



ASX Announcement | 28 February 2025
TPC Consolidated Limited (ASX:TPC)

TPC Consolidated releases its Appendix 4D and 2025 Half-Year Financial Report

TPC Consolidated Limited (ASX:TPC) provides the attached Appendix 4D and Financial Report for the half-year ended 31 December 2024.

Authorised for release by the Board of TPC.

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About TPC Consolidated

TPC Consolidated Limited (ASX:TPC) owns and operates leading Australian-based electricity and gas retailer CovaU (pronounced “cover you”), which offers competitively priced products to household as well as business (Small Medium enterprises and Commercial and Industrial) customers.

The client base of TPC’s CovaU business, spread across most Australian states and territories, can choose from a wide range of products, from conventional gas and electricity through to solar, wind and ‘greenpower’ plans.

TPC is focussed on further expanding CovaU’s market presence in the energy segment of the Australian utilities sector. The Company’s expansion plans include additions to its current suite of renewables segment-related energy products, as consumers preference energy sources that accelerate the decarbonisation process.

To learn more, please visit:
www.tpc.com.au
www.covau.com.au

Appendix 4D Half-year Report

TPC CONSOLIDATED LIMITED
ABN 99 073 079 268

Current Reporting Period:	Half-year Ended 31 December 2024
Previous Corresponding Period:	Half-year Ended 31 December 2023

Results for Announcement to the Market

		Change		Amount
Revenue from ordinary activities	Up	50.6%	To	\$99,477,193
Result from ordinary activities after tax attributable to members	Up	15.6%	To	\$4,727,324
Result for the period attributable to members	Up	206.0%	To	\$3,916,521

Earnings Per Share

	31 December 2024 Cents	31 December 2023 Cents
Basic earnings per share	41.68	36.04
Diluted earnings per share	41.68	36.04

Net Tangible Asset Backing

	31 December 2024 Cents	31 December 2023 Cents
Net tangible asset per share*	310.61	235.17

* Net tangible asset is calculated based on net assets less intangible assets

Dividend

	Amount per Security Cents	Franked amount per Security Cents
Interim dividend for current reporting period (Payable 21 March 2025)	20.00	20.00
Record date for determining entitlements to dividend	7 March 2025	n/a

Review and Results of Operations

Highlights

- Group revenue totalled \$99.5 million in 1H FY25, up 50.6% from the previous comparative period (PCP)
- Underlying EBITDA from operations was \$4.0 million, down 38.2% on the PCP total of \$6.5 million
- NPAT was \$4.7 million, up 15.6% on the PCP total of \$4.1 million
- A robust balance sheet was maintained, with cash and bank deposits totalling \$22.3 million at the end of 1H FY25
- A fully franked FY25 interim dividend 20.0 cents per share declared, reflecting the TPC Consolidated Board's confidence in the long-term outlook for the Company's core business

\$000's	Half-year Ended 31 December 2024	Half-year Ended 31 December 2023	% change
Revenue	99,477	66,057	50.6%
Underlying EBITDA ⁽¹⁾	4,025	6,517	-38.2%
NPAT	4,727	4,088	15.6%

⁽¹⁾ TPC uses Underlying EBITDA as a key measure of financial performance. Underlying EBITDA is a non-IFRS measure and is used internally by management to assess the performance of the business. The use of Underlying EBITDA enhances comparability of results by excluding non-recurring events and transactions that materially affect the financial results of TPC for the reporting period. These items are determined after consideration of the nature of the item, the significance of the amount and the consistency in treatment from period to period. Underlying EBITDA has been extracted from the full financial report. A detailed reconciliation and description of the items that contribute to the difference between Profit before income tax and Underlying EBITDA is provided in the table below.

Reconciliation of profit to Underlying EBITDA \$000's	Half-year Ended 31 December 2024	Half-year Ended 31 December 2023
Profit before income tax	3,076	5,910
Finance costs	240	63
Finance revenue	(330)	(497)
Depreciation and amortisation	613	621
Non-recurring costs ⁽²⁾	426	420
Underlying EBITDA	4,025	6,517

⁽²⁾ Non-recurring costs consist of transaction expenses related to the proposed scheme of arrangement (Scheme) between TPC Consolidated Limited and Wollar Solar Holding Pty Ltd (WSH). These expenses include legal and advisory fees specifically associated with the Scheme. Additionally, there are other non-recurring costs related to separate projects. These costs are not considered ongoing or necessary for the business's operational performance.

Building on the successful growth strategy

TPC Consolidated Limited ('TPC' or 'the Company') implemented a successful growth strategy in Financial Year 2024 (FY24) where the customer meter base increased by more than 300% compared to the PCP. In 1H FY25 this strategy focused on balancing this growth with strategic cash flow management. By slowing down sales growth and adjusting to a more conservative retail pricing strategy, resulted in a record half financial year revenue figure of almost \$100.0 million and ensured a stronger cash position. Margins remained constrained which impacted Underlying EBITDA. This was the result of a 1 in 70-year wind drought during the winter 2024 until the end of August. This wind drought drove up the electricity spot price across NSW and Victoria (NSW average spot price per MWh to \$138 in July and \$202 in August, Victoria \$166 in July and \$197 in August). In addition, there were multiple heatwaves in November driving the average spot price in NSW to \$270 and Queensland to \$254 per MWh. Gas prices have also increased during the period with average price levels around \$12 per GJ level in winter 2024 to around \$14 per GJ by the end of 2024 and continuing in 2025.

Revenue of the consolidated entity for the half year increased by \$33.4 million to \$99.5 million, up 50.6% from the PCP. The increase of \$33.4 million was due to an increase of \$22.2 million in electricity services, and \$12.2 million in gas services.

Gross profit and gain on sale of derivatives of the consolidated entity decreased by \$1.0 million to \$16.8 million (down 5.8% from the PCP). Overall gross margin for 1H FY25 decreased by 12.4% from 26.9% to 14.6%. The decrease in overall gross margin was due to the increase in overall energy wholesales costs compared to the PCP.

Total operating expenses and employee benefit expense of the consolidated entity increased by \$1.6 million to \$13.3 million (up 14% from the PCP). The efficiency ratio (expenses divided by revenue) improved, decreasing from 17.7% to 13.4% compared to the PCP.

Underlying EBITDA from operations in 1H FY25 was \$4.0 million, down by 38.2% or \$2.5 million on the PCP of \$6.5 million.

Net profit after tax (NPAT) of the consolidated entity totalled \$4.7 million in 1H FY25, up by \$0.6 million on the PCP of \$4.1 million.

TPC Group net assets as at end of 1H FY25 totalled \$37.9 million, up 11.5% or \$3.9 million on the PCP. The increase in net assets represented the profit after tax of \$4.7 million and the decrease in the fair value movement on derivatives of \$0.8 million after tax (a fair value adjustment on derivatives designated for hedge accounting).

As at the end of 1H FY25 cash and bank deposits totalled \$22.3 million (including an amount of \$12.9 million held as security for bank facilities). This cash and bank balances total was up \$1.2 million or 5.9% on PCP.

The second half 2025 outlook

TPC's retail electricity and gas services provider CovaU experienced a volatile operating environment over its first half of 2025 reporting period. Part of the energy retailers' cost mix, CovaU included, remained dependent on hedges, however, which are contracted to supplement our wholesale procurement activities. These hedges remained relatively expensive over this reporting period and were a drag on our margin performance. Looking forward to 2H FY25, CovaU's wholesale costs are substantially higher than 1H FY25, due to the remaining lower cost hedges gradually running off as well as higher spot price expectations during the coming winter months. In the face of these power pricing-related challenges, TPC continues to seek out opportunities to improve efficiencies across the whole of CovaU business.

Strategically, CovaU intends to resume the successful sales growth achieved in FY24 to further increase our customer base and revenue in 2H FY25.

Despite the challenges still present in the retail energy sector, TPC's strong financial position means it is well-placed to meet current volatility in energy markets and provide value-oriented investors consistent returns over the longer term.

Scheme of Arrangement

In March 2024, TPC announced that Wollar Solar Holding Pty Ltd (WSH), a subsidiary of Beijing Energy International (Australia) Holding Pty Ltd, had made an offer to acquire TPC by way of a scheme of arrangement. TPC believes that the transaction is in the best interests of all shareholders and recommends that they support the transaction. The transaction is currently awaiting a decision by the Foreign Investment Review Board (FIRB). As this review process continues, both TPC and WSH have reiterated their support for the transaction. TPC remains convinced that the transaction will position CovaU well for its next stage of growth, with the acquirer having large renewable energy generation assets that can be deployed into the Australian retail energy market-place.

Associated Entities

The Group does not have any interests in associates or joint ventures outside the group.

Auditor review

This report is based on the financial statements reviewed by the auditor Grant Thornton Audit Pty Ltd which are not subject to any disputes or qualifications.

TPC CONSOLIDATED LIMITED

A.B.N. 99 073 079 268

Financial Report

For The Half-Year Ended

31 December 2024

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CONTENTS

	Page
Corporate Directory	2
Directors' Report	3
Auditor's Independence Declaration	6
Consolidated Statement of Profit or Loss and Other Comprehensive Income	7
Consolidated Statement of Financial Position	8
Consolidated Statement of Changes In Equity	9
Consolidated Statement of Cash Flows	10
Notes to the Consolidated Financial Statements	11
Directors' Declaration	18
Independent Auditor's Review Report	19

CORPORATE DIRECTORY

DIRECTORS

Greg McCann	Chairman (Non-executive)
Chiao-Heng (Charles) Huang	Managing Director, Chief Executive Officer
Jeffrey Ma	Director, Company Secretary
Steven Goodarzi	Director, Chief Strategy Officer

COMPANY SECRETARY

Jeffrey Ma

REGISTERED OFFICE

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Telephone: (02) 9009 6888
Facsimile: 1300 369 222

Website: www.tpc.com.au

AUDITOR

Grant Thornton Audit Pty Ltd
Level 26, 225 George Street, Sydney NSW 2000

SOLICITOR

Baker & McKenzie
Level 46, 100 Barangaroo Avenue, Sydney NSW 2000

SHARE REGISTRY

Computershare Investor Services Pty Limited
6 Hope Street, Emington NSW 2115

DIRECTORS' REPORT

Your directors present their report on the consolidated entity for the half-year ended 31 December 2024

Directors

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

Greg McCann	Chairman (Non-executive)
Chiao-Heng (Charles) Huang	Managing Director, Chief Executive Officer
Jeffrey Ma	Director, Company Secretary
Steven Goodarzi	Director, Chief Strategy Officer

Principal Activities

The principal activities of the consolidated entity during the half-year were the provision of retail electricity and gas services to residential and business customers in Australia. These activities have not changed during the period.

Review and Results of Operations

Highlights

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- A robust balance sheet was maintained, with cash and bank deposits totalling \$22.3 million at the end of 1H FY25
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DIRECTORS' REPORT (Continued)

Review and Results of Operations (Continued)

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DIRECTORS' REPORT (Continued)

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Dividend

On 28 February 2025, the directors of TPC Consolidated Limited declared a FY25 interim dividend on ordinary shares. The total amount of \$2,268,571 represents a fully franked dividend of 20.0 cents per share. The record date for the interim dividend is 7 March 2025. The intended date of payment is 21 March 2025. The interim dividend has not been provided for in the 31 December 2024 financial statements.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the consolidated entity during the half year ended 31 December 2024.

Auditor's Independence Declaration

The Auditor's independence declaration as required by s307c of the Corporations Act 2001, is set out on page 6 and forms part of this report.

Signed in accordance with a resolution of the Board of Directors.



Greg McCann
Chairman



Chiao-Heng (Charles) Huang
Managing Director

Dated 28 February 2025

Grant Thornton Audit Pty Ltd
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Grosvenor Place
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Sydney NSW 2000
Locked Bag Q800
Queen Victoria Building NSW
1230
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Auditor's Independence Declaration

To the Directors of TPC Consolidated Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of TPC Consolidated 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 Leivesley
Partner – Audit & Assurance

Sydney, 28 February 2025

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	Half-year Ended 31 December 2024 \$	Half-year Ended 31 December 2023 \$
Revenue from contracts with customers		99,477,193	66,056,595
Delivery of services		(84,978,104)	(48,265,644)
Gross profit		14,499,089	17,790,951
Gain on sale of derivatives		2,254,420	-
Gross profit and gain on sale of derivatives		16,753,509	17,790,951
Other income		43,137	15,142
		16,796,646	17,806,093
Operating expenses		(7,618,985)	(6,082,384)
Employee benefits expense		(5,711,849)	(5,615,960)
Gain/(Loss) on fair value of derivatives		134,004	(11,597)
Depreciation and amortisation		(613,169)	(620,849)
Finance revenue		329,899	497,214
Finance costs		(240,439)	(62,849)
Profit before income tax		3,076,107	5,909,668
Income tax benefits/(expenses)		1,651,217	(1,821,545)
Profit for the period		4,727,324	4,088,123
Other comprehensive income for the period, net of tax			
<i>Amounts that may subsequently be transferred to profit or loss</i>			
Exchange differences on translation of foreign operations		84,596	(21,514)
Fair value movement on derivatives designated for Hedge Accounting		(1,279,141)	(3,980,704)
Tax relating to loss in fair value of cash flow hedges		383,742	1,194,211
Other comprehensive income for the period, net of tax		(810,803)	(2,808,007)
Total comprehensive income for the period		3,916,521	1,280,116
Profit attributable to Members of TPC Consolidated Limited		4,727,324	4,088,123
Total comprehensive income attributable to Members of TPC Consolidated Limited		3,916,521	1,280,116
		Cents	Cents
Earnings per share for the period attributable to the members of TPC Consolidated Limited			
Earnings per share			
- Basic earnings per share	4	41.68	36.04
- Diluted earnings per share	4	41.68	36.04

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	As at 31 December 2024 \$	As at 30 June 2024 \$
ASSETS			
Current Assets			
Cash and cash equivalents		9,403,756	5,996,123
Trade and other receivables	6	26,348,170	34,335,255
Current tax receivables		1,544,624	991,464
Derivatives held at fair value	15	2,658,206	3,803,343
Bank deposits	7	12,851,297	15,011,297
Other current assets	8	12,097,163	1,147,826
Total Current Assets		<u>64,903,216</u>	<u>61,285,308</u>
Non-Current Assets			
Property, plant and equipment		1,028,958	1,128,095
Right of use assets	10	2,630,915	3,033,775
Deferred tax assets		2,870,930	95,658
Total Non-Current Assets		<u>6,530,803</u>	<u>4,257,528</u>
TOTAL ASSETS		<u>71,434,019</u>	<u>65,542,836</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	9	18,962,447	22,636,882
Borrowings	11	7,426,332	-
Lease liabilities	10	856,558	799,768
Short term provisions		2,618,171	2,484,702
Contract liabilities	12	1,646,258	3,231,359
Total Current Liabilities		<u>31,509,766</u>	<u>29,152,711</u>
Non-Current Liabilities			
Long term provisions		133,907	96,832
Lease liabilities	10	1,926,835	2,346,303
Total Non-Current Liabilities		<u>2,060,742</u>	<u>2,443,135</u>
TOTAL LIABILITIES		<u>33,570,508</u>	<u>31,595,846</u>
NET ASSETS		<u>37,863,511</u>	<u>33,946,990</u>
EQUITY			
Issued capital	13	10,527,420	10,527,420
Reserves		1,782,918	2,593,721
Retained Earnings		25,553,173	20,825,849
TOTAL EQUITY		<u>37,863,511</u>	<u>33,946,990</u>

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Issued Capital \$	Reserves \$	Retained Earnings \$	Total \$
Balance at 1 July 2023	10,372,860	661,857	21,088,410	32,123,127
Profit for the period	-	-	4,088,123	4,088,123
Other comprehensive income	-	(2,808,007)	-	(2,808,007)
Total comprehensive income for the period	-	(2,808,007)	4,088,123	1,280,116
<i>Transactions with Shareholders</i>				
Payment related to partially paid shares	154,560	-	-	154,560
Dividend paid	-	-	(3,402,857)	(3,402,857)
Transfer relating to Employee equity benefits reserve	-	(17,234)	17,234	-
Balance at 31 December 2023	<u>10,527,420</u>	<u>(2,163,384)</u>	<u>21,790,910</u>	<u>30,154,946</u>
Balance at 1 July 2024	10,527,420	2,593,721	20,825,849	33,946,990
Profit for the period	-	-	4,727,324	4,727,324
Other comprehensive income	-	(810,803)	-	(810,803)
Total comprehensive income for the period	-	(810,803)	4,727,324	3,916,521
Balance at 31 December 2024	<u>10,527,420</u>	<u>1,782,918</u>	<u>25,553,173</u>	<u>37,863,511</u>

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Half-year Ended 31 December 2024 \$	Half-year Ended 31 December 2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers (inclusive of GST)	115,139,329	67,869,789
Payments to suppliers and employees (inclusive of GST)	(121,904,110)	(68,732,250)
Proceeds from the sale of derivatives	2,254,420	-
Interest received	329,978	497,975
Interest and other financial costs paid	(240,439)	(62,849)
Income tax paid	(1,293,473)	(5,705,866)
NET CASH USED IN OPERATING ACTIVITIES	(5,714,295)	(6,133,201)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(68,553)	(177,550)
Received from bank deposits	2,160,000	-
NET CASH PROVIDED BY/(USED) IN INVESTING ACTIVITIES	2,091,447	(177,550)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from partially paid share capital	-	154,560
Dividends paid	-	(3,402,857)
Proceeds from borrowings	8,855,139	-
Repayment of borrowings	(1,428,807)	-
Repayment of lease liabilities	(395,851)	(370,188)
NET CASH PROVIDED BY/(USED) IN FINANCING ACTIVITIES	7,030,481	(3,618,485)
Net increase/(decrease) in cash held	3,407,633	(9,929,236)
Cash and cash equivalents at beginning of period	5,996,123	22,071,358
CASH AND CASH EQUIVALENTS AT END OF PERIOD	9,403,756	12,142,122

The accompanying notes form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

The financial report of TPC Consolidated Limited and its controlled entities for the half-year ended 31 December 2024 was authorised for issue in accordance with a resolution of the TPC Board of Directors on 28 February 2025.

TPC Consolidated Limited is a company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX).

2 GENERAL INFORMATION AND BASIS OF PREPARATION

The condensed interim consolidated financial statements ('the interim financial statements') of the Group are for the six (6) months ended 31 December 2024 and are presented in Australian Dollar (\$AUD), which is the functional currency of the Parent Company.

These general purpose interim financial statements have been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 Interim Financial Reporting. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2024 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the Corporations Act 2001.

Accounting policies are consistent with those used at 30 June 2024.

3 ESTIMATES AND JUDGEMENTS

The estimates and judgements used in these financial statements are consistent with those used for the year end accounts.

When preparing the Interim Financial Statements, management undertakes a number of judgements, estimates and assumption about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Interim Financial Statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 EARNINGS PER SHARE

	Half-year Ended 31 December 2024 Cents	Half-year Ended 31 December 2023 Cents
Basic earnings per share	41.68	36.04
Diluted earnings per share	41.68	36.04
Net earnings used in the calculation of basic and diluted EPS	\$ 4,727,324	\$ 4,088,123
Weighted average number of ordinary shares outstanding during the period used:	Number	Number
in the calculation of basic EPS	11,342,857	11,342,857
in the calculation of diluted EPS	11,342,857	11,342,857

5 DIVIDENDS PAID AND PROPOSED

	Half-year Ended 31 December 2024 \$	Half-year Ended 31 December 2023 \$
a) Dividends paid during the period:		
Final franked dividends for financial year 30 June 2024: Nil (2023: 30 cents)	-	3,402,857
b) Dividends declared and not recognised as a liability:		
Interim franked dividends for financial year 30 June 2025: 20 cents (2024: 20 cents)	2,268,571	2,268,571

On 28 February 2025, the Directors declared a fully franked interim dividend for the year ended 30 June 2025 of 20 cents per ordinary share, to be paid on 21 March 2025 to eligible shareholders on the register at 7 March 2025. The equates to an estimated distribution of \$2,268,571 based on the number of ordinary shares in issue at 31 December 2024.

6 TRADE AND OTHER RECEIVABLES

	As at 31 December 2024 \$	As at 30 June 2024 \$
Trade receivables	18,179,395	18,902,699
Expected credit losses	(6,116,330)	(4,805,235)
Contract Assets (a)	14,247,511	20,052,283
Goods and Services Tax Receivable	8,213	161,649
Other receivables	29,381	23,859
	<u>26,348,170</u>	<u>34,335,255</u>
(a) Contract Assets comprises of:		
- Unbilled Revenue	14,247,511	20,052,204
- Other Accrued Income	-	79
	<u>14,247,511</u>	<u>20,052,283</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 BANK DEPOSITS

	As at 31 December 2024 \$	As at 30 June 2024 \$
Current		
Bank Deposits	12,851,297	15,011,297

Bank deposits are term deposits which are held as security for bank guarantee.

8 OTHER CURRENT ASSETS

	As at 31 December 2024 \$	As at 30 June 2024 \$
Prepayments	422,013	344,464
Security Deposit	11,675,150	803,362
	12,097,163	1,147,826

9 TRADE AND OTHER PAYABLES

	As at 31 December 2024 \$	As at 30 June 2024 \$
Trade payables	4,877,410	5,230,718
Accrued expenses	13,776,695	16,967,916
Sundry payables	308,342	438,248
	18,962,447	22,636,882

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LEASES

(a) Amounts recognised in the balance sheet

	As at 31 December 2024 \$	As at 30 June 2024 \$
The balance sheet shows the following amounts relating to leases:		
Right-of-use asset		
At cost	4,056,177	4,011,044
Less: Accumulated depreciation	(1,425,262)	(977,269)
	<u>2,630,915</u>	<u>3,033,775</u>
Opening balance	3,033,775	3,480,491
Depreciation	(435,550)	(426,894)
Foreign currency exchange difference	32,690	(19,822)
Closing balance	<u>2,630,915</u>	<u>3,033,775</u>
	As at 31 December 2024 \$	As at 30 June 2024 \$
Lease liabilities		
Current	856,558	799,768
Non-current	1,926,835	2,346,303
	<u>2,783,393</u>	<u>3,146,071</u>

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2024 were as follows:

	Within 1 year \$	1-2 year \$	2-3 year \$	3-5 year \$	Total \$
At 31 December 2024					
Lease payments	949,350	937,292	855,362	216,646	2,958,650
Finance charges	(92,792)	(56,274)	(24,861)	(1,330)	(175,257)
Net present value	<u>856,558</u>	<u>881,018</u>	<u>830,501</u>	<u>215,316</u>	<u>2,783,393</u>
At 30 June 2024					
Lease payments	908,319	958,460	861,694	649,937	3,378,410
Finance charges	(108,551)	(73,987)	(39,892)	(9,909)	(232,339)
Net present value	<u>799,768</u>	<u>884,473</u>	<u>821,802</u>	<u>640,028</u>	<u>3,146,071</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LEASES (Continued)

(b) Amounts recognised in the statement of profit or loss

	Half-year Ended 31 December 2024 \$	Half-year Ended 31 December 2023 \$
The statement of profit or loss shows the following amounts relating to leases:		
Depreciation charge of right-of-use asset		
Right-of-use asset	435,550	432,431
Interest expense (included in finance cost)	58,810	62,849
Expense relating to short-term leases	51,856	53,354

11 BORROWINGS

	As at 31 December 2024 \$	As at 30 June 2024 \$
Borrowing - Trade finance facility	7,426,332	-
	7,426,332	-

12 CONTRACT LIABILITIES

	As at 31 December 2024 \$	As at 30 June 2024 \$
Unearned revenue relating to energy services	1,646,258	3,231,359
	1,646,258	3,231,359

The amounts recognised as a contract liability will generally be utilised within the next reporting period.

13 ISSUED CAPITAL

	As at 31 December 2024 \$	As at 30 June 2024 \$
Ordinary Shares		
Issued and fully paid	10,527,420	10,527,420
	10,527,420	10,527,420

Movements in Ordinary Shares on Issue

	Number	\$
Balance at 1 July 2024	11,342,857	10,527,420
Balance at 31 December 2024	11,342,857	10,527,420

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 CONTINGENT LIABILITIES

As at 31 December 2024 the consolidated entity has issued bank guarantees totalling \$12,851,297 (30 June 2024: \$15,011,297) for which term deposits are held to secure this amount. Refer to Note 7.

There are no other contingent liabilities as at the date of signing of this report.

15 FAIR VALUES OF FINANCIAL INSTRUMENTS

	As at 31 December 2024 \$	As at 30 June 2024 \$
Current Assets		
Derivative financial instruments	2,658,206	3,803,343
	<u>2,658,206</u>	<u>3,803,343</u>

At balance date, the Company has a number of derivative financial instruments which are recorded at fair value in the Statement of Financial Position.

	Fair Value \$	Carrying Amount \$
Current Assets		
Derivative financial instruments		
Opening Balance		
- Designated	3,803,343	3,803,343
	<u>3,803,343</u>	<u>3,803,343</u>
Recognised in the statement of profit or loss and other comprehensive income	(1,145,137)	(1,145,137)
Closing Balance		
- Designated	2,524,202	2,524,202
- Non designated	134,004	134,004
	<u>2,658,206</u>	<u>2,658,206</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

These financial instruments are classified as "Level 2" instruments per the fair value hierarchy in AASB 13. Level 2 refers to instruments where the fair value is determined using inputs other than quoted prices other than those traded on an active market.

	Carrying Amount \$	Level 2 \$	Total \$
Balance at 31 December 2024			
Financial assets			
Derivative financial instruments			
- Energy derivatives - cash flow hedges	2,524,202	2,524,202	2,524,202
- Foreign currency derivatives - cash flow hedges	134,004	134,004	134,004
	<u>2,658,206</u>	<u>2,658,206</u>	<u>2,658,206</u>

The fair value of the instruments has been determined by reference to comparable similar instrument prices as at the reporting date.

The instruments include Cap and Swap agreements mitigating exposure to significant increases in energy prices over the next twelve months.

16 SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Apart from the dividend declared, as disclosed in Note 5, no other matters or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of these operations, or the Group's state of affairs in future financial years.

17 SEGMENT REPORTING

The consolidated entity has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision makers in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on revenue stream. Discrete financial information about each of those operating business is reported on a monthly basis.

The consolidated entity operates in the provision of retail electricity and gas services to residential and businesses in Australia. Management evaluates the electricity and gas retail operations as a single unit. Therefore, management has concluded that the consolidated entity has one reportable segment, being the provision of retail electricity and gas services.

DIRECTORS' DECLARATION

In the opinion of the directors:

- the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001* ;
- (a) and
 - (i) comply with Accounting Standard AASB 134 "*Interim Financial Reporting*" and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the financial position of the consolidated entity as at 31 December 2024 and of the performance for the half-year ended on that date.
- (b) as at the date of the declaration, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors.

On behalf of the Board



Greg McCann
Chairman



Chiao-Heng (Charles) Huang
Managing Director

Dated 28 February 2025

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Independent Auditor's Review Report

To the Members of TPC Consolidated Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of TPC Consolidated Limited 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 TPC Consolidated 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 Leivesley
Partner – Audit & Assurance

Sydney, 28 February 2025