

Name of entity:	Big River Industries Limited
ABN:	72 609 901 377
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

			\$'000
Revenues from ordinary activities	down	3.3% to	211,515
Loss from ordinary activities after tax attributable to the owners of Big River Industries Limited	down	338.7% to	(16,997)
Loss for the half-year attributable to the owners of Big River Industries Limited	down	338.7% to	(16,997)
		31 Dec 2024 Cents	31 Dec 2023 Cents
Basic (loss)/earnings per share		(19.91)	8.54
Diluted (loss)/earnings per share		(19.91)	8.44

	Amount per security Cents	Franked amount per security Cents
Final dividend paid on 4 October 2024	2.00	2.00

Comments

Refer to the Interim Report attached to this Appendix 4D for detailed explanation and commentary on the results.

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	64.39	72.74

Calculated as follows:

	31 Dec 2024 \$'000	Group 31 Dec 2023 \$'000
Net assets	100,448	120,563
Intangibles	(45,470)	(59,786)
Net tangible assets	54,978	60,777
Number of ordinary shares (No.)	85,376,441	83,550,793

4. Dividend reinvestment plans

The following dividend or distribution plans are in operation:

The dividend reinvestment plan dated 10 December 2019 is in operation, which can be downloaded at:
<http://bigriverindustries.com.au/investors/?page=Corporate-Governance>

The last date(s) for receipt of election notices for the dividend or distribution plans: 5 March 2025

5. Audit qualification or review

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

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

6. Attachments

Details of attachments (if any):

The Interim Report of Big River Industries Limited for the half-year ended 31 December 2024 is attached.

7. Authorised for release

Authorised for release to the ASX by order of the Board

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Big River Industries Limited

ABN 72 609 901 377

Interim Report - 31 December 2024

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The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Big River Industries Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

The following persons were directors of Big River Industries Limited during the whole of the financial half-year and up to the date of this report:

John Lorente	Managing Director and Chief Executive Officer
Martin Monro	Chair
Martin Kaplan	
Vicky Papachristos	
Brendan York	
Brad Soller	

Principal activities

During the financial half-year the principal continuing activities of the Group consisted of the manufacture of veneer, plywood and formply, and the distribution of building supplies, including commercial and formwork product.

Dividends

Dividends paid during the financial half-year were as follows:

	31 Dec 2024 \$'000	Group 31 Dec 2023 \$'000
Final dividend of 2.0 cents per fully paid ordinary share paid on 4 October 2024 (31 December 2023: 8.5 cents per fully paid ordinary share paid on 6 October 2023)	1,707	7,099

On 17 February 2025, the directors determined a fully franked interim dividend of 2 cents per fully paid ordinary share to be paid on 2 April 2025.

Review of operations

The Group reported revenue of \$211.5m down 3.3% on the prior corresponding period ('pcp') and 9.0% down on a like-for-like basis, excluding SLQ acquisition. 1HFY25 revenue up 8.0% on 2HFY24, potentially indicating a level of market cycle stabilisation.

Gross profit margin was flat on pcp but improved by 76 basis points compared to 2HFY24, driven by enhanced pricing discipline, considered supplier consolidation, and an improved sales mix.

EBITDA (before significant items) of \$14.8m, delivering an EBITDA margin of 7.0%, down on pcp (1H FY24: \$20.0m) due to downturn from peak market cycle, however up 17.5% on 2HFY24 EBITDA, reflecting gains in gross profit and operational efficiencies.

Following a sustained market downturn and challenging trading conditions, the Group has conducted a comprehensive review of the carrying value of its assets. As a result, a non-cash impairment charge of \$20.0m in relation to intangible assets has been recognised in the reporting period. Total significant items of \$19.5m are detailed on page 3 of this report.

Net profit after tax ('NPAT') was a loss of \$17.0 million down 338.7%, driven by the significant items which are either non-cash or one-off charges and don't impact ongoing operations.

Summary results

	1H FY2025 \$'m	1H FY2024 \$'m
Revenue	211.5	218.8
EBITDA*	14.8	20.0
Depreciation	(7.2)	(6.2)
Amortisation	(1.2)	(1.1)
Earnings before interest and tax ('EBIT')	6.4	12.7
Finance costs	(2.8)	(2.7)
Net profit before tax ('NPBT') and before significant items	3.6	10.0
Taxation	(1.1)	(3.1)
Net profit after tax and before significant items	2.5	6.9
Significant items, net of tax	(19.5)	0.2
Statutory net (loss)/profit after tax	(17.0)	7.1
Significant items, net of tax:		
Acquisition costs	-	(0.1)
Rebranding and restructure costs	(0.5)	-
Fair value gain	0.8	0.3
Impairment charge	(20.0)	-
Tax benefit	0.2	-
Total significant items	(19.5)	0.2

EBITDA is net profit before interest, taxes, depreciation, amortisation, and significant items which are acquisition costs, rebranding costs, restructure costs, impairment charge and fair value gain. EBITDA is a financial measure which is not prescribed by Australian Accounting Standards. The directors consider EBITDA to represent the core earnings of the Group.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial half-year

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

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

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

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

On behalf of the directors



Martin Monro
Chair



John Lorente
Managing Director and Chief Executive Officer

17 February 2025
Sydney


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DECLARATION OF INDEPENDENCE BY RYAN POLLETT TO THE DIRECTORS OF BIG RIVER INDUSTRIES LIMITED

As lead auditor for the review of Big River Industries Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Big River Industries Limited and the entities it controlled during the period.



Ryan Pollett
Director

BDO Audit Pty Ltd

Sydney, 17 February 2025

Big River Industries Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024



			Group
	Note	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Revenue	4	211,515	218,779
Other income		454	81
Fair value gain on re-assessment of liability	8	857	290
Expenses			
Raw materials and consumables used		(156,228)	(161,072)
Selling and distribution expense		(4,674)	(3,740)
Employee benefits expense		(25,507)	(24,171)
Occupancy expense		(2,999)	(2,444)
General and administration expense		(7,019)	(6,735)
Acquisition costs		(11)	(125)
Rebranding costs		(106)	-
Depreciation and amortisation expense		(8,428)	(7,338)
Impairment of receivables		(725)	(664)
Impairment of goodwill	6	(19,957)	-
Restructuring costs		(392)	-
Finance costs, net		(2,830)	(2,680)
(Loss)/profit before income tax expense		(16,050)	10,181
Income tax expense	5	(947)	(3,061)
(Loss)/profit after income tax expense for the half-year attributable to the owners of Big River Industries Limited		(16,997)	7,120
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net change in the fair value of cash flow hedges taken to equity, net of tax		37	(664)
Foreign currency translation		(286)	281
Other comprehensive loss for the half-year, net of tax		(249)	(383)
Total comprehensive (loss)/income for the half-year attributable to the owners of Big River Industries Limited		(17,246)	6,737
		Cents	Cents
Basic (loss)/earnings per share	13	(19.91)	8.54
Diluted (loss)/earnings per share	13	(19.91)	8.44

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

Big River Industries Limited
Consolidated statement of financial position
As at 31 December 2024



	Note	31 Dec 2024 \$'000	Group 30 Jun 2024 \$'000
Assets			
Current assets			
Cash and cash equivalents		18,838	20,477
Trade and other receivables		44,392	56,047
Inventories		71,512	72,522
Financial assets		286	286
Derivative financial instruments		113	-
Income tax refund due		-	434
Other assets		1,956	1,143
Total current assets		137,097	150,909
Non-current assets			
Derivative financial instruments		-	162
Property, plant and equipment		24,488	25,208
Right-of-use assets		27,696	29,180
Intangibles	6	45,470	66,764
Deferred tax		807	407
Total non-current assets		98,461	121,721
Total assets		235,558	272,630
Liabilities			
Current liabilities			
Trade and other payables		42,348	56,105
Lease liabilities		10,413	9,846
Derivative financial instruments		25	112
Income tax		703	99
Provisions		8,074	8,299
Contingent consideration	8	111	3,707
Other liabilities		2,053	2,169
Total current liabilities		63,727	80,337
Non-current liabilities			
Borrowings	7	46,000	46,000
Lease liabilities		21,547	22,885
Deferred tax		-	475
Provisions		1,550	1,477
Contingent consideration	8	2,286	2,208
Total non-current liabilities		71,383	73,045
Total liabilities		135,110	153,382
Net assets		100,448	119,248

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



			Group
	Note	31 Dec 2024	30 Jun 2024
		\$'000	\$'000
Equity			
Issued capital	9	102,803	102,784
Reserves		(2,161)	(2,046)
(Accumulated losses)/retained profits		(194)	18,510
Total equity		100,448	119,248

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Big River Industries Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2024



Group	Issued capital \$'000	Foreign currency translation reserve \$'000	Hedging reserve - cash flow hedges \$'000	Share-based payments reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2023	98,517	(747)	236	535	22,170	120,711
Profit after income tax expense for the half-year	-	-	-	-	7,120	7,120
Other comprehensive income/(loss) for the half-year, net of tax	-	281	(664)	-	-	(383)
Total comprehensive income/(loss) for the half-year	-	281	(664)	-	7,120	6,737
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs	66	-	-	-	-	66
Share-based payments	-	-	-	148	-	148
Vesting of performance rights	1,156	-	-	(1,156)	-	-
Dividends paid (note 10)	-	-	-	-	(7,099)	(7,099)
Balance at 31 December 2023	99,739	(466)	(428)	(473)	22,191	120,563

Group	Issued capital \$'000	Foreign currency translation reserve \$'000	Hedging reserve - cash flow hedges \$'000	Share-based payments reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2024	102,784	(806)	51	(1,291)	18,510	119,248
Loss after income tax expense for the half-year	-	-	-	-	(16,997)	(16,997)
Other comprehensive (loss)/income for the half-year, net of tax	-	(286)	37	-	-	(249)
Total comprehensive (loss)/income for the half-year	-	(286)	37	-	(16,997)	(17,246)
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs (note 9)	19	-	-	-	-	19
Share-based payments	-	-	-	134	-	134
Dividends paid (note 10)	-	-	-	-	(1,707)	(1,707)
Balance at 31 December 2024	102,803	(1,092)	88	(1,157)	(194)	100,448

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

	Note	31 Dec 2024 \$'000	Group 31 Dec 2023 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		244,128	252,448
Payments to suppliers and employees (inclusive of GST)		(232,476)	(232,809)
		11,652	19,639
Interest income		256	141
Interest and other finance costs paid		(1,995)	(1,817)
Income taxes paid		(787)	(8,501)
		9,126	9,462
Net cash from operating activities			
Cash flows from investing activities			
Payments for investments		-	(60)
Payments for property, plant and equipment, net of lease finance		(512)	(1,360)
Payments of contingent consideration	8	(2,807)	(3,250)
Proceeds from disposal of property, plant and equipment		227	143
		(3,092)	(4,527)
Net cash used in investing activities			
Cash flows from financing activities			
Net lease repayments		(5,964)	(5,320)
Dividends paid, net of reinvestment plan		(1,688)	(7,033)
		(7,652)	(12,353)
Net cash used in financing activities			
Net decrease in cash and cash equivalents		(1,618)	(7,418)
Cash and cash equivalents at the beginning of the financial half-year		20,477	31,673
Effects of exchange rate changes on cash and cash equivalents		(21)	30
		18,838	24,285
Cash and cash equivalents at the end of the financial half-year			

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

Note 1. General information

The financial statements cover Big River Industries Limited as a Group consisting of Big River Industries Limited ('Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ('Group'). The financial statements are presented in Australian dollars, which is Big River Industries Limited's functional and presentation currency.

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

Trenayr Road
Junction Hill NSW 2460

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 17 February 2025.

Note 2. Material accounting policy information

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

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

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

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial half-year ended 31 December 2024 and are not expected to have a significant impact for the full financial year ending 30 June 2025.

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

Note 3. Operating segments

Identification of reportable segments

The Directors have identified the Group's operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer (the chief operating decision maker) in assessing performance and in determining the allocation of resources. Discrete financial information about these operating segments is reported on at least a monthly basis.

The information reported to the Chief Executive Officer is aggregated based on product types and nature of the underlying activities which the Group operates. The Group's reportable segments are as follows:

Panels	Comprised nine distribution sites of timber panel products in Australia and New Zealand, of which four are also manufacturing sites
Construction	Comprised of sixteen sites which sell building, commercial and formwork products in Australia, of which four are also frame and truss prefabrication plants

Note 3. Operating segments (continued)

Sales between segments are based on similar terms and conditions to those in place with third party customers and are eliminated from the results below.

The Directors consider Revenue and EBITDA* as the Group's key segment measure.

EBITDA* is measured pre significant items which are presented separately due to their nature, size and expected infrequent occurrence and therefore do not reflect the underlying trading of the Group.

Operating segment information

	Panels \$'000	Construction \$'000	Corporate (unallocated) \$'000	Total \$'000
Group - 31 Dec 2024				
Revenue				
Sales to external customers	71,423	140,092	-	211,515
Total revenue	71,423	140,092	-	211,515
EBITDA* (pre significant items)	8,781	10,332	(4,296)	14,817
Depreciation and amortisation				(8,428)
Impairment of goodwill				(19,957)
Finance costs				(2,830)
Other significant items				348
Loss before income tax expense				(16,050)
Income tax expense				(947)
Loss after income tax expense				(16,997)
Material items:				
Impairment of goodwill	(8,057)	(11,900)	-	(19,957)
Group - 31 Dec 2023				
Revenue				
Sales to external customers	64,463	154,316	-	218,779
Total revenue	64,463	154,316	-	218,779
EBITDA* (pre significant items)	9,331	14,639	(3,936)	20,034
Depreciation and amortisation				(7,338)
Finance costs				(2,680)
Significant items				165
Profit before income tax expense				10,181
Income tax expense				(3,061)
Profit after income tax expense				7,120

There is no single customer with 10% or more of revenue.

* EBITDA is net profit before interest, taxes, depreciation, amortisation, and significant items which are acquisition costs, rebranding costs, restructure costs, impairment charge and fair value gain.

Note 4. Revenue

	31 Dec 2024 \$'000	Group 31 Dec 2023 \$'000
Sale of goods	211,515	218,779

Disaggregation of revenue

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

	31 Dec 2024 \$'000	Group 31 Dec 2023 \$'000
<i>Geographical regions</i>		
Australia	199,383	202,327
New Zealand	12,132	16,452
	211,515	218,779
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	211,515	218,779

Note 5. Income tax expense

	31 Dec 2024 \$'000	Group 31 Dec 2023 \$'000
<i>Income tax expense</i>		
Current tax	1,886	3,849
Deferred tax - origination and reversal of temporary differences	(879)	(855)
Adjustment recognised for prior periods	(60)	67
Aggregate income tax expense	947	3,061
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
(Loss)/profit before income tax expense	(16,050)	10,181
Tax at the statutory tax rate of 30%	(4,815)	3,054
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based remuneration	40	44
Impairment of intangibles	5,987	-
Fair value gain	(257)	(87)
Sundry items	67	23
	1,022	3,034
Adjustment recognised for prior periods	(60)	67
Difference in overseas tax rates	(15)	(40)
Income tax expense	947	3,061

Note 6. Intangibles

	31 Dec 2024 \$'000	Group 30 Jun 2024 \$'000
<i>Non-current assets</i>		
Goodwill	52,971	53,095
Less: Impairment	(19,957)	-
	<u>33,014</u>	<u>53,095</u>
Customer relationships	15,820	15,832
Less: Accumulated amortisation	(6,739)	(5,699)
	<u>9,081</u>	<u>10,133</u>
Software - at cost	2,082	2,082
Less: Accumulated amortisation	(1,344)	(1,195)
	<u>738</u>	<u>887</u>
Product development - at cost	191	191
Less: Accumulated amortisation	(154)	(142)
	<u>37</u>	<u>49</u>
Brand name - at cost	2,600	2,600
	<u>45,470</u>	<u>66,764</u>

Reconciliations

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

	Goodwill \$'000	Customer relationships \$'000	Software \$'000	Product development \$'000	Brand name \$'000	Total \$'000
Group						
Balance at 1 July 2024	53,095	10,133	887	49	2,600	66,764
Exchange differences	(124)	-	-	-	-	(124)
Impairment of assets	(19,957)	-	-	-	-	(19,957)
Amortisation expense	-	(1,052)	(149)	(12)	-	(1,213)
Balance at 31 December 2024	<u>33,014</u>	<u>9,081</u>	<u>738</u>	<u>37</u>	<u>2,600</u>	<u>45,470</u>

Impairment testing

For the purpose of impairment testing, goodwill, brands and other intangible assets are allocated to a group of cash generating units ('CGUs'), which are expected to benefit from the synergies of the business combinations.

Goodwill acquired through business combinations is allocated to the lowest level within the entity at which the goodwill is monitored, being the two groups of CGUs – Panels and Construction Divisions.

Note 6. Intangibles (continued)

	31 Dec 2024 \$'000	Goodwill 30 Jun 2024 \$'000	Customer relationships 31 Dec 2024 \$'000	30 Jun 2024 \$'000	31 Dec 2024 \$'000	Brand name 30 Jun 2024 \$'000
Groups of CGUs						
Panels	15,014	23,195	6,093	6,790	2,600	2,600
Construction	18,000	29,900	2,988	3,343	-	-
	<u>33,014</u>	<u>53,095</u>	<u>9,081</u>	<u>10,133</u>	<u>2,600</u>	<u>2,600</u>

Following a prolonged downturn in the housing cycle, particularly in the residential sector which Big River has the largest revenue exposure to, the Group has conducted an impairment assessment for both CGU's and has recognised an impairment charge in the reporting period.

The Group recognised an impairment loss of \$8,057,000 relating to Panels and \$11,900,000 relating to Construction.

The recoverable amount of the Group's goodwill has been determined by a value-in-use calculation of the two groups of CGUs, using a discounted cash flow model based on a single year detailed forecast approved by management and extrapolated for a further four years using a steady rate, together with a terminal value.

In preparing the FY2025 forecast, due consideration was given to the current market and economic conditions. The cash flows beyond the forecast period have been extrapolated over a further four years. The value-in-use calculations have been prepared using a compound growth rate of 4.4% (30 June 2024: 4.4%) and terminal growth rate of 2.5% (30 June 2024: 2.5%).

The discount rate applied to cashflow projections which are derived from the Group's weighted average cost of capital, adjusted for varying risk profiles were:

- Pre-tax discount rate 14.1% (30 June 2024: 14.3%)
- Post-tax discount rate 10.3% (30 June 2024: 10.5%)

The two groups of CGUs have been assessed with the same weighted average cost of capital as they have similar economic and risk profiles.

The key assumptions used in the value-in-use calculation are based on past experience and the Group's forecast operating and financial performance for the groups of CGUs taking into account the current market and economic conditions, risks, uncertainties and opportunities for improvements.

Both groups of CGUs are currently impaired, so any reasonably possible adverse changes in any key assumptions would cause a further impairment.

Note 7. Borrowings

	31 Dec 2024 \$'000	Group 30 Jun 2024 \$'000
<i>Non-current liabilities</i>		
Bank bills	<u>46,000</u>	<u>46,000</u>

Assets pledged as security

Borrowings are secured by a first registered mortgage over assets of the Group.

Note 7. Borrowings (continued)

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	31 Dec 2024 \$'000	Group 30 Jun 2024 \$'000
Total facilities		
Bank overdraft and trade finance	12,943	12,974
Bank bills	62,000	62,000
Lease facility	5,900	5,900
	<u>80,843</u>	<u>80,874</u>
Used at the reporting date		
Bank overdraft and trade finance	-	-
Bank bills	46,000	46,000
Lease facility	2,432	2,074
	<u>48,432</u>	<u>48,074</u>
Unused at the reporting date		
Bank overdraft and trade finance	12,943	12,974
Bank bills	16,000	16,000
Lease facility	3,468	3,826
	<u>32,411</u>	<u>32,800</u>

Note 8. Contingent consideration

	31 Dec 2024 \$'000	Group 30 Jun 2024 \$'000
<i>Current liabilities</i>		
Contingent consideration	<u>111</u>	<u>3,707</u>
<i>Non-current liabilities</i>		
Contingent consideration	<u>2,286</u>	<u>2,208</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current financial half-year and previous financial year are set out below:

Opening balance	5,915	5,802
Additions through business combinations	-	3,915
Unwind of present value interest	146	426
Payments made during the period	(2,807)	(3,460)
Fair value gain on re-assessment of liability	<u>(857)</u>	<u>(768)</u>
Closing balance	<u>2,397</u>	<u>5,915</u>

Note 9. Issued capital

	31 Dec 2024 Shares	30 Jun 2024 Shares	31 Dec 2024 \$'000	Group 30 Jun 2024 \$'000
Ordinary shares - fully paid	85,376,441	85,362,772	102,803	102,784

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$'000
Balance	1 July 2024	85,362,772		102,784
Issue of shares in relation to dividend reinvestment plan	4 October 2024	13,669	\$1.420	19
Balance	31 December 2024	85,376,441		102,803

Note 10. Dividends

Dividends paid during the financial half-year were as follows:

	31 Dec 2024 \$'000	Group 31 Dec 2023 \$'000
Final dividend of 2.0 cents per fully paid ordinary share paid on 4 October 2024 (31 December 2023: 0.5 cents per fully paid ordinary share paid on 6 October 2023)	1,707	7,099

On 17 February 2025, the directors determined a fully franked interim dividend of 2 cents per fully paid ordinary share to be paid on 2 April 2025.

Note 11. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

Group - 31 Dec 2024	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Assets				
Ordinary shares	-	-	286	286
Derivatives	-	113	-	113
Total assets	-	113	286	399
Liabilities				
Contingent consideration	-	-	2,397	2,397
Derivatives	-	25	-	25
Total liabilities	-	25	2,397	2,422

Note 11. Fair value measurement (continued)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group - 30 Jun 2024				
<i>Assets</i>				
Ordinary shares	-	-	286	286
Derivatives	-	162	-	162
Total assets	-	162	286	448
<i>Liabilities</i>				
Contingent consideration	-	-	5,915	5,915
Derivatives	-	112	-	112
Total liabilities	-	112	5,915	6,027

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Unquoted investments have been valued using a discounted cash flow model.

Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Level 3 liabilities

The level 3 liabilities unobservable inputs and sensitivity are as follows:

Type	Valuation techniques	Significant unobservable inputs	Relationship and sensitivity of unobservable inputs to value
Contingent consideration through business combinations	The valuation model considers the present value of the expected payments which are determined considering the possible scenarios of forecast EBITDA.	Forecast EBITDA Risk adjusted discount rate	The higher the discount rate, the lower the fair value The higher the amount of EBITDA, the higher the fair value

Note 12. Contingent liabilities

The Group has given bank guarantees as at 31 December 2024 of \$4,290,000 (30 June 2024: \$3,637,000) to various landlords.

Note 13. Earnings per share

	31 Dec 2024 \$'000	Group 31 Dec 2023 \$'000
(Loss)/profit after income tax attributable to the owners of Big River Industries Limited	(16,997)	7,120

Note 13. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	85,369,384	83,377,663
Adjustments for calculation of diluted earnings per share:		
Performance rights	-	945,316
Weighted average number of ordinary shares used in calculating diluted earnings per share	85,369,384	84,322,979
	Cents	Cents
Basic (loss)/earnings per share	(19.91)	8.54
Diluted (loss)/earnings per share	(19.91)	8.44

As at 31 December 2024, the Group is in a loss position and as such, the performance rights issued under employee share plans have not been included as their inclusion would be anti-dilutive.

Note 14. Share-based payments

Performance rights

The terms and conditions of performance rights are detailed in the 30 June 2024 Annual Report.

Set out below are summaries of performance rights granted:

31 Dec 2024

Grant date	Expiry date	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other *	Balance at the end of the half-year
17/12/2021	17/12/2026	336,081	-	-	(336,081)	-
14/10/2022	14/10/2027	187,787	-	-	-	187,787
24/02/2023	14/10/2027	76,098	-	-	-	76,098
15/11/2023	15/11/2028	457,454	-	-	-	457,454
05/11/2024	05/11/2029	-	1,016,335	-	-	1,016,335
		1,057,420	1,016,335	-	(336,081)	1,737,674

* Rights granted in December 2021 forfeited during the current period as performance condition (EPS Growth) attached to those rights was not achieved.

Valuation model inputs

For the performance rights granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Dividend yield	Risk-free interest rate	Fair value at grant date
05/11/2024	05/11/2029	\$1.385	5.40%	3.10%	\$1.177

Note 15. Events after the reporting period

Apart from the dividend declared as disclosed in note 10, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Martin Monro
Chair

17 February 2025
Sydney



John Lorente
Managing Director and Chief Executive Officer

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Big River Industries Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Big River Industries Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 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 half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

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

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

Basis for conclusion

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

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

Responsibility of the directors for the financial report

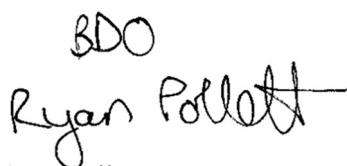
The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation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

Auditor's responsibility for the review of the financial report

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

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

BDO Audit Pty Ltd

A handwritten signature in black ink. It starts with 'BDO' in a simple, blocky font. Below it, the name 'Ryan Pollett' is written in a cursive, flowing script.

Ryan Pollett
Director

Sydney, 17 February 2025