

ARIADNE

Ariadne Australia Limited
A.B.N. 50 010 474 067

Appendix 4D **Financial Report**

Half year report for the period ended 31 December 2024

(the previous corresponding period being the period ended 31 December 2023)

Results for announcement to the market				31 December 2024	31 December 2023
Revenues from ordinary activities *	\$'000	Increased	62.5%	5,850	3,599
Net profit / (loss) for the period attributable to members	\$'000	Increased	1,000.7%	2,711	(301)
Total comprehensive profit for the period attributable to members	\$'000	Decreased	124.4%	(2,419)	9,896

				31 December 2024	30 June 2024
Net tangible assets per security	cents	Decreased	3.2%	80.60	83.28

The Directors have declared a fully franked interim dividend of 0.5 cents per ordinary share in relation to the 30 June 2025 financial year. The record date applicable to the dividend will be Monday, 17 March 2025 with payment to be made on Thursday, 27 March 2025.

The final dividend of 0.5 cents per ordinary share in relation to the 30 June 2024 financial year had a record date of Monday, 16 September 2024 and was paid on Thursday, 26 September 2024.

It is recommended that the consolidated results for Ariadne Australia Limited ("Ariadne") and its controlled entities ("the Group") be read in conjunction with the 2024 Annual Report and any public announcements made by Ariadne during the half year.

* Total revenues from ordinary activities as shown above include the Group's share of profits/losses of joint ventures, associates and other gains / losses recorded through profit and loss.

ARIADNE

Ariadne Australia Limited
Half-Year Report
31 December 2024

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Directors' Report

The Directors submit their report for the six months ended 31 December 2024. The term "Group" is used throughout this report to refer to the parent entity, Ariadne Australia Limited ("Ariadne") and its controlled entities.

DIRECTORS

The names of Ariadne's directors in office during the half-year and until the date of this report are as below. All Directors were in office for this entire period unless otherwise stated.

Mr David Hancock (Independent Non-Executive Chairman)
 Mr John Murphy (Independent Non-Executive Director)
 Mr Benjamin Seymour (Non-Executive Director)
 Mr Dean Smorgon (Independent Non-Executive Director)
 Dr Gary Weiss, AM (Executive Director)

REVIEW AND RESULTS OF OPERATIONS

All amounts included in this report, are quoted in thousands of dollars unless otherwise stated.

Operating Result for the Half-Year

For the half-year period Ariadne reported a total comprehensive loss attributable to members of \$2,419 (2023: \$9,896 gain). This result comprises two elements:

- a net profit attributable to members of \$2,711 (2023: \$301 loss); and
- a net loss attributable to members of \$5,130 (2023: \$10,197 gain) reported through the Statement of Comprehensive Income.

Net tangible assets were 80.60 cents per share (30 June 2024: 83.28 cents). Earnings per share were 1.39 cents (2023: -0.15 cents). Total comprehensive earnings per share were -1.24 cents (2023: 5.05 cents).

On 28 August 2024, Orams Group Limited ("OGL") and Orams Residential Limited ("ORL") (together "Orams" of which Ariadne holds a 61% indirect equity interest) entered into a conditional agreement with Precinct Properties Holdings Limited, a wholly owned subsidiary of the New Zealand Stock Exchange-listed Precinct Properties New Zealand Limited to sell a 24.9% interest in OGL's ground lease and buildings of Orams Marine Village and a 50% interest in ORL's adjoining residential site. On 25 November 2025, Ariadne announced that definitive partnership documentation ("the Partnerships") had been executed between OGL, ORL and Precinct Properties Wynyard Limited and PPNZ Westhaven Investment Limited (collectively "Precinct Properties"). On 26 November 2024, Ariadne announced that the Partnerships between OGL, ORL and Precinct Properties had settled. The Partnerships will accelerate the construction of the approved commercial buildings within Orams Marine Village and the development of the adjoining residential site. The transaction materially reduced OGL's existing debt facilities from NZ\$103,000 to approximately NZ\$17,000 and allowed for OGL to redeem in full the convertible note held by the Orams NZ Unit Trust ("ONZUT"). It also provides OGL with stable recurring cashflows arising from distributions from its 75.1% interest in the property joint venture in addition to 100% of the cash flows from Orams Marine Services Limited ("OMSL"), New Zealand's largest marine maintenance and refit services business.

Cash Management

Cash and cash equivalents as at 31 December 2024 were \$30,700 (30 June 2024: \$22,869).

Ariadne remains in a strong financial position, with a sound balance sheet and good cash reserves, and is well-placed to grow shareholder value.

Investments

The Group's investment division recorded a net profit for the half-year of \$3,758 (2023: \$2,965).

The division's result is derived from interest on cash reserves, share of profits/losses from the Group's investments in associates, dividends, trading income from the trading portfolio and the net movement of the strategic portfolio revalued through profit or loss.

The division's share of joint ventures and associates results for the period was a net profit of \$1,717 (2023: \$803).

Dividends received during the period were \$595 (2023: \$1,078).

The trading portfolio recorded a net loss of \$27 (2023: \$607 gain) and a portion of the strategic portfolio revalued through profit or loss recorded a net gain of \$615 (2023: \$595 loss) during the reporting period due to mark-to-market revaluations.

The balance of the strategic portfolio reported in other comprehensive income recorded a net loss of \$3,884 (2023: \$9,777 gain) during the period due to mark-to-market revaluations mainly arising from Ariadne's investment in Hillgrove Resources Limited and ClearView Wealth Limited, being \$3,314 and \$3,838 respectively.

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Directors' Report

Ariadne's investment in Foundation Life NZ Limited continues to perform in line with expectations, contributing \$487 during the period.

Ariadne's 54% interest in Freshxtend International Pty Ltd with its 17% investment in the NatureSeal Group continues to contribute positively to the Investment division's results.

Property

The Group's property division recorded a net profit for the half-year of \$1,145 (2023: \$1,654 loss).

During the period, OGL and ORL entered into partnerships with Precinct Properties to sell down a 24.9% interest in Orams Marine Village ("the Marina") and a 50% interest in ORL's adjoining residential site.

The division's result is derived from the Group's 61% indirect debt and equity interest in OGL – owner of OMSL and 75.1% owner of Orams Marine Village and ORL – 50% owner of the adjoining residential site, and recoveries associated with the Group's, now exited, investment in the Redfern Project.

The Group's net loss associated with its investment in Orams during the period was \$1,823 (2023: \$1,178 loss). The result includes the Group's share of loss from OGL and ORL during the period was \$1,853 (2023: \$624 loss) and its interest earned on the associated loans provided to Orams was \$644 (2023: \$239). Other financing and administration costs associated at the interposed ONZUT level were \$614 (2023: \$793). In addition the Group's share of the movement in value of the Marina through other comprehensive income recorded a markdown of \$1,156 (2023: nil).

A \$816 gain (2023: \$693 gain) relating to the Contingent Consideration, due to the decrease in ONZUT's net assets during the period, was also recognised in reported net profit. The terms of the Contingent Consideration, relating to an agreement made in July 2020 to acquire units in ONZUT from an existing unitholder, provide that the purchase price will be determined and paid following completion of the Site 18 Stage 1 Works (as defined in the Development Agreement with Panuku Development Auckland) which is expected to be before December 2028.

During the period OGL redeemed in full \$9,973 of outstanding convertible notes, acquired by the Group via its controlled entity ONZUT in December 2023. NZ\$4,000 of the proceeds were applied to reducing ONZUT's bank facility.

In addition to OGL's 75.1% holding in Westhaven Commercial Limited Partnership, OGL retains 100% ownership of OMSL, New Zealand's largest marine maintenance and refit services business. This highly profitable division continues its strong growth trajectory, with turnover increasing by 24% and EBITDA rising by 22% for the six months ended December 2024 compared to the prior period. The facility is currently at capacity and the forward order book remains robust, with bookings now being taken for 2026 and beyond.

During the period the Group entered into agreements to recover \$2,000 from the, now exited, Redfern Project.

TAXATION

Ariadne has significant carried forward revenue and capital losses available to offset future taxable profits. At 31 December 2024, these were estimated to be \$74,197 (30 June 2024: \$72,697) and \$82,305 (30 June 2024: \$83,910) respectively.

DIVIDENDS AND CAPITAL MANAGEMENT

A fully franked interim dividend of \$977, which represents 0.5 cents per share, has been declared in relation to the 30 June 2025 financial year. No liability has been recognised in the 31 December 2024 financial statements as this dividend was declared after the balance sheet date.

The FY24 final dividend of \$977 (0.5 cents per share) declared in August 2024 was paid on 26 September 2024.

During the period Ariadne bought back and cancelled 88,090 shares at a cost of \$47.

SIGNIFICANT EVENTS AFTER BALANCE DATE

Apart from the interim dividend declared, 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 the future financial periods.

Directors' Report

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 on page 4.

Signed in accordance with a resolution of the directors.



Mr David Hancock
Chairman
Sydney
28 February 2025

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Auditor's Independence Declaration

To the Directors of Ariadne Australia Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Ariadne Australia Limited for the half-year ended 31 December 2024. I declare that, to the best of my knowledge and belief, there have been:

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



Grant Thornton Audit Pty Ltd
Chartered Accountants



M R Leivesley
Partner – Audit & Assurance

Sydney, 28 February 2025

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Statement of Profit or Loss and Other Comprehensive Income

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

		GROUP	
	Notes	2024 \$'000	2023 \$'000
CONTINUING OPERATIONS			
Operating income	4(i)	2,741	2,860
Other net gains	4(ii)	3,245	560
Share of joint ventures' and associates' (losses) / profits		(136)	179
Employee, non-cash and other expenses	4(iii)	(2,378)	(2,397)
Net impairment provision		(41)	(716)
Finance costs		(850)	(1,180)
PROFIT OR (LOSS) BEFORE INCOME TAX		2,581	(694)
Income tax expense	5	—	—
PROFIT OR (LOSS) AFTER TAX FROM CONTINUING OPERATIONS		2,581	(694)
<i>Attributable to:</i>			
Non-controlling interests		(130)	(393)
MEMBERS OF ARIADNE		2,711	(301)
OTHER COMPREHENSIVE INCOME			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net fair value movement of the strategic portfolio revalued through OCI, net of tax		(3,884)	9,777
Net fair value movement of property assets, net of tax		(1,156)	—
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange difference on translation of foreign operations		(310)	383
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		(5,350)	10,160
<i>Attributable to:</i>			
Non-controlling interests		(220)	(37)
MEMBERS OF ARIADNE		(5,130)	10,197
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD			
<i>Attributable to:</i>			
Non-controlling interests		(350)	(430)
MEMBERS OF ARIADNE		(2,419)	9,896
Earnings per share			
Basic earnings per share (cents)		1.39	(0.15)
Diluted earnings per share (cents)		1.38	(0.15)
Comprehensive Earnings per share			
Basic earnings per share (cents)		(1.24)	5.05
Diluted earnings per share (cents)		(1.24)	5.03

The statement of comprehensive income should be read in conjunction with the accompanying notes.

Balance Sheet

	Notes	GROUP	
		AS AT 31 December 2024 \$'000	AS AT 30 June 2024 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents		30,700	22,869
Receivables		849	4,135
Financial assets	6,9	5,133	4,249
Other current assets		174	62
Total Current Assets		36,856	31,315
Non-Current Assets			
Receivables and convertible notes	7	7,061	20,571
Financial assets	8,9	71,288	72,857
Investments in joint ventures and associates	11	77,306	80,218
Right of use assets		668	869
Total Non-Current Assets		156,323	174,515
TOTAL ASSETS		193,179	205,830
LIABILITIES			
Current Liabilities			
Trade and other payables		503	497
Lease liabilities		454	437
Loans and borrowings		10,872	12,741
Provisions		1,016	967
Total Current Liabilities		12,845	14,642
Non-Current Liabilities			
Lease liabilities		319	551
Loans and borrowings		—	3,661
Financial liabilities	9	9,266	10,082
Total Non-Current Liabilities		9,585	14,294
TOTAL LIABILITIES		22,430	28,936
NET ASSETS		170,749	176,894
EQUITY			
Issued capital	12	377,675	377,722
Reserves		221,682	227,725
Accumulated losses		(439,976)	(442,687)
EQUITY ATTRIBUTABLE TO MEMBERS OF ARIADNE AUSTRALIA LIMITED		159,381	162,760
Non-controlling interests		11,368	14,134
TOTAL EQUITY		170,749	176,894

The balance sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

As at 1 July 2023

	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	ARIADNE \$'000	Non- controlling interest \$'000	GROUP \$'000
As at 1 July 2023	377,998	217,184	(431,258)	163,924	14,201	178,125
Profit / (loss) for the period	—	—	(301)	(301)	(393)	(694)
Other comprehensive income	—	10,197	—	10,197	(37)	10,160
Total comprehensive income for the period	—	10,197	(301)	9,896	(430)	9,466
Cost of shares bought back	(78)	—	—	(78)	—	(78)
Transfer of reserves to accumulated losses	—	(62)	62	—	—	—
Cost of share-based payment	—	64	—	64	—	64
Equity transactions with equity holders	—	—	94	94	1,906	2,000
Dividends	—	(490)	—	(490)	(406)	(896)
As at 31 December 2023	377,920	226,893	(431,403)	173,410	15,271	188,681

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

As at 1 July 2024

	377,722	227,725	(442,687)	162,760	14,134	176,894
As at 1 July 2024	377,722	227,725	(442,687)	162,760	14,134	176,894
Profit / (loss) for the period	—	—	2,711	2,711	(130)	2,581
Other comprehensive income	—	(5,130)	—	(5,130)	(220)	(5,350)
Total comprehensive income for the period	—	(5,130)	2,711	(2,419)	(350)	(2,769)
Cost of shares bought back	(47)	—	—	(47)	—	(47)
Cost of share-based payment	—	64	—	64	—	64
Dividends	—	(977)	—	(977)	(2,416)	(3,393)
As at 31 December 2024	377,675	221,682	(439,976)	159,381	11,368	170,749

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

Statement of Cash Flows

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

GROUP

	Notes	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Receipts from other gains and other income		5,445	185
Payments to suppliers and employees		(2,467)	(2,473)
Dividends and distributions received		1,943	3,444
Receipts from trading portfolio sales		449	94
Payments for trading portfolio purchases		(1,361)	—
Interest received		1,054	962
Interest and borrowing costs paid		(707)	(1,036)
Lease liability interest paid		(11)	(15)
Net cash flows from operating activities		4,345	1,161
Cash flows from investing activities			
Proceeds from strategic portfolio sales	8	390	—
Payments for strategic portfolio purchases	8	(2,090)	(414)
Loans repaid		4,529	—
Convertible notes redeemed / (acquired)	7	9,973	(9,379)
Net cash flows from / (used in) investing activities		12,802	(9,793)
Cash flows from financing activities			
Repayment of lease liabilities		(215)	(200)
Repayment of borrowings		(5,661)	—
Issue of equity to non-controlling interest		—	2,000
Payments under share buy-back		(47)	(78)
Dividends paid to members of the parent entity		(977)	(490)
Dividends paid to non-controlling interests		(2,416)	(406)
Net cash flows (used in) / from in financing activities		(9,316)	826
Cash and cash equivalents at beginning of period		22,869	36,731
Net increase / (decrease) in cash and cash equivalents		7,831	(7,806)
Cash and cash equivalents at end of period		30,700	28,925

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

Notes to the Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

1. CORPORATE INFORMATION

The consolidated financial report of Ariadne Australia Limited (“Ariadne”) together with its controlled entities (“the Group”) for the half-year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on 28 February 2025.

Ariadne is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (“ASX”) under ASX code “ARA”. A review of the Group’s operations is included in the Directors’ Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half-year financial report does not include all notes of the type normally included within the annual financial report and should be read in conjunction with the most recent annual financial report.

It is also recommended that the half-year financial report be considered together with any public announcements made by Ariadne during the half-year reporting period in accordance with the continuous disclosure obligations of the *Corporations Act 2001* and ASX listing rules.

Basis of preparation

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*.

The half-year financial report has been prepared on a historical cost basis, except for held-for-trading financial assets which have been measured at fair value through profit or loss and other/strategic financial assets which have been measured at fair value through profit or loss or other comprehensive income depending on their accounting treatment under accounting standard AASB 9 *Financial Instruments*.

The amounts contained in the Directors’ Report and the half-year financial report have been rounded to the nearest thousand dollars (where rounding is applicable) under the option available to Ariadne in accordance with *ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191*.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) that are relevant and effective for the current half-year. The Group’s adoption of all new and revised Standards and Interpretations issued by the AASB, that are relevant to its operations and effective for the half-year, have had no material impact on the amounts recognised in the half-year financial report.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group’s most recent annual financial report for the financial year ended 30 June 2024. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

In the application of the Group’s accounting policies, management is required to make judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily available apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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Notes to the Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

3. SEGMENT INFORMATION

The Group's operating segments are identified by internal reporting used by the Board in assessing performance and determining investment strategy. The operating segments are based on a combination of the type and nature of products sold and/or services provided, and the type of business activity. Discrete financial information about each of these operating divisions is reported to the Board on a regular basis.

The Group's reportable segments are investments and property. The investments division comprises the Group's investments in securities. The property division includes all results derived from property and marina assets held by the Group, either directly or through joint venture entities or joint venture operations.

Consistent with the reportable segment presented in the most recent annual financial report the following table presents income and profit information for the half-year periods ended 31 December 2024 and 31 December 2023, and total asset information as at 31 December 2024 and 30 June 2024.

FOR THE HALF-YEAR ENDED 31 DECEMBER	INVESTMENTS		PROPERTY		UNALLOCATED [^]		GROUP	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Segment Revenue and Results								
External	610	1,078	157	380	204	186	971	1,644
Interest	1,126	958	644	258	—	—	1,770	1,216
Other gains / (losses)	580	5	2,665	555	—	—	3,245	560
Share of joint ventures' and associates' profits / (losses)	1,717	803	(1,853)	(624)	—	—	(136)	179
Total segment revenue and other income	4,033	2,844	1,613	569	204	186	5,850	3,599
Profit / (loss) after income tax	3,758	2,965	1,145	(1,654)	(2,322)	(2,005)	2,581	(694)
AS AT	31 Dec 2024 \$'000	30 June 2024 \$'000	31 Dec 2024 \$'000	30 June 2024 \$'000	31 Dec 2024 \$'000	30 June 2024 \$'000	31 Dec 2024 \$'000	30 June 2024 \$'000
Total Segment Assets	98,650	109,766	71,565	85,259	22,964	10,805	193,179	205,830

[^] Unallocated segment includes management income, corporate income and costs, and other corporate assets.

Notes to the Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

4. INCOME AND EXPENSES

Profit before income tax expense includes the following income and expenses, the disclosure of which is relevant in explaining the performance of the Group:

	Note	GROUP	
		2024 \$'000	2023 \$'000
(i) Operating income			
Interest income		1,770	1,216
Dividend income		595	1,078
Other income		376	566
		2,741	2,860
(ii) Other gains / (losses)			
Net gain / (loss) on the trading portfolio		(27)	607
Net gain / (loss) on the strategic portfolio revalued through profit or loss		615	(595)
Net loss foreign currency		(159)	(145)
Net decrease in contingent consideration	9	816	693
Recoveries relating to the, now exited, Redfern Project		2,000	—
		3,245	560
(iii) Employee, non-cash and other expenses			
Administration expenses		817	663
Employee benefits expense		1,361	1,325
Depreciation and amortisation		200	200
Other expenses		—	209
		2,378	2,397

5. TAXATION

Ariadne has significant carried forward revenue and capital losses available to offset future taxable profits. At 31 December 2024 these are estimated to be \$74,197 (30 June 2024: \$72,697) and \$82,305 (30 June 2024: \$83,910) respectively.

6. FINANCIAL ASSETS (CURRENT)

Investments in the trading portfolio were valued at \$5,133 (30 June 2024: \$4,249) at period end and are remeasured to fair value based on the appropriate level inputs at the end of the reporting period as outlined in Note 9.

7. RECEIVABLES AND CONVERTIBLE NOTES (NON-CURRENT)

	Notes	GROUP	
		AS AT 31 December 2024 \$'000	AS AT 30 June 2024 \$'000
Related entity loans and advances ⁽ⁱ⁾		1,255	5,646
Related entity convertible notes ⁽ⁱⁱ⁾		—	9,614
Other loans and advances		5,806	5,311
		7,061	20,571

(i) The related party loans and advances are directly supported by the assets of the borrower.

(ii) During the period the convertible note, issued by Orams Group Limited ("OGL"), was redeemed in full.

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Notes to the Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

8. FINANCIAL ASSETS (NON-CURRENT)

	Notes	GROUP	
		AS AT 31 December 2024 \$'000	AS AT 30 June 2024 \$'000
Financial Assets (Non-Current)			
Cost		74,061	72,038
Accumulated fair value adjustments		(2,773)	819
Net carrying amount of Financial Assets (Non-Current)		71,288	72,857
<i>Reconciliations for listed strategic investments</i>			
Opening balance		38,356	37,162
Additions		218	730
Fair value adjustments through other comprehensive income	(i)	(5,939)	4,947
Disposals		—	(4,483)
Net carrying amount of listed strategic investments	9	32,635	38,356
<i>Reconciliations for unlisted strategic investments</i>			
Opening balance		34,501	36,803
Additions		1,872	2,932
Fair value adjustments through profit or loss	(i)	615	(431)
Fair value adjustments through other comprehensive income	(i)	2,055	(4,803)
Disposals		(390)	—
Net carrying amount of unlisted strategic investments	9	38,653	34,501

(i) Investments in the strategic portfolio are remeasured to fair value based on the appropriate level inputs at the end of the reporting period, refer to Note 9.

9. FAIR VALUE MEASUREMENT

Cash

The carrying amount approximates fair value because of its short-term to maturity.

Trade, other receivables and convertible notes

The carrying amount approximates fair value.

Investments

The Australian accounting standards set out the following hierarchy for fair value measurement for investments in financial instruments which are set out as below:

Level 1: - Quoted prices in active markets for identical assets or liabilities.

Level 2: - Inputs other than quoted prices, which can be observed either directly (as prices) or indirectly (derived from prices).

Level 3: - Inputs that are not based on observable market data.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The following tables show the levels within the hierarchy of financial assets measured at fair value on a recurring basis.

Financial Assets	Note	Level 1	Level 2	Level 3	Total
31 December 2024					
Listed trading investments	6	5,133	—	—	5,133
Listed strategic investments	8	32,635	—	—	32,635
Unlisted strategic investments	8	—	26,358	12,295	38,653
Total Financial Assets		37,768	26,358	12,295	76,421

Notes to the Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

9. FAIR VALUE MEASUREMENT (Continued)

Financial Assets	Note	Level 1	Level 2	Level 3	Total
30 June 2024					
Listed trading investments	6	4,249	—	—	4,249
Listed strategic investments	8	38,356	—	—	38,356
Unlisted strategic investments	8	—	20,406	14,095	34,501
Total Financial Assets		42,605	20,406	14,095	77,106

	GROUP	
	AS AT 31 December 2024 \$'000	AS AT 30 June 2024 \$'000
Reconciliation of Level 3 - Financial Assets		
Opening balance	14,095	17,355
Transfers (to)/from Level 2	(1,384)	1,264
Fair value adjustments through other comprehensive income	(26)	(4,524)
Disposals	(390)	—
Closing balance	12,295	14,095

The Group has two separate and distinct investment portfolios and designates its investments as either trading or strategic. Investments within all the portfolios are remeasured to fair value based on the appropriate level inputs at the end of the reporting period. All listed securities are remeasured to fair values using Level 1 inputs as determined by reference to the quoted market close price at balance date. Unlisted securities are remeasured to fair values using Level 2 inputs calculated by reference to the fair value of the underlying net assets or last transaction price at balance date.

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

1. Market approach: Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities, including ongoing discussions with potential purchasers.
2. Income approach: Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
3. Cost approach: Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Where an arm's length transaction for a significant amount of new investment into a company has been made within twelve months to balance sheet date, but only if the new investment is deemed to represent fair value, this transaction is adopted as fair value for the particular investment and is adjusted to reflect market development between the time of acquisition and balance sheet date.

For investments which are considered to be early and development stage, but have not yet obtained sustainable profitability, when determining the fair value of the investment the Group applies the revenue multiple method. Under this method, the enterprise value is derived by multiplying the normalised historical or projected revenue of the business with a multiple or range of multiples. The multiple or range of multiples applied should be an appropriate and reasonable indication of the value of each investee, given the investee's size, risk profile, and growth prospects. The multiple or range of multiples is usually derived from market data observed for entities considered comparable to the companies being valued. Specific adjustments may be made based on each company's unique characteristics, including growth rate, market position, and scalability potential. Revenue multiples hold a positive linear relationship to the determination of fair value, such that as the multiple increases/(decreases) so too does the calculated fair value.

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Notes to the Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

9. FAIR VALUE MEASUREMENT (Continued)

Investee	Fair Value as at December 2024	Level	Valuation Technique	Significant Unobservable Input	Range of Unobservable Inputs
FinClear Holdings Limited	\$10,945	3	Revenue Multiple	Revenue Multiple	5.9x-14.2x
Immutable Pty Ltd	\$1,350	3	Revenue Multiple	Revenue Multiple	27.8x-55.3x

There were no changes during the year in the valuation techniques used by the Group to determine Level 3 fair values.

The following table shows the levels within the hierarchy of financial liabilities measured at fair value on a recurring basis.

Financial Liabilities	Note	Level 1	Level 2	Level 3	Total
31 December 2024					
Contingent Consideration		—	9,266	—	9,266
Total Financial Liabilities		—	9,266	—	9,266
30 June 2024					
Contingent Consideration		—	10,082	—	10,082
Total Financial Liabilities		—	10,082	—	10,082

The Group acquired an additional equity interest in the ONZUT on a deferred basis from an existing unitholder on 14 July 2020, increasing the Group's interest in ONZUT to 80%. The terms of the acquisition provide that the ultimate purchase price will be determined and paid following completion of the Site 18 Stage 1 Works (as defined in the Development Agreement with Panuku Development Auckland) which is expected to be before December 2028. At balance date the Contingent Consideration has been remeasured to fair value using a Level 2 input, share of net assets, to \$9,266 (30 June 2024 \$10,082), a reduction of \$816 (2023: reduction of \$693) during the period.

10. CONTROLLED ENTITIES

There were no changes to the Group's controlled entities during the period.

11. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

Name	Principal activity	Place of incorporation	Proportion of ownership interest and voting power held by the Group	
			31 Dec 2024	30 June 2024
Orams Group Limited *	Marina management	NZ	76%	76%
Orams Residential Limited *	Residential development	NZ	76%	76%
Lake Gold Pty Ltd	Mineral exploration	AUS	50%	50%
AgriCoat NatureSeal Limited	Food life extension technology	UK	17%	17%
NatureSeal Inc	Food life extension technology	US	17%	17%

* Although the Group owns 76% of the equity and voting interest in Orams Group Limited and Orams Residential Limited, the Shareholders Agreement for each company requires that the two majority shareholders must act together to direct the relevant activities of each respective company, therefore no individual shareholder has control.

12. ISSUED CAPITAL

During the period Ariadne bought back and cancelled 88,090 shares at a cost of \$47 reducing issued capital to \$377,675 (30 June 2024 \$377,722). There were 195,343,748 shares on issue at balance date (30 June 2024: 195,431,838).

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Notes to the Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

13. CONTINGENT ASSETS AND LIABILITIES

Ariadne has given guarantees and indemnities in relation to the borrowings and performance of several of its controlled entities under agreements entered into by those entities. All borrowings and performance obligations are directly supported by assets in the entities on the behalf of which these guarantees and indemnities have been provided.

14. OTHER EVENTS AFTER THE BALANCE SHEET DATE

A fully franked interim dividend of \$977, which represents 0.5 cents per share has been declared in relation to the 30 June 2025 financial year. No liability has been recognised in the 31 December 2024 financial statements as this dividend was declared after the balance sheet date.

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 the future financial periods.

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Directors' Declaration

In accordance with a resolution of the Directors of Ariadne Australia Limited, I state that:

In the opinion of the Directors:

- (a) the financial statements and notes of the consolidated entity for the half-year ended 31 December 2024 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2024 and of its performance for the half-year ended on that date;
 - (ii) complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Mr David Hancock
Chairman
Sydney
28 February 2025

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Independent Auditor's Review Report

To the Members of Ariadne Australia Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Ariadne Australia Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, including material accounting policy information, other selected explanatory notes, 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 Ariadne Australia Limited does not comply with the *Corporations Act 2001* including:

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the 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 our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibility for the half-year financial report

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

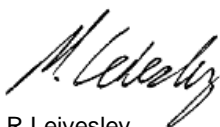
Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



Grant Thornton Audit Pty Ltd
Chartered Accountants



M R Leivesley
Partner – Audit & Assurance

Sydney, 28 February 2025