

***SCANTECH LIMITED
AND ITS CONTROLLED ENTITIES***

ACN: 007 954 627

HALF YEARLY REPORT

31 December 2024

DIRECTORS' REPORT

The Directors submit the financial report of Scantech Limited for the half year ended 31 December 2024.

Directors

The names of Directors who held office during or since the end of the half year are;

Peter Pedler - Chairman since 1 September 2005 and Non-Executive Director since 12 August 2003

David Lindeberg – Managing Director and a Director since 20 January 2000.

Laurance Brett - Non-Executive Director since 1 September 2005, retired 21 November 2024

Adrian Bridgland – Executive Director appointed 16 May 2024

Reviews & Results of Operations

The Group announces an unaudited profit before tax for the half year ended 31 December 2024 of \$3,398,526 compared to \$1,801,496 for the same period last year.

A tax expense of \$875,331 brings the unaudited profit after tax for the half year ended 31 December 2024 to \$2,523,195 compared to \$1,385,086 for the same period last year. This profit includes a gain of \$61,052 for exchange variance.

Sales were \$14,512,531 (2023: 10,518,909) an increase of 38% over last half year.

The Group had equipment orders on hand of \$1.9M as at the 31 December 2024 compared to \$5.1M on hand at 31 December 2023.

Auditor's Independence Declaration

The auditors' independence declaration under section 307C is attached.

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



Peter Pedler
Chairman
Adelaide, 24th day of February 2025



Scantech Limited

ACN: 007 954 627

Declaration of independence to the directors of Scantech Limited

As lead auditor for the review of Scantech Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

Bentleys SA Audit Partnership

A handwritten signature in blue ink, appearing to read 'David Francis', with a stylized flourish at the end.

DAVID FRANCIS
PARTNER

Dated at Adelaide this 16th day of February 2025

SCANTECH LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR HALF YEAR ENDED 31 DECEMBER 2024

Consolidated Entity			
	Note	31 December 2024	31 December 2023
		\$	\$
Revenue	3	14,512,531	10,518,909
Cost of Sales		(6,593,796)	(4,459,270)
Gross Profit		7,918,735	6,059,639
Profit on Sale of Property, Plant & Equipment		0	3,636
Other Income / (Expense)	3	184,908	158,427
Manufacturing Expenses		(425,829)	(418,167)
Engineering and Scientific Expenses		(1,906,024)	(1,734,594)
Marketing Expenses		(1,139,828)	(1,020,728)
Administration Expenses		(1,202,883)	(1,211,132)
Borrowing Costs		(30,553)	(35,585)
Profit before Income Tax		3,398,526	1,801,496
Income Tax Expense		(875,331)	(416,410)
Profit after Income Tax Attributable to Owners of the Parent Entity		2,523,195	1,385,086
Other Comprehensive Income for the period Gain / (Loss) on revaluation of investment shares (net of \$85,495 deferred tax, 2023 \$53,737)		256,485	161,212
Total Comprehensive Income attributable to Owners of the Parent Entity		2,779,680	1,546,298

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

SCANTECH LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

Consolidated Entity			
	Note	31 December 2024	30 June 2024
		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents		1,544,462	1,926,435
Trade and Other Receivables		2,657,559	2,293,043
Inventories	5	4,591,406	3,877,030
Amount due from Customers	6	514,452	1,237,445
Financial Assets	7	7,060,693	7,000,000
TOTAL CURRENT ASSETS		16,368,572	16,333,953
NON-CURRENT ASSETS			
Financial Assets	7	5,141,222	4,708,468
Property, Plant and Equipment		6,311,427	6,073,682
Right-of-use Asset	8	142,593	199,631
Patents, Trademarks and Licences		258,623	294,621
Product Development		1,716,045	1,716,045
Deferred Tax Asset		388,314	398,184
TOTAL NON-CURRENT ASSETS		13,958,224	13,390,631
TOTAL ASSETS		30,326,796	29,724,584
CURRENT LIABILITIES			
Trade and Other Payables		9,817,594	9,785,188
Amount due to Customers	6	3,620,251	3,238,865
Provision for Income Tax		301,318	346,838
Other Provisions		1,028,035	1,020,304
Right-of-use Liability	9	118,686	115,159
TOTAL CURRENT LIABILITIES		14,885,884	14,506,354
NON-CURRENT LIABILITIES			
Other Provisions		63,691	66,734
Deferred Tax Liability		1,893,670	1,782,030
Right-of-use Liability	9	30,804	91,019
TOTAL NON-CURRENT LIABILITIES		1,988,165	1,939,783
TOTAL LIABILITIES		16,874,049	16,446,137
NET ASSETS		13,452,747	13,278,447
EQUITY			
Contributed Equity	10	4,374,962	4,374,962
Reserves		3,680,462	3,423,977
Retained Earnings		5,397,323	5,479,508
TOTAL EQUITY		13,452,747	13,278,447

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

SCANTECH LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Ordinary Share Capital	Retained Earnings/ (Accumulated Losses)	Premium on Consolidation	Asset Revaluation Reserve	Total
	\$	\$	\$	\$	\$
Consolidated Entity Balance as at 1 July 2023	4,374,962	3,296,615	13,139	3,235,489	10,920,205
Profit for the half-year	0	1,385,086	0	0	1,385,086
Other comprehensive income	0	0	0	161,212	161,212
Consolidated Entity Balance as at 31 December 2023	4,374,962	4,681,701	13,139	3,396,701	12,466,503
	Ordinary Share Capital	Retained Earnings/ (Accumulated Losses)	Premium on Consolidation	Asset Revaluation Reserve	Total
	\$	\$	\$	\$	\$
Consolidated Entity Balance as at 1 July 2024	4,374,962	5,479,508	13,139	3,410,838	13,278,447
Profit for the half-year	0	2,523,195	0	0	2,523,195
Dividend Declared during the reporting period	0	(2,605,380)	0	0	(2,605,380)
Other comprehensive income	0	0	0	256,485	256,485
Consolidated Entity Balance as at 31 December 2024	4,374,962	5,397,323	13,139	3,667,323	13,452,747

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

SCANTECH LIMITED AND ITS CONTROLLED ENTITIES
CASHFLOW STATEMENT
FOR HALF YEAR ENDED 31 DECEMBER 2024

	Consolidated Entity	
	31 December 2024	31 December 2023
	\$	\$
<u>Cash flows from operating activities:</u>		
Receipts from Customers	15,499,924	9,869,393
Payments to Suppliers and Employees	(12,185,559)	(10,934,668)
Interest Received	209,036	97,937
Interest Paid	(36,081)	(44,127)
Income Taxes Paid	(884,836)	(182,299)
Other Income	0	0
Net cash provided by / (used in) operating activities	2,602,484	(1,193,764)
<u>Cash flows from investing activities:</u>		
Payments for Property, Plant and Equipment	(312,769)	(142,008)
Receipts from Sales of Property, Plant and Equipment	0	3,636
Dividends Received	90,936	85,187
Payments for Investment Shares	(90,774)	(64,870)
Net Payments from movements in Financial Assets	(60,693)	1,500,000
Net cash provided by / (used in) investing activities	(373,300)	1,381,945
<u>Cash flows from financing activities:</u>		
Lease Payments	(56,688)	(51,521)
Dividends Paid	(2,554,469)	0
Net cash used in financing activities	(2,611,157)	(51,521)
Net (decrease) / increase in cash held	(381,973)	136,660
Cash at the beginning of the financial year	1,926,435	2,049,500
Cash at the end of the half year	1,544,462	2,186,160
<u>Reconciliation of cash:</u>		
For the purposes of the Cash Flow Statement, cash includes cash on hand and at bank net of outstanding bank overdrafts.		
Cash and Cash Equivalents	1,544,462	2,186,160

The above Cashflow Statement should be read in conjunction with the accompanying notes.

SCANTECH LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR HALF YEAR ENDED 31 DECEMBER 2024

1 BASIS OF PREPARATION OF FINANCIAL REPORT

This general purpose condensed financial report for the half-year ended 31 December 2024 has been prepared in accordance with AASB134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2024 and considered together with any public announcements made by Scantech Limited during the half-year ended 31 December 2024 and the Corporations Act 2001.

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

There are no new or revised standards and amendments effective for the current half-year that are relevant to the Group.

2 REPORTING BASIS AND CONVENTIONS

The half-year report has been prepared on an accrual basis and is based on historical costs except for the revaluation of selected non-current assets for which the fair value basis of accounting has been applied.

3 OTHER INCOME AND EXPENSE

Included in profit or loss are the following revenue and other income items:

	Consolidated Entity	
	31 December 2024	31 December 2023
	\$	\$
Products Revenue	4,747,554	2,318,297
Services Revenue	9,764,977	8,200,612
Total Revenue	<u>14,512,531</u>	<u>10,518,909</u>
Net Foreign Exchange Gain / (Loss)	61,052	(38,161)
Interest Received	185,626	111,401
Franked Dividend Income	90,936	85,187
R&D Expenditure	<u>(152,706)</u>	<u>0</u>
Total Other Income	<u>184,908</u>	<u>158,427</u>

SCANTECH LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR HALF YEAR ENDED 31 DECEMBER 2024

		Consolidated Entity	
		31 December 2024	30 June 2024
		\$	\$
4 DIVIDENDS			
<u>Dividends provided for or paid by the Parent Entity are:</u>			
(i) No final dividend		0	0
(ii) No interim dividend		0	0
(iii) Special Dividend		2,605,380	6,383,180
(iv) No final dividend is recommended by the Directors		0	0
<u>Franking Credit Balance:</u>			
The amount of franking credits available for the subsequent financial year are:			
Franking account balance as at the end of the half year at 25% (2024 25%)		516,005	460,656
Franking credits that will arise from the payment / (refund) of income tax payable as at the end of the half year		301,318	346,838
		817,323	807,494
5 INVENTORIES			
<u>Current:</u>			
Raw Materials and Stores at cost		1,781,332	1,870,415
Work in Progress		2,810,074	2,006,615
		4,591,406	3,877,030
6 CONTRACTS IN PROGRESS			
Cost Incurred plus Profit to Date		19,653,440	18,448,188
Less Billings		(22,759,239)	(20,449,608)
Net Amount		(3,105,799)	(2,001,420)
<u>Represented By:</u>			
Amounts due from Customers (Asset)		514,452	1,237,445
Amounts due to Customers (Liability)		(3,620,251)	(3,238,865)
Contracts in Progress (Net Amount)		(3,105,799)	(2,001,420)
7 FINANCIAL ASSETS			
<u>Current:</u>			
Amounts on Deposits at Banks		7,060,693	7,000,000
		7,060,693	7,000,000
<u>Non-Current:</u>			
Shares – Listed Entities (at market value)		5,141,222	4,708,468
		5,141,222	4,708,468

SCANTECH LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR HALF YEAR ENDED 31 DECEMBER 2024

		Consolidated Entity	
		31 December 2024	30 June 2024
		\$	\$
8 RIGHT-OF-USE ASSET			
Right-of-use Asset		741,397	741,397
Accumulated Depreciation		(598,804)	(541,766)
Total Right-of-use Asset		<u>142,593</u>	<u>199,631</u>
Movement In Carrying Amounts:			
Right-of-use Asset at the beginning of the reporting period		741,397	733,623
Additions		0	7,774
Right-of-use Asset at reporting date		<u>741,397</u>	<u>741,397</u>
Accumulated Depreciation at the beginning of the reporting period		(541,766)	(430,606)
Depreciation Expense		(57,038)	(111,160)
Accumulated Depreciation at reporting date		<u>(598,804)</u>	<u>(541,766)</u>
Carrying Amount of Right-of-use Asset at reporting date		<u>142,593</u>	<u>199,631</u>
Amounts recognised in profit or loss			
Depreciation expense on right-of-use asset		57,038	111,160
Interest Expense on lease liabilities		5,528	15,542
		<u>62,566</u>	<u>126,702</u>
Scantech marketing offices are located in Brisbane under a lease. The average lease term is 3 years.			
9 RIGHT-OF-USE LIABILITY			
<u>Current:</u>			
Right-of-use Liability – Brisbane Office		118,686	115,159
		<u>118,686</u>	<u>115,159</u>
<u>Non-Current:</u>			
Right-of-use Liability – Brisbane Office		30,804	91,019
		<u>30,804</u>	<u>91,019</u>
10 CONTRIBUTED EQUITY			
<u>Issued and Paid Up Capital:</u>			
At the beginning of the reporting period		4,374,962	4,374,962
At reporting date		<u>4,374,962</u>	<u>4,374,962</u>
		31 December 2024	30 June 2024
<u>Ordinary Shares:</u>		Number of shares	Number of shares
At beginning of the reporting period		13,026,898	13,026,898
At reporting date		<u>13,026,898</u>	<u>13,026,898</u>

**SCANTECH LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR HALF YEAR ENDED 31 DECEMBER 2024**

11 FAIR VALUE MEASUREMENT

The only assets and liabilities recognised and measured at fair value on a recurring basis are land and buildings and shares in Australian Listed Entities.

Land and buildings are categorised according to the fair value hierarchy as Level 2 – inputs other than quoted prices included in level 1 that are observable for the assets or liabilities, either directly or indirectly. There were no transfers between levels during the financial half-year.

The carrying amount of financial assets and financial liabilities approximate their fair value.

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

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity

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

SCANTECH LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR HALF YEAR ENDED 31 DECEMBER 2024

11 FAIR VALUE MEASUREMENT (CONT'D)

Recurring and Non-recurring Fair Value Measurement Amounts and the Level of the Fair Value Hierarchy within which the Fair Value Measurement Are Categorised

Fair Value Measurements at 31 December 2024 Using:

	Quoted Prices in Active Markets for Identical Assets \$	Significant Observable Inputs Other than Level 1 Inputs \$	Significant Unobservable Inputs \$
Description	(Level 1)	(Level 2)	(Level 3)
Recurring fair value measurements			
Reinvestment in Shares for the half year period ending 31 December 2024			
– Listed Entities	93,476	-	-
Investment in shares of			
– Listed Entities	5,047,746	-	-
Land and Buildings	-	5,604,755	-
Non - Recurring fair value measurements	-	-	-

Fair Value Measurements at 30 June 2024 Using:

	Quoted Prices in Active Markets for Identical Assets \$	Significant Observable Inputs Other than Level 1 Inputs \$	Significant Unobservable Inputs \$
Description	(Level 1)	(Level 2)	(Level 3)
Recurring fair value measurements			
Investment in shares of			
– Listed Entities	4,708,468	-	-
Land and Buildings	-	5,625,188	-
Non-Recurring fair value measurements	-	-	-

There were no transfers between Level 1 and Level 2 Fair Values

SCANTECH LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR HALF YEAR ENDED 31 DECEMBER 2024

11 FAIR VALUE MEASUREMENT (CONT'D)

Valuation Techniques and Inputs Used to Determine Level 2 Fair Values

Description	Fair Value at 31 December 2024 \$	Description of Valuation Techniques	Inputs Used
Level 2			
Land and Buildings	5,604,755	Sales price comparison	Sales prices of comparable land and buildings in a similar location are analysed on the bases of rate per square metre of gross lettable area

There were no changes during the period in the valuation techniques used by the Group to determine Level 2 fair values.

Aggregate fair values and carrying amounts of financial assets and financial liabilities at the end of the reporting period.

	December 2024 \$		June 2024 \$	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<u>Financial Assets:</u>				
Cash and Cash Equivalents	1,544,462	1,544,462	1,926,435	1,926,435
Trade and Other Receivables	2,657,559	2,657,559	2,293,043	2,293,043
Amounts due from customers	514,452	514,452	1,237,445	1,237,445
Financial Assets	7,060,693	7,060,693	7,000,000	7,000,000
Shares – Listed Entities	5,141,222	5,141,222	4,708,468	4,708,468
<u>Financial Liabilities:</u>				
Trade and Other Payables	(9,817,594)	(9,817,594)	(9,785,188)	(9,785,188)
Amounts due to customers	(3,620,251)	(3,620,251)	(3,238,865)	(3,238,865)
Net Exposure	3,480,543	3,480,543	4,141,338	4,141,338

12 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group does not have a contingent liability in relation to a Deed of Deposit and set off over Term Deposit Funds lodged with the bank as cash cover for Bank Guarantee / Letter of Credit facilities.

13 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There have been no material events after the reporting period that provide evidence of conditions that existed at the end of the reporting period.

**Scantech Limited Public Company A.C.N. 007 954 627
And Controlled Entities**

Directors' Declaration – Half Year

In accordance with a resolution of the directors of Scantech Limited, we state that:

In the opinion of the directors:

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

Signed in accordance with a resolution of directors made pursuant to section 305(5)(a) of the Corporations Act 2001.

On behalf of the Board



Chairman
P Pedler



Managing Director
D Lindeberg

Signed in Adelaide, this 24th day of February 2025

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SCANTECH LIMITED AND ITS CONTROLLED ENTITIES

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Scantech Limited and Its Controlled Entities (the "Group") 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, and consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information and the directors' declaration.

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

- a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reports* 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 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' Responsibility for the Half-Year Financial Report

The directors of the Group 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 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 makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group' 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.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID FRANCIS
PARTNER

Dated this 24th day of February 2025