



ABN 85 003 622 866
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39 Pinnacle Road, Altona North, VIC 3025

Clover Corporation Limited

ASX Appendix 4D

Half-Year Financial Report

31 January 2025

Lodged with the ASX under Listing Rule 4.2A

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Reporting Period

The reporting period is the half-year ended 31 January 2025 with the previous corresponding period the half-year ended 31 January 2024.

Results for Announcement to the Market

		% Change	Amount of Change \$'000		\$'000
Revenue from ordinary activities	Up	38%	10,282	to	37,603
Profit / (Loss) from ordinary activities after tax attributable to members	Up	468%	3,015	to	2,372
Net profit / (Loss) for the period attributable to members	Up	458%	2,721	to	2,128

Explanation of Operating Results

Clover Corporation Limited ("Clover Corporation") has reported a profit after tax of \$2.4 million for the half-year ended 31 January 2025 (2024: \$0.6million loss), an increase of 468%.

For a further explanation of the half-year operating result, please refer to the Directors' Report in the financial report for the half-year ended 31 January 2025.

Dividends/distributions	Amount per security	Franked amount per security
Final dividend – 31 July 2024	0.75 cent	0.75 cent
Interim dividend – 31 January 2025	0.75 cent	0.75 cent

NTA Backing

	31-Jan-25	31-Jul-24
Net tangible asset backing per ordinary share	39.5 cents	38.0 cents

Results for Announcement to the Market – Continued

Controlled entities acquired or disposed of

Disposed entities

No entity was disposed of during the half-year ended 31 January 2025.

Acquired entities

No entity was acquired during the half-year ended 31 January 2025.

Associate entities

Clover owns 43.9% of Melody Dairies Limited Partnership.

Additional dividend/distribution information

A fully franked final dividend of 0.75 cent per share for the period ended 31 July 2024 was paid during the half-year ended 31 January 2025.

A fully franked interim dividend of 0.75 cent per share has been declared for half-year ended 31 January 2025.

Dividend reinvestment plans (“DRP”)

There are no dividends or distribution reinvestment plans as at 31 January 2025.

Foreign Accounting Standards

N/A

Independent Review Report

Refer to the attached Clover Corporation Limited 31 January 2025 Half-Year Report for the Independent Review Report to the Members of Clover Corporation Limited.



ABN 85 003 622 866

REPORT
FOR THE HALF-YEAR ENDED 31 JANUARY 2025

CLOVER CORPORATION LIMITED
ABN 85 003 622 866

CORPORATE DIRECTORY

Directors

Mr Rupert A. Harrington	Non-Executive Director & Chairman
Mr Graeme A. Billings	Non-Executive Director
Ms Toni L. Brendish	Non-Executive Director
Mr Ian D. Glasson	Non-Executive Director
Dr Simon P. Green	Non-Executive Director
Mr Peter J. Davey	Managing Director & CEO – Executive

Secretary

Mr Andrew G. M. Allibon

Registered Office

39 Pinnacle Road
Altona North VIC 3025
Phone: +61 38347 5001
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Auditors

PKF Melbourne
L15/500 Bourke St,
Melbourne VIC 3000

Share Registry

Computershare Investor Services Pty Limited
60 Carrington Street
Sydney NSW 2000

Australian Securities Exchange Code

Ordinary Shares CLV

Website

<http://www.clovercorp.com.au>

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DIRECTORS' REPORT

The directors of Clover Corporation Limited (the Company) present the following report for the half-year to 31 January 2025.

Directors

The names of directors who held office during the half-year and up to the date of this report are as follows:

Mr Rupert A. Harrington	Non-Executive Director & Chairman
Mr Graeme A. Billings	Non-Executive Director
Ms Toni L. Brendish	Non-Executive Director
Mr Peter J. Davey	Managing Director & CEO - Executive
Mr Ian D. Glasson	Non-Executive Director
Dr Simon P. Green	Non-Executive Director

Review of Operations

Clover Corporation Limited (Clover) has reported a revenue increase of 38% to \$37.6m (2024: \$27.3m), an improvement on the 2H FY24 \$34.9m.

Clover reported Net Profit after Tax of \$2.4m for the half-year ended 31 January 2025 (2024: \$0.6m loss), a significant turnaround from same time last year.

Financial & Operational Highlights

- Clover delivered a strong first half, with revenue rising 38% to \$37.6 million, driven by its product and market diversification strategy and improved market conditions. Net profit after tax reached \$2.4 million, marking a significant turnaround from the prior half year's loss. Strategic initiatives in product mix optimisation and manufacturing efficiencies contributed to an improvement in gross margins and EBITDA, which grew to \$4.3 million. Clover's commitment to innovation, including non-allergenic and plant-based powders, continues to drive growth by providing new solutions for customers.
- Despite a subdued global infant formula market, Clover have seen a recovery of business across Europe and ANZ and is benefiting from an uplift in online sales and strengthening demand from our western manufacturing customer's. Additionally, Clover's expansion into DHA applications across pet food, nutraceuticals, sports nutrition, and adult nutrition is creating new revenue streams, while its investment in fish oil sourcing will help secure critical raw materials in a constrained market.
- Operational performance improved in line with the increased customer demand. Utilisation and collaborative planning with our partners in Melody Dairies have delivered the best 1H performance since its formation. Heading into the 2H of FY25, we expect this performance to continue and achieve the targeted NPAT levels that support a lower cost of product for shareholders.
- Ecuador is now fully online and supplying excellent quality crude oil for refining at the Altona operations. Benefits from the refined oil will be seen in the 2H of FY25.
- The previously announced opportunity in encapsulated Choline for dry mix applications is progressing well through the final stages of scaled commercial manufacture. Vita Foods Europe in May 2025 will enable customers to obtain samples for in house shelf-life testing.

DIRECTORS' REPORT continued

- The Company's balance sheet remains strong with continued focus on inventory levels, debtor management and lower CAPEX in the 1H which is reflected in the cash position of \$15.4m as of 31 January 2025.

Dividend

The Board has considered the Company's short-term cash requirements and capital management priorities and has declared a fully franked interim dividend of 0.75 cents per share.

Outlook

The Board expects the momentum of 1H FY25 to continue with a stronger 2H assuming current forecast demand and the global conditions prevail.

For more information please refer to:

www.clovercorp.com.au

Rounding of Amounts

The economic entity has applied the relief available to it in ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191 and accordingly amounts in the financial report and the directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Auditors Independence Declaration

The auditor's independence declaration for the half-year ended 31 January 2025 has been received and is set out on page 19.

This report is signed in accordance with a resolution of the directors.



Rupert Harrington
Chairman
Melbourne
Date: 19 March 2025

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF-YEAR TO 31 JANUARY 2025**

	Notes	31-Jan-25 \$'000	31-Jan-24 \$'000
Revenue	3	37,603	27,321
Other income/(expense)	2	635	(266)
Interest expense		(148)	(481)
Raw materials, consumables and conversion costs		(26,482)	(19,959)
Sales and marketing expenses		(2,624)	(2,375)
Administration and corporate expenses		(3,453)	(2,679)
Research and development expenses		(2,013)	(1,992)
Share of net profit of investments accounted for under the equity investment method		(92)	(276)
Profit / (Loss) before income tax		3,426	(707)
Income tax benefit / (expense)		(1,054)	64
Profit / (Loss) after tax for the period		2,372	(643)
Other comprehensive income			
Foreign currency translation adjustment		(244)	50
Other comprehensive income for the period		(244)	50
Total comprehensive Income / (Loss) for the period		2,128	(593)
Earnings / (Loss) per share (EPS)			
Basic earnings per share (cent per share)		1.42	(0.38)
Diluted earnings per share (cent per share)		1.42	(0.38)

This Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Clover Corporation Limited
Half-Year ended 31 January 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2025

	Notes	31-Jan-25 \$'000	31-Jul-24 \$'000
Current Assets			
Cash and cash equivalents		15,379	12,259
Trade and other receivables		14,053	13,711
Inventories		23,813	29,554
Prepayments		673	1,357
		<u>53,918</u>	<u>56,881</u>
Non-Current Assets			
Property, plant and equipment		10,663	10,692
Right of Use Assets		1,665	1,845
Investments in Associates		11,119	11,251
Deferred tax assets		2,166	1,816
Intangible assets		1,907	1,907
		<u>27,520</u>	<u>27,511</u>
Total Assets		<u>81,438</u>	<u>84,392</u>
Current Liabilities			
Trade and other payables		4,622	5,087
Interest bearing liabilities		2,195	3,435
Lease liability		430	411
Current tax liabilities		1,090	-
Short-term provisions		919	898
		<u>9,256</u>	<u>9,831</u>
Non-Current Liabilities			
Interest bearing liabilities		2,083	5,033
Lease liability		1,320	1,508
Deferred tax liability		765	892
Long-term provisions		67	58
		<u>4,235</u>	<u>7,491</u>
Total Liabilities		<u>13,941</u>	<u>17,322</u>
Net Assets		<u>67,947</u>	<u>67,070</u>
Equity			
Issued Capital	4	36,270	36,270
Reserves		(1,442)	(1,199)
Retained Profits		33,119	31,999
		<u>67,947</u>	<u>67,070</u>
Total Equity		<u>67,947</u>	<u>67,070</u>

This Statement of Financial Position should be read in conjunction with the accompanying notes.

Clover Corporation Limited
Half-Year ended 31 January 2025

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR TO 31 JANUARY 2025

	Issued Capital \$'000	Retained Profits/ (Accumulated Losses) \$'000	Share- based Payment Reserve \$'000	Foreign Currency Translation Reserve \$'000	Total \$'000
Balance at 1 August 2023	36,270	31,736	(667)	(188)	67,151
Loss attributable to members of the entity	-	(643)	-	-	(643)
Other comprehensive income	-		-	50	50
Total Comprehensive Income for the year	-	(643)	-	50	(593)
<i>Transactions with Owners in their capacity as owners</i>					
Dividend paid (Note 5)	-	(1,252)	-	-	(1,252)
Share-based payment	-	-	-	-	-
Balance at 31 January 2024	36,270	29,841	(667)	(138)	65,306
Balance at 1 August 2024	36,270	31,999	(624)	(574)	67,071
Profit attributable to members of the entity	-	2,372	-	-	2,372
Other comprehensive income	-		-	(244)	(244)
Total Comprehensive Income for the year	-	2,372	-	(244)	2,128
<i>Transactions with Owners in their capacity as owners</i>					
Dividend paid (Note 5)	-	(1,252)	-	-	(1,252)
Share-based payment	-	-	-	-	-
Balance at 31 January 2025	36,270	33,119	(624)	(818)	67,947

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Clover Corporation Limited
Half-Year ended 31 January 2025

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR TO 31 JANUARY 2025

	Note	31-Jan-25 \$ '000	31-Jan-24 \$ '000
Cash flows from operating activities			
Receipts from customers		37,461	25,931
Payments to suppliers and employees		(27,847)	(26,616)
Interest paid		(148)	(481)
Income tax paid		(640)	(1,893)
Net cash outflow from operating activities		8,826	(3,059)
Cash flows from investing activities			
Purchases of plant and equipment		(445)	(943)
Investment in Associates		-	(57)
Net cash outflow from investing activities		(445)	(1,000)
Cash flows from financing activities			
Dividends paid	5	(1,252)	(1,253)
Principal payments of lease liabilities		(248)	(188)
Repayment of interest-bearing liabilities		(3,761)	(885)
Loan Drawdown		-	5,000
Net cashflows from or used in financing activities		(5,261)	2,674
Net increase / (decrease) in cash held		3,120	(1,385)
Cash at the beginning of the period		12,259	9,437
Cash at the end of the period		15,379	8,052

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR TO 31 JANUARY 2025

1. Significant accounting policies

Basis of preparation

The financial report of Clover Corporation Limited (“the Company”) and its controlled entities (“the Group”) for the half-year ended 31 January 2025 is a condensed general purpose financial report, prepared by a ‘for-profit’ entity in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134 Interim Financial Reporting. The Financial Statements were authorised for issue in accordance with a resolution of the directors on 19 March 2025.

The half-year financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as at 31 July 2024, and any public announcements made by the Company during the half-year in accordance with the continuous disclosure requirements of the ASX listing rules.

The Company has applied the relief available to it in ASIC Corporations (Rounding in Financial / Directors’ Reports) Instrument 2016/191 and accordingly amounts in the financial statements and the directors’ report have been rounded off to the nearest thousand Australian dollars, unless otherwise stated.

The accounting policies adopted in the preparation of the half-year financial statements are consistent with those followed in the preparation of the Company’s annual financial statements for the year ended 31 July 2024, except for the impact, if any, of adoption of new standards and interpretations noted below.

New/Amended Accounting Standards and Interpretations

(i) New standards and interpretations

In the half-year the Group has reviewed all of the revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to the Group and effective for annual reporting periods beginning on or after 1 August 2024.

(ii) Early adoption of standards

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Clover Corporation Limited
Half-Year ended 31 January 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR TO 31 JANUARY 2025

	31-Jan-25	31-Jan-24
	\$'000	\$'000

2. Operating Result

Profit before income tax expense includes the following items of income and expense which, together with other disclosures in this report are relevant in explaining the financial performance for the half-year:

Other income/(expense):

Foreign exchange gain/(loss)	737	88
Market Development	<u>(102)</u>	<u>(354)</u>
	635	(266)
Interest (expense)	(148)	(481)
Depreciation and amortisation expenses	(718)	(516)

3. Revenue

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

Timing of revenue:

Goods transferred at a point in time	37,603	27,321
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4. Issued Capital

	31-Jan-25	31-Jul-24
Ordinary shares on issue:		
Number of shares	166,999,341	166,999,341
	<u>\$'000</u>	<u>\$'000</u>
Value of shares	36,270	36,270

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Clover Corporation Limited
Half-Year ended 31 January 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR TO 31 JANUARY 2025 (continued)

	31-Jan-25	31-Jan-24
	\$'000	\$'000
5. Dividends		
(a) Dividends paid during the half-year		
Final dividend for the period ended 31 July 2024 of 0.75 cent per share (31 July 2023: 0.75 cent per share) fully franked at the tax rate 30%.	(1,252)	(1,252)
(b) Dividends declared		
On 18 November 2024, the Company paid the final dividend in respect of the year ended 31 July 2024 of 0.75 cent per share (31 July 2023: final dividend 0.75 cent per share).		
The Directors did not declare an interim dividend in respect of the financial period ended 31 January 2024.		
6. Banking Covenants		
There remains a breach of a covenant with the Bank of New Zealand (BNZ) loan agreement held by Melody Dairies as at 31 January 2025. BNZ has acknowledged the breach and has not taken any action in relation to the breach at this time. The total value of the borrowings held by Melody Dairies is \$NZ19.8m with BNZ.		
The presence of a covenant breach can lead to the total borrowings falling due within 12 months and were this to happen Clover and the other partners would be required to fund their share of these borrowings.		
7. Events subsequent to reporting date		
No matters or circumstance have arisen since 31 January 2025 up to the date of this report 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.		

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR TO 31 JANUARY 2025 (continued)

8. Geographical Information

Revenues from external customers by domestic and export location of operations and information about its non-current assets by location of assets is shown in the following table.

	Revenue from external customers		Non-current assets	
	31-Jan-25 \$'000	31-Jan-24 \$'000	31-Jan-25 \$'000	31-Jul-24 \$'000
Australia/NZ	19,631	13,847	19,987	20,796
Asia	5,670	6,881	-	-
Europe	10,500	5,532	-	-
Americas	1,802	1,061	5,626	4,808
Total	37,603	27,321	25,613	25,604

9. Contingencies

Nil

10. Capital Commitments

There are capital commitments totalling \$0.6m that relate to completion of the Ecuador project

DIRECTORS'
DECLARATION

In accordance with a resolution of the directors of Clover Corporation Limited, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity as set out in this financial report:
 - 1. give a true and fair view of the consolidated entity's financial position as at 31 January 2025 and of its performance for the half-year ended on that date; and
 - 2. comply with Accounting Standard AASB134 Interim Financial Reporting and the Corporations Act 2001; and

- (b) 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 the Directors.



Rupert Harrington
Chairman

Melbourne
19 March 2025



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF CLOVER CORPORATION LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Clover Corporation Limited (the Company) and its subsidiaries (collectively the Group) which comprises the consolidated statement of financial position as at 31 January 2025, 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, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of Clover Corporation Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated financial position of the Group as at 31 January 2025 and of its consolidated financial 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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with 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 in the same terms if given to the directors as at the time of this auditor's review report.



Directors' Responsibilities 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that causes us to 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 consolidated financial position as at 31 January 2025 and its consolidated 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.

A stylized, handwritten-style logo of the letters 'PKF' in a dark blue color.

PKF

Melbourne, 19 March 2025

A handwritten signature in black ink that reads 'Kenneth Weldin'.

Kenneth Weldin

Partner

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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF CLOVER CORPORATION LIMITED

In relation to our review of the financial report of Clover Corporation Limited for the half-year ended 31 January 2025, I declare to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001*,
and
- (b) no contraventions of any applicable code of professional conduct.

This declaration is made in respect of Clover Corporation Limited and the entities it controlled during the financial period.



PKF
Melbourne, 19 March 2025



Kenneth Weldin
Partner

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