Appendix 4D

for the half year ended 31 December 2017

Bingo Industries Limited

ABN 72 617 748 231

Reporting period: 31 December 2017
Previous corresponding period: 31 December 2016

The Interim Financial Report should be read in conjunction with the 2017 Annual Report.

Results for announcement to the market

	Half year ended 31 Dec 2017 A$'000	Half year ended 31 Dec 2016 A$'000	Up/Down	% Change from half year ended 31 Dec 2016
Revenue from ordinary activities	**141,754**	99,008	Up	43.2%
Profit from ordinary activities after tax attributable to members	**17,787**	13,672	Up	30.1%
Net Profit for the period attributable to members	**17,787**	13,672	Up	30.1%

Initial Public Offering and Corporate Reorganisation

Bingo Industries Limited ("Company") was incorporated as a public company on 3 March 2017, and subsequently incorporated a wholly owned subsidiary, Bingo Property Pty Limited.

On 9 May 2017 the shareholders of the Company and Bingo Holdings Pty Limited and its controlled entities undertook a corporate reorganisation process to facilitate an Initial Public Offering ("IPO"). Consequently, the Company acquired the already operating Bingo Holdings Pty Limited and its controlled entities ("Pre-IPO Bingo Group").

This corporate reorganisation does not represent a business combination in accordance with AASB 3 'Business Combinations', and the appropriate accounting treatment for recognising the new group structure is on the basis that the transaction is a form of capital reconstruction and group reorganisation. Accordingly the financial statements have been presented as a continuation of the Pre-IPO Bingo Group. As such, financial statements of the Group include the historical financial information of the Pre-IPO Bingo Group for the period before the acquisition. These financial statements include the financial results for the Group for the half year ended 31 December 2017 and the Pre-IPO Bingo Group for the half year ended 31 December 2016.

The comparative information presented in the financial statements represents the financial position of the Group as at 30 June 2017, and the financial performance of the Pre-IPO Bingo Group for the half year ended 31 December 2016.

Dividend information

	Amount per share (cents)	Franked amount per share (cents)	Tax rate for franking credit
2017 final dividend per share [1]	**n/a**	n/a	n/a
Interim 2018 dividend per share	**1.72**	1.72	30%

[1] No dividend is payable with respect to the financial year ended 30 June 2017.

	Interim 2018 dividend dates	2017 final dividend dates
Ex-dividend date	2 March 2018	n/a
Record date	5 March 2018	n/a
Payment date	29 March 2018	n/a

The Bingo Board has approved the activation of its Dividend Reinvestment Plan (DRP) adopted on 13 April 2017. The DRP allows eligible shareholders to reinvest dividends on all or part of their shareholding to acquire additional shares in the Company.

The last day for the receipt of an election notice for participation under the DRP is 6 March 2018.

Net tangible assets per security

	31 December 2017 Cents	31 December 2016 Cents
Net tangible assets per security	**43.9**	nm[2]

[2] nm stands for "not meaningful".

Financial information

This report is based on the reviewed Bingo Industries Limited and Controlled Entities Consolidated Interim Financial Report for the half year ended 31 December 2017.

Other information required by Listing Rule 4.2A.3

100% interests in the following entities were gained in the six months from 1 July 2017 to 31 December 2017:

- Ingleburn Recycling Pty Ltd ACN 620 987 171 (incorporated on 9 August 2017);
- Bingo Property (VIC) Pty Ltd ACN 621 318 349 (incorporated on 25 August 2017);
- Greenacre Recycling Pty Ltd ACN 621 490 033 (incorporated on 4 September 2017);
- Bingo (VIC) Pty Ltd ACN 621 929 388 (incorporated on 26 September 2017);
- Konstruct Environmental Pty Ltd ACN 128 389 293 (acquired on 2 October 2017);
- Bingo Patons Lane Pty Ltd ACN 623 065 074 (incorporated on 24 November 2017);
- Bingo Patons Lane Unit Trust ACN 135 499 011 (incorporated on 24 November 2017); and
- SRC Operations Pty Limited ACN 612 974 366 (acquired on 11 December 2017).

All other information requiring disclosure to comply with Listing Rule 4.2A.3 is contained in the Bingo Industries Limited and Controlled Entities Consolidated Interim Financial Report for the half year ended 31 December 2017.

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2017

Bingo Industries Limited and Controlled Entities
ABN 72 617 748 231

Directors' Report

The Directors present their report together with the financial report of the consolidated entity, being Bingo Industries Limited ("the Company") and its controlled entities ("Bingo Industries", "Bingo" or "the Group"), for the half year ended 31 December 2017.

Bingo Industries Limited was incorporated on 3 March 2017 and, following a reorganisation of the Group to facilitate an Initial Public Offering (IPO), is now the ultimate parent company of the Group, effective 9 May 2017. See Note 1 "General Information" to the Financial Statements for further detail of the reorganisation.

Directors

The name of the directors in office at any time during, or since the end of, the financial period are:

Michael Coleman	Independent Non-Executive Director, Chair
Maria Atkinson AM	Independent Non-Executive Director
Richard England	Independent Non-Executive Director
Daniel Girgis	Non-Executive Director
Daniel Tartak	Managing Director and Chief Executive Officer

The office of Company Secretary is held by Ron Chio, LPAB Diploma in Law, Graduate Diploma of Legal Practice (GDLP).

Review of Operations

Refer to the Operating and Financial Review on pages 5 to 14 for commentary relating to operations during the six-month period ended 31 December 2017, as well as the developments and results expected going forward.

Dividend

Bingo's statutory net profit after tax for the half year ended 31 December 2017 was $17.787 million. In line with guidance provided at the time of the IPO, Bingo has declared a full franked interim dividend. The interim dividend represents a payout ratio of 40% of statutory profit after tax for the half year ended 31 December 2017.

Dividend amount	1.72 cents per share fully franked
Ex-dividend date	2 March 2018
Record date	5 March 2018
Payable date	29 March 2018

The Bingo Board has approved the activation of its Dividend Reinvestment Plan (DRP) adopted on 13 April 2017. The DRP allows eligible shareholders to reinvest dividends on all or part of their shareholding to acquire additional shares in the Company.

The last day for the receipt of an election notice for participation under the DRP is 6 March 2018.

Significant Changes in the State of Affairs

Victorian acquisitions
On 29 August 2017 Bingo announced its initial expansion into the Victorian market with the acquisition of three waste management businesses. The businesses acquired were Konstruct Recycling on 2 October 2017, AAZ Recycling on 3 October 2017 and Resource Recovery Victoria on 16 October 2017. The businesses including one parcel of land were acquired for a combined price of $38 million, with a three year call option to purchase an additional property for $7 million. Please refer to the ASX announcement dated 29 August 2017 for further detail in respect to the acquisitions and entry into the Victorian market.

Equity raising
On 27 November 2017 Bingo announced the acquisition of National Recycling Group ("NRG") and Patons Lane Recycling Centre and Landfill ("Patons Lane"). NRG was acquired on 8 January 2018[1] and Patons Lane was acquired on 11 December 2017. NRG is a building & demolition recycling and waste management business in New South Wales and Victoria. Patons Lane is a greenfield recycling centre and landfill in Western Sydney scheduled to open in the financial year commencing 1 July 2019.

The acquisition price for NRG consisted of $37.7 million for the operating business and $13.4 million for the two freehold properties. The completion of the acquisition of NRG is discussed in further detail below in 'Matters subsequent to the end of the half year ended 31 December 2017'. The acquisition price for Patons Lane of $90 million is structured over three payments between December 2017 and July 2019. The acquisitions were funded as part of a 1 for 5.55 $120 million pro-rata accelerated non-renounceable entitlement offer.

The acquisitions are consistent with Bingo's long-term growth strategy to build a national and integrated waste management business. The acquisitions together with the identified organic redevelopment of existing assets will expand Bingo's network capacity across New South Wales and Victoria to 3.4 million tonnes per annum by 2020, from our existing capacity of approximately 1.7 million tonnes per annum.

Please refer to the ASX announcement and investor presentation dated 27 November 2017, which provides shareholders with more detail in respect to the equity raising and acquisitions. Refer also to Notes 9, 11 and 14 of the interim financial report for further information.

Matters subsequent to the end of the half year ended 31 December 2017

On 8 January 2018, the Group completed the acquisition of NRG. NRG is a building and demolition recycling and waste management business servicing more than 300 customers in NSW and Victoria; operating under the brands – DATS Environmental Services, Melbourne Recycling Centres and Harpers Bin Hire. The transaction consolidates Bingo's vertically integrated recycling and waste management business in NSW and accelerates its expansion in Victoria.

On 26 February 2018, the Directors of the Company declared an interim dividend on ordinary shares in respect to the half year ended 31 December 2017. The total amount of the dividend is $7.12 million, which represents a fully franked dividend of 1.72 cents per share. The dividend has not been provided for in the financial statements for the half year ended 31 December 2017.

Other than the above, there have been no other matters or circumstances that have arisen since 31 December 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in periods subsequent to the half year ended 31 December 2017.

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[1] The NRG acquisition completed on 8 January 2018, other than the acquisition of the freehold property at Artarmon which completed on 23 February 2018,

Environmental regulation

The Group is subject to significant environmental regulation under Australian Commonwealth or State law and holds environmental licences for its sites. The Group is committed to achieving the highest standards of environmental performance. Please refer to Note 16 of the interim financial report for further information.

Rounding of amounts

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 15.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3) of the Corporations Act 2001.

On behalf of the Directors

Michael Coleman
Non-Executive Director and Chair

Daniel Tartak
Managing Director and Chief Executive Officer

27 February 2018
Sydney

Operating and Financial Review

Review of Operations

Principal activities
Bingo is a leading recycling and waste management company operating across New South Wales and Victoria. Bingo operates across building & demolition (B&D) and commercial & industrial (C&I) waste streams with capabilities across waste collection, processing, separation and recycling components of the waste value chain.

Business Overview
Bingo's operations are organised across three key segments:

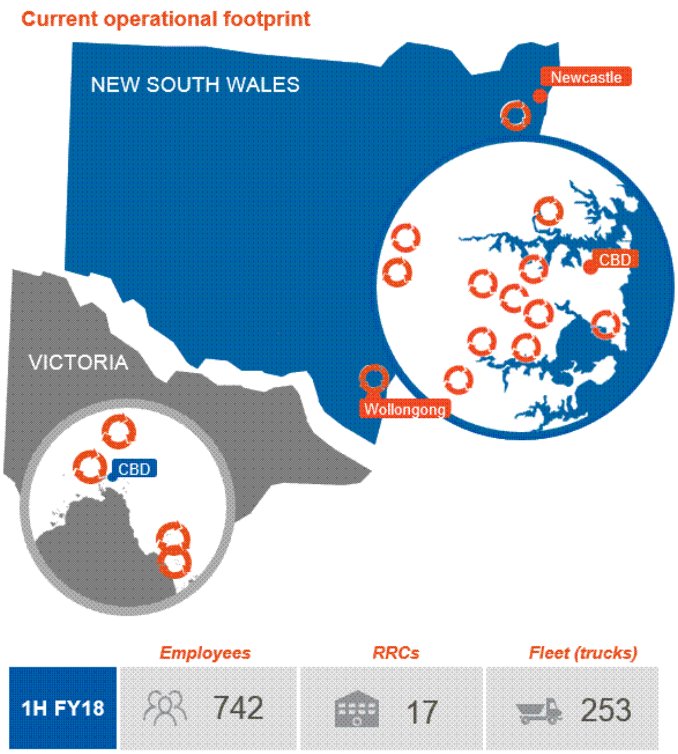
- Collections (Bingo Bins & Bingo Commercial)
- Post-collections (Bingo Recycling)
- Other (includes Toro and all other segments)

Including the sites acquired as part of the acquisitions announced in November 2017, NRG and Patons Lane, Bingo's operations include a network of 13 post-collections resource and recovery centres (RRCs) in NSW and 4 RRCs in Victoria[2]. Bingo has a workforce of approximately 742 people and truck fleet of approximately 253 trucks across NSW and Victoria.

[2] Includes the Paton's Lane RRC which is expected to be operational in 2020. Operational footprint also includes operational assets that were acquired post the reporting date, being the assets associated with the acquisition of NRG on 8 January 2018.

Operating and Financial Review (continued)

Review of Operations (continued)



Note: Operational footprint includes operational assets that were acquired post the reporting date, being the assets associated with the acquisition of National Recycling Group (NRG) as indicated on the map.

Executive snapshot of performance and outlook

Bingo has achieved a number of significant milestones over the 6 months to 31 December 2017 (“1H18”), including:

- LTIFR of zero as at 31 December 2017, 100% improvement from the prior comparative period (“PCP”) of 6.7 as at 31 December 2016 (“1H17”)
- Delivered on the Company’s growth strategy by successfully entering the Victorian market through acquisitions, increasing Bingo’s post collections network to 17 RRCs across New South Wales and Victoria
- Strong year-on-year growth with net revenue increasing by 43.2% against the PCP to $142.4 million and pro forma EBITDA grew by 40.1% to $43.8 million
- Continued strong cash flow generation with 80.9% cash conversion for the period ended 31 December 2017
- Net bank debt was $73.0 million, representing a 10.5% decrease to the PCP of $81.5 million
- Secured a number of significant infrastructure contracts which include Sydney Trains, renewal of NorthConnex, WestConnex and M5 tunnel
- For the year ending 30 June 2018 (“FY2018”), the Company expects to deliver pro forma EBITDA[3] of approximately $93 million (“FY18f EBITDA”).

[3] EBITDA represents profit before net interest, income tax, depreciation and amortisation expense.

Operating and Financial Review (continued)

Review of Financials

Summary of Financial Performance

	Half year ended 31 Dec 2017 $ millions	Half year ended 31 Dec 2016 $ millions	YoY Variance %
Revenue and other income	142.4	99.5	43.2%
Pro forma EBITDA	43.8	31.3	40.1%
Pro forma EBITDA margin	30.8%	31.5%	(0.7%)
Pro forma EBIT	34.4	25.0	37.5%
Pro forma NPAT	21.3	15.5	37.1%
Statutory NPAT	17.8	13.7	30.1%

A reconciliation of the 1H18 statutory to pro-forma actual results is summarised as follows:

	Note	Sales $ millions	EBITDA $ millions	EBIT $ millions	NPAT $ millions
1H18 statutory results		142.4	43.8	30.2	17.8
Acquisition costs	1			1.9	1.9
Capital raising costs	2			0.4	0.4
Integration costs	3			1.7	1.7
Prepayment amortisation	4			0.2	0.2
Pro forma tax adjustment	9				(0.7)
1H18 pro forma results		**142.4**	**43.8**	**34.4**	**21.3**

For completeness, a reconciliation of the 1H17 statutory to pro-forma actual results is also summarised below:

	Note	Sales $ millions	EBITDA $ millions	EBIT $ millions	NPAT $ millions
1H17 statutory results		99.5	29.2	22.2	13.7
Capital raising costs	2			0.7	0.7
Prepayment amortisation	4			0.2	0.2
Rent reversal on IPO properties	5		3.3	3.3	3.3
Depreciation on IPO properties	6			(0.2)	(0.2)
Interest on debt	7				(0.2)
Public company costs	8		(1.2)	(1.2)	(1.2)
Pro forma tax adjustment	9				(0.8)
1H17 pro forma results		**99.5**	**31.3**	**25.0**	**15.5**

Operating and Financial Review (continued)

Review of Financials (continued)

Summary of Financial Performance (continued)

Notes:

1. Acquisition costs incurred represent fees paid to advisers related to the acquisition of businesses and will not be recurring.
2. Capital raising costs incurred represent fees paid to advisers and other direct/indirect costs related to the IPO. The group incurred total capital raising costs of $0.4 million in 1H18, which primarily relates to the amortisation of performance rights granted under the transaction bonus over the vesting period that was paid during the year ended 30 June 2017 following the completion of the IPO. The amount will be fully amortised by the financial year ending 30 June 2019.
3. Integration costs incurred represents the costs incurred by Bingo to integrate businesses acquired into the Group. It represents an allocation of internal management resources and other costs incurred during the period.
4. As part of an acquisition made during FY15 the Group pre-paid a portion of consideration to the vendor which was linked to the vendors continued employment. As certain employment conditions are satisfied the prepayment is amortised and recognised as remuneration expense. The amount will be fully amortised by the financial year ending 30 June 2020.
5. IPO properties refers to land and buildings acquired from director related entities as part of the corporate reorganisation process (IPO Properties). Rent on IPO Properties represents amounts paid for rent on properties that were acquired by the Group pursuant to the IPO and therefore will not be incurred in future periods.
6. Depreciation on the IPO Properties represents the depreciation of buildings contained on the properties that were acquired by the Group pursuant to the IPO, calculated from the date that Bingo commenced using each respective property at a depreciation rate of 2.5% per annum.
7. Interest on debt represents the estimated interest, calculated in accordance with the terms of the current banking facilities calculated as if that facility had been in place since 1 July 2016, adjusted on a pro rata basis for properties and businesses acquired by the Group.
8. Public company costs represents the incremental costs of operating as a publicly listed company, inclusive of Directors' fees, production of annual reports, company secretarial and legal costs, annual listing fees and other costs. FY17 pro forma actual results includes incremental public company costs from the commencement of trading to 30 June 2017.
9. Represents the income tax impact of the above pro forma adjustments (excluding acquisition costs), calculated at 30%.

Review of Financials (continued)

Summary of Financial Performance (continued)

Highlights for the half-year include:

- Total revenue and other income of $142.4 million, an increase of $42.9 million or 43.2% from $99.5 million in the PCP
- Pro forma EBITDA of $43.8 million, an increase of $12.5 million or 40.1% on the PCP
- Pro forma NPAT of $21.3 million, an increase of 37.1% on the PCP
- Pro forma Group EBITDA margin of 30.8%, down from 31.5% in the PCP

Between 1H17 and 1H18 revenue grew $42.9 million to $142.4 million in 1H18, this movement was predominately driven through a combination of organic growth and acquisitions across the collections and post collections operating segments. Pro forma EBITDA increased to $43.8 million compared to $31.3 million in the PCP. Group pro forma EBITDA margin decreased by 0.7% to 30.8%, this reduction in margin was largely due to the addition of the Victorian operations which currently achieve lower margins than the NSW operations in collections and post collections. Through the redevelopment of key Victorian RRC's and the introduction of advanced recycling equipment at these facilities, we expect that over time the operating margins in Victoria will be similar to NSW.

Total costs grew by 45.9% from $79.4 million in 1H17 to $115.8 million in 1H18. On a percentage of revenue basis, total costs remained stable at 81% of revenue relative to 80% in the PCP. The movement in costs was primarily driven by:

- Increased volumes across all segments of the Group, leading to increased tipping and fuel costs, in combination with an increase in the price of fuel and toll fees
- Increased investment in human capital and truck and machinery costs in line with growth of the business due to expansion of collections fleet as well as the post-collections footprint
- Increased corporate costs associated with acquisitions

Operating and Financial Review (continued)

Review of Financials (continued)

Summary of Financial Position

	Note	Half year ended 31 Dec 2017 $ millions	Half year ended 31 Dec 2016 $ millions	YoY Variance %
Total bank borrowings	1	89.1	90.3	(1.4%)
Net bank debt	2	73.0	81.5	(10.5%)
ROCE(%)	3	21.8%	44.8%	(23.0%)
Net working capital (NWC)	4	0.9	(2.1)	n/a
Cash conversion (%)	5	80.9%	88.8%	(7.9%)

Notes:

1. Total bank borrowing = Total borrowings (net of borrowing costs) - Total finance lease liabilities.
2. Net bank debt = Total bank borrowings - Cash
3. ROCE (%) = (Pro forma EBIT multiplied by two) / (Average total borrowings + Average equity)
4. NWC = Current Assets - Current Liabilities
5. Cash conversion = (Operating cash flow + Income tax paid + Acquisition & Integration costs + Rectification works[4]) / (Pro forma EBITDA)

Highlights for the half-year include:

- Net bank debt of $73.0 million, implying a leverage ratio[5] of 0.8x
- Operating cash conversion of 80.9%, down 7.9 percentage points from the PCP
- Return on Capital Employed (ROCE) of 21.8%
- Net working capital (“NWC”) of $0.9 million, an improvement of $3.0 million

1H18 net bank debt of $73.0 million implying a leverage ratio of 0.8x. Bingo’s facility limit under its current banking facilities is $200 million, $80 million of which is a term loan facility and the remaining $120 million is a revolving multi-option facility which may be drawn by way of loans, letters of credit or bank guarantees.

Operating free cash flow for 1H18 was $35.5 million up from $27.8 million in 1H17, with cash conversion of 80.9% in 1H18. The Company’s NWC was $0.9 million primarily due to current liabilities including the second instalment for Patons Lane that is due in December 2018[6]. Further cash flow generation is expected in FY2018 with increased earnings from recent acquisitions.

Capital expenditure has historically comprised expenditure on maintenance, growth projects and investment in the truck and bin fleet, as well as the acquisitions of the businesses. 1H18 maintenance capital expenditure was $8 million which includes the replacement of trucks and bins, as well as the maintenance of plant. Growth expenditure includes the acquisition of trucks that add capacity to the fleet, bins purchased from Toro required due to growing customer base, expansion of Bingo’s resource recovery facilities, and purchase of recycling equipment and other machinery used at Bingo’s resource recovery facilities. 1H18 growth capital expenditure was $102 million which included $44 million associated with the Victorian expansion, $7 million associated with NSW acquisitions, $14 million on redevelopment of existing facilities and $37 million related to the acquisition of Patons Lane land.

[4] Rectification works refers to $3.1 million for costs associated with Kembla Grange rectification works and is expected to be fully recoverable.
[5] Leverage ratio = (Net bank debt) / (1H18 pro forma EBITDA multiplied by two)
[6] As the second and third payments for Patons Lane are deferred beyond normal credit terms, the amount recognised as a current ($28.98 million) and non-current ($28.36 million) liability is measured as the present value of the expected future payments. Refer also to Note 12 of the interim financial report for further information.

Operating and Financial Review (continued)

Operating Sectors

As noted above, Bingo currently reports across three operating segments – Collections, Post-Collections and Other.

I. Collections

	Half year ended 31 Dec 2017 $ millions	Half year ended 31 Dec 2016 $ millions	YoY Variance %
Revenue and other income	78.5	60.8	29.1%
Statutory EBITDA	18.0	15.1	18.9%
Pro forma EBITDA	18.0	15.1	18.9%
Pro forma EBITDA margin (%)	22.9%	24.9%	(2.0%)

Bingo collects and transports waste from customers to post-collections facilities.

Collections revenue and other income grew 29.1% to $78.5 million from $60.8 million in the PCP, primarily driven by increased market share within NSW across both B&D and C&I waste streams as well as the expansion into Victoria. Notable contract wins in the infrastructure sector, include Sydney trains awarded for 5 years, Lend Lease NSW shopping centres awarded for 3 years, Crown Casino Sydney awarded for 4 years and NorthConnex contract extended for a further 2 years. Bingo's fleet of trucks increased from 173 as at 30 June 2017 to 253 at 31 December 2017.

Outlook and strategic focus
The Group will continue to leverage its existing operational footprint to target further critical infrastructure projects, commercial opportunities and residential and non-residential construction. The NSW and Victorian Government's commitment to significant infrastructure programs presents multiple opportunities across Bingo's vertically integrated platform. An increased focus from local governments and the private sector on achieving greater diversion rates from landfill will benefit Bingo's business model to bid and win more work across the B&D and C&I waste streams. Favourable macroeconomic tailwinds for collections are expected to continue.

II. Post-Collections

	Half year ended 31 Dec 2017 $ millions	Half year ended 31 Dec 2016 $ millions	YoY Variance %
Revenue and other income	81.8	53.3	53.4%
Statutory EBITDA	24.0	12.7	89.1%
Pro forma EBITDA	24.0	15.7[7]	53.2%
Pro forma EBITDA margin (%)	29.3%	29.4%	(0.1%)

Bingo Recycling separates and recycles waste collected from Bingo Bins, Bingo Commercial and from external customers. Bingo Recycling diverts waste from landfill by sorting and processing mixed waste received from customers to be reused, recycled or sent to other facilities for further processing. Post-Collections currently consists of a network of 13 RRCs located in NSW and 4 RRCs in Victoria[8]. As at 31 December 2017, the freehold properties of Artarmon and Campbellfield acquired as part of the NRG acquisition together with the Patons Lane RRC were not operational.

[7] In the PCP, Post Collections pro forma EBITDA includes an adjustment of $3.0 million for rent reversal on IPO properties. Rent on IPO properties represents amounts paid for rent on properties that were acquired by the Group pursuant to the IPO and therefore will not be incurred in future periods.
[8] Operational figures include assets associated with the acquisition of National Recycling Group which completed post the reporting date.

Operating and Financial Review (continued)

Operating Sectors (continued)

II. Post-Collections (continued)
Post-Collections revenue and other income increased to $81.8 million which represents a 53.4% improvement on the PCP. Pro forma EBITDA margin decreased by 0.1 percentage points to 29.3% from 29.4% as at 1H17. The movement in margin was primarily driven by higher operating costs including disposal costs and fuel.

Outlook and strategic focus
Bingo has invested heavily in its strategic network of recycling infrastructure in recent years, including investment in advanced and bespoke equipment for resource recovery. This investment has positioned the Company strongly to continue to capture market share by having the ability to process greater waste volumes (both from external customers and Bingo's collections operations), particularly given the strong outlook for growth in Sydney's western regions, as well as the recent investment into Victoria.

III. Other

	Half year ended 31 Dec 2017 $ millions	Half year ended 31 Dec 2016 $ millions	YoY Variance %
Revenue and other income	13.3	8.8	51.9%
Statutory EBITDA	1.9	1.4	35.4%
Pro forma EBITDA	1.9	0.5[9]	265.3%
Pro forma EBITDA margin (%)	14.0%	5.8%	8.2%

Other principally includes the manufacture and sale of bins for both Bingo's collections operations and for external customers through Toro. Toro is an important driver of Bingo's ability to provide high service levels to Bingo Bins and Bingo Commercial customers by ensuring that Bingo has sufficient supply of waste equipment to meet Bingo's standards of quality and growth objectives.

Other revenue and other income increased to $13.3 million, a 51.9% increase against the PCP. Growth in revenue was largely driven by increased waste volumes driving demand for bins from Bingo and external customers; external sales represented 63% of 1H18 revenue.

Pro forma EBITDA increased from $0.5 million to $1.9 million and pro forma EBITDA margin is 14.0%, an increase of 8.2 percentage points from the PCP.

Outlook and strategic focus
Toro currently manufactures a wide range of bins to service B&D and C&I waste streams, with expansion into mechanical waste equipment as an area of focus for future growth. Increasing waste volumes in the market provides Toro with a significant opportunity for future organic growth servicing both Bingo and external customers.

[9] In the PCP, Other pro forma EBITDA includes an adjustment of $1.2 million for public company costs which represents the incremental costs of operating as a publicly listed company, inclusive of Directors' fees, production of annual reports, company secretarial and legal costs, annual listing fees and other costs. The PCP also includes an adjustment of $0.4 million for rent reversal on IPO properties. Rent on IPO properties represents amounts paid for rent on properties that were acquired by the Group pursuant to the IPO and therefore will not be incurred in future periods.

Operating and Financial Review (continued)

Strategy and Outlook

Group strategy

Bingo's growth strategy remains consistent with the strategy outlined in the Company's Prospectus. Bingo's strategy is to provide a differentiated approach to waste management by focusing on a high level of service and reliability, supported by scale efficiencies, internally developed customer management technology, a strategic network of resource recovery and recycling infrastructure, and vertical integration across waste collection, separation, processing and recycling.

Bingo aims to leverage its operational capability and experience to pursue further opportunities that exist for Bingo in existing and new markets. Bingo is focused on:

- continued growth in the B&D and C&I waste management sectors;
- geographical expansion, both regionally in NSW and into other states;
- additional investment in recycling infrastructure;
- targeted strategic acquisitions;
- expansion into adjacent collections services; and
- enhancing waste processing capabilities and reprocessing facilities.

Environment Social & Governance

Bingo's business model is underpinned by a focus on sustainable growth that benefits all its stakeholders. Bingo's core focus is on diverting waste from landfill that could otherwise be recovered or recycled through investing in new technology to increase recovery rates. Recycling activities now represent more than half of Bingo's total group revenue and as such, it is uniquely positioned to lead the industry by being a steward for change. Bingo is committed to maintaining strong governance and safety standards and driving social change through innovation and education.

Bingo is committed to being a leader in the waste management sector in minimising harmful impacts on the environment. Bingo manages its environmental responsibilities through its ISO 14001 accredited environmental management systems.

Bingo's Auburn and Minto resource recovery facilities achieved audited recovery rates of 79% and 75% respectively for the year ended 30 June 2017 ("FY2017"). Bingo intends to also include St Marys in the recovery audit for FY2018.

Industry dynamics and market outlook

The Australian waste sector is characterised by strong growth fundamentals and there are a number of key factors that are expected to continue to drive increased waste generation and demand for waste management services, principally:

- economic prosperity;
- increasing population growth;
- urbanisation in metropolitan areas;
- rising environmental awareness and more stringent Government waste regulations favouring recycling and diversion from landfill; and
- pipeline of infrastructure and construction activity.

Operating and Financial Review (continued)

Strategy and Outlook (continued)

Industry dynamics and market outlook (continued)
Bingo expects medium term revenue growth to continue at above Gross Domestic Product ("GDP") growth levels.

B&D waste is generated as a result of infrastructure, construction and demolition activity, which represents the largest waste category by volume in Australia[10]. There is a strong and growing pipeline of non-residential, residential and engineering construction projects in NSW and Victoria, with over $100 billion in construction activity per annum forecast over the next four years. The Australian Federal and State governments have committed to investing significantly in critical infrastructure. This $140 billion state infrastructure pipeline across NSW and Victoria will provide ongoing growth in B&D waste volumes, with Bingo securing a number of contracts for waste management services to these projects.

C&I waste is generated from a range of commercial and industrial activities by both businesses and Government. Therefore the outlook for the market can be observed with reference to the NSW and Victorian economies. The Australian Bureau of Statistics measure of state domestic product recorded economic growth of 3.3 per cent for Victoria and 2.9 per cent for NSW throughout 2016-17. The NSW and Victorian State Governments' are forecasting above-trend economic growth over the next 2 years. Bingo Commercial continues to aggressively pursue growth in the C&I segment with significant successes in tendering for large customer contracts. Bingo is seeking to continue to gain market share through leveraging its integrated post collections network, market leading recovery rates, Bingo Live operating system and Toro's capabilities in delivery of high quality bins and waste equipment to newly contracted customers.

Outlook and guidance
The Group will continue to pursue strategies aimed at improving the profitability, ROCE and market position of its principal activities.

The Company is on track to meet its FY2018 guidance of approximately $93 million in pro forma EBITDA.

[10] Australian National Waste Report, 2016.

Deloitte.

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27 February 2018

The Board of Directors
Bingo Industries Limited
305 Parramatta Road
Auburn NSW 2144

Dear Board Members

Bingo Industries Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Bingo Industries Limited.

As lead audit partner for the review of the financial statements of Bingo Industries Limited for the half-year ended 31 December 2017, 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.

Yours sincerely

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

Tara Hill
Partner
Chartered Accountant

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the half year ended 31 December 2017

	Note	Half year ended 31 Dec 2017 $'000	Half year ended 31 Dec 2016 $'000
Revenue	3	141,754	99,008
Other income	3	640	450
Total revenue and other income		**142,394**	**99,458**
Tipping and transportation costs		(49,698)	(36,573)
Employee benefits expenses		(37,387)	(22,706)
Depreciation and amortisation expenses	4	(9,435)	(6,031)
Raw materials and consumables used		(1,574)	(1,367)
Trucks and machinery costs		(4,360)	(2,641)
Net finance costs	5	(3,657)	(2,132)
Acquisition costs		(1,941)	(31)
Rent and outgoings		(662)	(3,965)
Capital raising costs		(410)	(740)
Other expenses		(6,704)	(3,226)
Total expenses		**(115,828)**	**(79,412)**
Profit before income tax		**26,566**	**20,046**
Income tax expense		(8,779)	(6,374)
Profit for the year attributable to owners of the Company		**17,787**	**13,672**
Total comprehensive income for the year attributable to owners of the Company		**17,787**	**13,672**
Earnings per share			
Basic earnings per share	7	5.0 cents	4.5 cents
Diluted earnings per share	7	4.9 cents	4.5 cents

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

Condensed Consolidated Statement of Financial Position as at 31 December 2017

	Note	As at 31 Dec 2017 $'000	As at 30 Jun 2017 $'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		16,110	13,278
Trade and other receivables		41,280	30,433
Inventories		3,402	2,984
Other assets	8	10,909	2,489
TOTAL CURRENT ASSETS		**71,701**	**49,184**
NON-CURRENT ASSETS			
Property, plant and equipment	9	313,715	189,313
Intangible assets	10	82,676	54,197
Deferred tax asset		2,393	2,450
TOTAL NON-CURRENT ASSETS		**398,784**	**245,960**
TOTAL ASSETS		**470,485**	**295,144**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	65,112	33,856
Borrowings	13	1,736	1,700
Income tax payable		1,488	577
Provisions		2,417	2,142
TOTAL CURRENT LIABILITIES		**70,753**	**38,275**
NON-CURRENT LIABILITIES			
Borrowings	13	106,516	132,668
Other payables	12	28,355	-
Provisions		634	232
TOTAL NON-CURRENT LIABILITIES		**135,505**	**132,900**
TOTAL LIABILITIES		**206,258**	**171,175**
NET ASSETS		**264,227**	**123,969**
EQUITY			
Issued capital	14	745,961	624,015
Other contributed equity		1,244	1,244
Reserves		(544,381)	(544,906)
Retained earnings		61,403	43,616
TOTAL EQUITY		**264,227**	**123,969**

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

Condensed Consolidated Statement of Changes in Equity for the half year ended 31 December 2017

	Note	Issued Capital	Other Contributed Equity	Group Reorganisation Reserve	Employee Equity Benefits Reserve	Retained Earnings	Total
		$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2016		**11**	**1,244**	**-**	**-**	**23,782**	**25,037**
Profit for the period		-	-	-	-	13,672	13,672
Total comprehensive income for the period		-	-	-	-	13,672	13,672
Transactions with owners, in their capacity as owners and other transfers							
- Other contributed equity		-	-	-	-	-	-
Dividends paid or provided during the year		-	-	-	-	-	-
Balance at 31 December 2016		**11**	**1,244**	**-**	**-**	**37,454**	**38,709**
Balance at 1 July 2017		**624,015**	**1,244**	**(545,068)**	**162**	**43,616**	**123,969**
Profit for the period		-	-	-	-	17,787	17,787
Total comprehensive income for the period		-	-	-	-	17,787	17,787
Transactions with owners, in their capacity as owners and other transfers							
- Issue of shares	14	123,800	-	-	-	-	123,800
- Costs capitalised to equity (net of tax)	14	(1,854)	-	-	-	-	(1,854)
- Recognition of equity settled share based payments		-	-	-	525	-	525
Balance at 31 December 2017		**745,961**	**1,244**	**(545,068)**	**687**	**61,403**	**264,227**

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

Condensed Consolidated Statement of Cash Flows
for the half year ended 31 December 2017

	Note	Half year ended 31 Dec 2017	Half year ended 31 Dec 2016
		$'000	**$'000**
Receipts from customers		149,014	111,659
Payments to suppliers and employees		(120,247)	(83,886)
Income tax paid		(7,187)	(10,991)
Net cash provided by operating activities		**21,580**	**16,782**
Purchase of property, plant and equipment		(64,523)	(1,973)
Purchase of business	11, 8(ii), 12(i)	(43,430)	(11,600)
Purchase of intangible assets	10	(593)	(302)
Proceeds from sale of non-current assets		1,832	1,116
Net cash used in investing activities		**(106,714)**	**(12,759)**
Proceeds from issue of shares	14	120,067	-
Capital raising costs	14	(2,649)	-
Proceeds from borrowing		47,000	10,083
Repayment of borrowing		(73,500)	(3,500)
Hire purchase payments		-	(5,013)
Net interest paid		(2,952)	(2,134)
Net cash provided by financing activities		**87,966**	**(564)**
Net increase in cash held		**2,832**	**3,459**
Cash at beginning of the period		13,278	5,358
Cash at the end of the period		**16,110**	**8,817**

Non Cash Transactions
During the current period, the Group acquired $Nil of Property, Plant and Equipment under finance leases (31 December 2016: $17.660 million).

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

Note 1: General Information

Bingo Industries Limited (“the Company”) is a company incorporated in Australia and listed on the Australian Stock Exchange. The Company was incorporated as a public company on 3 March 2017. On 9 May 2017 the shareholders of the Company and Bingo Holdings Pty Limited and its controlled entities undertook a corporate reorganisation process to facilitate an Initial Public Offering (“IPO”). Consequently, the Company acquired the already operating Bingo Holdings Pty Limited and its controlled entities (Pre-IPO Bingo Group).

This corporate reorganisation does not represent a business combination in accordance with AASB 3 ‘Business Combinations’, and the appropriate accounting treatment for recognising the new group structure is on the basis that the transaction is a form of capital reconstruction and group reorganisation. Accordingly the financial statements have been presented as a continuation of the Pre-IPO Bingo Group. As such, financial statements of the Group include the historical financial information of the Pre-IPO Bingo Group for the period before the acquisition. These financial statements include the financial results for the Group from 1 July 2017 to 31 December 2017.

The comparative information presented in the financial statements represents the financial position of the Group as at 30 June 2017, and the financial performance of the Pre-IPO Bingo Group for the half year ended 31 December 2016.

The consolidated financial statements of the Company and its controlled entities (“the Group”) were authorised for issue by the Directors on 27 February 2018.

The principal activities of the Group during the financial year were to provide waste management solutions for domestic and commercial business, operate state of the art recycling centres and the manufacture of bins. No significant change in the nature of these activities occurred during the financial year.

The address of its registered office and principal place of business are as follows:

305 Parramatta Road
Auburn NSW 2144

Note 2: Summary of Significant Accounting Policies

Statement of compliance

These general purpose financial statements for the half year ended 31 December 2017 have been prepared in accordance with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with IAS 34.

These half year financial statements do not include all the notes that are normally included in the annual financial statements. Therefore, the statements should be read in conjunction with the annual reports for the year ended 30 June 2017 along with any public announcements by Bingo Industries during the half year ended 31 December 2017 in accordance with the continuous disclosure requirements under the *Corporations Act 2001*.

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars.

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those that were adopted and disclosed in the annual financial report for the financial year ended 30 June 2017. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Comparative information

Prior year balances have been adjusted to reflect reclassifications within the consolidated income statement.

Comparative expenses in the statement of profit and loss of $2.6 million have been reclassified to Trucks and Machinery expenses. $2.4 million of the costs were previously included in Tipping and Transport expenses with the remaining $0.2 million previously included within Other expenses.

Note 2: Summary of Significant Accounting Policies (continued)

New Accounting Standards and Interpretations for Application in Future Periods

There were no new standards adopted by the Group since 30 June 2017.

At the date of authorisation of the financial statements, the Standards and Interpretations relevant to the Group listed below were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
• AASB 9 'Financial Instruments', and the relevant amending standards Based on an initial assessment, the new standard is not expected to significantly impact the Group's determination of doubtful debts or the accounting for derivative financial instruments.	1 January 2018	30 June 2019
• AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15' The Group is undertaking a comprehensive review of the implementation impacts of AASB 15 and has not yet reached a final determination of the impacts of this accounting standard. However, based on an initial assessment, the new standard is not expected to significantly impact revenue recognition or the treatment of contract costs of the Group.	1 January 2018	30 June 2019
• AASB 16 Leases The impact to the Group has not yet been determined. However, we note that any operating leases will increase assets, increase liabilities, decrease operating expenses and increase interest expense.	1 January 2019	30 June 2020

Note 3: Revenue and Other Income

	Half year ended 31 Dec 2017 $'000	Half year ended 31 Dec 2016 $'000
Sales revenue	141,754	99,008
Other income		
Equipment rental – related company	600	450
Other income	40	-
Total other income	640	450
Total revenue and other income	**142,394**	**99,458**

Note 4: Expenses

Profit before income tax includes the following specific expenses:

	Half year ended 31 Dec 2017 $'000	Half year ended 31 Dec 2016 $'000
Depreciation	7,924	5,121
Customer relationships amortisation	1,239	773
Software amortisation	273	137
Depreciation and amortisation	9,435	6,031

Note 5: Finance Costs

	Half year ended 31 Dec 2017 $'000	Half year ended 31 Dec 2016 $'000
Interest expense – Loans and other	2,825	2,058
Interest expense – Finance lease liabilities	529	-
Interest expense – Deferred settlement liabilities	121	-
Amortised borrowing costs	215	107
	3,690	2,165
Interest received	(33)	(33)
Net finance costs	**3,657**	**2,132**

Note 6: Segment Reporting

The Group has identified its operating segments based on how the Chief Operating Decision Maker (CODM) reviews internal reports in order to assess the performance of the Group. The CODM of the Group is the Chief Executive Officer. Based on management's assessment of the internal reports being reviewed by the CODM, the Group has identified the following reportable segments:

- **Collections** – includes hire of bins and collection of building, demolition, industrial and commercial waste; and
- **Post Collections** – facility centres which recycle or dispose collected construction waste.

All other segments are reflected as "Other segments" on the basis that these are not considered reportable segments. The "Other segments" category mainly includes manufacture and supply of bins.

Assets, liabilities and taxes are not disclosed as they are not provided to the CODM and are only reported on a group basis. The Group only operates in Australia.

Segment Report	Collections	Post Collections	Other	Eliminations	Total
Half year ended 31 Dec 2017	$'000	$'000	$'000	$'000	$'000
Revenue					
Sales	78,476	81,780	12,685	(31,187)	141,754
Other income	16	2	622	-	640
Total Revenue and other income	78,492	81,782	13,307	(31,187)	142,394
EBITDA	17,979	24,000	1,865	-	43,844
Depreciation and amortisation					(9,435)
Acquisition costs					(1,941)
Capital raising costs					(410)
Integration costs					(1,694)
Performance contract amortisation					(141)
Net finance costs					(3,657)
Profit before income tax					26,566
Income tax expense					(8,779)
Profit after tax					**17,787**

Note 6: Segment Reporting (continued)

Segment Report	Collections	Post Collections	Other	Eliminations	Total
Half year ended 31 Dec 2016	$'000	$'000	$'000	$'000	$'000
Revenue					
Sales	60,805	53,320	8,310	(23,427)	99,008
Other income	-	-	450	-	450
Total Revenue and other income	60,805	53,320	8,760	(23,427)	99,458
EBITDA	15,116	12,690	1,377	-	29,183
Depreciation and amortisation					(6,031)
Acquisition costs					(31)
Capital raising costs					(740)
Performance contract amortisation					(203)
Net finance costs					(2,132)
Profit before income tax					20,046
Income tax expense					(6,374)
Profit after tax					**13,672**

Note 7: Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing the net profit after income tax attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the financial period. The financial statements have been presented as a continuation of the Pre-IPO Bingo Group, therefore the weighted average number of ordinary shares outstanding during the PCP includes the number of shares that were issued to the shareholders of the Pre-IPO Bingo Group (104,700,000) as well as the equivalent number of shares that were issued as part of the IPO to be able to return capital to the shareholders of the Pre-IPO Bingo Group (197,777,778) as though they had been outstanding during the entire PCP.

Diluted earnings per share
Diluted earnings per share adjusts basic earnings per share to take into account the after tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Dilutive potential ordinary shares are limited to performance rights issued under the Group's long term and short term incentive plans. The dilutive effect of the performance rights on the basic earnings per share reported above is not material.

Note 7: Earnings Per Share (continued)

		Half year ended 31 Dec 2017	Half year ended 31 Dec 2016
Basic earnings per share		5.0 cents	4.5 cents
Diluted earnings per share		4.9 cents	4.5 cents
Profit after income tax	$'000	17,787	13,672
Weighted average number of ordinary shares used in the calculation of:			
- Basic earnings per share	No. of shares	358,168,505	302,477,778
- Diluted earnings per share	No. of shares	359,718,244	302,477,778
Reconciliation of weighted average number of ordinary shares used in the calculation of:			
- Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	No. of shares	358,168,505	302,477,778
Adjustments for calculation of diluted earnings per share:			
– Weighted average number of dilutive options and rights	No. of shares	1,549,739	-
- Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	No. of shares	359,718,244	302,477,778

Note 8: Other Assets

	As at 31 Dec 2017	As at 30 Jun 2017
	$'000	**$'000**
Accrued revenue	204	436
Performance consideration (i)	567	708
Deposits paid (ii)	5,019	672
Prepayments	2,032	673
Other	3,087	-
Total	**10,909**	**2,489**

(i) Performance consideration refers to a previously made payment for a one-off remuneration arrangement as a result of a business combination made in the year ended 30 June 2015. This balance is being amortised over the period of employment services.

(ii) Deposits paid includes an amount of $1,885,000 paid in relation to the acquisition of NRG which completed on 8 January 2018, plant and equipment of $1,583,000 and other items of $1,551,000.

Note 9: Property, Plant & Equipment

	As at 31 Dec 2017	As at 30 Jun 2017
	$'000	**$'000**
Land and buildings at cost	107,287	101,843
Land and buildings – work in progress (i)	96,387	-
Land and buildings – total	203,674	101,843
Land and buildings accumulated depreciation	(489)	(100)
Land and buildings net	**203,185**	**101,743**
Lease improvements at cost	2,948	1,381
Lease improvements accumulated depreciation	(227)	(125)
Lease improvements net	**2,721**	**1,256**
Plant and equipment at cost	83,554	64,647
Plant and equipment accumulated depreciation	(17,567)	(12,845)
Plant and equipment net	**65,987**	**51,802**
Trucks and machinery at cost	51,763	42,440
Trucks and machinery accumulated depreciation	(9,941)	(7,928)
Trucks and machinery net	**41,822**	**34,512**
Total property plant & equipment	**313,715**	**189,313**

(i) On 11 December 2017, the Group completed the acquisition of land at Patons Lane (“Patons Lane”). Patons Lane is a greenfield resource recovery centre (“RRC”) and landfill in Western Sydney with development approvals in place. The carrying value of Patons Lane as at 31 December 2017 was $92.7 million, which includes capitalised costs.

Note 9: Property, Plant & Equipment (continued)

	Land and Buildings at cost $'000	Leasehold Improvements at cost $'000	Plant & Equipment at cost $'000	Trucks & Machinery at cost $'000	Total $'000
Cost					
Balance at 1 July 2017	101,843	1,381	64,647	42,440	210,311
Additions	1,844	1,567	13,431	5,549	22,391
Disposals	-	-	(522)	(1,990)	(2,512)
Acquisition through business combinations	3,600	-	5,998	5,764	15,362
Work in progress (ii)	96,387	-	-	-	96,387
Balance as at 31 December 2017	**203,674**	**2,948**	**83,554**	**51,763**	**341,939**
Accumulated depreciation					
Balance at 1 July 2017	100	125	12,845	7,928	20,998
Depreciation expense	389	102	4,944	2,489	7,924
Write back on disposal	-	-	(222)	(476)	(698)
Balance at 31 December 2017	**489**	**227**	**17,567**	**9,941**	**28,224**
Net book value at 30 June 2017	**101,743**	**1,256**	**51,802**	**34,512**	**189,313**
Net book value at 31 Dec 2017	**203,185**	**2,721**	**65,987**	**41,822**	**313,715**

(ii) Includes Patons Lane and other works under construction.

Note 10: Intangible Assets

	As at 31 Dec 2017 $'000	As at 30 Jun 2017 $'000
Goodwill (i)	73,715	44,317
Customer relationships	7,236	8,475
Patents and Trademarks	80	80
Software	1,645	1,325
Total intangibles	**82,676**	**54,197**

(i) As disclosed in Note 11 Business Combinations, the fair values of the assets and liabilities acquired during the current period are provisional values and pending final valuations. On completion of the final valuations the balances for the acquisition may be revised in accordance with applicable Australian Accounting Standards. This is likely to result in the restatement of goodwill recognised with these business combinations and the initial recognition of other intangible assets, including customer relationships. Refer to Note 11 for further information.

Note 10: Intangible Assets (continued)

	Note	Goodwill	Customer relationships	Patents & Trademarks	Software	Total
		$'000	$'000	$'000	$'000	$'000
Balance as at 1 July 2016		**35,292**	**7,059**	**69**	**934**	**43,354**
Acquisition of businesses		867	233	-	-	1,100
Additions		-	-	7	302	309
Amortisation		-	(773)	-	(137)	(910)
Balance as at 31 December 2016		**36,159**	**6,519**	**76**	**1,099**	**43,853**
Consists of:						
Costs		36,159	7,962	76	1,434	45,631
Accumulated amortisation		-	(1,443)	-	(335)	(1,778)
Balance as at 31 December 2016		**36,159**	**6,519**	**76**	**1,099**	**43,853**
Balance as at 1 July 2017		**44,317**	**8,475**	**80**	**1,325**	**54,197**
Acquisition of businesses	10	29,398	-	-	-	29,398
Additions		-	-	-	593	593
Amortisation		-	(1,239)	-	(273)	(1,512)
Balance as at 31 December 2017		**73,715**	**7,236**	**80**	**1,645**	**82,676**
Consists of:						
Costs		73,715	10,830	80	2,389	87,014
Accumulated amortisation		-	(3,594)	-	(744)	(4,338)
Balance as at 31 December 2017		**73,715**	**7,236**	**80**	**1,645**	**82,676**

Allocation of goodwill to cash generating units

Balance as at 31 December 2017	Collections	Post Collections	Other	Corporate	Total
	$'000	$'000	$'000	$'000	$'000
Goodwill	36,561	34,039	3,116	-	73,715
Customer relationships	3,076	3,811	349	-	7,236
Other intangibles	-	-	-	80	80
Software	-	-	-	1,645	1,645
	39,637	37,850	3,465	1,725	82,676

Balance as at 31 December 2016					
Goodwill	18,134	15,009	3,016	-	36,159
Customer relationships	4,234	1,785	500	-	6,519
Other intangibles	-	-	-	76	76
Software	-	-	-	1,099	1,099
	22,368	16,794	3,516	1,175	43,853

Note 10: Intangible Assets (continued)

Impairment of Assets
Goodwill has been allocated for impairment testing purposes to the following operating segments:

- Collections
- Post Collections
- Other

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. An impairment loss, if any, is recognised for the amount by which the carrying amount exceeds its recoverable amount. Based on the Director's assessment, there are no indicators of impairment as at 31 December 2017.

Note 11: Business Combinations

Details of the business combinations during the half year ended 31 December 2017 are provided below:

Half year ended 31 December 2017

Date of Acquisition	Business Segment	Cash consideration	Shares issued	Total consideration
		$'000	$'000	$'000
August 2017	Collections / Post Collections	1,000	-	1,000
September 2017	Collections / Post Collections	6,000	-	6,000
October 2017	Collections / Post Collections	34,014	3,734	37,748
		41,014	3,734	44,748

The fair values of the assets and liabilities acquired during the current period are provisional values and pending final valuations. On completion of the final valuations the balances for the acquisition may be revised in accordance with applicable Australian Accounting Standards. This is likely to result in the restatement of goodwill recognised with these business combinations and the initial recognition of other intangible assets, including customer relationships.

Note 11: Business Combinations (continued)

The aggregated provisional fair value of the identifiable assets and liabilities of the business combinations at their dates of acquisition were:

Provisional fair values recognised on acquisition

Half-year ended 31 December 2017	**Collections**	**Post Collections**	**Total**
	$'000	**$'000**	**$'000**
Assets			
Cash	170	-	170
Debtors	3,489	-	3,489
Plant and equipment	7,478	4,282	11,760
Inventory	2	-	2
Land and buildings	-	3,600	3,600
Customer relationships	-	-	-
Liabilities			
Trade and other payables	(3,189)	-	(3,189)
Employee entitlements	(284)	-	(284)
Income tax liability	(198)	-	(198)
Lease liability	-	-	-
Total net identifiable assets	7,468	7,882	15,350
Goodwill and other intangible assets	18,428	10,970	29,398
Consideration transferred	25,896	18,852	44,748

Total acquisition costs of $1,941,000 have been expensed in the period. This includes preliminary acquisition costs in relation to National Recycling Group (“NRG”) of $1,014,000 that were incurred prior to 31 December 2017. Subsequent to Statement of Financial Position date, the Group completed the acquisition of NRG on 8 January 2018.

The Has-a-Bin business was acquired by the Group in September 2017. The land, which the Greenacre facility is located upon, was acquired by an entity controlled by the Pre-IPO Group shareholders and is leased to the Group.

The businesses were acquired to continue the expansion of all operating divisions within the Group. All businesses have contributed to the revenue and profits of the Group during the period.

Note 11: Business Combinations (continued)

The following table provides a summary of revenue and profit contribution attributable to the additional business generated by the business combinations for the half year ended 31 December 2017.

Date of Acquisition	Business Segment	Half year ended 31 December 2017 Revenue	Profit
		$'000	$'000
August 2017	Collections / Post Collections	822	72
September 2017	Collections / Post Collections	2,825	260
October 2017	Collections / Post Collections	7,640	645

Had these business combinations been effected at 1 July 2017, revenue of $22.7 million and profit after tax of $2.0 million would have been contributed to the Group. These numbers exclude amortisation costs that are expected to be in the range of $1.4 million to $1.8 million per annum, associated with initial recognition of customer contracts that are yet to be recognised due to provisional accounting as at 31 December 2017. The Directors consider these 'pro-forma' numbers to represent an approximate measure of the performance of the combined group on a semi-annualised basis and to provide a reference point for comparison in future periods.

Note 12: Trade and Other Payables

	As at 31 Dec 2017	As at 30 Jun 2017
	$'000	$'000
Current		
Trade creditors	19,191	19,012
Other creditors and accruals	14,656	12,360
Deferred revenue	2,284	1,784
Deferred settlement (i) (ii)	28,981	700
Total trade and other payables (Current)	**65,112**	**33,856**
Non-Current		
Deferred settlement (ii)	28,355	-
Total other payables (Non-Current)	**28,355**	**-**

(i) A Collections acquisition during the financial year ended 30 June 2017 included a deferred settlement of $0.7 million. This was subsequently settled in July 2017.

(ii) On 11 December 2017, the Group completed the acquisition of land at Patons Lane. The consideration for Patons Lane is $90 million, structured over three payments of $30 million in December 2017, December 2018 and July 2019. As the second and third payments are deferred beyond normal credit terms, the amount recognised as a current ($28.98 million) and non-current ($28.36 million) liability is measured as the present value of these expected future payments.

Note 13: Borrowings

	As at 31 Dec 2017	As at 30 Jun 2017
	$'000	$'000
Current - secured		
Finance lease liabilities (i)	1,736	1,700
Total borrowings (Current)	**1,736**	**1,700**
Non-Current - secured		
Bank loan (ii)	90,000	116,500
Borrowing costs	(912)	(1,097)
Finance lease liabilities (i)	17,428	17,265
Total borrowings (Non-Current)	**106,516**	**132,668**

(i) The finance lease liabilities relate to properties under put and call options.

(ii) During the period, bank loans reduced from $116.5 million as at 30 June 2017 to $90.0 million as at 31 December 2017. This was due to repayments of $73.5 million that were partially offset by drawdowns of $47.0 million during the period. There has been no change to the terms of the borrowing facility in the current period. Refer to Condensed Consolidated Statement of Cash Flows for further details.

Note 14: Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Share capital	**As at 31 December 2017**		**As at 31 December 2016**	
Details	**Number of shares**	**$'000**	**Number of shares**	**$'000**
Ordinary share capital				
Fully paid ordinary shares	413,907,168	745,961	11,000	11

Movements in ordinary share capital		**Half year ended 31 December 2017**		**Half year ended 31 December 2016**	
Date	**Details**	**Number of shares**	**$'000**	**Number of shares**	**$'000**
	On issue at 1 July	349,000,000	624,015	11,000	11
	Movements:				
02/10/2017	Issue of shares as consideration for Business Combination (i)	1,714,663	3,734	-	-
06/12/2017	Issue of shares under Entitlement Offer (Institutional tranche) (ii)	55,723,531	105,875	-	-
21/12/2017	Issue of shares under Entitlement Offer (Retail tranche) (ii)	7,468,974	14,191	-	-
31/12/2017	Capital raising transaction costs during the year (net of tax)	-	(1,854)	-	-
	On issue at 31 December	**413,907,168**	**745,961**	**11,000**	**11**

(i) No cash consideration was paid as the issued shares form part of the consideration for the acquisition of Konstruct Environmental Pty Limited.

(ii) On 27 November 2017 the Group announced a range of initiatives to increase network capacity expansion across Victoria and NSW, including acquisitions and organic redevelopment opportunities. These initiatives were funded by equity. The equity was raised via a 1 for 5.55 pro-rata accelerated non-renounceable entitlement offer priced at $1.90 per share (Entitlement Offer).

Note 15 Dividends

	Half year ended 31 December 2017		Half year ended 31 December 2016	
	Cents per share	Total $'000	Cents per share	Total $'000
Dividends paid during the period				
Final dividend relating to prior period	-	-	-	-
Dividends proposed and not recognised as a liability at the end of the period				
Interim dividend for financial year (i)	1.72	7,119	-	-

(i) On 26 February 2018, the Directors declared a fully franked interim dividend of 1.72 cents per share to the holders of fully paid ordinary shares in respect of the half year ended 31 December 2017 (2016: Nil), to be paid to shareholders on 29 March 2018. This dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is $7,119,203 (2016: Nil).

Note 16: Commitments and Contingencies

	As at 31 Dec 2017 $'000	As at 30 Jun 2017 $'000
Capital commitments Significant capital expenditure contracted for at the end of the reporting period but not recognised as a liability is as follows:		
Property, plant & equipment	7,430	2,975

Contingent liabilities

Bingo has received notification from the Environment Protection Authority (EPA) that the regulator is seeking to impose a fine in respect to Bingo's Minto facility and its breach of its licensed throughput limit. The prior agreement with the EPA on the facility avoided the need for court proceedings on the issue of the operations for the balance of the annual reporting period under the Environment Protection Licence (EPL). The EPA has indicated there will be separate court proceedings in relation to any monetary penalty that is to be imposed as a consequence of the licence breach. The EPA has not informed Bingo of its view on the quantum of the fine that it will seek to impose.

Note 17: Fair Values of Financial Assets and Financial Liabilities

The carrying value of all financial assets and liabilities approximate fair value.

Note 18: Events Subsequent to Reporting Date

On 8 January 2018, the Group completed the acquisition of National Recycling Group ("NRG"). NRG is a building and demolition recycling and waste management business servicing more than 300 customers in NSW and Victoria; operating under the brands – DATS Environmental Services, Melbourne Recycling Centres and Harpers Bin Hire. The transaction consolidates Bingo's vertically integrated recycling and waste management business in NSW and accelerates its expansion in Victoria. NRG was acquired via a share sale agreement for $51.1 million, comprising of $37.7 million for the operating business and $13.4 million for two freehold properties at Artarmon, NSW and Campbellfield, Victoria. The initial accounting for the business combination is incomplete at the time the Group's financial statements were authorised for issue, and accordingly details of the financial effect of the business combination have not been disclosed.

The Directors of the Company declared an interim dividend on ordinary shares in respect to the half year ended 31 December 2017. The total amount of the dividend is $7.12 million, which represents a fully franked dividend of 1.72 cents per share. The dividend has not been provided for in the financial statements for the half year ended 31 December 2017.

Other than the above, there have been no other matters or circumstances that have arisen since 31 December 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in periods subsequent to the half year ended 31 December 2017.

Directors' Declaration

The Directors declare that:

(a) 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; and

(b) In the Director's opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of Directors, pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Directors

Michael Coleman	**Daniel Tartak**
Non-Executive Director and Chair	Managing Director and Chief Executive Officer

27 February 2018
Sydney

Deloitte.

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Independent Auditor's Review Report to the Members of Bingo Industries Limited

We have reviewed the accompanying half-year financial report of Bingo Industries Limited, which comprises the condensed statement of financial position as at 31 December 2017, the condensed statement of comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity 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 end of the half-year or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 2017 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*. As the auditor of Bingo Industries Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Bingo Industries Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Deloitte.

Conclusion

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 Bingo Industries 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 2017 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Tara Hill
Partner
Chartered Accountants
Sydney, 27 February 2018

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