementation.

Statement of financial position and statement of cash flows

Operating cash flows for the year were $20.5 million (297% of net profit after tax). Shriro's balance sheet has net cash of $24.3 million (2023: $32.8 million) and the balance sheet remains strong with $48.4 million of net assets (2023: $68.2 million) and tangible assets backing of 46.8 cents per share (2023: 67.0 cents).

Employees

During this financial year, the number of employees ranged between 161 and 175 and was 164 at year end (2023: 184 to 228 and 186 at 30 June 2023).

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Earnings per share

The basic and diluted earnings per share is calculated using the weighted average number of shares. As at 30 June 2024 the Group had basic earnings per share of 7.2 cents (30 June 2023: 8.4 cents) and diluted earnings per share of 7.0 cents (30 June 2023: 8.3 cents).

DIVIDENDS

The Directors declared a dividend relating to the year ended 30 June 2024 of 3.0 cents per share fully franked with an ex-dividend date of 10 September 2024 and record date of 11 September 2024. The dividend will be paid on 27 September 2024.

On 22 February 2024, the Directors declared an interim dividend of 2.0 cents per share fully franked with an ex-dividend date of 14 March 2024 and record date of 15 March 2024, which was paid on 5 April 2024.

CAPITAL RETURN

On 22 September 2023, the Company announced it would distribute 18.5 cents per share to its shareholders by way of an equal reduction of share capital. The effective date of the capital return was 20 December 2023 and the record date was 27 December 2023. The capital return was paid on 4 January 2024.

DIRECTORS' ATTENDANCE AT MEETINGS

Attendance at Meetings

The following table sets out the number of meetings held during the financial year and the number of meetings attended by each Director.

	Directors' Meetings		Audit, Risk and Compliance Committee Meetings		Remuneration and Nomination Committee Meetings	
	Held	Attended	Held	Attended	Held	Attended
Abigail Cheadle	13	13	4	4	2	2
Tim Hargreaves	13	13	–	–	–	–
Brian Bunker	13	13	4	4	2	2
John Murphy	13	13	4	4	2	2

The above table reflects attendance of a Director only where they are a member of the relevant Committee. The Chief Executive Officer also attends the Committee meetings in an ex officio capacity.

BUSINESS STRATEGY AND RISK

Strategies

Shriro will continue to place a high priority on organic and inorganic growth opportunities, reviewing capital allocation and identifying any potential opportunities for rationalisation and savings to maximise shareholder returns.

The Group aims to continue to grow through:

- continual product development and range extensions;
- geographic expansion;
- channel diversification;
- mergers and acquisitions; and
- adding new third-party brands to the portfolio.

Risks

The key risks for the business are:

- change in consumer spending patterns throughout the year;
- customers delisting products;
- supply chain disruptions;
- deterioration in economic conditions;
- loss of brand distribution rights;
- performance of our sales distributors;
- loss of key personnel;
- changing tax and tariff rates;
- foreign exchange movements;
- delays or disruptions resulting from ERP implementation; and
- cyber incidents.

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INFORMATION ON DIRECTORS

Information on the Directors who held office during the financial year, is as follows:

Director	Qualifications, Experience and Special Responsibilities
Abigail Cheadle Chair Appointed 9 June 2020 Chair since 18 March 2022	**Background and experience:** Abigail is a Chartered Accountant with over 30 years' experience working in Australia, Southeast Asia, Jordan and Russia. Prior to her non-executive career, she was Chief Executive Officer of a technology platform and grew practices for KROLL, KordaMentha (as partner), Deloitte and Ernst & Young working in the areas of restructuring, (most notably growing a listed Indonesian finance company from US$29 million to US$400 million), forensic accounting, data analytics, and risk management consulting. **Other roles:** Abigail is also a Non-Executive Director ('NED') and Chair of DXN Limited (ASX:DXN), NED and Audit and Risk Committee Chair of LGI Limited (ASX:LGI) and NED and Compliance, Audit and Risk Committee Chair of Reef Casino Trust (ASX:RCT). Previously she was on the Board of the following ASX listed companies: Booktopia Group Ltd (ASX:BKG), Novatti Group (ASX:NOV), Isentia Group Limited (ASX:ISD), QANTM Intellectual Property Limited (ASX:QIP) and SurfStitch Group Limited (ASX:SRF). **Committee memberships:** • Audit, Risk and Compliance Committee • Remuneration and Nomination Committee **Independence status:** • Independent
Brian Bunker Non-Executive Director Appointed 19 April 2022	**Background and experience:** Brian is currently Managing Director of Riverside Company, Asia and joined in 2008. He established the Asia Strategy Group in Hong Kong which helps portfolio companies penetrate Asian markets. He also sits on several portfolio company boards. Prior to joining Riverside Company, Brian held senior executive positions at a number of leading multinational corporations including Fortune Brands, Diageo and Matra-Hachette. Prior to his business career Brian was a professional officer in the British Army serving in the Brigade of Gurkhas. Brian earned a BA (Hons) in Modern Languages, from King's College, University of London and speaks Chinese, French, Italian, Nepali and Spanish. He was commissioned from the Royal Military Academy, Sandhurst and is a U.K. Chartered Director. **Other roles:** Brian is an Independent Director of D2A Holdings HK Ltd (the largest shareholder of Shriro Holdings Limited), and a Non-Executive Director of Gelec (HK) Limited and the Supervisory Boards of Reima Beijing and Reima Shanghai. **Committee memberships:** • Audit, Risk and Compliance Committee • Remuneration and Nomination Committee (Chair) **Independence status:** • Non-independent

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Director	Qualifications, Experience and Special Responsibilities
John Murphy Non-Executive Director Appointed 23 May 2022	**Background and experience:** John was a partner at international accounting firm Arthur Andersen where he specialised in mergers and acquisitions, and insolvency and reconstruction. He held management positions in that firm at the Australian, regional and global levels. John also spent twenty years as the founder and managing director of various private equity funds including Investec Wentworth Private Equity Limited and Adexum Capital Limited. He was a Director of Investec Bank Australia Limited from 2004 until 2013. John has extensive public company experience having been a Director of listed companies Southcorp Limited (ASX:SRP), Specialty Fashion Group Limited (ASX:CCX), Vocus Communications Limited (ASX:VOC), Gale Pacific Limited (ASX:GAP), Redflex Holdings Limited (ASX:RDF), and Australian Pharmaceutical Industries Limited (ASX:API). **Other roles:** John is a Director of Ariadne Australia Ltd, Alloggio Limited, and Non-Executive Director of Enviropacific Services Limited. **Committee memberships:** • Audit, Risk and Compliance Committee (Chair) • Remuneration and Nomination Committee **Independence status:** • Non-independent
Tim Hargreaves Managing Director Appointed 14 February 2019	**Background and experience:** Tim joined Shriro in 1990 as the Manager of Casio Australia. After eight years he briefly left the Group to join Canon Australasia as Head of Retail Operations before re-joining Shriro as General Manager Casio in June 2001. He was appointed Chief Executive Officer of Shriro Holdings Limited on 1 January 2018. **Independence status:** Non-independent

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Audited Remuneration Report

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The Directors of Shriro present the Remuneration Report, for the Company and its controlled entities for the year ended 30 June 2024. This Report forms part of the Directors' Report and has been audited in accordance with the *Corporations Act 2001*. The Report details the remuneration arrangements for Shriro's key management personnel ("KMP"):

- Non-executive directors ("NEDs")
- Executive KMPs

KMP are those persons who, directly or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Company and the Group. The table below outlines the KMP of the Group and their movements during the year.

Name	Position	Term
Non-executive directors		
Abigail Cheadle	Non-Executive Director and Chair	Full period
Brian Bunker	Non-Executive Director	Full period
John Murphy	Non-Executive Director	Full period
Executive KMPs		
Tim Hargreaves	Managing Director and Chief Executive Officer	Full period
Shane Booth	Chief Financial Officer and joint Company Secretary	Full period

1. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The objective of the Company's remuneration framework is to reward for performance, whilst maintaining competitiveness with the market, and appropriateness for results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders.

1.1 Our remuneration governance

The Board has overall responsibility for satisfying itself that the Group's remuneration framework is aligned with the Group's purpose, values, strategic objectives and risk appetite. The Board also:

- considers matters relating to remuneration of the Chief Executive Officer ("CEO"), his direct reports, and the Chief Financial Officer ("CFO") including reviewing performance targets and determining remuneration outcomes;
- approves the establishment of or amendment to employee incentive plans; and
- considers matters related to Executive KMP succession planning.

To assist the Board in its oversight of the remuneration framework, a Remuneration and Nomination Committee has been established as a standing committee of the Board. The primary responsibilities of this committee, in relation to remuneration, include:

- Reviewing and recommending to the Board employment and remuneration arrangements for the CEO, his direct reports and the CFO;
- Reviewing Non-Executive Director fees; and
- Regularly reviewing the remuneration framework to confirm that it encourages a culture aligned with the Group's values, supports the Group's strategic objectives and long-term interests and is aligned with the Company's risk management framework and appetite.

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The Remuneration and Nomination Committee, on behalf of the Board, may engage remuneration consultants to review the remuneration framework to ensure it remains relevant and in accordance with industry norms.

Shriro did not receive any 'remuneration recommendations' as defined under the *Corporations Act 2001* (Cth) in the period to 30 June 2024.

1.2 Our remuneration policy

The Company designs its remuneration packages to attract, motivate and retain highly talented team members who are passionate about growing Shriro's leadership position in its market sector. The Company's remuneration framework is designed to:

- encourage and sustain a culture aligned with the Company's values;
- support the Company's strategic objectives and long-term financial soundness; and
- align with the Company's risk management framework and risk appetite.

The Company's culture of success and performance constitutes remuneration that:

- provides a competitive base remuneration; and
- rewards performance through the accomplishment of the Company's business plan measured by predetermined Key Performance Indicators ("KPIs").

The Company ensures that fixed components of salary packages are reasonable and fair taking into consideration expectations of the individual, the Company's obligations under Australian laws, the scale of the business and market conditions. The Board will, from time to time, ensure the market competitiveness of the remuneration and are at liberty to use an external remuneration consultant as required.

1.3 The relationship between remuneration policy and Group performance

Company Performance

The table below sets out summary information about the Group's earnings and movements in shareholder wealth for the five years to 30 June 2024:

Year/period ended	31 Dec 2020 $'000	30 Jun 2021[1] $'000	30 Jun 2022 $'000	30 Jun 2023 $'000	6 months to 30 Jun 2024 $'000
Revenue	191.3	94.3	191.8	152.4	119.5
EBITDA	32.3	12.3	24.6	17.6	14.5
Net profit before tax	25.2	9.7	18.6	12.0	10.5
Net profit after tax	18.2	6.8	13.5	8.0	6.9

	31 Dec 2020	30 Jun 2021	30 Jun 2022	30 Jun 2023	30 Jun 2024
Interim dividend[2] (cents per share)	3.0	N/a	6.0	3.5	2.0
Final dividend[3] (cents per share)	4.0	6.0	4.0	6.5	3.0
Basic earnings per share	19.1	7.1	14.2	8.4	7.2
Diluted earnings per share	18.9	7.0	14.0	8.3	7.0

1. For the six-month period to 30 June 2021 due to change of reporting period from 31 December to 30 June.
2. Franked to 100% at 30% corporate tax rate.
3. Declared after the end of the reporting period and not reflected in the financial statements.

Performance incentives

Executive KMPs participate in an incentive program, comprising long- and short-term incentives. This supports the Company's success and performance culture, while aligning Executive KMPs performance with shareholder value, the business plan and Company performance.

Incentives can include either cash or equity-based incentives that reward accomplishment of long- and short-term KPIs which are set in conjunction with the Board and are based on the annual budgeted profit as well as strategic imperatives of the Company.

Key Performance Indicators

The Board and Executive KMPs set several major strategic objectives that, when accomplished, provide the pathway to achieve the Company's vision and deliver value to Shareholders.

The success of the strategies that go into achieving the objectives can be measured through several financial and non-financial KPI's. These measures determine the quantum of incentive payment.

The KPI's are ultimately aligned to the achievement of the Board approved objectives. Business unit and other department head incentives cascade from the KMP objectives.

2. OVERVIEW OF EXECUTIVE KMP REMUNERATION

2.1 How the Company determines Executive KMP remuneration policies and structures

Executive KMP remuneration is based on the following principles:

- fairness and transparency in remuneration; and
- alignment between, individual, Company and shareholder expectations.

2.2 Our Executive KMP remuneration policies and structures

The Company rewards Executive KMPs with a level and mix of remuneration appropriate to their position, responsibilities, and performance, in a way that aligns with the business strategy. Executive KMPs receive fixed remuneration and variable remuneration consisting of long- and short-term incentive opportunities. Executive KMP remuneration levels are reviewed annually by the Remuneration Committee with reference to the remuneration guiding principles and market movements.

The chart below outlines the structure of Executive KMP remuneration:

Fixed remuneration

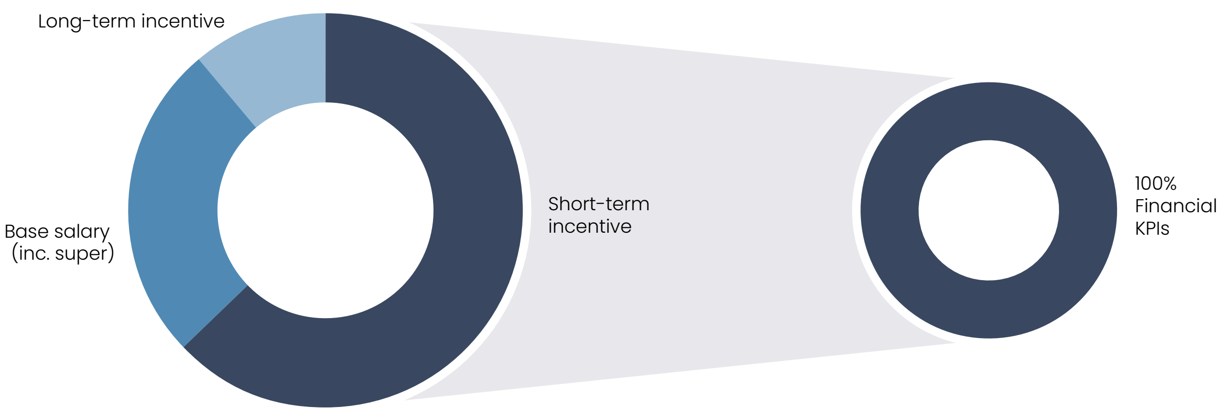
Total fixed annual remuneration (base salary + superannuation + benefits)

Variable remuneration

Short-term incentive	**Long-term incentive**
Up to 240% of fixed remuneration	Up to 40% of fixed remuneration[1]

1. Executive KMPs may be issued with several equity instruments under the Company's Long Term Incentive Plan. The number of equity instruments to be granted is calculated based on twenty-trading day value weighted average price of the Company's shares immediately prior to the start of the performance period.

The graph below shows the mix of Executive KMP remuneration based on maximum incentives:



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2.3 Elements of remuneration

Total fixed annual remuneration

Total fixed annual remuneration consists of base salary, superannuation, and non-monetary benefits such as car parking, payment of tolls and golf membership. Total fixed remuneration is designed to reward for:

- The scope of the executive's role; and
- The executive's skills, experience, and qualifications.

Short-term incentive

All executives can earn an annual incentive award which is delivered in cash. The short-term incentive ("STI") recognises and rewards annual performance. The STI performance measures were chosen as they reflect short-term performance as well as providing a framework for delivering sustainable value to the Group, its shareholders, and customers.

The STIs for Executive KMP are weighted 75:25 between an STI target and other financial KPIs. The portion of the STI related to financial KPIs is only paid when the STI target has been met.

	Chief executive officer		Chief financial officer	
How is the STI paid?	100% of the STI is paid in cash			
How much can the executive earn?	45% of total fixed annual employment cost ($292,032) for target performance or up to 240% of his total fixed base salary ($1,557,504) for stretch performance		30% of total fixed annual employment cost ($126,547) for target performance or up to 160% of his total fixed base salary employment cost ($674,919) for stretch performance	
How is performance measured?	The STI is paid on a scale from target performance through to stretch performance.			
	EBITDA at least 100% of the STI target	45% fixed annual employment cost $292,032	**EBITDA at least 100% of the STI target**	30% fixed annual employment cost $126,547
	EBITDA between STI target and stretch target	45% – 90% of fixed annual employment cost[1] $292,032 – $584,064	**EBITDA between STI target and stretch target**	30% – 60% of fixed annual employment cost[1] $126,547 – $253,094
	EBITDA above stretch target	180% fixed annual employment cost $1,168,128	**EBITDA above stretch target**	120% fixed annual employment cost $506,189
	Satisfaction of financial KPIs	15% – 60% fixed annual employment cost[2] $97,344 – $389,376	**Satisfaction of financial KPIs**	10% – 40% fixed annual employment cost[3] $42,182 – $168,730
When is the STI paid?	The STI award is determined after the end of the financial year following a review of performance over the year against the STI performance measured by the Remuneration and Nomination Committee. The Board approves the final STI award based on this assessment of performance.			
What happens if an executive leaves?	The Board may, at its discretion, decide that the STI lapses, is forfeited, is retained with a view to testing for achievement at the end of the relevant financial year, is achieved, or is only achieved for a prescribed period and will otherwise lapse on cessation of employment.			

1. Calculated on a straight-line basis.
2. 15% of fixed annual employment cost if STI target is met; 30% of fixed annual employment cost if stretch target is achieved; 60% of fixed annual employment cost if EBITDA is above stretch target.
3. 10% of fixed annual employment cost if STI target is met; 20% of fixed annual employment cost if stretch target is achieved; 50% of fixed annual employment cost if EBITDA is above stretch target.

Long-term incentive

A Long-Term Incentive Plan ('LTIP') has been implemented in accordance with Shriro's Equity Incentive Plan Rules. As it stands at 30 June 2024, the LTIP allows participants to be issued with Performance Rights ('Rights') which have associated performance hurdles that are tested at the end of the vesting period (three years for outstanding offers) from the effective issue date to determine vesting.

The Company established the LTIP to assist in the motivation, retention, and reward of its employees, including Executive KMPs. The LTIP is designed to align the interests of employees with the interests of shareholders by providing an opportunity for employees to receive an equity interest in the Company. From time to time the Board will approve invitations to certain employees to participate in the LTIP on conditions and performance hurdles determined by the Board.

The table below summarises the terms of the tranches outstanding at 30 June 2024:

Performance rights series	Grant date	Grant date fair value	Number granted	Term	Vesting test date
2023 tranche	30/11/2022	$292,339	471,167	3 years	30/06/2025
2024 tranche	30/11/2023	$332,832	554,785	3 years	30/06/2026

The following table outlines the details of LTIPs:

How is it paid?	Executives are eligible to receive Rights, being a right to an ordinary share in Shriro Holdings Limited upon satisfaction of performance hurdles. The Board, at its discretion, will decide whether to settle the exercised Rights via the allocation of shares, or by a cash payment. Share issues will be managed via Shriro's trust and transferred to the employee once the right is exercised. The Board will likely settle via the allocation of shares.
How much can executives earn?	The Executive KMP LTIP opportunity is up to 40% of fixed remuneration. The number of Performance Rights granted is determined using the value weighted average price of Shriro shares over a twenty-day period prior to the start of the performance period.
How is performance measured?	Rights will vest subject to the satisfaction of performance conditions. Rights that have not met the vesting conditions, as described below, at the end of the performance period will immediately lapse. The vesting of Rights is subject to the achievement of a target of an average 10% earnings per share ("EPS") compound annual growth rate ('CAGR') measured over three years from the effective date of the performance review ("performance hurdle"). The percentage of Rights that vest, if any, will be determined by reference to the following vesting schedule, subject to any adjustments for abnormal or unusual profit items considered appropriate by the Board:

Target CAGR of the Group's EPS over the three-year period	% of Rights that vest
Less than threshold performance (less than 5%)	Nil
Threshold performance (5%)	50%
Between threshold and target performance (5%-10%)	50-100% on a straight-line pro-rated basis
Target performance (10% or above)	100%

What is the performance period?	The performance period for LTIP awards is 3 years ("performance period"). **2023 tranche** The grants have a performance period commencing on 1 July 2022 and ending on 30 June 2025. **2024 tranche** The grants have a performance period commencing on 1 July 2023 and ending on 30 June 2026.
When is performance measured?	Testing of the performance hurdle to determine the number of Rights which will vest, will occur shortly after the end of the Performance Period and before the release of the Company's audited consolidated financial statements for the period relating to the Performance Period.

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Are executives eligible for dividends?	The performance rights do not carry dividends or voting rights prior to vesting.
Are there any restrictions?	The participant must not sell, transfer, encumber, hedge, or otherwise deal with performance rights.
What happens on termination of employment?	If the participant's employment is terminated for cause or the participant resigns, unless the Board determines otherwise, any unvested performance rights will automatically lapse. Where the participant ceases employment in any other circumstances, unless the Board determines otherwise: • a pro-rated portion of the performance rights (calculated by reference to the portion of the performance period that has elapsed up to the date of cessation) will remain on foot and will vest or lapse in due course, as though the participant had not ceased employment; and • the remaining portion of the performance rights will automatically lapse.

Shriro has not issued any options.

Sign on payments

The Group has not used sign on payments in the past to attract Executive KMP or NEDs, however the need for these payments will be assessed on a case-by-case basis. No Director or Executive KMP appointed during the year received a payment as part of their remuneration for agreeing to hold the position.

2.4 Executive Employment Agreements

The CEO and CFO are remunerated on a salary package basis which is a component of a formal employment contract. In line with best remuneration practice, the Board continues to ensure remuneration is competitive with comparable companies and may undertake external evaluations, from time to time, to ensure market competitiveness with a view to ensuring it attracts and retains the best people. The details of the Executives' employment contracts are below:

	CEO	CFO
Effective date	1 January 2018	23 June 2015
Term	No fixed term	No fixed term
Fixed annual remuneration	$648,960	$421,824
Short-term incentive	0% – 240% of fixed annual remuneration	0% – 160% of fixed annual remuneration
Long-term incentive	Eligible to participate in LTIP 0% – 40% of fixed annual remuneration	Eligible to participate in LTIP 0% – 30% of fixed annual remuneration
Notice period	Twelve months' notice by either party	Six months' notice by either party

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3. NON-EXECUTIVE DIRECTOR REMUNERATION

NEDs are paid an annual fee which is reviewed annually by the Remuneration and Nomination Committee and the Board. The Board uses the advice of independent remuneration consultants, as appropriate, to ensure non-executive director fees are appropriate and in line with the market. NED fees include, where applicable, compulsory superannuation contributions.

NEDs receive fees only and do not participate in any performance-related incentive awards.

Total aggregate remuneration for all NEDs, in accordance with the Prospectus dated 27 May 2015, is not to exceed $600,000. NEDs' base fees are presently $90,000 per annum. The Chair's fee is presently $140,000 per annum.

Committee fees are outlined in the table below.

Role and committee	Fee per annum ($)
Chair of Audit, Risk and Compliance Committee	10,000
Chair of Remuneration and Nomination Committee	5,000
Member of Audit, Risk and Compliance Committee	5,000
Member of Remuneration and Nomination Committee	3,000

The Chair does not receive Committee fees.

NEDs may be reimbursed for expenses reasonably incurred in attending to the Group's affairs. They do not receive retirement benefits unless they elect to be paid through the Group's payroll function, in which case the NED fee is divided between fees paid to the NED, and superannuation paid into a recognised superannuation fund.

NEDs have no entitlement to a cash bonus or non-monetary benefits.

4. REMUNERATION OUTCOMES

4.1 Performance against STI measures

The Board has assessed Executive KMP performance for the year ended 30 June 2024 against the STI target and financial KPIs. Given the STI target was not achieved, no STI is payable to Executive KMP for the year ended 30 June 2024.

4.2 Performance against LTIP measures

The 2022 tranche vested on 30 June 2024. For full details regarding the terms of the 2022 tranche refer to the Remuneration Report in the 30 June 2023 Annual Report.

50% of the Rights were subject to the achievement of a target EPS three years from the effective date of the performance review (performance hurdle). The target EPS was not met, and these Rights did not vest.

The remaining 50% of the Rights were subject to achievement of a relative total shareholder return (rTSR) relative to the ASX Small Ordinaries Index. The rTSR was calculated by an external provider based on the 45-trading day value weighted average price preceding the measurement dates at the start and end of the performance period. The Group's percentile rank was calculated at 66.50 (between the 50th and 75th percentile) and on 29 August 2024 the Board approved for 83% of these remaining Rights to vest.

4.3 New rights issue

During the period the CEO was issued 372,965 Performance Rights in respect of the period ended 30 June 2024 (2023: 316,751).

During the period the CFO was issued 181,820 Performance Rights in respect of the period ended 30 June 2024 (2023: 154,416).

Details of the terms of the 2024 Tranche of LTIP Performance Rights can be found in section 2.3.

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4.4 Key Management Personnel Statutory Remuneration

Details of each of the KMP's remuneration for the period ended 30 June 2024 (calculated in accordance with the applicable Accounting Standards) are set out below:

	Short-term Benefits				Post-employment Benefits	Long-term Benefits			
12 months to 30 June 2024	Cash fees/ salary $	Cash bonus $	Termination benefits $	Non-monetary benefits $	Super-annuation $	Long service leave $	Share rights[1] $	Total $	Percentage of remuneration related to performance %
Non-Executive Directors									
Current directors									
Abigail Cheadle	140,000	–	–	–	–	–	–	140,000	–
Brian Bunker	100,000	–	–	–	–	–	–	100,000	–
John Murphy	103,000	–	–	–	–	–	–	103,000	–
Total	**343,000**	**–**	**–**	**–**	**–**	**–**	**–**	**343,000**	**–**
Executive Officers									
Tim Hargreaves	587,272	–	–	25,372[2]	27,500	26,972	80,816	747,932	10.8%
Shane Booth	402,634	–	–	14,070[3]	27,399	12,716	39,398	496,217	7.9%
Total	**989,906**	**–**	**–**	**39,442**	**54,899**	**39,688**	**120,214**	**1,244,149**	**9.7%**

Shriro offers all employees the option to purchase products at a discounted rate. Employees are charged cost plus a fixed mark-up percentage and employees incur all freight and handling charges. KMP, including Non-Executive Directors, have access to this program.

1. Performance rights are recognised in accordance with AASB 2 Share Based Payments and vest subject to the satisfaction of performance conditions.
2. Other benefits relate to benefits such as a golf membership, payment of tolls and car parking that do not form part of the CEO's salary.
3. Other benefits include car parking and payment of tolls provided that does not form part of the CFO's salary.

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12 months to 30 June 2023	Short-term Benefits				Post-employment Benefits	Long-term Benefits			
	Cash fees/ salary $	Cash bonus $	Termination benefits $	Non-monetary benefits $	Super-annuation $	Long service leave $	Share rights[1] $	Total $	Percentage of remuneration related to performance %
Non-Executive Directors									
Current directors									
Abigail Cheadle	140,000	–	–	–	–	–	–	140,000	–
Brian Bunker	100,000	–	–	–	–	–	–	100,000	–
John Murphy	103,000	–	–	–	–	–	–	103,000	–
Total	**343,000**	**–**	**–**	**–**	**–**	**–**	**–**	**343,000**	**–**
Executive Officers									
Tim Hargreaves	577,618	130,499	–	29,535[2]	27,500	19,736	82,370	867,258	24.5%
Shane Booth	355,745	56,549	–	13,846[3]	25,292	12,175	40,156	503,763	19.2%
Total	**933,363**	**187,048**	**–**	**43,381**	**52,792**	**31,911**	**122,526**	**1,371,021**	**22.6%**

1. Performance rights are recognised in accordance with AASB 2 Share Based Payments and vest subject to the satisfaction of performance conditions.
2. Other benefits relate to benefits such as a golf membership and car parking that do not form part of the CEO's salary.
3. Other benefits include car parking provided that does not form part of the CFO's salary.

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4.5 Equity holdings of KMP

Outstanding Rights granted as compensation

The table below discloses the number of outstanding performance rights and rights granted, vested or lapsed during the year.

Performance rights do not carry any voting or dividend rights and can only be exercised once vesting conditions have been met.

KMP	Financial year	Number of Rights granted	Award date	Testing date of vesting conditions	Number vested during the year	Number lapsed during the year	Financial year that grant will be payable	Fair value at grant date $	Value of Rights exercised during the year $
Tim Hargreaves	2022	208,423	01/07/2021	30/06/2024	41.5%	58.5%	2025	136,517	–
Shane Booth	2022	101,606	01/07/2021	30/06/2024	41.5%	58.5%	2025	66,552	–
Total vested rights		**310,029**						**203,069**	**–**
Tim Hargreaves	2023	316,751	01/07/2022	30/06/2025	0%	0%	2026	196,530	N/A
Shane Booth	2023	154,416	01/07/2022	30/06/2025	0%	0%	2026	95,809	N/A
Tim Hargreaves	2024	372,965	01/07/2023	30/06/2026	0%	0%	2027	223,763	N/A
Shane Booth	2024	181,820	01/07/2023	30/06/2026	0%	0%	2027	109,079	N/A
Total outstanding rights		**1,025,952**						**625,181**	

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Rights holdings of Executive KMP

KMP	Balance at 1 July 2023	Number of Rights granted as remuneration	Number of rights exercised	Number of rights lapsed	Balance at 30 June 2024	Rights vested but not exercised
Tim Hargreaves	525,174	372,965	–	(121,927)	776,212	86,495
Shane Booth	256,022	181,820	–	(59,440)	378,402	42,166
Total	**781,196**	**554,785**	**–**	**(181,367)**	**1,154,614**	**128,661**

Shareholding of KMPs

Fully paid ordinary shares held in Shriro Holdings Limited:

KMP	Balance at 1 July 2023	Number of shares received on exercise of rights	Number of shares purchased	Number of shares sold	Other movements	Balance at 30 June 2024
Non-executive directors						
Abigail Cheadle	–	–	–	–	–	–
Brian Bunker[1]	18,915,987	–	–	–	–	18,915,987
John Murphy[2]	4,960,185	–	–	–	–	4,960,185
Executive KMPs						
Tim Hargreaves	637,593	–	–	–	–	637,593
Shane Booth	2,680,697	–	–	–	–	2,680,697
Total	**27,194,462**	**–**	**–**	**–**	**–**	**27,194,462**

1. Mr Bunker is a director of a registered shareholder, D2A Holdings HK Ltd.
2. Mr Murphy is a director of a registered shareholder, Ariadne Australia Limited.

This concludes the remuneration report, which has been audited.

CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group that occurred during the year that have not otherwise been disclosed in this report or the consolidated financial statements.

SUBSEQUENT EVENTS

Other than the matters disclosed in note 4.3 of the Financial Report, there has been no other matter or circumstance, occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

FUTURE DEVELOPMENTS

For further information about future developments in the operations of the Group, refer to the Outlook in the Managing Director's report on page 9. The expected results from those operations in future financial years have not been included because they depend on factors such as general economic conditions, and the business risks and success of the strategies outlined above, some of which are outside the control of the Group.

INDEMNIFICATION OF OFFICERS AND AUDITORS

The Directors and Officers of the Company are indemnified by the Company against losses or liabilities which they may sustain or incur in their role or in the proper performance of their duties. During the financial year, the Company paid premiums in respect of contracts to insure the Directors and the officers against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premiums.

The Group has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group against a liability incurred as the auditor.

NON-AUDIT SERVICES

Details of amounts paid or payable to the auditor for non-audit services in the current year are outlined in note 6.1 to the financial statements.

In accordance with the recommendation from the Audit, Risk and Compliance Committee of the Company and the Directors are satisfied that the provision of non-audit services by the auditor (or by another person or firm on the auditor's behalf) during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

Also, in accordance with the recommendation from the Audit, Risk and Compliance Committee, the Directors are satisfied that the nature and scope of each type of non-audit services provided means that the auditor independence was not compromised. The auditors have also provided the Audit, Risk and Compliance Committee with a report confirming that, in their professional judgment, they have maintained their independence in accordance with the firm's requirements, the provisions of APES 110 *Code of Ethics for Professional Accountant*s and applicable provisions of the *Corporations Act 2001*.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration (which forms part of the Directors' report) has been received and is included on page 33 of this report.

ROUNDING OFF OF AMOUNTS

The Company has applied the relief available under ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191. Accordingly, amounts in the Directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

This Directors' report (including the Remuneration report) is signed in accordance with a resolution of Directors made pursuant to s298(2) of the *Corporations Act 2001*.

Abigail Cheadle
Chair

29 August 2024

Tim Hargreaves
Chief Executive Officer and Managing Director

29 August 2024

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Auditor's Independence Declaration

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HALL CHADWICK
Chartered Accountants & Business Advisors

SHRIRO HOLDINGS LIMITED
ABN 29 605 279 329
AND CONTROLLED ENTITIES

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

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Shriro Holdings Limited. As the lead audit partner for the audit of the financial report of Shriro Holdings Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Hall Chadwick

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Dated: 29 August 2024

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Consolidated Statement of Profit or Loss
for the year ended 30 June 2024

	Note	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Revenue from ordinary activities	1.1	119,269	123,888
Raw materials and consumables used		(66,680)	(71,546)
Employee benefits expense	1.2	(18,763)	(17,861)
Advertising and promotion expenses		(3,575)	(3,580)
Freight and delivery expenses		(5,490)	(4,879)
Depreciation and amortisation expenses	1.2	(3,974)	(3,809)
Occupancy and storage costs		(1,606)	(1,428)
Foreign exchange gain/(loss)		63	315
Other expenses		(9,782)	(7,095)
Other income	1.2	1,254	916
Finance costs	1.2	302	(364)
Profit before tax from continuing operations		**11,018**	**14,557**
Income tax expense	1.6	(3,742)	(4,740)
Profit after tax from continuing operations		7,276	9,817
Loss after tax from discontinued operations	1.7	(366)	(1,770)
Profit for the year		**6,910**	**8,047**
Earnings per share from continuing and discontinued operations			
Basic (cents per share)	4.2	7.2	8.4
Diluted (cents per share)	4.2	7.0	8.3
Earnings per share from continuing operations			
Basic (cents per share)	4.2	7.6	10.2
Diluted (cents per share)	4.2	7.4	10.1
Earnings per share from discontinued operations			
Basic (cents per share)	4.2	(0.4)	(1.8)
Diluted (cents per share)	4.2	(0.4)	(1.8)

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

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Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 30 June 2024

	Note	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Profit for the year		**6,910**	**8,047**
Items that may be reclassified subsequently to profit or loss			
Net change in the fair value of cash flow hedges taken to equity		(804)	(195)
Exchange differences on translation of foreign operations		(20)	241
Other comprehensive income/(loss) for the year, net of tax		**(824)**	**46**
Total comprehensive income for the year attributable to the owners of Shriro Holdings Limited		**6,086**	**8,093**

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

Consolidated Statement of Financial Position
at 30 June 2024

	Note	30 June 2024 $'000	30 June 2023 $'000
Current assets			
Cash and cash equivalents	1.5	24,277	32,777
Trade and other receivables	2.1	15,176	15,888
Inventories	2.2	18,743	27,057
Other assets	2.3	1,150	1,433
Current tax receivable		–	1,516
Derivative receivable		22	164
Total current assets		**59,368**	**78,835**
Non-current assets			
Right of use assets	3.2	13,169	11,381
Plant and equipment	3.1	2,743	3,672
Deferred tax assets	1.6	3,513	3,982
Total non-current assets		**19,425**	**19,035**
Total assets		**78,793**	**97,870**
Current liabilities			
Trade and other payables	2.4	8,366	10,421
Lease liability	3.2	2,633	2,761
Current tax liabilities		561	79
Provisions	2.5	4,230	5,230
Derivative payable		1,647	801
Total current liabilities		**17,437**	**19,292**
Non-current liabilities			
Trade and other payables	2.4	226	–
Lease liability	3.2	11,922	9,516
Provisions	2.5	790	863
Total non-current liabilities		**12,938**	**10,379**
Total liabilities		**30,375**	**29,671**
Net assets		**48,418**	**68,199**
Equity			
Issued capital	4.1	77,952	95,789
Retained earnings	4.4	48,738	50,023
Reserves	4.5	(78,272)	(77,613)
Total equity		**48,418**	**68,199**

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

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Consolidated Statement of Changes in Equity

for the year ended 30 June 2024

	Issued capital $'000	Group Reorgan-isation Reserve $'000	Cash Flow Hedging Reserve $'000	Foreign Currency Translation Reserve $'000	Equity Settled Benefits Reserve $'000	Retained Earnings $'000	Total $'000
Balance at 1 July 2022	95,178	(78,585)	(234)	1,007	(962)	50,730	67,134
Profit for the period	–	–	–	–	–	8,047	8,047
Other comprehensive income for the year	–	–	(195)	241	–	–	46
Total comprehensive income/(loss)	**–**	**–**	**(195)**	**241**	**–**	**8,047**	**8,093**
Dividends paid	–	–	–	–	–	(7,199)	(7,199)
Transfer from reserve to retained earnings					1,555	(1,555)	–
Share-based payments reserve (net of tax)	611	–	–	–	(440)	–	171
Balance at 30 June 2023	**95,789**	**(78,585)**	**(429)**	**1,248**	**153**	**50,023**	**68,199**
Profit for the year	–	–	–	–	–	6,910	6,910
Other comprehensive income for the year	–	–	(804)	(20)	–	–	(824)
Total comprehensive income/(loss)	**–**	**–**	**(804)**	**(20)**	**–**	**6,910**	**6,086**
Dividends paid	–	–	–	–	–	(8,195)	(8,195)
Capital return paid	(17,837)	–	–	–	–	–	(17,837)
Transfer from reserve to retained earnings					–	–	–
Share-based payments reserve (net of tax)	–	–	–	–	165	–	165
Balance at 30 June 2024	**77,952**	**(78,585)**	**(1,233)**	**1,228**	**318**	**48,738**	**48,418**

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

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Consolidated Statement of Cash Flows
for the year ended 30 June 2024

	Note	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Cash flows from operating activities			
Receipts from customers		132,158	173,686
Receipts from other income		1,254	–
Payments to suppliers and employees		(111,970)	(150,172)
Government subsidies received		–	–
Finance income/costs received/(paid)		173	(496)
Income taxes paid		(1,117)	(4,017)
Net cash provided by operating activities	1.5.2	20,498	19,001
Cash flows from investing activities			
Proceeds from sale of plant and equipment		197	395
Payment for plant and equipment		(869)	(1,760)
Proceeds from sale of Omega brand		–	10,812
Proceeds from termination of Blanco distribution agreement		–	1,841
Net cash provided in investing activities		(672)	11,288
Cash flows from financing activities			
Payments for the principal portion of lease liabilities		(2,278)	(3,715)
Issue of capital		–	611
Return of capital		(17,837)	–
Payment of dividends		(8,195)	(7,199)
Net cash used in financing activities		(28,310)	(10,303)
Net increase/(decrease) in cash and cash equivalents		(8,484)	19,986
Cash and cash equivalents at the beginning of the financial year		**32,777**	**12,869**
Effects of exchange rate changes on cash		(16)	(78)
Cash and cash equivalents at the end of the financial year	1.5.1	**24,277**	**32,777**

The consolidated statement of cash flows should be read in conjunction with the Notes to the financial statements.

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Notes to the Financial Statements

BASIS OF PREPARATION

Statement of compliance

The financial statements comprise the consolidated financial statements of the Group and were authorised for issue by the Directors on 29 August 2024 in accordance with a resolution of the Directors. Shriro is a for-profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX). The nature of operations and principal activities of the Group are to market and distribute consumer goods to Australian, New Zealand and international customers.

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB), and comply with other requirements of the law.

Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Consequently, this financial report has been prepared in accordance with and complies with IFRS as issued by the IASB.

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for the measurement of derivative financial instruments and share-based payment transactions, which have been measured at fair value. The financial statements are presented in Australian dollars with all values rounded to the nearest thousand dollars unless otherwise stated in accordance with *ASIC Corporations (Rounding in Financials/ Directors' Reports) Instrument 2016/191*.

Fair value measurement

The Group measures financial instruments such as derivatives, at fair value at each balance sheet date. Transactions within the scope of AASB 2 *Share Based Payments* are measured at fair value in accordance with the guidance in that standard.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Shriro Holdings Limited and its subsidiaries ("the Group") at, and for the year ended, 30 June 2024. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and can use its power to affect those returns through its power over the investee.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial information of the subsidiaries is prepared for the same reporting period as the parent, using consistent accounting policies. Intra-group balances and transactions arising from intra-group transactions are eliminated.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

1. TRADING OPERATIONS

1.1 Revenue

	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Continued operations		
Sale of goods	119,269	123,888
	119,269	**123,888**

Accounting policy

Sale of goods

Revenue is measured based on the consideration specified in a contract with a customer and is recognised when performance obligations are satisfied.

The Group identifies a contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration; allocates the transaction price to the separate performance obligations and recognises revenue when or as each performance obligation is satisfied.

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The Group's contracts generally include one performance obligation, and revenue from the sale of products is recognised at the point in time when the product is delivered to a customer, or when control of the product delivery passes to a customer. Revenue is recognised in a manner which depicts transfer of control to a customer at the amount that reflects consideration the business expects to be entitled to in exchange for those goods. Sales to local (Australian, New Zealand or US) customers are usually recognised when goods are delivered and sales to international customers are recognised based on the international commercial terms products are shipped under, which tends to be when goods are loaded onto a ship, thus the sale is recognised at bill of lading date.

Revenue is recognised net of discounts, rebates, customer returns and other customer allowances. Revenue is recognised net of the amount of goods and services and sales tax.

Key estimates and judgments

The Group provides volume rebates and other discounts to certain customers. Revenue is recorded based on the consideration specified in the sales contracts or terms, net of the estimated discount or rebate at the time of sale. These rebates and discounts are considered in determining the transaction price of a contract and are considered variable consideration. The Group estimates discounts and rebates to be the most likely amount a customer will claim based on the terms and conditions in the contract. Historical data (last payment and sales history), forecast sales and customer experience is used to estimate and provide for the discounts and rebates based on anticipated purchases.

In recognising revenue from the sale of goods, the Group also considers its historical experience with sales returns and applies judgement to determine if its 'highly probable' that a reversal of revenue will arise in the future.

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1.2 Profit for the period

	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Profit before tax from continuing operations has been arrived at after charging the following expenses and receiving the following income:		
Depreciation of plant and equipment	1,398	1,627
Depreciation of right of use assets	2,576	2,182
Employee benefits expense:		
LTIP share based payments	165	171
Other employee benefits	18,598	17,690
Impairment/(write-back) of trade receivables	49	(561)
Finance costs		
Interest expenses/(income)	(889)	20
Bank charges	37	75
Interest expense/(income) on lease liabilities	530	211
Unwinding of make-good provision discount rate	20	58
Other income		
Gain on sale of plant and equipment	–	(39)
Supplier rebates	(797)	(865)
Storage and handling income	(371)	–
Insurance proceeds	(61)	(12)
Gain on bargain purchase	(20)	–
Other income	(5)	–

1.3 Segment information

1.3.1 Primary operating segments

Operating segments are reported in a manner which is consistent with the internal reporting provided to the chief operating decision makers ('CODM'). The CODM has been identified as the Board of Directors of the Company. The internal reports reviewed by the CODM, which are used to evaluate the financial performance of the Group and make strategic decisions on at least a monthly basis, are separated into the Group's primary operating segments. Segment results are evaluated on a net profit after tax and earnings before interest, tax and depreciation and amortisation basis. Geographical operating segments are based on the location of the customer.

- **Australia**
  Home appliances, watches, calculators, electronic musical instruments, barbeques and pizza ovens
- **New Zealand**
  Home appliances, watches, calculators, electronic musical instruments, barbeques, and pizza ovens and audio equipment
- **Rest of the world**
  Cooling products, barbeques, pizza ovens and accessories

No single customer represents greater than 10% of the Group's revenue (2023: nil).

The information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

12 months to 30 June 2024	Australia $'000	New Zealand $'000	Rest of the world $'000	Total $'000	Less: discontinued operations $'000	Continuing operations $'000
Revenue from ordinary activities	71,478	40,046	7,973	119,497	228	119,269
Earnings before interest, tax, depreciation and amortisation	11,937	4,481	(1,921)	14,497	(157)	14,654
Depreciation and amortisation expense	(2,911)	(1,269)	(89)	(4,269)	(295)	(3,974)
Profit before interest and income tax	**9,026**	**3,212**	**(2,010)**	**10,228**	**(452)**	**10,680**
Interest expense				268	(70)	338
Profit before income tax				**10,496**	**(522)**	**11,018**
Income tax expense				(3,586)	156	(3,742)
Net profit after income tax				**6,910**	**(366)**	**7,276**
Segment assets	51,138	25,764	1,891	**78,793**		
Segment liabilities	19,126	11,008	242	**30,376**		

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12 months to 30 June 2023	Australia $'000	New Zealand $'000	Rest of the world $'000	Total $'000	Less: discontinued operations $'000	Continuing operations $'000
Revenue from ordinary activities	93,293	43,152	14,385	150,830	26,942	123,888
Earnings before interest, tax, depreciation and amortisation	13,337	5,452	(1,495)	17,294	(1,362)	18,656
Depreciation and amortisation expense	(3,599)	(1,156)	(86)	(4,841)	(1,032)	(3,809)
Profit before interest and income tax	**9,738**	**4,296**	**(1,581)**	**12,453**	**(2,394)**	**14,847**
Interest expense				(425)	(135)	(290)
Profit before income tax				**12,028**	**(2,529)**	**14,557**
Income tax expense				(3,981)	759	(4,740)
Net profit after income tax				**8,047**	**(1,770)**	**9,817**
Segment assets	68,335	25,966	3,570	**97,871**		
Segment liabilities	22,510	6,525	637	**29,672**		

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Accounting policy

Segment assets and liabilities

Segment assets and liabilities represent those working capital and non-current assets and liabilities which are located in the respective segments. If items of revenue and expense are not allocated to operating segments, then any associated assets and liabilities are not allocated to segments either.

Intersegment transactions

The price of an intersegment transaction is determined on an arm's length basis. These transactions are eliminated on consolidation and are not material to individual segments, so have not been excluded from the segment revenue and profit before income tax.

Corporate charges

Corporate charges are reported in the Australian segment. Net finance costs are not allocated to segments as the Group's financing function is centralised through its Group finance function.

1.4 Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements and use estimates in applying accounting policy and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue, and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities the next financial year are outlined in their respective notes. Key items include the recognition of variable consideration with respect to revenue recognition (note 1.1), inventory obsolescence (note 2.2) and other provisions (note 2.5).

1.5 Notes to the Statement of Cash Flows

1.5.1 Cash and cash equivalents

Accounting policy

Cash and cash equivalents consist of cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are considered to be financing activities as they are used interchangeably to fund the operations and are not repayable on demand.

	30 June 2024 $'000	30 June 2023 $'000
Cash and bank balances	24,277	32,777

Cash and cash equivalents at the end of the reporting year as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

1.5.2 Reconciliation of profit for the year to net cash flows from operating activities

	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Profit for the year from continuing and discontinued operations	6,910	8,047
Add non-cash and non-operating cash items:		
Depreciation and amortisation	4,269	5,221
Net (gain)/loss on disposal of assets	131	9
LTIP rights share based payments expense	165	171
Changes in assets and liabilities:		
(Decrease)/increase in trade and other payables	(2,668)	(13,167)
Increase/(decrease) in provisions	(1,074)	(1,229)
Decrease/(increase) in inventory	8,314	4,118
Decrease/(increase) in trade receivables	712	15,858
(Increase)/decrease in other current and financial assets	425	10
(Decrease)/increase in tax assets/liabilities	2,468	(37)
Increase/(decrease) in other liabilities	846	
Net cash provided by operating activities	**20,498**	**19,001**

Overdraft facilities and working capital facilities are considered to be financing activities as they are used interchangeably to fund the operations and are not repayable on demand.

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

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1.6 Income tax

1.6.1 Income tax recognised in profit or loss

	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Current tax		
In respect of the current year	2,849	2,358
In respect of prior year	(75)	(37)
	2,774	**2,321**
Deferred tax		
In respect of the current year	268	987
In respect of prior years	103	6
Write-down of deferred tax assets	441	667
Total income tax expense recognised in the current period	**3,586**	**3,981**

The total income tax expense as shown in the consolidated statement of profit or loss and other comprehensive income differs from the prima facie income tax attributable to earnings.

The differences are reconciled to the accounting profit as follows:

	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Profit before tax	10,497	12,028
Prima facie income tax expense calculated at the Parent Entity's tax rate of 30% (2023: 30%)	3,149	3,608
Tax effect of:		
Non-deductible expenditure	290	248
R&D tax incentive	(261)	(254)
Foreign tax rate adjustment due to differences in tax rates	(67)	(84)
Cash payments to employee share trust	–	(183)
Other	5	10
Total tax expense	**3,116**	**3,345**
Adjustments recognised in the current period in relation to the tax of prior years	29	(31)
Write-down of deferred tax assets	441	667
Income tax attributable to profit	**3,586**	**3,981**
Income tax expense is attributable to:		
Profit from continuing operations	3,742	4,740
Loss/(profit) from discontinued operations	(156)	(759)
Income tax attributable to profit	**3,586**	**3,981**

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Accounting policy

Current Tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the consolidated statement of profit and loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using rates that have been enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilised. Management is required to make an estimate about the availability of future taxable profits. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the way which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Offsetting tax balances

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities. The deferred tax assets and liabilities must relate to the same taxable entity, relate to income taxes levied by the same taxation authority and the Group must intend to settle its current tax assets and liabilities on a net basis.

1.6.2 Deferred Tax Balances

The deferred tax expense above is itemised as follows:

30 June 2024	Opening balance $'000	Recognised in total comprehensive income $'000	Closing balance $'000
Deferred tax assets			
Plant and equipment	28	103	131
Prepayments	(1)	–	(1)
Superannuation payable	50	(6)	44
Provisions	3,723	(801)	2,922
Credit loss allowance	32	12	44
Sub-total	**3,832**	**(692)**	**3,140**
Cash flow hedges[1]	150	223	373
Net deferred tax asset	**3,982**	**(469)**	**3,513**

1. Australian cash flow hedges tax movement was recognised in Other Comprehensive Income.

30 June 2023	Opening balance $'000	Recognised in total comprehensive income $'000	Closing balance $'000
Deferred tax assets			
Plant and equipment	(5)	33	28
Prepayments	(1)	–	(1)
Superannuation payable	49	1	50
Provisions	5,253	(1,530)	3,723
Credit loss allowance	200	(168)	32
Sub-total	**5,496**	**(1,664)**	**3,832**
Cash flow hedges[1]	101	49	150
Net deferred tax asset	**5,597**	**(1,615)**	**3,982**

1. Australian cash flow hedges tax movement was recognised in other comprehensive income.

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1.7 Assets held for sale and discontinued operations

On 24 March 2023, the Group announced its decision to exit the kitchen appliances business in Australia only, thereby discontinuing its operations in this division. The kitchen appliances division includes the following discontinued brands: Omega, Neil Perry Kitchen by Omega, Everdure Kitchen, Eurolux, Blanco, and some Robinhood product lines.

Subsequently, the Omega brand in Australia was sold on 31 March 2023. The purchaser acquired Omega inventory, including spare parts, display assets, intellectual property, and assumed warranty obligations, whilst Shriro retained and collected debtors. Inventory was acquired by the purchaser at cost or an otherwise agreed value. The net gain on sale of the brand arises from a gain on the sale of the intellectual property and the transfer of Australian Omega warranty obligations.

Financial information relating to the discontinued operation is set out below.

The financial performance of the discontinued operation, which is included in profit/(loss) from discontinued operations per the statement of comprehensive income, is as follows:

	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Revenue	228	25,732
Cost of goods sold	(6)	(16,550)
Expenses	(744)	(12,920)
Loss before income tax	(522)	(3,738)
Income tax benefit	156	1,122
Loss attributable to owners of the group	**(366)**	**(2,616)**
Profit on sale of Omega before income tax	–	1,209
Income tax expense	–	(363)
Profit on sale of Omega after income tax	**–**	**846**
Total profit/(loss) after tax attributable to the discontinued operation	**(366)**	**(1,770)**
The net cash flows of the discontinued division, which have been incorporated into the statement of cash flows, are as follows:		
Net cash inflow/(outflow) from operating activities	(451)	247
Net cash inflow from investing activities	–	12,491
Net cash outflow from financing activities	–	(938)
Net increase/(decrease) in cash generated by the discontinued division	**(451)**	**11,800**

Accounting policy

Non-current assets and disposal groups are classified as held for sale and generally measured at the lower of carrying amount and fair value less costs to sell, where the carrying amount will be recovered principally through sale as opposed to continued use. No depreciation or amortisation is charged against assets classified as held for sale.

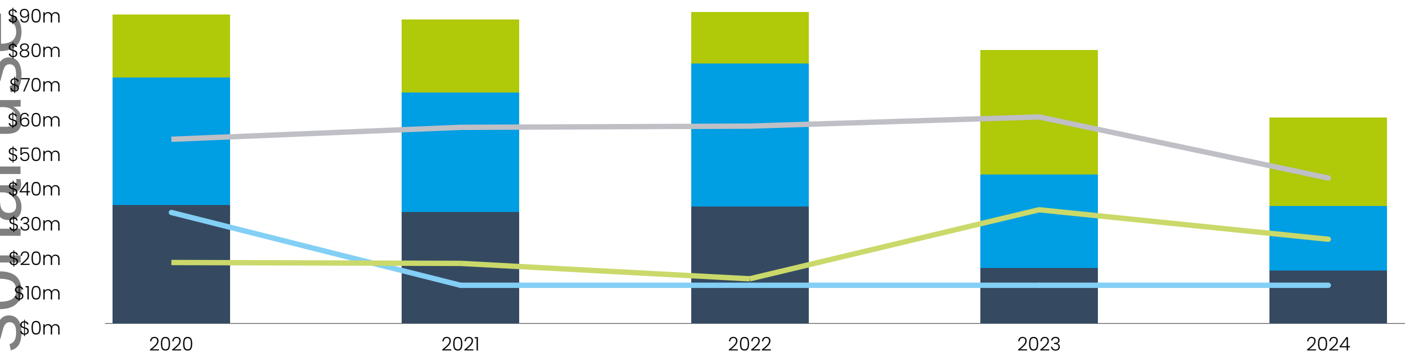
Classification as "held for sale" occurs when: management has committed to a plan for immediate sale; the sale is expected to occur within one year from the date of classification; and active marketing of the asset has commenced. Such assets are classified as current assets.

A discontinued operation is a component of an entity, being a cash-generating unit (or a group of cash generating units), that either has been disposed of, or is classified as held for sale, and: represents a separate major line of business or geographical area of operations; is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with the view to resale.

Impairment losses are recognised for any initial or subsequent write-down of an asset (or disposal group) classified as held for sale to fair value less costs to sell. Any reversal of impairment recognised on classification as held for sale or prior to such classification is recognised as a gain in profit or loss in the period in which it occurs.

2. WORKING CAPITAL

Working Capital: Total current assets versus total current liabilities



*Working capital is calculated as total current assets less total current liabilities.

2.1 Trade and other receivables

	30 June 2024 $'000	30 June 2023 $'000
Trade receivables (net of discounts and rebates)	11,228	15,818
Credit loss allowance	(123)	(81)
	11,105	**15,737**
Other debtors	4,071	**151**
Trade and other receivables	**15,176**	**15,888**
Age of receivables that are past due:		
60 – 90 days	460	117
90+ days	725	336
Total	**1,185**	**453**

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Movement in the allowance for credit loss

	30 June 2024 $'000	30 June 2023 $'000
Balance at beginning of the year	(81)	(646)
Impairment loss recognised	(33)	–
Impairment loss reversed	–	566
Foreign exchange movement	(1)	(1)
Amount written off as uncollectible	(8)	–
Balance at the end of the year	**(123)**	**(81)**

Accounting policy

Trade receivables are initially recognised at invoice value (fair value) and subsequently measured at amortised cost, less allowance for expected credit losses. Trade receivables are reduced by a provision for rebates not yet paid to customers, which forms part of the trade and other receivables balance. The rebate provision is reviewed at the end of each period based on historical data and analysis.

The average credit period on sales of goods is 45 days. No interest is charged on trade receivables. The Group has applied the expected credit loss model whereby expected lifetime losses are recognised from initial recognition of the receivables.

A provision matrix is calculated based on historic credit losses, adjusted for any material expected changes to the future credit risk. The adjustment for expected changes in credit risk is determined based on management's knowledge of the Group's customers and analysis of the market risk, specifically the ageing of debtors and history of losses.

The matrix used to calculate the allowance for credit loss at 30 June 2024 is as follows:

	Receivables $'000	Allowance based on historic credit losses	Adjustment for expected changes in credit risk	Credit loss allowance $'000
Current	766	0.01%	0.28%	14
0 – 30 days	6,590	0.01%	1.23%	82
31 – 60 days	2,665	0.03%	0.73%	20
61 – 90 days	311	0.15%	0.63%	2
90+ days	896	0.43%	0.20%	5
Total receivables	**11,228**			**123**

The matrix used to calculate the allowance for credit loss at 30 June 2023 is as follows:

	Receivables $'000	Allowance based on historic credit losses	Adjustment for expected changes in credit risk	Credit loss allowance $'000
Current	994	0.00%	0.91%	10
0 – 30 days	7,373	0.00%	0.54%	40
31 – 60 days	6,443	0.01%	0.39%	26
61 – 90 days	583	0.06%	0.48%	3
90+ days	425	0.18%	0.31%	2
Total receivables	**15,818**			**81**

2.2 Inventories

	30 June 2024 $'000	30 June 2023 $'000
Finished goods	16,942	28,022
Stock in transit	3,752	1,638
Allowance for inventory obsolescence	(1,951)	(2,603)
Total inventories	**18,743**	**27,057**

The cost of inventories recognised as an expense during the period in respect of continuing operations was $66,680,000 (2023: $71,659,000).

Stock aged over 3 years amounts to 1.7% (2023: 1.1%) of the inventory balance.

Accounting policies

Inventory on hand is valued at the lower of cost and net realisable value using the weighted average cost method and includes all costs associated with its acquisition. Inventory in transit is valued at the lower of cost and net realisable value.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Key estimates and judgments

Determining the net realisable value of inventory and allowance for inventory obsolescence requires an estimate of a future sale price of inventory. In making this estimate, judgements using recent sales experience, the aging of inventories and assessment of the salability of products are made to estimate the value of the inventory.

2.3 Other assets

	30 June 2024 $'000	30 June 2023 $'000
Prepayments	**1,150**	**1,433**

2.4 Trade and other payables

Current	30 June 2024 $'000	30 June 2023 $'000
Trade payables	3,676	4,907
Accrued liabilities	2,769	3,762
Employee related payables	695	741
GST payable	1,226	1,011
	8,366	**10,421**

Non-current	30 June 2024 $'000	30 June 2023 $'000
Refundable security deposit	226	–
	226	**–**

The majority of trade payables relate to purchases of inventory from Asia where the average credit period on purchases from is 45 days. The Group has financial risk management policies in place to ensure that all payables are paid as and when they fall due.

Accounting policy

Trade and other payables, including accruals, are recorded when the Group is required to make future payments as a result of purchases of goods or services. Trade and other payables are carried at amortised cost.

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2.5 Provisions

	30 June 2024 $'000	30 June 2023 $'000
Employee benefits	3,083	3,789
Other provisions	1,937	2,304
	5,020	**6,093**
Current	4,230	5,230
Non-current	790	863
	5,020	**6,093**

Other Provisions	Provision for warranty $'000	Make good $'000	Restructuring costs $'000	Total $'000
Balance at 1 July 2023	793	584	927	2,304
Additional/(reduction) in provision	(249)	(28)	(87)	(364)
Foreign exchange movement	(2)	(1)	–	(3)
Closing balance	**542**	**555**	**840**	**1,937**

Accounting policies

Provisions are recognised for present obligations (legal, equitable or constructive) to make future payments (or other transfer of value) to other entities due to past transactions or events. They are recognised only when it is probable the liability will arise and when a reliable estimate can be made of the amount. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax risk-free rate plus, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Employee benefits

A liability is recognised for benefits accruing to employees in respect of annual leave and long service leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to the reporting date. The discount rate adopted is the high-quality corporate bond rate.

Warranty

The provision for warranty claims represents the present value of the best estimate of the future sacrifice of economic benefits that will be required under the Group's warranty program. The estimate has been made based on historical warranty trends and other events affecting product quality discounted to present value with the exclusion of net margin on spares sold.

The Group sells goods or services to a client and provides a formal warranty or guarantee that any defects will be repaired or rectified and provides assurance that the product complies with agreed-upon specifications. A provision is recorded for the related liability to an amount of the expected costs to be incurred for repair and rectification.

The Group provides warranties ranging from two to five years.

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Make good

The provision for make-good represents management's best estimate of future cash outlays required to refit leased premises in line with the requirements of each lease agreement.

Restructuring costs

Effective 30 June 2024, the Group appointed an Australian distributor for its Everdure, Everdure by Heston, Omega Altise and Robinhood brands and exited its direct sales and in-house distribution of these brands in Australia. The provision for restructuring costs represents management's best estimate of the remaining outflows of economic benefits related to the restructuring of its operations. This includes costs related to the transition agreement with the distributor, personnel reduction, impairment of assets and other direct costs. The outflows of economic benefits are expected to occur during the first half of the following financial year.

In the previous corresponding period, the provision for restructuring costs represented costs relating to the exit of the Appliances business in Australia. This included costs related to the closure of the Dandenong and Hazelmere warehouses, personnel reduction, and other direct costs that were predominantly incurred in the first half of the financial year.

Key estimates and judgments

Warranty provision

In determining the level of provision required for warranties, the Group has made judgments in respect of the products, the number of customers who will make a warranty claim and how often, and the costs of fulfilling the conditions of the warranty. The provision is based on estimates made from historical warranty data associated with similar products and services.

Provision for restructuring costs

A provision for restructuring costs is recognised when the Group has adopted both a detailed formal plan for the restructuring and has either started to implement the plan or communicated its main features to those affected by the restructuring.

The provision represents the expected costs to be incurred as a consequence of the Group's decision to restructure its operations with respect to its seasonal products in Australia as outlined above. The amounts are based on management's best estimates and are adjusted when changes to these estimates are known.

2.6 Financial risk management

The Group has five significant categories of financial instruments which are described below together with the accounting policies and risk management processes which are utilised:

a. Cash and cash equivalents

The Group deposits its cash and cash equivalents with Australian, New Zealand, US and China banks. Funds can be deposited in cheque accounts and cash management accounts. On call cash accounts are the only allowable investment instruments authorised for use.

b. Trade and other receivables

The Group has a credit risk policy to protect against the risk of debtor default. The majority of the Group's debtors are long-term customers and are large Australian corporations where credit risk is generally lower. New customers are assessed for credit risk using credit references and reports from credit agencies.

The Group holds an active credit insurance policy which, at the reporting date, provided coverage for 90% of the balance for insured debtors with a balance equal to or greater than $30,000. The maximum exposure under this policy is 10% of the irrecoverable amount.

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c. Bank guarantees and letters of credit

The Group uses bank guarantees and letters of credit to suppliers in lieu of cash retention.

d. Trade and other payables

Trade and other payables are denominated in Australian, US and New Zealand dollars, Euro, Yen and Renminbi. Exposure to exchange rate fluctuations is hedged through foreign currency forward contracts.

e. Foreign currency forward contracts

The Group hedges its cash flows by using forward exchange contracts to minimise the impacts of currency movements. Foreign currency forward contracts, which are used in the normal course of day-to-day business to hedge exposure to fluctuations in foreign exchange.

Foreign currency forward contracts are measured and recognised at fair value in accordance with level 2 of the fair value measurement hierarchy.

Categories of financial instruments

Financial assets	30 June 2024 $'000	30 June 2023 $'000
Financial assets		
Cash and cash equivalents	24,277	32,777
Trade and other receivables	15,176	15,888
Forward exchange contracts receivable	22	164
Financial liabilities		
Trade and other payables	8,366	10,421
Forward exchange contracts payable	1,647	801

The fair value of the financial assets and financials liabilities are considered to approximate their carrying amounts.

Loans and receivables

Trade receivables, loans, and other receivables that are held within a business model whose objective is to hold financial assets to collect contractual cash flows; and have contractual terms which give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are classified as 'loans and receivables'. Loans and receivables are recognised and derecognised on a trade date basis.

All loans and receivables are measured subsequently in their entirety at amortised cost. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost.

Financial risk management objectives

The Group's exposure to market risk is mainly arising from interest rate risk, foreign currency risk, operating expenditure risk and price risk (sales and margin).

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Key sensitivities

	Impact on NPAT $'000	Impact on NPAT %
Sales (+/- 1%)	197	2.9%
Gross profit margin (+/- 1%)	763	11.0%
Other operating costs (+/- 1%)	251	3.6%
AUD/NZD (+/- 5%)	119	1.7%

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

It is the policy of the Group to enter forward foreign exchange contracts to manage the risk associated with anticipated purchase transactions out to 9 months with 80% of the expected exposure hedged and to increase this to 100% where there are specific foreign currency payments and receipts.

Forward foreign exchange contracts

The Group's exposure through forward contract foreign currency hedges fair valued at the reporting date was as follows:

Outstanding contracts maturity profile

	30 June 2024 $'000	30 June 2023 $'000
Buy Currency:		
Less than 3 months	5,595	5,595
3 to 6 months	14,296	6,775
Greater than 6 months	6,669	8,871
Sell Currency:		
Less than 3 months	641	1,672
3 to 6 months	–	126
6 to 9 months	–	–
Buy Currency:		
AUD	128	268
EUR	50	75
JPY	19,177	15,069
USD	7,204	5,830
Sell Currency:		
USD	641	1,798

Forward foreign exchange contract derivatives are carried on the balance sheet at fair value and are included in level 2 of the fair value hierarchy (refer to basis of preparation notes). There have been no transfers between the levels in the fair value hierarchy (2023: none).

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Liquidity risk management

The Group is exposed to liquidity risk primarily from its core operating activities and the subsequent ability to meet its obligations to repay financial liabilities when they fall due. The Group's objective is to maintain liquidity within the outputs of core operations, without relying on external debt. The Group manages liquidity risk by continually monitoring cash balances and maintaining access uncommitted banking facilities.

The following table details the Group's remaining contractual maturity of its non-derivative financial liabilities. The table summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments and the earliest date at which the Group can be required to pay and includes both interest and principal cash flows.

	Weighted average effective interest rate	Less than 3 months $'000	3 to 12 months $'000	1 to 5 years $'000	Greater than 5 years $'000	Total $'000
2024						
Trade and other payables	0.0%	8,217	149	–	–	**8,366**
Lease liabilities	3.83%	844	2,558	12,579	1,043	**17,024**
2023						
Trade and other payables	0.0%	9,918	503	–	–	**10,421**
Lease liabilities	5.43%	810	2,452	10,342	–	**13,604**

Interest rate sensitivity analysis

The sensitivity analysis has been determined based on exposure to interest rates for cash and cash equivalents that were subject to interest rate fluctuations at the reporting date. At reporting date, if interest rates had been 1% higher or lower and all other variables were held constant, the Group's profit or loss before tax would increase or decrease by $218,000 (2023: $81,000).

Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2017. The capital structure of the Group consists of cash at bank, a borrowing facility (borrowings as detailed in note 3.3) and equity of the Group (comprising issued capital, reserves, retained earnings as detailed in notes 4.1, 4.4 and 4.5).

The Group is not subject to any externally imposed capital requirements.

Accounting policy

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.6.1 Financial assets

All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at amortised cost or fair value, depending on the classification of the financial assets.

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Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Loans and receivables

All loans and receivables are measured subsequently in their entirety at either amortised cost. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Trade receivables are regularly reviewed, and the Group applies the simplified expected credit loss model as per AASB 9.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime expected credit losses (ECL) for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

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Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

2.6.2 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ('FVTPL') or 'other financial liabilities'.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risk, including forward foreign exchange contracts. Shriro will agree on a price with a customer then hedge its currency exposure on the cost of goods sold to ensure it has certainty on its gross margin.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derivatives are classified as a non-current asset or a non-current liability if the remaining maturity of the hedge relationship is more than 12 months after the reporting period and as a current asset or a current liability if the remaining maturity of the hedge relationship is less than 12 months after the reporting period.

Hedge accounting

Hedges of foreign exchange risk on firm commitments are designated as cash flow hedges. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss as part of other expenses or other income.

Amounts recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss in the same line of the income statement as the recognised hedge item. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss deferred in equity remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. However, if all or a portion of a loss recognised directly in equity is not expected to be recovered in one or more future periods, the amount that is not expected to be recovered is recognised immediately in the profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss.

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Hedge strategy

Shriro reports internally on all outstanding foreign purchase orders already placed with suppliers. Shriro hedges all confirmed purchase orders and will also cover up to 90% of the remaining outstanding forecast purchases not yet ordered for between 3 months to 9 months. Shriro also holds between 4 to 6 months stock which acts like a natural hedge. The hedging of currency gives Shriro time to react should the Australian or New Zealand dollar depreciate against the USD, YEN, or EUR.

3. INVESTMENT AND FINANCING

3.1 Plant and equipment

	Leasehold improvement $'000	Plant and equipment $'000	Fixtures and fittings $'000	Office equipment $'000	Motor vehicles $'000	Display assets $'000	Total $'000
30 June 2024							
Cost	1,396	3,711	385	2,218	739	1,864	10,313
Accumulated depreciation and impairment	(947)	(2,474)	(276)	(1,983)	(523)	(1,570)	(7,773)
Plant and equipment	**449**	**1,237**	**109**	**235**	**216**	**294**	**2,540**
Capital work in progress	–	–	–	–	–	–	203
							2,743
Movement in cost:							
At 30 June 2023	1,376	4,014	378	2,601	853	2,297	11,519
Additions	37	614	8	43	–	167	869
Acquisition of controlled entities				22			22
Disposals	(14)	(915)	–	(445)	(112)	(596)	(2,082)
Foreign exchange movement	(3)	(2)	(1)	(3)	(2)	(4)	(15)
At 30 June 2024	**1,396**	**3,711**	**385**	**2,218**	**739**	**1,864**	**10,313**
Movement in accumulated depreciation:							
At 30 June 2023	(732)	(2,488)	(254)	(2,182)	(509)	(1,959)	(8,124)
Depreciation	(227)	(570)	(23)	(228)	(128)	(195)	(1,371)
Disposals	9	615	–	437	112	580	1,753
Acquisition of controlled entities	–	–	–	(13)	–	–	(13)
Impairment		(33)	–	–	–	–	(33)
Foreign exchange movement	3	2	1	3	2	4	15
At 30 June 2024	**(947)**	**(2,474)**	**(276)**	**(1,983)**	**(523)**	**(1,570)**	**(7,773)**

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	Leasehold improvement $'000	Plant and equipment $'000	Fixtures and fittings $'000	Office equipment $'000	Motor vehicles $'000	Display assets $'000	Total $'000
30 June 2023							
Cost	1,376	4,014	378	2,601	853	2,297	11,519
Accumulated depreciation and impairment	(732)	(2,488)	(331)	(2,182)	(509)	(1,882)	(8,124)
Plant and equipment	**644**	**1,526**	**47**	**419**	**344**	**415**	**3,395**
Capital work in progress	–	–	–	–	–	–	277
							3,672
Movement in cost:							
At 30 June 2022	1,902	4,527	381	4,809	1,348	9,433	22,400
Additions	212	830	15	113	137	452	1,759
Disposals	(752)	(1,352)	(23)	(2,337)	(646)	(7,610)	(12,720)
Foreign exchange movement	14	9	5	16	14	22	80
At 30 June 2023	**1,376**	**4,014**	**378**	**2,601**	**853**	**2,297**	**11,519**
Movement in accumulated depreciation:							
At 30 June 2022	(1,189)	(3,136)	(239)	(4,160)	(845)	(8,204)	(17,773)
Depreciation	(250)	(578)	(32)	(316)	(193)	(664)	(2,033)
Disposals	716	1,232	23	2,307	536	6,926	11,740
Foreign exchange movement	(9)	(6)	(6)	(13)	(7)	(17)	(58)
At 30 June 2023	**(732)**	**(2,488)**	**(254)**	**(2,182)**	**(509)**	**(1,959)**	**(8,124)**

Accounting policy

Each class of plant and equipment is initially recorded at cost and subsequently reduced by accumulated depreciation and impairment losses.

Cost of plant and equipment includes the fair value of consideration paid, incidental costs directly attributable to bringing the asset to the location and condition necessary for operation, and an estimate of the cost to dismantle the asset.

The residual values, useful lives and depreciation methods of plant and equipment are reviewed, and adjusted if appropriate, at each financial year end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation

Plant and equipment is depreciated on a straight-line basis over the estimated useful life of the asset, commencing from the time the asset is held and ready for use.

Depreciation is recognised to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The following estimated useful lives are used in the calculation of depreciation:

Asset class	Useful life
Leasehold improvements	Over the lease period
Plant and equipment	2 – 14 years
Fixtures and fittings*	2 – 14 years
Office equipment	2 – 13 years
Motor vehicles	5 – 8 years
Display assets	3 years

*The Group holds a limited number of artworks which are depreciated over 100 years.

Impairment

At the end of each reporting period, the Group reviews the carrying amounts of plant and equipment to determine whether there is an indication an asset is impaired. If an indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

At the end of each reporting period an assessment is made as to whether a previously recognised impairment may no longer exist. When an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised. A reversal of an impairment loss is recognised immediately in profit or loss.

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3.2 Lease arrangements

The Group enters leases for the use of warehouse and office space in Australia and New Zealand with lease terms of between 1 and 7 years. No lease includes the option to purchase the leased land or buildings at the expiry of the lease term. The Group also has short-term leases for an office and storage space in Guangzhou, China and for its retail stores in New Zealand.

The right of use assets and corresponding lease liabilities recognised by the Group are as follows:

	30 June 2024 $'000	30 June 2023 $'000
Right of use asset	22,104	17,482
Accumulated depreciation	(8,935)	(6,101)
	13,169	**11,381**
Movement in the cost of the right of use asset:		
Opening balance	17,482	17,683
Additions	4,598	9,121
Disposals	–	(9,302)
Lease modification	52	(152)
Foreign exchange movement	(28)	132
Closing balance	**22,104**	**17,482**
Movement in accumulated depreciation and impairment:		
Opening balance	(6,101)	(12,108)
Depreciation	(2,861)	(3,229)
Disposals	–	9,324
Foreign exchange movement	27	(88)
Closing balance	**(8,935)**	**(6,101)**

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Payments related to leases recognised as expenses

	30 June 2024 $'000	30 June 2023 $'000
Depreciation charge for right of use assets	2,861	3,229
Interest expense on lease liabilities	600	347

Lease commitments

Maturity profile of lease liability	30 June 2024 $'000	30 June 2023 $'000
Less than 1 year	2,633	2,761
1 – 2 years	2,869	2,975
2 – 5 years	6,786	6,541
5 – 10 years	2,267	–

The Company varied the lease for its existing premises in Auckland, New Zealand to renew the lease term for an additional five years from 1 April 2026. The changes to the leases are reflected in the additions above.

Accounting policy

When the Group enters into a new contract an assessment is undertaken to determine if the contract is, or contains, a lease. The Group recognises a right of use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Where a lease includes the option to extend the lease term, the Group considers an option to extend a lease to be reasonably certain when there is a clear economic incentive for extension, such as favourable contractual terms and conditions in the option period compared to market rates or the existence of significant termination costs. Determining the lease term is a key judgement. After the lease commencement, the lease term is reassessed upon the occurrence of a significant event or change in circumstance.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Group's incremental borrowing rate for a similar asset over a similar term. The incremental borrowing rate requires estimation when it needs to be adjusted to reflect the terms and conditions of the lease.

Lease payments included in the measurement of the Group's lease liabilities compose:

- Fixed lease payments less lease incentives
- Variable lease payments

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right of use assets) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liabilities is remeasured by discounting the revised lease payments using a revised discount rate
- The lease payments change due to changes in an index or rate or a change in expected payment under guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised leased payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right of use assets comprise the initial measurement of the lease liability, lease payments made at or before the commencement, initial direct costs, and an estimate of the costs to return the asset to the condition as required by the lease contract (make good costs). Where a lease includes make good costs a provision is also recognised and measured in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Right of use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Group expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of the lease.

The right of use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies AASB 136 *Impairment of Assets* to determine whether a right of use asset is impaired and accounts for any identified impairment loss as described in the plant and equipment accounting policy.

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Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right of use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line occupancy costs in the statement of profit or loss.

The Group has elected not to use the practical expedient included in AASB 16 *Leases* where a lessee may choose not to separate non-lease components and to account for leases as a single arrangement.

3.3 Borrowings

During the financial period ended 30 June 2024, the Group had a non-cash guarantee facility of $11,000,000. Under the terms of this facility, financial institutions provide guarantees to the Group's suppliers and property owners in the form of Letters of Credit and Bank Guarantees. These Letters of Credit and Bank Guarantees act like insurance and provide assurance to suppliers and property owners that payment up to the amount of the guarantees will be made if certain documentary conditions are met. The Group has no obligation to make any payments under this non-cash facility.

At 30 June 2024 the Group did not have a debt facility in place (2023: nil).

The Group's facilities are denominated in Australian dollars and variable interest rates apply. All assets of the Group have been pledged to secure the borrowings of the Group with one of the Big Four banks.

The facilities have financial covenants relating to fixed charge cover ratio, borrowing base cover ratio and leverage ratio. The Group is compliant with all financial covenants.

Borrowing facility	30 June 2024 $'000	30 June 2023 $'000
Non-cash guarantees facility	11,000	11,000
Total Group facility	**11,000**	**11,000**

Utilisation of non-cash guarantees facility	30 June 2024 $'000	30 June 2023 $'000
Utilised – non-cash	5,019	6,535
Unutilised limit available for use	5,981	4,465
Total non-cash guarantees facility	**11,000**	**11,000**

Accounting policy

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs are expensed in the period in which they occur unless they are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, they are capitalised as part of the cost of the asset.

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4. SHAREHOLDER EQUITY

4.1 Issued capital

	30 June 2024 $'000	30 June 2023 $'000
96,415,670 fully paid ordinary shares (2023: 96,415,670)	77,952	95,789

Date	Details	Value of Shares $'000	Number of Shares
1 July 2023	Opening balance	95,789	96,415,670
20 December 2023	Effective date of capital return	(17,837)	–
30 June 2024	Closing Balance	77,952	96,415,670

On 22 September 2023, the Company announced it would distribute 18.5 cents per share to its shareholders by way of an equal reduction of share capital. The effective date of the capital return was 20 December 2023 and the record date was 27 December 2023. The capital return was paid on 4 January 2024.

4.2 Earnings per share

	12 months to 30 June 2024 Cents per share	12 months to 30 June 2023 Cents per share
From continuing and discontinued operations:		
Basic earnings per share	7.2	8.4
Diluted earnings per share	7.0	8.3
From continuing operations:		
Basic earnings per share	7.6	10.2
Diluted earnings per share	7.4	10.1
From discontinued operations:		
Basic earnings per share	(0.4)	(1.8)
Diluted earnings per share	(0.4)	(1.8)

Reconciliation of input used to calculate earnings per share

	12 months to 30 June 2024	12 months to 30 June 2032
Net profit ($'000) from continuing operations	7,276	9,817
Net profit ($'000) from discontinued operations	(366)	(1,770)
Net profit/(loss) from continuing and discontinued operations	6,910	8,047
Opening balance of shares for the financial period	96,415,670	95,622,139
Closing balance of shares for the financial period	96,415,670	96,415,670
Weighted average number of ordinary shares used in the calculation of basic earnings per share	**96,415,670**	**95,896,070**
Shares deemed to be issued for no consideration in respect of:		
Employee performance rights	1,816,621	1,043,991
Closing number of shares deemed to be issued for the financial period	**98,232,291**	**96,940,061**

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Accounting policy

Basic and diluted earnings per share is calculated on profit after taxation attributable to members of Shriro and the weighted average number of shares on issue during the period.

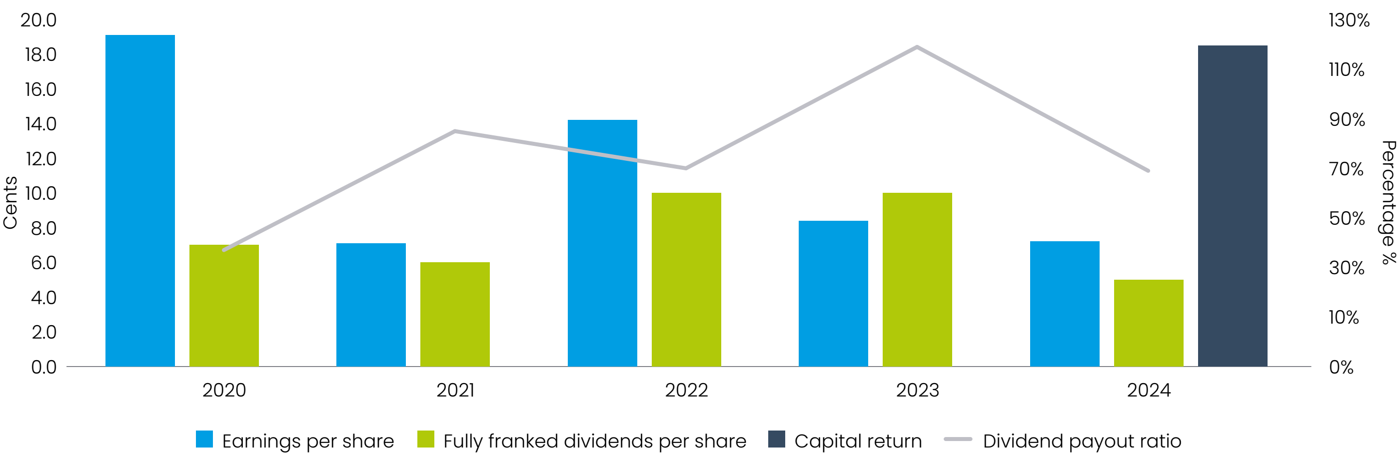
4.3 Dividends

On 22 February 2024, the Directors declared an interim dividend of 2.0 cents per share fully franked with an ex-dividend date of 14 March 2024 and record date of 15 March 2024, which was paid on 5 April 2024.

On 29 August 2024, the Directors declared a final dividend of 3.0 cents per share fully franked with an ex-dividend date of 10 September 2024, record date of 11 September 2024 and payable on 27 September 2024.

	30 June 2024 $'000	30 June 2023 $'000
Franking account balance	390	2,060

Shareholder returns



Dividend payout ratio is calculated as dividend paid divided by basic earnings per share. The years 2019 to 2020 and 2022 to 2024 have been calculated based on an earnings per share over a twelve-month period while the 2021 balances have been calculated on a six-month period due to Shriro's change in financial year end.

4.4 Retained earnings

	30 June 2024 $'000	30 June 2023 $'000
Balance at beginning of the financial period	50,023	50,730
Profit for the period	6,910	8,047
Transfer from equity settled benefits reserve to retained earnings	–	(1,555)
Dividends paid	(8,195)	(7,199)
Balance at end of financial period	**48,738**	**50,023**

4.5 Reserves

	30 June 2024 $'000	30 June 2023 $'000
Cash flow hedging reserve	(1,233)	(429)
Foreign currency translation reserve	1,228	1,248
Equity settled employee benefits reserve	318	153
Group reorganisation reserve	(78,585)	(78,585)
Balance at end of financial period	**(78,272)**	**(77,613)**

4.5.1 Cash flow hedging reserve

	30 June 2024 $'000	30 June 2023 $'000
Balance at the beginning of the financial period	(429)	(234)
Forward exchange contracts	(804)	(195)
Balance at end of financial period	**(1,233)**	**(429)**

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of financial instruments entered for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss or is included as a basis adjustment to the nonfinancial hedged item, consistent with the relevant accounting policy.

4.5.2 Foreign currency translation reserve

	30 June 2024 $'000	30 June 2023 $'000
Balance at the beginning of the financial period	1,248	1,007
Exchange differences arising on translation of foreign operations	(20)	241
Balance at end of financial period	**1,228**	**1,248**

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.

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4.5.3 Equity settled employee benefits reserve

	30 June 2024 $'000	30 June 2023 $'000
Balance at the beginning of the financial period	153	(962)
Relating to share-based payments	165	(440)
Transfer from equity settled benefits reserve to retained earnings	–	1,555
Balance at end of financial period	**318**	**153**

Accounting policy

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Refer to note 5.6 for the methodology of calculating fair value at grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Director's estimate of equity instruments that will eventually vest with a corresponding adjustment to reserves.

4.5.4 Group re-organisation reserve

	30 June 2024 $'000	30 June 2023 $'000
Balance at beginning of financial period	(78,585)	(78,585)
Balance at end of financial period	**(78,585)**	**(78,585)**

The Group re-organisation reserve arose from re-organisation of the Group structure at the time of the Initial Public Offering.

5. GROUP STRUCTURE AND KEY MANAGEMENT

5.1 Subsidiaries

The Group owns 100% of the equity holding in the following entities (2023: 100% except for Shriro (Guangzhou) Company limited) whose principal activities are as wholesalers of consumer goods and appliances. Shriro (Guangzhou) Company Limited provides compliance and sourcing related services to the Group. Along with the Company, they form the assets, liabilities, and results of the consolidated financial statements.

	Country of incorporation and operation
Shriro Australia Pty Limited[1]	Australia
Monaco Corporation Limited	New Zealand
Shriro USA, Inc.	USA
Shriro (Guangzhou) Company Limited	China[2]

1. This subsidiary is a member of the tax-consolidated group and has entered into a deed of cross guarantee with Shriro Holdings Limited pursuant to ASIC Corporations (Wholly owned Companies) Instrument 2016/785 and are relieved from the requirement to prepare and lodge an audited financial report.
2. On 28 December 2023, Shriro Australia Pty Ltd acquired 100% of the issued capital of Shriro (Guangzhou) Company Limited. The company employs staff located in Guangzhou, China that provide compliance and sourcing-related services exclusively to the Group. The company was previously owned by SPL Pacific Limited, a shareholder of Shriro Holdings Limited, and was acquired by the Group for a nominal amount of one (1) Hong Kong Dollar. The net value of the identifiable assets acquired and liabilities assumed was $20,000. The resulting gain on bargain purchase of $20,000 was recognised in Other Income.

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5.2 Deed of Cross Guarantee

Under the terms of *ASIC Corporations (Wholly owned Companies) Instrument 2016/785*, certain wholly owned controlled entities have been granted relief from the requirement to prepare audited financial reports. It is a condition of the class order that the Company and each of the relevant subsidiaries enter into a Deed of Cross Guarantee whereby each company guarantees the debts of the companies' party to the Deed. The member companies of the Deed of Cross Guarantee are regarded as the 'Closed Group' and identified in note 5.1.

The consolidated statement of profit or loss and other comprehensive income, retained earnings reconciliation and a consolidated statement of financial position, comprising the Company and those controlled entities which are a party to the Deed of Cross Guarantee, after eliminating all transactions between parties to the Deed are set out below.

Statement of Profit or Loss and Other Comprehensive Income	**12 months to 30 June 2024 $'000**	**12 months to 30 June 2023 $'000**
Revenue from ordinary activities	84,436	80,216
Raw materials and consumables used	(41,355)	(41,976)
Employee benefits expense	(13,738)	(12,933)
Advertising and promotion expenses	(2,388)	(2,499)
Freight and delivery expenses	(2,906)	(1,951)
Depreciation and amortisation expenses	(2,705)	(2,644)
Occupancy and storage costs	(611)	(437)
Foreign exchange gain/(loss)	–	80
Finance costs	211	(244)
Other expenses	(6,688)	(4,885)
Other income	1,008	651
Profit before tax	**15,264**	**13,378**
Income tax expense	(2,797)	(3,337)
Profit for the year from continuing operations	12,467	10,041
Profit/(loss) for the year from discontinued operations	(366)	(1,770)
Profit for the year	**12,101**	**8,271**
Other comprehensive income, net of income tax		
Items that may be reclassified subsequently to profit or loss		
Net change in the fair value of cash flow hedges taken to equity	(520)	(115)
Other comprehensive income for the year, net of tax	(520)	(115)
Total comprehensive income for the year attributable to the owners of Shriro Holdings Limited	**11,581**	**8,156**

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Consolidated Statement of Financial Position	30 June 2024 $'000	30 June 2023 $'000
Current assets		
Cash and bank balances	20,857	24,465
Trade and other receivables	10,057	9,355
Inventories	6,670	15,049
Loan to related entities	6,484	7,829
Other current assets	1,043	1,163
Current tax receivable	–	1,516
Derivative receivable	1	42
Total current assets	**45,112**	**59,419**
Non-current assets		
Right of use assets	7,404	9,475
Property, plant and equipment	1,777	2,482
Deferred tax assets	2,385	2,974
Investments	12,553	12,553
Total non-current assets	**24,119**	**27,484**
Total assets	**69,231**	**86,903**
Current liabilities		
Trade and other payables	5,699	7,493
Lease liabilities	2,001	1,824
Provisions	3,457	4,370
Current tax payable	274	–
Derivative payable	1,246	601
Total current liabilities	**12,677**	**14,288**
Non-current liabilities		
Trade and other payables	226	–
Lease liabilities	5,829	7,776
Provisions	394	446
Total non-current liabilities	**6,449**	**8,222**
Total liabilities	**19,126**	**22,510**
Net assets	**50,105**	**64,392**
Equity		
Issued capital	77,952	95,789
Reserves	(79,137)	(78,782)
Retained earnings	51,290	47,385
Total equity	**50,105**	**64,392**

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5.3 Related party transactions

The ultimate parent entity is Shriro Holdings Limited which is domiciled and incorporated in Australia, and all subsidiaries of the Company are disclosed in note 5.1.

Transactions between companies within the Group during the current and prior year included:

- Purchases and sales of goods and services;
- Provision of compliance and sourcing related services; and
- Provision of accounting and administrative assistance.

Transactions with controlled entities are made on normal commercial terms and conditions and have been eliminated on consolidation and not disclosed in this note.

Compensation and remuneration of KMPs has been disclosed in note 5.5.

During the year, a close family member of the CFO was employed by Shriro Australia Pty Limited to undertake administrative activities. The role did not report to, and he was not instructed by, the CFO and salaries and wages paid were calculated in accordance with Australian minimum wages. The total wages paid during the year totalled $4,197.

During the year, the Group also made sales to an entity wholly owned by a close family member of the CEO. Total sales for the year were $11,464 (2023: $906) with a balance owed by the customer at year end of $89 (2023: $1,176 credit owed by the Group). Customer terms and conditions are consistent with other customers of a similar size.

5.4 Parent entity information

The individual financial statements show the following aggregate amounts:

Financial Position	30 June 2024 $'000	30 June 2023 $'000
Current assets	–	1,516
Total assets	88,585	90,101
Current liabilities	17,363	1,214
Total liabilities	17,363	1,214
Equity		
Issued capital	77,952	95,789
Reserves	318	153
Accumulated losses	(7,048)	(7,055)
Total equity	**71,222**	**88,887**

Financial Performance	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Profit for the year	8,202	8,092
Total comprehensive income	**8,202**	**8,092**

Financial guarantees

Refer to note 3.3 for financial guarantees to banks, financiers, and other persons.

Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities in the Company at 30 June 2024 (2023: nil).

5.5 Directors and key management personnel compensation

The Board of Directors approves on an annual basis the amounts of compensation for Directors (up to the shareholder approved limit) and the CEO and CFO with reference to the Group's performance and general compensation levels in equivalent companies and industries.

Remuneration of Directors and Key Management Personnel

	30 June 2024 $'000	30 June 2023 $'000
Short-term employee benefits	1,372	1,507
Long-term employee benefits	160	154
Post-employment benefits	55	53
	1,587	**1,714**

Accounting policy

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to the reporting date. The discount rate adopted at 30 June 2024 is the high quality corporate bond rate.

5.6 Share-based payments

5.6.1 LTI Plan

The Company established a Long-Term Incentive Plan ('LTIP') to assist in the motivation, retention, and reward of senior management. The LTIP is designed to align the interests of the executive and senior management with the interests of Shareholders by providing an opportunity for them to receive an equity interest in the Company. Long-term incentives are established under the LTIP.

The LTIP Rules provide flexibility for the Company to grant performance rights, options and/or restricted shares, subject to the terms of individual offers.

Performance rights have been granted to the Chief Executive Officer, Chief Financial Officer and other senior management.

No non-executive director holds any performance rights over the shares in Shriro Holdings Limited.

At 30 June 2024, the Company had two tranches of performance rights on issue, one granted in 2023 and one granted in 2024. The tranche of performance rights issued in 2022 vested on 30 June 2024.

The 2023 and 2024 tranches will vest based on an average earnings per share (EPS) CAGR performance hurdle.

The table below summarises the terms of the tranches:

Performance rights series	Grant date	Grant date fair value	Number granted	Term	Vesting test date
2023 tranche	30/11/2022	$404,776	652,384	3 years	30/06/2025
2024 tranche	30/11/2023	$463,524	772,630	3 years	30/06/2026

In the year ended 30 June 2024, the CEO was issued 372,965 performance rights (2023: 316,751), the CFO was issued 181,820 performance rights (2023: 154,416) and other senior management were issued with 217,845 performance rights (2023: 181,217) in accordance with LTIPs.

The amortised LTIP performance rights recognised in consolidated statement of profit or loss for the year ended 30 June 2024 was $165,000 (2023: $171,000).

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41.5% of the rights granted in the 2022 tranche with performance period 1 July 2022 to 30 June 2024 vested on Board approval on 29 August 2024. The Chief Executive Officer and Chief Financial Officer are entitled to exercise their rights to receive 86,495 and 42,166 shares in the Company respectively. Other senior management are entitled to exercise their rights to collectively receive 33,854 shares in the Company.

No non-executive director has received any performance rights in the current year, or in previous years.

5.6.2 Fair value of performance rights granted

Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, performance hurdles (including the probability of meeting market conditions attached to the rights), and behavioural considerations.

Performance rights series	Testing hurdle	Grant date fair value	Term	Volatility	Dividend yield
2023 tranche	Average EPS CAGR	$0.62	3 years	N/a	12.74%
2024 tranche	Average EPS CAGR	$0.60	3 years	N/a	8.53%

5.6.3 Performance rights outstanding at the end of the year

The performance rights outstanding at the end of the year had no exercise price and a weighted average remaining contractual life of 1.18 years.

Accounting policy

Equity-settled share-based payments issued to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value at grant date is calculated using the market price of shares at grant date less the present value of expected dividends foregone prior to vesting.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

6. OTHER NOTES

6.1 Remuneration of auditors

	12 months to 30 June 2024 $'000	12 months to 30 June 2023 $'000
Amounts received or receivable by Hall Chadwick for:		
Audit and review of the Group's financial statements	151	140
Non-audit services	–	–
Amounts received or receivable by Deloitte Touche Tohmatsu for:		
Audit and review of the Group's prior year financial statements	–	34
Non-audit services	–	–
Total auditor remuneration	**151**	**174**

The Group may engage Hall Chadwick when stringent independence requirements are satisfied to provide other non-audit services where their expertise and experience best qualifies them to provide the appropriate service. During the year ended 30 June 2024, Hall Chadwick was not engaged to undertake non-audit services.

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6.2 Commitments and contingencies

There were no capital commitments, contingent liabilities or contingent assets in the Group as at 30 June 2024 (2023: nil).

6.3 Events after the reporting date

Other than the matters disclosed in note 4.3 of the Financial Report, there has been no other matter or circumstance, occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

6.4 Other accounting policies

Tax consolidation

The Company and its wholly owned Australian tax resident entities have formed a tax-consolidated group with effect from 23 June 2015 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Shriro Holdings Limited. The members of the tax-consolidated group are Shriro Australia Pty Limited and Shriro USA, Inc.

Tax expenses/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax.

Current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group).

Entities within the tax-consolidated group have entered into a tax funding arrangement and a tax sharing agreement with the head entity. Under the terms of the tax funding arrangement, the Company and each of the entities in the tax-consolidated group has agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity.

Under the terms of the tax funding arrangement, amounts are recognised as payable to or receivable by the Company and each member of the Group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement.

The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations or if an entity should leave the tax consolidated group. The effect of the tax sharing agreement is that each member's liability for tax payable by the tax-consolidated group is limited to the amount payable to the head entity under the tax funding arrangement.

Foreign exchange

The results and financial position of the Group are expressed in Australian dollars, which is the functional currency and the presentation currency for the consolidated financial statements.

In preparing the financial statements, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on transactions hedging certain foreign currency risks (see note 2.6 for hedging accounting policies); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of foreign operations are translated into Australian dollars using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average monthly exchange rates during the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Changes to comparative information

Where management has considered it appropriate to achieve more relevant and reliable presentation of the Group's financial performance, the presentation of certain items in the financial statements has changed since the prior year. Where this re-presentation of results requires reclassification of comparative amounts, the comparatives have been re-presented to achieve more relevant and reliable presentation of comparability.

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

Changes in accounting policies and disclosures

The consolidated entity has adopted all 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.

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Consolidated Entity Disclosure Statement

As at 30 June 2024

		Bodies corporate		Tax residency	
Entity name	**Entity type**	**Place incorporated**	**% of share capital held[1]**	**Australian or foreign**	**Foreign jurisdiction**
Shriro Holdings Limited[2]	Body corporate	Australia	N/A	Australian	N/A
Shriro Australia Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Monaco Corporation Ltd	Body corporate	New Zealand	100%	Foreign	New Zealand
Shriro USA, Inc.	Body corporate	United States	100%	Both	United States
Shriro (Guangzhou) Company Limited	Body corporate	China	100%	Foreign	China

1. Represents the economic interest in the entity as consolidated in the consolidated financial statements.
2. This entity is part of a tax-consolidated group under Australian taxation law, for which Shriro Holdings Limited is the head entity.

Basis of preparation

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001*. The entities listed in the statement are Shriro Holdings Limited and all the entities it controls in accordance with AASB 10 *Consolidated Financial Statements*.

The percentage of share capital disclosed for bodies corporate included in the statement represents the voting interest controlled by Shriro Holdings Limited either directly or indirectly.

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Directors' Declaration

The Directors declare that:

a. in the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

b. in the Directors' opinion the attached financial statements are in compliance with International Financial Reporting Standards, as stated in the notes to the financial statements;

c. in the Directors' opinion, the attached financial statements, and notes thereto, have been prepared in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated Group; and

d. the Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

At the date of this declaration, the company is within the class of companies affected by ASIC Corporations (Wholly owned Companies) Instrument 2016/785. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee. In the Directors' opinion, there are reasonable grounds to believe that the company and the companies to which *ASIC Corporations (Wholly owned Companies) Instrument 2016/785* applies, as detailed in note 5.1 to the financial statements will, as a Group, be able to meet any obligations or liabilities to which they are, or may become, subject because of the deed of cross guarantee.

Signed in accordance with a resolution of the Directors made pursuant to s295(5) of the *Corporations Act 2001.*

On behalf of the Directors.

Abigail Cheadle
Chair

29 August 2024

Tim Hargreaves
Chief Executive Officer and Managing Director

29 August 2024

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HALL CHADWICK
Chartered Accountants & Business Advisors

SHRIRO HOLDINGS LIMITED
ABN 29 605 279 329
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHRIRO HOLDINGS LIMITED

Report on the Financial Report

Opinion

We have audited the financial report of Shriro Holdings Limited and controlled entities (the group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss, and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information, consolidated entity disclosure statement and the directors' declaration.

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

a. giving a true and fair view of the group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2024. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

ADELAIDE	BRISBANE	DARWIN	MELBOURNE	PERTH	SYDNEY
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HALL CHADWICK (NSW)

SHRIRO HOLDINGS LIMITED
ABN 29 605 279 329
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHRIRO HOLDINGS LIMITED

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Inventories and allowance for inventory obsolescence and slow-moving stock *Refer to Note 2.2 Inventories*	
As at 30 June 2024, inventories including stock in transit amounted to $20.69 million and the allowance for inventory obsolescence amounted to $1.95 million. Significant judgement is involved in determining the appropriate level for the provisioning for inventory obsolescence and slow-moving stock. This is estimated by reference to inventory ageing and consideration of historical inventory losses, recent sales experience, and other factors that affect inventory obsolescence.	Our audit procedures included but were not limited to: • We attended physical stock counts and observed controls over existence and valuation of inventory. • We obtained and reviewed management's process and policy relating to inventory valuation, including for the recording of the provision for inventory obsolescence. • We held discussions with management and analysed the assumptions applied in determining the provisioning policy of inventory obsolescence and considered the reasonableness of those assumptions based on our understanding of the business, current market conditions and management's strategy to sell various brands and products. • We performed recalculation of provision for inventory obsolescence in accordance with management's policy. • We reviewed management's procedures applied to control cut-off and movements of inventories. This included our review of management's cut-off assessment of inventory movements before and after balance date to ensure inventories and revenue have been recorded in the correct reporting period. • Reviewed the consistency of the inventory valuation method applied to the cost of inventories. • Reviewed gross profit margins of major brands and products to ensure the carrying value of inventories are recorded at lower of cost and net realisable value. • Reviewed stock in transit balances and items against goods receipts subsequent to period end.

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HALL CHADWICK (NSW)

SHRIRO HOLDINGS LIMITED
ABN 29 605 279 329
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SHRIRO HOLDINGS LIMITED

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

– Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.

– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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HALL CHADWICK (NSW)

SHRIRO HOLDINGS LIMITED
ABN 29 605 279 329
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHRIRO HOLDINGS LIMITED

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2024.

In our opinion, the remuneration report of the group for the year ended 30 June 2024 complies with s 300A of the *Corporations Act 2001*.

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HALL CHADWICK (NSW)

SHRIRO HOLDINGS LIMITED
ABN 29 605 279 329
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SHRIRO HOLDINGS LIMITED

Responsibilities

The directors of the Group are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Hall Chadwick

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Dated: 29 August 2024

Shareholder Information

LISTING INFORMATION

Shriro Holdings Limited's shares are quoted on the Australian Securities Exchange ("ASX") under the code SHM.

NUMBER OF HOLDERS OF EQUITY SECURITIES

There are 96,415,670 fully paid ordinary shares held by 1,888 individual shareholders, as at 5 August 2024.

SUBSTANTIAL SHAREHOLDERS

The following organisations have a substantial shareholding in Shriro Holdings Limited based on substantial shareholder notice on or before 5 August 2024.

	Notice Date	Shares held	Percentage
D2A Holdings HK Ltd	25 June 2021	18,915,987	19.62
Australian Ethical Investment Ltd.	5 July 2024	12,708,788	13.18
Greig & Harrison Pty Ltd	28 March 2022	5,811,600	6.08
Ariadne Australia Limited (and related entities)	23 August 2018	4,960,185	5.14

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TWENTY LARGEST HOLDERS OF QUOTED EQUITY SECURITIES

	Fully Paid Ordinary Shares	
	Shares held	Percentage
National Nominees Limited	15,939,358	16.53
Citicorp Nominees Pty Limited	15,613,375	16.19
SPL Pacific Limited	5,695,547	5.91
Portfolio Services Pty Ltd	4,487,779	4.65
HSBC Custody Nominees (Australia) Limited – A/C 2	4,388,984	4.55
J P Morgan Nominees Australia Pty Limited	3,109,199	3.22
Ms Amanda Bernadette De Angelis	2,505,547	2.60
Horrie Pty Ltd	1,426,000	1.48
HSBC Custody Nominees (Australia) Limited	1,167,184	1.21
NewEconomy Com Au Nominees Pty Limited	983,332	1.02
Mr Damien Heffron	850,000	0.88
Vanward Investments Limited	805,640	0.84
Hillmorton Custodians Pty Ltd	747,000	0.77
Morgan Stanley Australia Securities (Nominee) Pty Limited	643,327	0.67
BNP Paribas Nominees Pty Ltd	593,165	0.62
DMX Capital Partners Limited	575,000	0.60
BNP Paribas Noms Pty Ltd	553,613	0.57
Keatech Services Pty Ltd	546,807	0.57
Mr Tim Hargreaves	537,593	0.56
Mr Dermot Francis McGarry & Mrs Christine McGarry	500,000	0.52
Total top 20 shareholders	**61,668,450**	**63.96**
Balance of register	34,747,220	36.04
Total	**96,415,670**	**100.00**

Category – Number of shares	Shares held	Percentage	Number of holders	Distribution of shares
100,001 and over	74,231,410	76.99	85	4.81
10,001 – 100,000	18,568,816	19.26	553	31.28
5,001 – 10,000	1,951,533	2.02	241	13.63
1,001 – 5,000	1,346,768	1.40	467	26.41
1 – 1000	317,143	0.33	422	23.87
Total	**96,415,670**	**100.00**	**1,768**	**100.00**

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VOTING RIGHTS

Holders of ordinary shares are entitled to vote as follows:

a. Every shareholder may vote;

b. On a show of hands every shareholder has one vote; and

c. On a poll every shareholder has one vote for each fully paid share.

UNQUOTED EQUITY SECURITIES

As at 5 August 2024 there were 1,816,621 performance rights over unissued ordinary shares, held by five individuals. There were no unquoted options over unissued ordinary shares.

SHAREHOLDERS WITH LESS THAN A MARKETABLE PARCEL

As at 5 August 2024, there were 148 shareholders holding less than a marketable parcel of $500 in the Company totalling 50,690 ordinary shares.

DIVIDENDS

On 29 August 2024, the Directors declared a dividend relating to the year ending 30 June 2024 of 3.0 cents per share fully franked with an ex-dividend date of 10 September 2024, record date of 11 September 2024. The dividend will be paid on 27 September 2024.

CAPITAL RETURN

On 22 September 2023, the Company announced it would distribute 18.5 cents per share to its shareholders by way of an equal reduction of share capital. The effective date of the capital return was 20 December 2023 and the record date was 27 December 2023. The capital return was paid on 4 January 2024.

CORPORATE GOVERNANCE STATEMENT

A copy of the Corporate Governance Statement can be found on our website at shriro.com.au/investor/corporate_governance.

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Corporate Directory

DIRECTORS

Abigail Cheadle
Independent Non-Executive Chair

Tim Hargreaves
Chief Executive Officer and Managing Director

Brian Bunker
Non-Independent Non-Executive Director

John Murphy
Non-Independent Non-Executive Director

JOINT COMPANY SECRETARIES

Shane Booth

Kerry Smith

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Level 7, 67 Albert Avenue
Chatswood NSW 2067

Tel: +61 2 9415 5000
Website: shriro.com.au

ABN

Shriro Holdings Limited 29 605 279 329

SHARE REGISTRY

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

AUDITORS

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

BANKERS

Australia and New Zealand Banking Group Limited

2024 ANNUAL GENERAL MEETING

Shriro Holding Limited's 2024 Annual General Meeting (AGM) will be held on Thursday 28 November 2024.

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