

Preliminary Final Report

NAME OF ENTITY

WESTSTAR INDUSTRIAL LIMITED	
ABN or equivalent company reference:	38 119 047 693

1. REPORTING PERIOD

Preliminary report for the financial year ended	30 June 2025
Previous corresponding period is the financial year ended	30 June 2024

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

				\$'000
Revenues from ordinary activities (item 2.1)	down	36.4%	to	130,758
Loss from ordinary activities after tax attributable to members (item 2.2)	down	203.7%	to	(3,415)
Net loss for the period attributable to members (item 2.3)	down	203.7%	to	(3,415)

Dividends (item 2.4)	Amount per security	Franked amount per security
Interim dividend	Nil	Nil
Final dividend	Nil	Nil
Record date for determining entitlements to the dividend (item 2.5)	Not Applicable	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood (item 2.6): Refer to item 12.		

3. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Refer to attached unaudited Preliminary Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2025.

4. STATEMENT OF FINANCIAL POSITION

Refer to attached unaudited Preliminary Consolidated Statement of Financial Position as at 30 June 2025.

5. STATEMENT OF CASH FLOWS

Refer to attached unaudited Preliminary Consolidated Statement of Cash flows for the year ended 30 June 2025.

6. STATEMENT OF CHANGES IN EQUITY

Refer to attached unaudited Preliminary Consolidated Statement of Changes in Equity for the year ended 30 June 2025.

7. DIVIDENDS

	Date of payment	Total amount of dividend
Interim dividend – year ended 30 June 2025	N/A	N/A
Final dividend – year ended 30 June 2025	N/A	N/A

Amount per security

	Amount per security	Franked amount per security at % tax	Amount per security of foreign sourced dividend
Total dividend: Current year	N/A	N/A	N/A
Previous year	N/A	N/A	N/A

Total dividend on all securities

	Current period \$A'000	Previous corresponding Period - \$A'000
Ordinary securities (each class separately)	N/A	N/A
Preference securities (each class separately)	N/A	N/A
Other equity instruments (each class separately)	N/A	N/A
Total	N/A	N/A

8. DETAILS OF DIVIDEND OR DISTRIBUTION REINVESTMENT PLANS IN OPERATION ARE DESCRIBED BELOW:

	N/A
The last date(s) for receipt of election notices for participation in the dividend or distribution reinvestment plan	N/A

9. NET TANGIBLE ASSETS PER SECURITY

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$0.136	\$0.186

10. DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD

Control gained over entities

Name of entities (<i>item 10.1</i>)	N/A
Date(s) of gain of control (<i>item 10.2</i>)	N/A
Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (<i>item 10.3</i>)	N/A

Loss of control of entities

Name of entities (<i>item 10.4</i>)	N/A
Date(s) of loss of control (<i>item 10.5</i>)	N/A
Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was lost (<i>item 10.6</i>).	N/A
Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (<i>item 10.7</i>)	N/A

11. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

Name of associate or joint venture entity (<i>item 11.1</i>)	% Securities held (<i>item 11.2</i>)
N/A	N/A

Aggregate share of profits (losses) of associates and joint venture entities (*item 11.3*)

	2025 \$	2024 \$
Group's share of associates' and joint venture entities':		
Profit (loss) from ordinary activities before tax	N/A	N/A
Income tax on ordinary activities	N/A	N/A
Net profit (loss) from ordinary activities after tax	N/A	N/A
Adjustments		
Share of net profit (loss) of associates and JV entities	N/A	N/A

12. SIGNIFICANT INFORMATION RELATING TO THE ENTITY'S FINANCIAL PERFORMANCE AND FINANCIAL POSITION.

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OVERVIEW

WestStar Industrial Limited (Company or WestStar) (ASX: WSI), an Australian industrial services company, operating in the energy, resources, utility and infrastructure sectors, in metropolitan and remote areas, across Australia, is pleased to report on the Company's FY25 Preliminary Final Report.

RESULTS OF OPERATIONS

Revenue for the Group was \$130,758,201 for the year ending 30 June 2025 compared to the previous FY24 revenue of \$205,599,541 primarily due to a reduced revenue stream in SIMPEC.

The Group posted an after-tax loss attributed to members of (\$3,414,951) for the year ending 30 June 2025 (30 June 2024: profit \$3,293,761). Several non-cash expenses are recorded in the Company's accounts.

	Year ended 30 June 2025 \$
EBITDA	507,045
Depreciation & Amortisation	<u>(2,785,253)</u>
EBIT	(2,278,208)
Share based payment expense	(1,257,060)
Interest costs	(1,083,125)
Net Profit/(loss) before tax	<u>(4,618,393)</u>
Income tax benefit	1,203,442
Net Profit/(loss) after tax	<u>(3,414,951)</u>

*Underlying EBITDA is an unaudited, non-AIFRS financial measure which is not prescribed by Australian Accounting Standards ('AAS')

REVIEW OF OPERATIONS

FULL YEAR FINANCIAL HIGHLIGHTS

- Full Year Earnings (EBITDA) of \$507,045
- Net Loss after Tax of \$3,414,951
- Revenue of \$130,758,200
- FY25 Alltype Engineering revenue \$85,468,806
- FY25 SIMPEC revenue \$39,081,737
- FY25 Watmar Engineering revenue \$6,207,656
- Cash Holdings of \$8.02M (incl Cash Backed Bonds of \$0.85M – refer Note 16)
- Continued to build Pipeline of Opportunities, Secure Awards and Project Upgrades
- Projects continue to deliver profitability in a highly competitive market
- Debt NIL (excluding Surety Bonds)

FINANCIAL PERFORMANCE

Having consistently maintained a strong order book of contracted revenue; the Company has not had the opportunity to deliver earnings group wide on a consolidated basis as it would have liked due to delays or withdrawal of major infrastructure and mining projects across Australia.

WestStar Industrial achieved Group Revenue of \$130.7M in FY25 compared to \$205.6M in FY24. The reduction in revenue was primarily due to the reduced revenue stream through SIMPEC. Whilst achieving Practical Completion on significant existing projects, the Company could not secure follow on works as unfortunately the opportunities tendered did not eventuate in the time period projected, with most projects being deferred until FY26.

Pleasingly, Alltype Engineering continued to deliver strong earnings in line with its revenue profile and gross margins and delivered solid earnings in FY25. This consistency continues to be testament to the commitment shown by the Alltype Engineering team in an environment where cost pressures and reduction in projects have had an impact on workflow.

REVENUE

WestStar Industrial recorded revenue for the full year of \$130.7M, a decrease of 36.4% on the previous corresponding period.

Alltype Engineering achieved full year revenue of \$85.5M, down by 7.0% on the prior corresponding period (FY24: \$91.9M) with the Kurri Kurri Facilities Project now completed.

SIMPEC achieved full-year revenue of \$39.1M, down 64.6% on the prior corresponding period (FY24: \$110.6M) due to the reasons cited above.

Watmar Engineering achieved full year revenue of \$6.2M, up 106.7% albeit on the prior 8-month corresponding period after acquisition (FY24: \$3.0M).

The Group has managed to deliver the revenue in line with the Group's strategic growth plans.

With a strong pipeline of new projects within the Group across a diverse range of industry sectors, the introduction of WATMAR has fast tracked WestStar Industrial into the Defence sector, which has a high barrier to entry and significant future capital and ongoing operational spend commitments that are not cyclical in nature, the rewards of which are now becoming beneficial Group wide.

EARNINGS

Earnings before interest, tax, depreciation and amortization (EBITDA) for the year ended 30 June 2025 was \$0.5M, a decrease of 93.8% on the prior year (FY24: \$8.2M), delivering an EBITDA margin percentage of 0.4%, a decrease on the prior year (FY24: 4.0%).

The Net loss after tax was (\$3.4M) representing a decrease of 204% on the previous financial year (FY24: profit \$3.3M).

The Company continues to focus on delivery of its projects with a defined objective of continually improving commercial outcomes through cost control and margin focus. Although Project awards were delayed the company believes this commitment will hold it in good stead for future awards that can deliver positive earnings.

BALANCE SHEET

The Company's balance sheet total equity of \$27.8M decreased by 7.2% on the prior comparative year (FY24 \$30.0M). The Group held cash of \$8.02M incl cash backed bonds (refer Note 16) (30 June 2024: \$16.6M incl cash backed bonds) and had a working capital surplus of \$17.2M (30 June 2024: \$16.4M)

Maintaining the strength of the balance sheet and a solid working capital surplus enables the Group to demonstrate and deliver the financial capacity appropriate for its growth targets, current commitments and potential opportunities.

With nil long-term debt (excluding Surety bond facilities) the Group continues to effectively use its balance sheet to manage new projects, growth and explore strategic and earnings accretive acquisitions.

OPERATIONS



After navigating a challenging year, SIMPEC is entering a period of renewed growth and opportunity, with financial performance showing encouraging momentum. Ultimately, a strengthened strategy, enhanced operational efficiencies and a growing pipeline of opportunities, position SIMPEC to achieve sustainable progress and long-term success.

Momentum is building across key areas of the business, strengthened by recent contract awards and active project mobilisation. Two standouts for this financial year are the awards of the **\$17 million Pilbara Minerals Calix Mid-Stream Project** and the **\$11 million Tianqi Lithium Project**, which both represent landmark achievements and further strengthens SIMPEC's presence within the lithium sector. The projects have been mobilised with construction activities already underway.

During the year the business has conducted several ECI's (Early Contractor Involvement) with major Western Australian clients. Many of these ECI's are still to convert to contracts, and we continue to work closely with our clients on these. Significant effort has gone into these submissions representing some of the most detailed and comprehensive ECI's SIMPEC has undertaken to date. If the ECI's convert, these projects will be transformational for the business over the next 12–18 months.

Commercial discussions also continue to progress on a number of high-potential projects, these opportunities reflecting strong growth potential and pipeline confidence heading into FY26.

From a safety perspective, SIMPEC's commitment remains unwavering. The business has demonstrated strong and continuous improvement in HSE performance throughout 2025. Maintaining nil Lost Time Injuries for eight consecutive years and with our Total Recordable Injury Frequency Rate (TRIFR) remaining well below industry benchmarks the company's commitment to employee safety and well-being is remarkable and remains steadfast. Our safety performance remains strong and highlights our continuous improvement mindset.

While the national tendering market remains active, broader industry challenges persist, including project delays, funding constraints, and competitive price pressure. These conditions continue to impact conversion rates across the sector. In response, SIMPEC is strategically diversifying its services and expanding into new sectors to build a more resilient, sustainable business. With this in mind, the business has successfully attained **ISO 27001** certification in Information Security Management, marking a significant milestone in its strategic objective to diversify and generate additional revenue streams, particularly within high-security sectors such as Defence.

Building on the recent achievement of ISO 27001 certification, the business is now progressing through the application process for Defence Industry Security Program (DISP) membership. This membership will provide access to Defence security services and position the organisation as Defence-ready, including eligibility to act as a principal contractor on Defence-related projects. We have also achieved recognition as a Veteran Friendly Employer.

The business now has the following ISO accreditations and Federal Safety Commission accreditation. A testament to the team working towards the strategic objectives of the business.



Throughout the past year the business has continued to work on several projects including:

Alinta BESS Project WA

SIMPEC continues to progress works on the Alinta Battery Energy Storage System (BESS) Project in Wagerup, Western Australia. The project is being delivered in collaboration with Shanghai Electric Power Design Institute (SEPD) and Sunterra Energy Pty Ltd (SE), on behalf of Alinta Energy. This engagement strategically positions SIMPEC as a key player in the rapidly expanding battery storage sector, an essential element in supporting the transition to renewable energy.

Acciona Kwinana Waste Energy Project

SIMPEC continued to support Acciona on the Kwinana Waste-to-Energy Project with professional and trade personnel engaged in construction and commissioning during FY 2025.

Building on this momentum, SIMPEC has secured a new contract to provide commissioning support for the East Rockingham Waste-to-Energy Project, with mobilisation expected in Q1, FY26.

These engagements reinforce SIMPEC's position as a trusted partner in the delivery of energy infrastructure.

VOPAK Botany Maintenance

SIMPEC continues to deliver Mechanical and Electrical maintenance services for our client VOPAK at the Botany Bay Fuel Terminal NSW. This contract aligns with our strategy to gain further exposure to the sustaining capital and maintenance projects.

East Coast projects

SIMPEC's engagement in major East Coast Infrastructure Projects directly supports our strategic objective to expand across Australia. Building on the successful delivery of the M5 Tunnel, our presence continues to strengthen.

Works have continued for the electrical and communications packages for the Hitachi GTSA Metronet and Southwest Line Projects. This project highlights our technical capability, delivery track record, and ability to secure repeat work with key industry partners.

Our collaboration with Hitachi on the Southwest Line upgrade further demonstrates our capacity to deploy skilled personnel to high-profile projects.

The team have also mobilised a small technical team to Melbourne for the West Gate Infrastructure Project.

These developments reinforce SIMPEC's growing reputation as a trusted contractor in complex infrastructure delivery on the East Coast.

Client Engagements – Strong ongoing engagement with key clients is reinforcing long-term relationships and generating new opportunities across a broader range of industries.

The talent pool in WA has grown significantly in recent months, positively impacting our ability to mobilise projects and strengthening our talent pool for upcoming works.

Outlook

SIMPEC remains firmly focused on **safety, operational excellence, and strategic growth**. With growing activity in **renewable energy, infrastructure, and defence**, our diversified pipeline and targeted market approach continue to place the business in a strong position for FY25-26 to achieve sustainable success and capitalise on emerging opportunities.



Alltype Engineering maintained similar revenue in FY25 to FY24, despite entering the year with a lower backlog and softer market conditions with a segmented revenue slightly less than FY24 (\$91.9M) being \$85.5M, delivering a net profit of \$3.04M and an EBITDA of \$4.95M.

Given the significant delay and cancellation of various major projects, the result exceeded both revenue and EBITDA budgets.

In July 2023, Alltype Engineering was awarded the Kurri Kurri Storage Station, an offtake and compression facility to power a new gas fired peak power generation station in the Hunter Valley, New South Wales.

Technical complexities, unseasonal weather impacts and flooding all contributed to an extended delivery duration however the project achieved practical completion in early 2025, with final demobilisation from site completed in May 2025. The facilities are now operational, and it was a stellar achievement by the team to deliver the company's single largest contract in its 40-year history.

In parallel to the completion of this major turnkey project, Alltype Engineering further successfully demonstrated its national project delivery capability by completing the Structural Mechanical Piping construction scopes for three gas processing and compression facilities for Senex Energy being Atlas Phase A, Atlas Phase B near Wandoan, Queensland and MIMAS near Roma, Queensland. With practical completion achieved on all three safely and successfully, another key strategic objective was achieved by the company which has provided significant client visibility across the country on upcoming gas developments with processing and compression facilities.

Public infrastructure works continued to support business as usual revenue, particularly in the water infrastructure space with contracts being progressed and completed across the metropolitan and regional areas including the Woodman Point Wastewater Treatment Plant, the Point Peron SDOOL project and the new Alkimos Desalination plant.

The SDOOL (Sepia Depression Ocean Outlet Landline) is a pipeline conveying treated wastewater in Peth's south metropolitan area to the ocean outfall offshore from Point Peron. As part of construction of a new transition tower to increase capacity, on the last day of the financial year, the Alltype Engineering team successfully completed Water Corporation's biggest shutdown, the most risky operation they've ever allowed to occur on their network, cutting out a section of their only outfall line for the southern catchment, fraught with danger, but executed seamlessly with military precision following months of planning meetings.

The domestic gas industry continued to generate FY25 revenue and future opportunities for debottlenecking and upgrades, gas laterals and offtakes for various clients.

In Western Australia, the workshop utilisation was lower commensurate with market conditions and increasing overseas competition, however careful overhead and cost controls measures allowed it to perform satisfactorily with consistent, reliable fabrication services for piping, tanks, steel, pressure vessels, skids and modules across a multitude of industries and clients, including our own internal supply chain.

The commitment, skill and dedication of our teams of people across the country have once again done an outstanding job in delivering another excellent result for the company and we thank our clients and business partners for their support once again.

Health, Safety, and Environment (HSE) Performance

Alltype Engineering maintained and improved its steady safety record with a Total Recordable Injury Frequency Rate (TRIFR) well below industry benchmarks, including the manufacturing sector, across the workshop, metropolitan and remote sites.

This outcome validates the company's successful roll out of "Our Safe Behaviours" program for management High Risk Hazards which focuses on mitigating risk associated with serious consequence tasks and exposures which ultimately are part of industrial fabrication and construction.

Once again, given the large number of kilometres flown and driven by our teams to remote and metropolitan areas, it is a testament to our employees commuting and travelling to work and home safely every day, all over the country.

Operational Outlook

The Company heads into FY26 with its lowest secured backlog since FY21, however there is a solid pipeline of new opportunities with varying contract values, commencement and completion dates that provide confidence in continuation of longer-term strategic growth and business performance.

Focus on rebuilding the order book and securing revenue has been a priority for the company over the past 12 months and we expect to see a positive outcome on many of these tenders upon completion of evaluation and negotiation.

With the Federal and State Elections now concluded and the reinvigoration of natural gas as a domestic energy transition fuel source, significant opportunities are anticipated in core operations around production, processing, compression and power generation projects across the country.

Water Corporation in Western Australia has major investment budgeted across the network and with the aforementioned project successes in this space, combined with the company's turnkey delivery capabilities, we see opportunity for expansion and securing of future works in this space.

The company continues to consider and field numerous new opportunities across the country, across multiple industries. Further opportunities via strategic alliances with technology providers and specialists as well as partnering with complimentary services providers are anticipated in the year ahead.



The Royal Australian Navy and its Maritime Sustainment Division – representing the Department of Defence, and correspondingly the Commonwealth of Australia – and their Prime contractors including Babcock International, Thales Australia, BAE Systems Australia, and Navantia Australia continue to be Watmar Engineering's most critical clients.

Key projects continuing and/or completed during the period include:

- RMP-W Maintenance Campaigns for Defence Australia Vessels in WA for Babcock International;
- RMP-E Maintenance Campaigns for Defence Australia Vessels in NSW for Thales Marine Systems;
- Supply of corrective and preventative maintenance spares to the Maritime Sustainment Division, Defence Australia;
- Refurbishment of a Liquid Fuel Forwarding Skid for Territory Generation (NT);
- Preservation, packaging, and supply of used specialist Liquid Fuel Forwarding Skid componentry and instrumentation to Rio Tinto Iro Ore;
- Asset maintenance, troubleshooting, and reactive maintenance for critical Emergency Diesel Generators for a Perth Tertiary Hospital, and
- Mechanical and Fluid System maintenance and modifications for the re-build of the Sail Training Ship Leeuwin II.

Financial performance was materially impacted by:

- historic (pre-business-acquisition) contractual obligations for which the business has executed client collaboration programs, which included good faith measures in demonstration of Watmar Engineering's commitment to long-term, sustainable, mutually beneficial client relationships (\$0.44M); and
- write down of pre-business-acquisition inventory (\$0.29M).

Health, Safety, and Environment (HSE) Performance

Watmar Engineering maintained a steady safety record with HSE measures below industry benchmarks.

ISO17025 (NATA) and ISO3834 (Welding / factory production control system) were successfully completed during the period.

Operational Outlook

Standing Offer Contracts for the Maritime Sustainment Division, Defence Australia are in process of being extended, with price escalations applicable.

The RME-E subcontract with Thales Australia has been extended, with price escalations applicable, for continuing Defence Australia Maritime Sustainment business activities in New South Wales.

A new General Services Agreement is in negotiation for RMP-W with Babcock International, for continuation of Defence Australia Maritime Sustainment business activities in Western Australia.

Business development efforts continue to identify further opportunities with new and emerging clients in Western Australia in various of its key Resource sector regions, New South Wales, South Australia, and in the Northern Territory. These new opportunities are aligned to the Business Strategy and Plan for diversified and recurring revenue streams.

IN CLOSING

WestStar Industrial today has provided its financial performance for the year ending FY25 and despite the result, has a confident outlook for the upcoming fiscal year (FY26).

While the past year presented considerable obstacles, resulting in challenging financial outcomes, the company is now well-positioned to capitalise on strategic investments in market development and tendering undertaken during this period.

The performance was largely impacted by the softening of commodities pricing, particularly lithium and nickel, as well as the completion of major capital works across the country.

These challenging market conditions, compounded by global, federal and state level elections in the past year has resulted in what appears to be pauses in investment in new projects and as such revenues are down across the board at WestStar Industrial.

Whilst these events over the past year have resulted in some projects tendered by both Alltype Engineering and SIMPEC to be placed on hold, we continue to remain optimistic that development of the Australian energy transition and sustaining capital works tendered will open further opportunities over the medium to longer term.

Whilst strong fundamentals to long-term resources and energy demand will continue to fuel contract opportunities Group wide, diversity remains the key strategy to a sustainable earnings profile.

Despite these conditions, focus has remained on cost control and as such the company has sustained its core functional strength and experience key to capitalise on the pipeline of works that has been growing over the past 12 months.

WestStar Industrial is confident that our strategic initiatives and a more stable operating environment will drive a strong turnaround in the coming year in core business activities with new awards expected early in FY26 underpinning an improvement in earnings.

SIMPEC has started the financial year with two new awards and a significant increase in near term opportunities to turn around this year's results. The results are a function of significant reduction in Revenue through the lack of awarded projects in what has been a highly competitive market.

In this highly competitive market SIMPEC must maintain its disciplined approach to contract negotiations to secure Contracts that add earnings value to the overall Group whilst still trying to maintain its skilled workforce to deliver on future works that have had significant delays in coming online.

The Board is encouraged to see SIMPEC now securing new work, providing a solid foundation for FY26 (the 2025–26 financial year) work in hand.

Post June 30, 2025, SIMPEC has circa \$35M of work-in-hand with these newly secured contracts, along with existing works and numerous ECI opportunities that will deliver a strong start to FY26.

SIMPEC received an award for the supply and installation of the Structural, Mechanical, Piping, Electrical and Instrumentation packages for the Mid-Stream Demonstration Plant Project at PLS' Pilgangoora lithium operation in the Pilbara, WA valued at circa **\$17 million**.

Construction has commenced and is scheduled to be completed in Q2 FY26

The Mid-Stream Demonstration Plant JV, an unincorporated joint venture between Pilbara Minerals Limited (PLS) and Calix Limited (Calix), aims to construct and operate a demonstration-scale plant featuring an industrial-scale electric spodumene calciner.

Delivering a more lithium-enriched mid-stream product has the potential for industry-wide benefits including lower carbon emissions through the reduced transport of waste, greater utilisation of the mineral resource and overall value creation.

Additionally, SIMPEC was awarded a new contract valued at approximately **\$11 million** for the delivery of civil, structural, mechanical, piping (SMP), electrical, and instrumentation (E&I) works at the Tianqi Lithium operations in Kwinana, Western Australia.

This project too has commenced and is scheduled to be completed in Q3, FY26.

The objective of the project is to enhance capacity within the existing processing facility through the installation of new mechanical equipment. The works are being executed within a live operational environment, requiring a high level of integration and coordination to support continuous plant performance.

We look forward to working closely with Tianqi Lithium Kwinana to deliver this important project safely, efficiently, and to the highest quality standards.

Both Contracts reinforce SIMPEC's Civil, SMPE&I capabilities and aligns with SIMPEC's strategy to support Australia's energy transition and demonstrates the Company's track record of delivering for its clients.

Alltype Engineering has again delivered a profitable outcome in a competitive market through its diverse client base both locally and nationally and is to be commended on another successful year whilst enduring these softening market conditions.

The successful delivery of Kurri Kurri for APA group in NSW was a major milestone for Alltype Engineering in a challenging market and environment in what was its largest Contract undertaken in its history. Completing this project after two years of investment in parallel to three separate gas compression and processing facilities in Queensland demonstrate the ability to deliver complex multidisciplinary projects on a national footprint.

Watmar Engineering continues to deliver its diversification strategy to the group. Whilst the results at this stage have not delivered the expected returns, the underlying value this business represents contributes new opportunities and activities group wide, particularly in its defence-based contract profile.

The Group is looking to capitalise on these opportunities moving forward to deliver stronger opportunities and increased scope profile for Watmar through the support by both Alltype Engineering and SIMPEC.

WestStar will demonstrate that it can diversify and deliver earnings growth and stability through strategic accretive acquisitions, to stabilise earnings, not restricted to revenue from lump sum contracting for mining and resource-based projects.

It is important to note that all historic investment opportunities have been delivered with existing cash reserves and without the necessity for debt funding.

The Company continues to progress its construction works and services across the country, primarily in Western Australia, New South Wales and Queensland, maintaining its strong reputation with its valued customer base on a national footprint.

We would like to thank all teams for their individual contributions to each company and thank our long-term supportive shareholders, for their investment and commitment.

Robert Spadanuda

**Group Chief Executive Officer and Managing Director
WestStar Industrial Limited**

13. THE FINANCIAL INFORMATION PROVIDED IN THE APPENDIX 4E IS BASED ON THE PRELIMINARY FINANCIAL REPORT (ATTACHED), WHICH HAS BEEN PREPARED IN ACCORDANCE WITH AUSTRALIAN ACCOUNTING STANDARDS

14. COMMENTARY ON THE RESULTS FOR THE PERIOD

Refer to explanation item 12.

15. INFORMATION ON AUDIT

This Appendix 4E and Preliminary Final Report is based on financial statements which are in the process of being audited.

16. AUDIT OPINION

The audit of the Company is ongoing and so the audit opinion will be delivered in due course.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2025

	Note	30 June 2025 \$	30 June 2024 \$
Revenue	2	130,758,201	205,599,451
Cost of goods sold		(111,531,648)	(180,970,191)
Gross Margin		19,226,553	24,629,260
Other income	2	1,147,185	2,006,933
Bargain purchase on business combination		-	582,655
Expenses:			
Occupancy expenses		(414,446)	(429,264)
Administration expenses	3	(19,081,282)	(17,343,461)
Depreciation & amortisation	8,9	(2,583,991)	(2,319,458)
Amortisation of customer relationships acquired	10	(201,262)	(134,175)
Finance costs	3	(1,083,125)	(672,797)
Inventory write-down		(290,560)	-
Expected credit (loss) / reversal		103,099	(585,321)
Share based payments expense	3	(1,257,060)	(1,099,853)
Foreign exchange gain / (loss)		(8,061)	(6,778)
Profit/(loss) on sale of plant and equipment		(175,443)	(34,911)
Expenses		(24,992,131)	(22,626,018)
Profit / (loss) before income tax		(4,618,393)	4,592,830
Income tax benefit / (expense)	4	1,203,442	(1,299,069)
Profit / (loss) after income tax		(3,414,951)	3,293,761
Other Comprehensive Income			
<i>Items that may be reclassified to profit or loss</i>		-	-
Other comprehensive profit, net of tax		-	-
Total comprehensive income / (loss)		(3,414,951)	3,293,761
Earnings per share			
Basic (Loss)/Earnings cents per share		(2.77)	2.96

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2025

	Note	30 June 2025 \$	30 June 2024 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	7,162,696	13,678,160
Trade and Other receivables	6	12,280,469	22,338,776
Inventories		829,927	876,347
Financial Assets	16	392,199	1,177,843
Contract Assets	7	18,478,944	18,125,416
Total Current Assets		39,144,235	56,196,542
Non-Current Assets			
Financial Assets	16	463,529	1,750,502
Trade and Other receivables	6	-	411,901
Investments		283,075	283,075
Property, plant & equipment	8	4,965,185	5,788,879
Right of Use Asset	9	4,713,976	2,339,382
Deferred tax asset, net	4	-	713,290
Intangible Assets	10	5,581,517	5,782,779
Total Non-Current Assets		16,007,282	17,069,808
Total Assets		55,151,517	73,266,350
LIABILITIES			
Current Liabilities			
Trade & Other payables	11	13,677,196	28,315,995
Income tax payable	4	2,634,837	5,032,694
Provisions	12	2,880,214	2,743,749
Lease Liabilities	13	1,775,152	901,360
Contract Liabilities	7	997,103	3,067,938
Total Current Liabilities		21,964,502	40,061,736
Non-Current Liabilities			
Deferred tax liability, net	4	481,123	-
Provisions	12	360,315	473,921
Lease Liabilities	13	4,519,320	2,746,546
Total Non-Current Liabilities		5,360,759	3,220,467
Total Liabilities		27,325,261	43,282,203
Net Assets		27,826,256	29,984,147
EQUITY			
Issued capital		26,535,791	25,435,791
Reserves		119,476	187,916
Retained Profits		1,170,989	4,360,440
Total Equity		27,826,256	29,984,147

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2025

Note	Attributable to Owners of the Company			
	Issued Capital \$	Share-based Payments Reserve \$	Retained Earnings/ (Accumulated Losses) \$	Total \$
Balance at 30 June 2023	24,455,791	755,117	379,625	25,590,533
Profit for the year	-	-	3,293,761	3,293,761
Total comprehensive profit for the year	-	-	3,293,761	3,293,761
Transactions with owners in their capacity as owners				
Transfer of expired performance rights value	-	(482,610)	482,610	-
Transfer of expired options value	-	(204,444)	204,444	-
Recognition of share-based payments	980,000	119,853	-	1,099,853
Balance at 30 June 2024	25,435,791	187,916	4,360,440	29,984,147
Loss for the year	-	-	(3,414,951)	(3,414,951)
Total comprehensive loss for the year	-	-	(3,414,951)	(3,414,951)
Transactions with owners in their capacity as owners				
Transfer of expired performance rights value	-	(225,500)	225,500	-
Transfer of expired options value	-	-	-	-
Recognition of share-based payments	1,100,000	157,060	-	1,257,060
Balance at 30 June 2025	26,535,791	119,476	1,170,989	27,826,256

CONSOLIDATED STATEMENT OF CASHFLOWS
 FOR THE YEAR ENDED 30 JUNE 2025

Note	30 June 2025 \$	30 June 2024 \$
Cash flows from operating activities		
Receipts from customers	152,438,807	237,011,634
Payments to suppliers and employees	(161,959,253)	(238,230,373)
Interest received	363,101	341,576
Interest paid	(399,554)	(277,663)
Other income	704,245	1,665,357
Net cash flows (used in) / provided by operating activities	(8,852,654)	510,531
Cash flows from investing activities		
Payments for financial assets	(415,865)	(1,721,165)
Proceeds from return of financial assets	2,490,078	1,318,278
Purchase of property, plant & equipment	(675,205)	(838,490)
Proceeds from sale of property, plant & equipment	423,182	7,182
Acquisition of subsidiary, net of cash acquired	-	(801,057)
Net cash flows provided by / (used in) investing activities	1,822,190	(2,035,252)
Cash flows from financing activities		
Repayment from Unrelated parties as part of the Watmar acquisition	515,000	-
Loan to Unrelated parties as part of the Watmar acquisition	-	(911,901)
Net cash flows provided by / (used in) financing activities	515,000	(911,901)
Net decrease in cash and cash equivalents	(6,515,464)	(2,436,622)
Cash and cash equivalents at the beginning of the period	13,678,160	16,114,782
Cash and cash equivalents at the end of the period	7,162,696	13,678,160
5		

NOTES TO THE PRELIMINARY FINANCIAL REPORT

NOTE 1: BASIS OF PREPARATION OF THE FINAL REPORT

BASIS OF PREPARATION

This preliminary final report for the year ended 30 June 2025 relates to the consolidated entity consisting of WestStar Industrial Limited (“WestStar” or “the Group”) and its controlled entities.

The preliminary final report has been prepared on an accrual’s basis and a historical cost basis except for certain current and non-current assets and financial instruments which are measured at fair value or where otherwise stated. Cost is based on the fair value of consideration given in exchange for assets.

This preliminary final report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual financial report of the year ended 30 June 2025, the half-year report for the period ended 31 December 2024 and any public announcements made by WestStar during the year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The amounts contained in this preliminary final report are presented in Australian dollars, the functional currency of the consolidated entity.

STATEMENT OF COMPLIANCE

The preliminary final report is a general-purpose financial report and has been prepared in accordance with applicable Australian Accounting Standards, other pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The preliminary final report is also in compliance with ASX listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

NOTE 2: REVENUE AND OTHER INCOME

	2025 \$	2024 \$
REVENUE		
- Construction and engineering services and sale of goods	130,758,201	205,599,451
	130,758,201	205,599,451
OTHER INCOME		
- Interest income	364,695	341,576
- Insurance recoveries	514,575	1,438,712
- Scrap metal sales	64,126	64,051
- Sundry income	142,369	162,594
	1,147,185	2,006,933

NOTE 3: EXPENSES

	2025 \$	2024 \$
ADMINISTRATIVE EXPENSES		
- Employee wages and salaries	13,936,557	12,711,198
- Professional services and consultant fees	2,397,862	2,006,791
- Insurance	760,920	389,499
- ASX and Share registry fees	46,137	50,702
- Motor vehicle expenses	113,733	91,943
- General administrative costs	1,826,073	2,093,328
	19,081,282	17,343,461

	2025 \$	2024 \$
FINANCE COSTS		
- Interest and associated borrowing costs to unrelated third parties ¹	1,083,125	672,797
	1,083,125	672,797

¹ Includes costs associated with Surety Bond facilities.

	2025 \$	2024 \$
SHARE BASED PAYMENTS EXPENSE		
- Share based payments expense ^{1 & 2}	1,257,060	1,099,853
	1,257,060	1,099,853

¹ Includes an amount of \$1,100,000 relating to the issue of 11M ordinary shares on 26 November 2024.

² Includes an amount of \$980,000 relating to the issue of 7M ordinary shares on 31 May 2024.

NOTE 4: INCOME TAX

	2025	2024
	\$	\$
(a) Income tax expense / (benefit)		
Major component of tax expense / (benefit) for the year		
Current tax	-	512,218
Deferred tax expense / (benefit) prior income years	(175,825)	-
Deferred tax expense / (benefit)	(1,027,617)	786,851
	<u>(1,203,442)</u>	<u>1,299,069</u>

(b) Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate

A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Company's applicable tax rate is as follows:

Profit / (Loss) from continuing operations before income tax expense	(4,618,393)	4,592,830
Tax at the Group rate of 30% (2024: 30%)	(1,385,519)	1,377,849
Other non-deductible expenses	400,969	206,731
Temporary difference on prior years tax losses recognised	(175,825)	(731,423)
Temporary difference movement variance	(43,067)	-
Temporary difference arising from capital losses derecognised	-	336,767
Temporary difference arising from business combination	-	(40,855)
Temporary differences not brought to account	-	150,000
Income tax expense / (benefit)	<u>(1,203,442)</u>	<u>1,299,069</u>

(c) Income tax liability

Current tax payable	2,634,837	5,032,694
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NOTE 4: INCOME TAX (CONT...)

	2025 \$	2024 \$
(d) Deferred tax		
A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Company's applicable tax rate is as follows:		
<i>Liabilities</i>		
Plant and Equipment	361,646	604,725
Accrued income	2,158,580	167,610
Other non-depreciable assets	1,414,193	701,815
Intangibles	322,020	382,399
Prepayments	4,784	-
Debt Write-Off	-	336,767
Deferred tax liability	<u>4,261,223</u>	<u>2,193,316</u>
<i>Assets</i>		
Group losses - revenue	974,489	-
Transferred losses - revenue	-	731,423
Provisions & accruals	1,183,724	1,448,324
Provision for doubtful debts	141,570	22,500
Borrowing costs	6,992	6,759
Lease Asset	<u>1,473,325</u>	<u>697,600</u>
Deferred tax asset	<u>3,780,100</u>	<u>2,906,606</u>
Net deferred tax asset / (liability) recognised	<u>(481,123)</u>	<u>713,290</u>
Net deferred tax asset / (liability) not recognised	<u>-</u>	<u>-</u>

The benefit for tax losses will only be obtained if:

- (i) the Group derives future assessable income in Australia of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- (ii) the Group continues to comply with conditions for deductibility imposed by tax legislation in Australia; and
- (iii) no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the losses.

NOTE 5: CASH AND CASH EQUIVALENTS

	2025	2024
	\$	\$
Cash and bank balances	<u>7,162,696</u>	<u>13,678,160</u>
Balances as above	7,162,696	13,678,160
Bank overdraft	-	-
Balances per Statement of Cashflows	<u>7,162,696</u>	<u>13,678,160</u>

NOTE 6: TRADE AND OTHER RECEIVABLES

	2025	2024
	\$	\$
Trade receivables (Current)		
Trade receivables	<u>10,707,242</u>	<u>19,857,279</u>
Less Allowance for doubtful debts	-	-
	<u>10,707,242</u>	<u>19,857,279</u>
Retentions	324,906	1,085,656
Other receivables	969,529	1,047,542
Prepayments	278,792	348,299
	<u>12,280,469</u>	<u>22,338,776</u>

	2025	2024
	\$	\$
<30 days	<u>9,905,502</u>	<u>17,383,618</u>
30-60 days	367,818	2,215,231
60-90 days	27,091	2,438
90+ days	406,831	255,992
Total	<u>10,707,242</u>	<u>19,857,279</u>

	2025	2024
	\$	\$
Trade receivables (non-current)		
Other receivables	471,901	986,901
Provision for expected credit loss	(471,901)	(575,000)
	<u>-</u>	<u>411,901</u>

NOTE 7: OTHER ASSETS AND OTHER LIABILITIES

The “Contract asset” value below represents under AASB 15, the unbilled amount expected to be collected from customers for contract work performed to date. Cost includes all expenditure related directly to specific projects. Recognised profit is based on the percentage completion method and is determined using the costs incurred to date and the total forecast contract costs.

Other Assets	2025	2024
	\$	\$
Contract assets	18,478,944	18,125,416
	18,478,944	18,125,416

The “Contract liabilities” value below represents under AASB 15, unearned revenue the Group has invoiced the client in advance of performing the contracted services. Contract liabilities fluctuate based on progress of completion of contracts.

Other Liabilities	2025	2024
	\$	\$
Contract liabilities	997,103	3,067,938
	997,103	3,067,938

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	2025	2024
	\$	\$
Gross carrying value at cost	10,910,896	10,771,448
Accumulated depreciation	(5,945,711)	(4,982,569)
Net carrying value at cost	4,965,185	5,788,879

	Plant & Equipment	Motor Vehicles	Total
	\$	\$	\$
Gross carrying value at cost			
At 1 July 2024	8,395,453	2,375,995	10,771,448
Additions	218,579	779,016	997,595
Disposals	(225,973)	(632,174)	(858,147)
At 30 June 2025	8,388,059	2,522,837	10,910,896
Accumulated depreciation			
At 1 July 2024	(4,112,641)	(869,928)	(4,982,569)
Disposals	80,789	254,378	335,167
Depreciation	(889,374)	(408,935)	(1,298,309)
At 30 June 2025	(4,921,226)	(1,024,485)	(5,945,711)
Total at 30 June 2025	3,466,833	1,498,352	4,965,185

NOTE 9: RIGHT OF USE ASSET AND LIABILITY

	2025	2024
	\$	\$
(a) Right of Use Asset		
Lease asset	6,107,375	6,339,995
Accumulated depreciation	(1,393,399)	(4,000,613)
	4,713,976	2,339,382
	Right of Use Asset	Right of Use Asset
	\$	\$
Gross carrying value		
Opening Balance	6,339,995	4,041,736
Additions	35,582	170,129
Lease modifications	(268,202)	502,730
Additions from acquisition via business combination	-	1,625,400
Closing Balance	6,107,375	6,339,995
Accumulated depreciation		
Opening Balance	(4,000,613)	(3,019,098)
Lease modifications	3,892,896	-
Depreciation charge	9(b) (1,285,682)	(981,515)
Closing Balance	(1,393,399)	(4,000,613)
(b) Depreciation and Amortisation Expense	\$	\$
Depreciation expense - Property, Plant & Equipment (i)	8 1,298,309	1,337,943
Amortisation - Right of Use Assets	9(a) 1,285,682	981,515
	2,583,991	2,319,458

NOTE 10: INTANGIBLE ASSETS

	2025 \$	2024 \$
Goodwill - Alltype Engineering	3,515,918	3,515,918
Goodwill - SIMPEC	992,198	992,198
Total Goodwill	4,508,116	4,508,116
Opening Balance	1,274,663	-
Customer relationships acquired in a business combination	-	1,408,838
Less: Amortisation of Customer relationships acquired	(201,262)	(134,175)
Total Other Intangibles ¹	1,073,401	1,274,663
Total Intangibles	5,581,517	5,782,779

¹ Other Intangibles relate to Customer relationships acquired in a Business Combination and will be amortised over a period of 7 years.

Impairment testing for cash-generating units containing goodwill. For the purpose of impairment testing, goodwill is allocated to the Group's operating segments which represent the lowest level within the Group at which goodwill is monitored for internal management purposes. The three CGU's tested for impairment are:

- a. SIMPEC Goodwill
- b. Alltype Engineering Goodwill
- c. Watmar Engineering Intangibles

The aggregate carrying amounts of goodwill allocated to each segment are as follows:

- a. SIMPEC Goodwill: \$992,198
- b. Alltype Engineering Goodwill: \$3,515,918
- c. Watmar Engineering Intangibles: \$1,073,401

The CGU are not larger than any of the segments as classified under *AASB 8 Operating Segments*.

The recoverable amounts of the above segments were based on their value in use with the Group performing its annual impairment test in June 2025. The carrying amount of the operating segments were determined to be lower than their recoverable amounts and therefore no impairment charge has been recognised. We have considered the effects of our clients' activities which may include resources commodity prices, commercial construction activity, awards of new contracts, deferrals of existing contracts, disruptions to supply chain and disruptions to existing operations.

Value in use was determined by preparing five-year discounted cash flow forecasts and extrapolating the cash flows beyond the terminal year using a terminal growth-rate. The calculation of value in use was based on the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and independent research on the markets in which the segments operate.
- The five-year cash flow estimates used in assessments for all CGU's were based on Board approved budgets for the year ending 30 June 2026.
- Growth assumptions thereafter are Alltype Engineering 2%; SIMPEC 2% & Watmar Engineering 2% per annum for each future year.
- The terminal value assumes perpetual growth of 2.0% (2024: 2.0%).
- The margins included in the projected cash flow are the same rate that has been achieved by projects commencing in 2025.
- A pre-tax discount rate between 15% and 19% was applied. This discount rate was estimated based on past experience and industry average weighted cost of capital.

NOTE 11: TRADE AND OTHER PAYABLES

	2025 \$	2024 \$
Trade payables	3,906,952	17,784,000
Other creditors and accruals	9,770,244	10,531,995
	13,677,196	28,315,995

NOTE 12: PROVISIONS

	2025 \$	2024 \$
Annual Leave - Current	1,916,915	2,068,141
Long Service Leave - Current	283,270	145,804
Other provisions	680,029	529,804
	2,880,214	2,743,749
Long Service Leave – Non-Current	360,315	473,921
	360,315	473,921

NOTE 13: LEASE LIABILITIES

	2025 \$	2024 \$
Right of Use Lease liability - Current	1,461,999	382,479
Other lease liabilities - Current	313,153	518,881
	1,775,152	901,360
Right of Use Lease liability – non-current	3,449,083	1,942,857
Other lease liabilities – non-current	1,070,237	803,689
	4,519,320	2,746,546

NOTE 14: OPERATING SEGMENTS

Management has determined the operating segments based on reports reviewed by the Board of Directors for making strategic decisions. The current Board of Directors monitors the business based on operational and geographic factors and have determined that there are three relevant business segments being:

- SIMPEC Pty Ltd is a construction contractor with specialist experience in both Structural Mechanical and Piping and Electrical and Instrumentation works;
- Alltype Engineering Pty Ltd provides workshop, site installation, construction and maintenance services to the oil and gas, water, power generation, infrastructure, mining, resources, utility, petrochemical and defence industries; and
- Watmar Engineering Pty Ltd is a fluid systems engineering specialist providing services to the Defence and Marine sectors.

Segment reporting	SIMPEC	Alltype Engineering	Watmar Engineering	Group
	\$	\$	\$	\$
Year ended 30 June 2025				
Segment revenue	39,081,737	85,468,806	6,207,658	130,758,201
Segment operational expense	(34,256,053)	(72,650,604)	(4,624,991)	(111,531,648)
Segment gross margin	4,825,684	12,818,202	1,582,667	19,226,553
Segment overheads	(7,278,927)	(10,510,654)	(2,356,309)	(20,145,890)
Segment operating profit/(loss)	(2,453,243)	2,307,548	(773,642)	(919,337)
Other income - operational	249,667	736,027	32,668	1,018,362
Net Operating Profit/(loss) before Tax & Corporate Admin. expenses	(2,203,576)	3,043,575	(740,974)	99,025
Other Income				128,823
Corporate & administration ¹				(4,846,241)
Net Operating Loss before Tax				(4,618,393)
Income tax benefit				1,203,442
Net Operating Loss after Tax				(3,414,951)
¹ Includes Share Based Payments expense of \$1,257,060				
Year ended 30 June 2024				
Segment revenue	110,645,572	91,948,615 ¹	3,005,264	205,599,451
Segment operational expense	(98,621,005)	(80,196,024)	(2,153,162) ²	(180,970,191)
Segment gross margin	12,024,567	11,752,591	852,102	24,629,260
Segment overheads	(8,005,681)	(9,093,398)	(1,308,392)	(18,407,471)
Segment operating profit/(loss)	4,018,886	2,659,193	(456,290)	6,221,789
Other income - operational	1,297,730	678,076	16,085	1,991,891
Net Operating Profit/(loss) before Tax & Corporate Admin. expenses	5,316,616	3,337,269	(440,205)	8,213,680
Bargain purchase on business combination				582,655
Other Income				15,041
Corporate & administration ³				(4,218,546)
Net Operating Profit before Tax				4,592,830
Income tax expense				(1,299,069)
Net Operating Profit after Tax				3,293,761

¹ Alltype Engineering segment revenue excludes \$381,913 intercompany revenue

² Watmar Engineering segment operational expense excludes \$381,913 intercompany cost of sales

³ Includes Share Based Payments expense of \$1,099,853

NOTE 14: OPERATING SEGMENTS (CONT...)

Segment reporting	SIMPEC	Alltype Engineering	Watmar Engineering	Group
	\$	\$	\$	\$
Year ended 30 June 2025				
Segment assets	19,141,412	30,271,690	4,491,109	53,904,211
Segment liabilities	(9,172,696)	(9,621,769)	(2,189,775)	(20,984,240)
Segment asset & liabilities	9,968,716	20,649,921	2,301,334	32,919,971
Cash and corporate assets				1,247,306
Corporate liabilities				(6,341,021)
Total asset & liabilities				27,826,256
Year ended 30 June 2024				
Segment assets	27,455,056	38,023,271	5,852,211	71,330,538
Segment liabilities	(13,934,250)	(18,611,037)	(3,653,509)	(36,198,796)
Segment asset & liabilities	13,520,806	19,412,234	2,198,702	35,131,742
Cash and corporate assets				1,935,812
Corporate liabilities				(7,083,407)
Total asset & liabilities				29,984,147

The Group is domiciled in Australia. All revenue from external customers is generated from Australia only.

NOTE 15: CONTINGENCIES AND COMMITMENTS

During the year ended 30 June 2025 the Group entered into \$1.817M, and had returned \$1.524M respectively, worth of bond facilities ("the Facilities") with Export Finance Australia. As at 30 June 2025, the total value of bond facilities available to the Group under this facility amounted to \$7.765M, of which \$1.735M has been committed with the balance of \$6.03M uncommitted.

Also, during the year ended 30 June 2025 the Group entered into \$1.095M, and had returned \$2.566M respectively, worth of bond facilities ("the Facilities") with Assetinsure as agent for Swiss Re International SE. The Facility expired on 30 June 2025 and is currently under year-end review for renewal. As at 30 June 2025, the total value of bond facilities drawn amounted to \$3.05M.

On 15 August 2025 an R&D Tax incentive application for the financial year ending 30 June 2025 was lodged with AusIndustry. The application is subject to approval by AusIndustry and the Australian Taxation Office and if successful results in a potential amount of \$3.1M being available to utilise against any future taxable income earned from FY25.

NOTE 16: FINANCIAL ASSETS

As at 30 June 2025, the Group has provided bank guarantees which are held in term deposits of \$855,728 (2024: \$2,928,345) to various customers and suppliers of which \$392,119 is in current assets (30 June 2024: \$1,177,843) and \$463,529 is in non-current assets (30 June 2024: \$1,750,502).

NOTE 17: SUBSEQUENT EVENTS

On 15 August 2025 an R&D Tax incentive application for the financial year ending 30 June 2025 was lodged with AusIndustry. The application is subject to approval by AusIndustry and the Australian Taxation Office and if successful results in a potential amount of \$3.1M being available to utilise against any future taxable income earned from FY25.

Apart from the above, there were no matters or circumstances arising since the end of the reporting period that have significantly affected or may significantly affect the operations of the Group and the results of those operations or the state of the affairs of the Group in the financial period subsequent to 30 June 2025.

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