

Manager  
Market Announcements Office  
Australian Securities Exchange  
Exchange Centre  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

27 February 2025

By Electronic Lodgement

Dear Sir/Madam,

**LODGE MENT OF HALF YEAR REPORT (APPENDIX 4D)**

In accordance with the Listing Rules, please find attached the Half Year Report (Appendix 4D) for HighCom Ltd (HCL) for the half-year period ended 31 December 2024. The information contained in this report should be read in conjunction with the 2024 Annual Report.

Should you require any further information in respect to this matter please email Mr Ben Harrison, HighCom Group Chairman, at [investors@highcom.group](mailto:investors@highcom.group).

Yours sincerely,



Jacqueline Myers  
Company Secretary

Attachment: HighCom Limited Half Year Report for half-year ended 31 December 2024.

**HighCom Limited**

ABN: 90 103 629 107

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PO Box 333, Fyshwick ACT 2609, Australia

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**HighCom Limited  
and Controlled Entities**  
**APPENDIX 4D**  
**HALF YEAR REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2024**

**SUMMARY OF RESULTS FOR ANNOUNCEMENT TO THE MARKET**

Key Information	Half Year 2024 \$'000	Half Year 2023 \$'000	Change %
Revenue from ordinary activities	26,594	14,949	↑ 78%
Profit/(Loss) after tax from ordinary activities	1,213	(13,491)	↑ n/a
Profit/(Loss) attributable to members	1,213	(13,491)	↑ n/a

Note: HighCom Ltd and Controlled Entities recorded a profit from operations after tax for the current half year period of \$1,212,928 and a loss of \$13,490,536 in the comparative period to 31 December 2023.

Dividends	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Record date for determining entitlements to dividend		Not applicable

Profit / (Loss) per share attributable to the ordinary equity holders of the company	Half Year 2024 cents	Half Year 2023 cents
Basic profit/(loss) per share	1.2	(13.2)
Diluted profit/(loss) per share	1.2	(13.2)

Net tangible asset backing per share	Half Year 2024 \$	Half Year 2023 \$
Net tangible asset backing per share	0.301	0.258

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# HighCom Limited and Controlled Entities

HALF YEAR REPORT  
FOR THE HALF-YEAR ENDED  
31 DECEMBER 2024

*This Half Year Report incorporating Appendix 4D is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.3 s*

The information contained in this report is to be read in conjunction with HighCom Limited's 2024 Annual Report and any announcements to the market by HighCom Limited during the half-year period ending 31 December 2024.

Current period: 1 July 2024 to 31 December 2024

Prior corresponding period: 1 July 2023 to 31 December 2023

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**HIGHCOM LIMITED & CONTROLLED ENTITIES  
APPENDIX 4D – HALF YEAR REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

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**HighCom Limited and Controlled Entities**

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## Directors' Report

Half-year Ended 31 December 2024

Your Directors submit the financial report for the half-year ended 31 December 2024.

### Directors

The names of Directors who held office during the whole of the financial half-year and up to the date of this report are:

- Mr. Benjamin Harrison
- Mr. Mark Smethurst
- Hon. Christopher Pyne
- Ms. Adelaide McDonald
- Mr. Mark Stevens (resigned on 31 July 2024)

### Principal Activities

During the financial half-year, the principal continuing activities of the consolidated HighCom Ltd entity consisted of:

- **HighCom Armor** – focused on designing, manufacturing and supplying global military, law enforcement and first responder customers with world-class, advanced personal protection ballistic products and solutions for body armour, ballistic helmets and composite armour structures.
- **HighCom Technology** – focused on the provision of uncrewed systems, control systems, and sensors for use by defence, security and law enforcement agencies in Australia and around the world including project management, engineering, integration, repair and maintenance services, product support and related training.

### Financial Overview

The net operating profit after income tax, for the half-year ended 31 December 2024 is \$1.213m (Dec 2023: loss \$13.5m). The return to profitability is primarily due to increased sales volume, savings from the cost-reduction program undertaken during 2024, and the sales campaign to reduce inventory levels. The key financial results include:

- The Group's revenue from continuing operations increased by 78% to \$26.6m up from \$14.9 in H1 FY24, including \$21m revenue related to ballistic product sales generated by HighCom Armor and \$5.6m revenue generated by HighCom Technology, being \$3.5m for Small Uncrewed Aerial Systems (SUAS) spare parts and \$2.1m sustainment services provided to the Australian Department of Defence.
- As at 31 December 2024, the Group held cash of \$8.4m, with \$3.8m of undrawn lending facilities available. There was \$1.2m capital expenditure related to the XTclave™ re-commissioning during the reporting period, which was offset by cash inflows related to reduced inventory levels.
- Inventory levels decreased by \$2.2m to \$15.6m as at 31 December 2024, compared to \$17.8m as at 30 June 2024. The company remains focused on reducing inventory towards its longer term target of \$10m. As part of this strategy, HighCom implemented targeted discounts on discontinued product lines and ran sale campaigns during trade shows. These efforts led to strong sales of slow-moving or excess inventory, resulting in a positive profit impact of \$0.7m in H1 FY25.

## Review of Operations

### HighCom Armor

- HighCom Armor sales of \$20.9m included monthly domestic US run rate sales and a larger \$8.9m order from a military customer delivered during H1 FY25, for its advanced, high performance, specialist ballistic protection products.
- At the end of the reporting period, the HighCom Armor business had an order book backlog of work in excess of \$6m and continues to receive regular orders from US customers, all of which it expects to deliver and recognise in H2 FY25.
- The reassembly of the patented XTclave™ production system in Columbus, Ohio, continues and is on track to be re-commissioned in Q2 CY2025.

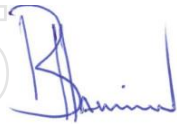
### HighCom Technology

- During the half-year period ended 31 December 2024, the HighCom Technology business successfully delivered a variety of engineering, maintenance and logistic support services under existing contracts awarded by the Commonwealth of Australia's (CoA) Department of Defence, for Small Unmanned Aerial Systems (SUAS). At the end of the reporting period, HighCom Technology held orders in hand for delivery in H2 FY25 worth over \$7m.
- HighCom Technology continues to invest in business development efforts to increase sales and services to existing customers, as well as to identify and assess new opportunities related to adjacent technologies for the defence and civilian markets.

### Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the Corporations Act 2001 is set out on page 4 for the half-year ended 31 December 2024.

This Directors' Report is signed in accordance with a resolution of the Board of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001



Mr Benjamin Harrison  
Chairman

27 February 2025

**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of HighCom Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM Australia Partners

**RSM AUSTRALIA PARTNERS**



**Rodney Miller**  
Partner

Canberra, Australian Capital Territory  
Dated: 27 February 2025

**INDEPENDENT AUDITOR'S REVIEW REPORT****TO THE MEMBERS OF****HighCom Limited****Report on the Half-Year Financial Report***Conclusion*

We have reviewed the accompanying half-year financial report of HighCom Limited which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity an consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end.

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

- (a) giving a true and fair view of the consolidated entity'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 *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.

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

*Directors' Responsibility for the Half-Year Financial Report*

The directors of HighCom Limited 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 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 consolidated entity'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.

*RSM Australia Partners*

**RSM AUSTRALIA PARTNERS**

A handwritten signature in black ink, appearing to be 'Rodney Miller'.

Rodney Miller  
Partner

Canberra, Australian Capital Territory  
Dated: 27 February 2025

HIGHCOM LIMITED & CONTROLLED ENTITIES  
APPENDIX 4D – HALF YEAR REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

Half-Year Ended

	Note	31 Dec 2024 \$	31 Dec 2023 \$
<b>Revenue</b>	2(a)	<b>26,593,699</b>	14,948,708
Cost of sales		<b>(19,754,170)</b>	(12,047,343)
<b>Gross profit</b>		<b>6,839,529</b>	2,901,365
Other income	2(b)	<b>856,502</b>	235,191
Impairment reversal/(loss)	3	<b>684,953</b>	(6,241,770)
Employee benefits	4	<b>(3,353,397)</b>	(4,780,105)
Corporate and administrative expense	5	<b>(2,920,800)</b>	(4,136,165)
Selling and marketing expenses	6	<b>(135,690)</b>	(171,282)
Finance costs	7	<b>(67,438)</b>	(81,895)
Depreciation and amortisation	8	<b>(690,731)</b>	(1,215,875)
<b>Profit/(Loss) from operations before income tax</b>		<b>1,212,928</b>	(13,490,536)
Income tax expense		-	-
<b>Profit/(Loss) from operations after income tax</b>		<b>1,212,928</b>	(13,490,536)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations, net of tax		<b>1,180,952</b>	(242,189)
<b>Total comprehensive income/(loss) for the half-year</b>		<b>2,393,880</b>	(13,732,725)
		<b>Cents</b>	Cents
<b>Basic earnings per share</b>	18	<b>1.2</b>	(13.2)
<b>Diluted earnings per share</b>	18	<b>1.2</b>	(13.2)

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



HIGHCOM LIMITED & CONTROLLED ENTITIES  
APPENDIX 4D – HALF YEAR REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

## Consolidated Statement of Financial Position

As at

	Note	31 Dec 2024 \$	30 Jun 2024 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	9	8,429,011	6,180,310
Trade and other receivables	10	4,621,402	3,628,517
Contract assets	11	233,113	-
Inventories	12	15,555,357	17,831,553
Other current assets	13	941,351	664,212
<b>TOTAL CURRENT ASSETS</b>		<b>29,780,234</b>	<b>28,304,592</b>
<b>NON-CURRENT ASSETS</b>			
Intangible assets		873,852	978,794
Goodwill		1,402,346	1,402,346
Right of use assets		1,743,600	593,661
Property, plant and equipment		9,867,983	8,450,369
<b>TOTAL NON-CURRENT ASSETS</b>		<b>13,887,781</b>	<b>11,425,170</b>
<b>TOTAL ASSETS</b>		<b>43,668,015</b>	<b>39,729,762</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	8,036,611	7,417,844
Lease liabilities	15	418,344	485,649
Provisions	16	482,560	692,795
Contract liabilities		127,984	101,645
<b>TOTAL CURRENT LIABILITIES</b>		<b>9,065,499</b>	<b>8,697,933</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	15	1,359,434	197,686
Provisions	16	37,101	20,161
Contract liabilities		9,408	11,289
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,405,943</b>	<b>229,136</b>
<b>TOTAL LIABILITIES</b>		<b>10,471,442</b>	<b>8,927,069</b>
<b>TOTAL NET</b>		<b>33,196,573</b>	<b>30,802,693</b>
<b>EQUITY</b>			
Contributed equity	17	52,927,156	52,927,156
Foreign exchange translation reserve		2,428,091	1,247,139
Accumulated losses		(22,158,674)	(23,371,602)
<b>TOTAL EQUITY</b>		<b>33,196,573</b>	<b>30,802,693</b>

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



HIGHCOM LIMITED & CONTROLLED ENTITIES  
APPENDIX 4D – HALF YEAR REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

## Consolidated Statement of Changes in Equity

For the Half Year Ended

	Note	Issued capital \$	Equity based payments reserve \$	Foreign exchange translation reserve \$	Accumulated Losses \$	Total \$
<b>Opening balance as at 1 July 2023</b>		52,502,403	1,882	1,025,237	(11,425,376)	42,104,146
<i>Total comprehensive income for the half-year</i>						
Net loss for the period		-	-	-	(13,490,536)	(13,490,536)
Other comprehensive loss		-	-	(242,189)	-	(242,189)
<b>Total Comprehensive Loss for the period</b>		-	-	<b>(242,189)</b>	<b>(13,490,536)</b>	<b>(13,732,725)</b>
<i>Transactions With Owner Recognised Directly in Equity</i>						
Issuance of Ordinary Shares		428,250	-	-	-	428,250
Share based payment reserve		-	(1,882)	-	71,882	70,000
Transaction costs associated with share capital		(3,497)	-	-	-	(3,497)
<b>Total contributions and distributions</b>		<b>424,753</b>	<b>(1,882)</b>	<b>-</b>	<b>71,882</b>	<b>494,753</b>
<b>Balance as at 31 December 2023</b>	17	<b>52,927,156</b>	<b>-</b>	<b>783,048</b>	<b>(24,844,030)</b>	<b>28,866,174</b>
<b>Opening balance as at 1 July 2024</b>		<b>52,927,156</b>	<b>-</b>	<b>1,247,139</b>	<b>(23,371,602)</b>	<b>30,802,693</b>
<i>Total comprehensive Income for the period</i>						
Net profit for the period		-	-	-	1,212,928	1,212,928
Other comprehensive Income		-	-	1,180,952	-	1,180,952
<b>Total Comprehensive Profit for the period</b>		<b>-</b>	<b>-</b>	<b>1,180,952</b>	<b>1,212,928</b>	<b>2,393,880</b>
<i>Transactions With Owner Recognised Directly in Equity</i>						
Total changes in ownership interests		-	-	-	-	-
<b>Balance as at 31 December 2024</b>	17	<b>52,927,156</b>	<b>-</b>	<b>2,428,091</b>	<b>(22,158,674)</b>	<b>33,196,573</b>

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



**HIGHCOM LIMITED & CONTROLLED ENTITIES**  
**APPENDIX 4D – HALF YEAR REPORT**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

**Consolidated Statement of Cash Flows**

**For the Half Year Ended**

	Note	31 Dec 2024 \$	31 Dec 2023 \$
<b>Cash flows from/(used in) operating activities</b>			
Receipts from customers		25,293,490	36,830,222
Payments to suppliers and employees		<b>(21,755,870)</b>	<b>(43,217,038)</b>
		<b>3,537,620</b>	<b>(6,386,816)</b>
Interest received		27,545	102,214
Finance costs		<b>(26,043)</b>	<b>(38,229)</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>3,539,122</b>	<b>(6,322,831)</b>
<b>Cash flows (used in)/from investing activities</b>			
Proceeds from sale of assets		-	349,146
Payment for intangible assets		<b>(18,097)</b>	-
Payments for property, plant and equipment		<b>(1,207,765)</b>	<b>(345,574)</b>
<b>Net cash flows (used in)/from investing activities</b>		<b>(1,225,862)</b>	<b>3,572</b>
<b>Cash flows from financing activities</b>			
Payment of transaction costs associated with issued share capital		-	(3,497)
Repayment of lease liabilities		<b>(303,198)</b>	<b>(468,671)</b>
Proceeds from borrowings		-	1,522,967
<b>Net cash flows (used in)/from financing activities</b>		<b>(303,198)</b>	<b>1,050,799</b>
<b>Net decrease in cash and cash equivalents</b>		<b>2,010,062</b>	<b>(5,268,460)</b>
Exchange rate impact on cash		<b>238,639</b>	<b>(48,713)</b>
Cash and cash equivalents at beginning half year		<b>6,180,310</b>	<b>6,894,578</b>
<b>Cash and cash equivalents at end of the financial half year</b>	9	<b>8,429,011</b>	<b>1,577,405</b>

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



## Notes to the Financial Statements

### Half Year Ended 31 December 2024

The consolidated financial report covers HighCom Limited and Controlled Entities (HighCom). HighCom is a for-profit company limited by shares, incorporated, and domiciled in Australia.

Each of the entities within HighCom prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency (unless stated otherwise).

The financial report was authorised for issue by the Directors on 27<sup>th</sup> February 2025.

Where required by Accounting Standards comparative figures have been adjusted to conform with changes for the current reporting period.

#### 1. Basis of Preparation

This consolidated half year financial report for the reporting period ending 31 December 2024 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The half year financial report is intended to provide users with an update on the latest annual financial statements of HighCom Limited and controlled entities (HighCom or the Group). As such it does not contain information that represents relatively insignificant changes occurring during the half year within HighCom. This consolidated financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of HighCom for the year ended 30 June 2024, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this half year financial report as were applied in the most recent annual financial statements.

#### Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The resulting accounting judgements and estimates may differ from the actual results. In preparing this consolidated interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied to the consolidated financial report as at and for the year ended 30 June 2024.

#### New or Amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

HIGHCOM LIMITED & CONTROLLED ENTITIES  
APPENDIX 4D – HALF YEAR REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

## Notes to the Financial Statements

Half-Year Ended 31 December 2024

### 2. Revenue and Other Income

#### (a) Revenue from operations

	31 Dec 2024	31 Dec 2023
	\$	\$
HighCom Armor	20,926,639	13,169,175
HighCom Technology	5,667,060	1,779,533
<b>Total Revenue</b>	<b>26,593,699</b>	<b>14,948,708</b>

#### (b) Other income

Interest income	34,784	102,214
Gain on sale of assets	-	50,650
Foreign exchange gain	737,911	-
Other income	83,807	82,327
<b>Total Other income</b>	<b>856,502</b>	<b>235,191</b>

#### Total Revenue and Other Income

<b>27,450,201</b>	<b>15,183,899</b>
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### 3. Impairment

Impairment (reversal)/loss – Inventory	(684,953)	4,388,233
Impairment – Other non-financial assets	-	1,853,537
<b>Total Impairment</b>	<b>(684,953)</b>	<b>6,241,770</b>

### 4. Employee benefits

Salaries and wages	2,619,769	3,867,503
Superannuation contributions	237,684	314,085
Payroll tax	337,188	395,648
Other employee expenses	158,756	202,869
<b>Total Employee Benefits</b>	<b>3,353,397</b>	<b>4,780,105</b>

### 5. Corporate and administrative expenses

Consultancy fees	633,850	796,679
Insurance	528,243	608,563
Information and communication technologies	482,534	491,361
Directors' fees	116,463	215,338
Travel and accommodation	212,494	430,815
Occupancy	207,840	261,113
Accounting and audit fees	116,884	267,179
Share registry	69,659	60,183
Bank charges	39,515	43,888
Foreign exchange loss	-	218,129
Other expenses	463,318	742,917
<b>Total Corporate and administrative expenses</b>	<b>2,920,800</b>	<b>4,136,165</b>



HIGHCOM LIMITED & CONTROLLED ENTITIES  
APPENDIX 4D – HALF YEAR REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

**Notes to the Financial Statements**

**Half-Year Ended 31 December 2024**

	31 Dec 2024	31 Dec 2023
	\$	\$
<b>6. Selling and marketing expenses</b>		
Marketing and trade shows	135,690	171,282
<b>Total Selling and marketing expenses</b>	135,690	171,282

<b>7. Finance costs</b>		
Interest on lease liabilities	41,395	43,666
Other interest expense	26,043	38,229
<b>Total Finance costs</b>	67,438	81,895

**8. Depreciation and amortisation**

<i>Depreciation</i>		
- Plant and equipment	219,901	509,920
- Motor vehicles	13,968	15,626
- Office furniture and equipment	30,004	48,467
- Demonstration equipment	28,498	66,274
- Leasehold property improvements	21,792	55,009
<i>Amortisation</i>		
- Right to use assets	252,627	389,367
- Computer software	17,693	24,907
- Intangible - plate development	80,862	80,862
- Intangible - certifications	25,386	25,443
<b>Total Depreciation and Amortisation</b>	690,731	1,215,875

	31 Dec 2024	30 Jun 24
	\$	\$
<b>9. Cash and Cash Equivalents</b>		
Cash at bank and in hand	8,429,011	6,180,310
<b>Total Cash</b>	8,429,011	6,180,310

**Reconciliation of cash**

Cash and cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	8,429,011	6,180,310
<b>Balance as per statement of cash flows</b>	8,429,011	6,180,310



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HIGHCOM LIMITED & CONTROLLED ENTITIES  
APPENDIX 4D – HALF YEAR REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

## Notes to the Financial Statements

Half-year Ended 31 December 2024

31 Dec 2024      30 Jun 2024  
\$                              \$

### 10. Trade and Other Receivables

#### CURRENT

Trade receivables	4,621,402	3,628,517
<b>Total current trade and other receivables</b>	<b>4,621,402</b>	<b>3,628,517</b>

#### Terms and conditions

Trade and other receivables are non-interest bearing and generally on thirty-day terms. The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available. There was no provision recognised for the half year ended 31 December 2024 (FY24:nil).

### 11. Contract Assets

Contract assets	233,113	-
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#### Reconciliation

Reconciliation of the written down values at the beginning and end of the contract and previous financial year are set out below:

Opening balance	-	3,007,469
Additions	271,111	-
Transfer to trade receivables	(37,998)	(3,007,469)
<b>Closing Balance</b>	<b>233,113</b>	-

### 12. Inventories

#### Current

Work in progress	33,983	28,272
Products and spare parts, net of write-down	15,521,374	17,803,281
<b>Total Inventories</b>	<b>15,555,357</b>	<b>17,831,553</b>

Inventories are measured at the lower of cost and net realisable value. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down, arising from an increase in net realisable value, is recognised as a gain in the period which the reversal occurs.

### 13. Other Current Assets

Prepayments	477,189	248,077
Other Assets	464,162	416,135
<b>Total Other Current Asset</b>	<b>941,351</b>	<b>664,212</b>

### 14. Trade and Other Payables

#### Current

Trade and other payables	7,358,585	6,592,255
GST payable	5,267	103,936
Sundry payable and accrued expenses	672,759	721,653
<b>Total Trade and other payables</b>	<b>8,036,611</b>	<b>7,417,844</b>



HIGHCOM LIMITED & CONTROLLED ENTITIES  
APPENDIX 4D – HALF YEAR REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

## Notes to the Financial Statements

Half-year Ended 31 December 2024

	31 Dec 2024	30 Jun 2024
	\$	\$
<b>15. Lease Liabilities</b>		
<b>Current</b>		
Lease liability	418,344	485,649
	418,344	485,649
<b>Non-current</b>		
Lease liability	1,359,434	197,686
<b>Total lease liabilities</b>	1,777,778	683,335

The leases relate to office buildings, manufacturing and warehouse facilities. The lease for the facilities in Columbus, Ohio was renewed for a 5 year period, expiring on 30 September 2029.

### 16. Provisions

#### Current liabilities

Annual leave provision	310,946	528,466
Long service leave	171,614	164,329
	482,560	692,795

#### Non-current liabilities

Long service leave	37,101	20,161
	37,101	20,161

#### Total provisions

	519,661	712,956
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### 17. Issued Capital

Ordinary shares	52,927,156	52,927,156
<b>Total</b>	52,927,156	52,927,156

There were no options on issue at 31 December 2024 (30 June 2024: nil).

#### (A) Movement in ordinary shares on issue

	31 Dec 2024	31 Dec 2024	30 Jun 2024	30 Jun 2024
	No. of Shares	\$	No. of Shares	\$
Opening balance	102,682,672	52,927,156	101,761,703	52,502,403
Shares issued	-	-	920,969	428,250
Transaction cost in relation to capital	-	-	-	(3,497)
<b>Total</b>	102,682,672	52,927,156	102,682,672	52,927,156

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

## Notes to the Financial Statements

Half-year Ended 31 December 2024

### 18. Earnings per share

	31 Dec 2024	31 Dec 2023
	\$	\$
<i>Earnings per share from profit/(loss) from continuing operations</i>		
Profit/(Loss) after income tax attributed to the owners of HighCom Limited	<b>1,212,928</b>	(13,490,536)
	<b>Cents</b>	Cents
Basic earnings per share	<b>1.2</b>	(13.2)
Diluted earnings per share	<b>1.2</b>	(13.2)

### 19. Operating Segments

The consolidated entity is organised into two operating segments based on differences in products and services provided; Armor Division and Technology Division (see note 2a). These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Maker ('CODM')) in assessing performance and determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements. The information is reported to the CODM on a monthly basis.

	31 Dec 2024	31 Dec 2023
	\$	\$
<b>Segment revenue</b>		
HighCom Armor	<b>20,926,639</b>	13,169,175
HighCom Technology	<b>5,667,060</b>	1,779,533
<b>Total of all segments</b>	<b>26,593,699</b>	14,948,708
<b>Segment results – continuing operations</b>		
HighCom Armor	<b>2,062,750</b>	(8,076,151)
HighCom Technology	<b>1,128,497</b>	(1,413,360)
Unallocated holding company costs	<b>(1,254,934)</b>	(2,805,469)
<b>EBITDA</b>	<b>1,936,313</b>	(12,294,980)
Depreciation and amortisation	<b>(690,731)</b>	(1,215,875)
Interest expense	<b>(67,438)</b>	(81,895)
Interest income	<b>34,784</b>	102,214
Profit/(Loss) before income tax expense	<b>1,212,928</b>	(13,490,536)
Income tax expense	-	-
Profit/(Loss) after income tax expense	<b>1,212,928</b>	(13,490,536)

**HIGHCOM LIMITED & CONTROLLED ENTITIES**  
**APPENDIX 4D – HALF YEAR REPORT**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

**Geographical information**

In presenting information, the segment revenue is based on geographical locations of the Group's customers.

	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
	\$	\$
North America	17,741,273	8,695,063
Australia and Asia Pacific	5,706,547	2,585,703
Europe	3,143,098	3,650,565
Others	2,781	17,377
<b>Total of all segments</b>	<b>26,593,699</b>	<b>14,948,708</b>

**20. Contingencies**

As at 31 December 2024, there are no contingencies.

**21. Events Occurring After the Reporting Period**

No matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of HighCom, the results of those operations, or the state of affairs of HighCom in future financial years.

### Directors' Declaration

The Directors of the Company declare that:

1. The consolidated financial statements and notes, as set out on page 7-17 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
  - (b) give a true and fair view of the consolidated group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Benjamin Harrison  
Chairman



Jacqueline Myers  
Company Secretary

Dated this 27th day of February 2025