

**MAAS Group Holdings Limited**  
**Appendix 4D**  
**Half-year report**

**1. Company details**

Name of entity:	MAAS Group Holdings Limited
ABN:	84 632 994 542
Reporting period:	For the half-year ended 31 December 2021
Previous period:	For the half-year ended 31 December 2020

**2. Results for announcement to the market**

			\$
Revenues from ordinary activities	up	53.4% to	197,200,682
Profit from ordinary activities after tax attributable to the owners of MAAS Group Holdings Limited	up	25.2% to	14,610,442
Profit for the half-year attributable to the owners of MAAS Group Holdings Limited	up	25.2% to	14,610,442

*Dividends*

	Amount per security Cents	Franked amount per security Cents
Final dividend for the year ended 30 June 2021	3	3
Interim dividend for the year ending 30 June 2022	2	2

*Comments*

The profit for the consolidated entity after providing for income tax and non-controlling interest amounted to \$14,610,442 (31 December 2020: \$11,670,409).

Reference is made to the *Review of Operations* in the Directors' Report contained in the attached Interim Financial Report for MAAS Group Holdings Limited for the half-year ended 31 December 2021.

**3. Net tangible assets**

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>101.03</u>	<u>75.11</u>

**4. Control gained over entities**

For details on the acquisition of subsidiaries refer to note 24.

**5. Loss of control over entities**

There was no material disposal of subsidiaries during the half-year.

## **6. Dividends**

### *Current period*

	<b>Amount per security Cents</b>	<b>Franked amount per security Cents</b>
Final dividend for the year ended 30 June 2021	3	3
Interim dividend for the year ending 30 June 2022	2	2

### *Previous period*

Interim dividend for the year ending 30 June 2021	2	2
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## **7. Dividend reinvestment plans**

During the year, MGH has a Dividend Reinvestment Plan (DRP) in operation. Under the DRP, eligible shareholders may elect to have dividends and some or all of their ordinary shares automatically reinvested in additional MGH shares at a discount to the volume-weighted average price ("VWAP") for the 5 days immediately after the day after the record date. The board has determined that the discount to the VWAP will be 2.5%. Full details of the DRP are contained in the plan terms and conditions available on the MAAS Group Holdings Limited website: [www.investors.maasgroup.com.au/investor-centre/?page=dividends](http://www.investors.maasgroup.com.au/investor-centre/?page=dividends)

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## **8. Details of associates and joint venture entities**

The company owns a 45.7% interest in the 1990 Elizabeth Property Unit Trust ("1990 Trust") which holds a development site in the Western Sydney Airport precinct at Badgery's Creek. The company is guaranteed two seats on the board of the trustee of the 1990 Trust and participates in significant and financial operating decisions. Although the company does not have control of the Trust, it does have significant influence. No movement in this investment has been realised in the current financial period.

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## **9. Foreign entities**

*Details of origin of accounting standards used in compiling the report:*

Not applicable. Australian Accounting Standards are utilised when compiling the financial report.

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## **10. Audit qualification or review**

*Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Financial Report.

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## **11. Attachments**

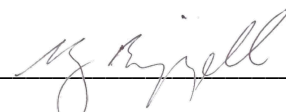
*Details of attachments (if any):*

The Interim Financial Report of MAAS Group Holdings Limited for the half-year ended 31 December 2021 is attached.

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**MAAS Group Holdings Limited**  
**Appendix 4D**  
**Half-year report**

**12. Signed**

Signed  \_\_\_\_\_

Stephen G Bizzell  
Chairman  
Dubbo

Date: 24 February 2022

# **MAAS Group Holdings Limited**

**ABN 84 632 994 542**

**Interim Financial Report - 31 December 2021**

**MAAS Group Holdings Limited**  
**Corporate directory**  
**31 December 2021**

Directors	Stephen G Bizzell - Non-executive Chairman Wesley J Maas - Managing Director and Chief Executive Officer Stewart A Butel - Non-executive Director Neal M O'Connor - Non-executive Director Michael J Medway - Non-executive Director David Keir - Non-executive Director
Company secretary	Craig G Bellamy
Registered office and Principal place of business	20 L Sheraton Road Dubbo NSW 2830
Auditor	BDO Audit Pty Ltd Level 10, 12 Creek Street Brisbane QLD 4000
Solicitors	Duffy Elliott 148 Brisbane Street Dubbo NSW 2830  Maddocks Angel Place Level 27 123 Pitt Street Sydney NSW 2000
Bankers	Commonwealth Bank of Australia Limited Level 9 201 Sussex Street Sydney NSW 2000  Westpac Banking Corporation Level 3 275 Kent Street Sydney NSW 2000
Stock exchange listing	MAAS Group Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: MGH)
Website	<a href="http://www.maasgroup.com.au">www.maasgroup.com.au</a>

**MAAS Group Holdings Limited**  
**Directors' report**  
**31 December 2021**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'group') consisting of MAAS Group Holdings Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

**Directors**

The following persons were directors of MAAS Group Holdings Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Stephen G Bizzell - Chairman  
Wesley J Maas - Managing Director and Chief Executive Officer  
Stewart A Butel  
Neal M O'Connor  
Michael J Medway  
David Keir (appointed 5 October 2021)

**Principal activities**

During the financial half-year the principal activities of the consolidated entity consisted of:

- Real estate
- Civil, construction and hire
- Manufacturing
- Construction materials

The Real Estate activities of the consolidated entity for the half-year consisted of residential development, housing construction and commercial development in Regional New South Wales.

The Civil, Construction and Hire activities of the consolidated entity for the half-year consisted of civil, construction and hire of above-ground, underground and specialised electrical equipment, electrical services and machinery sales within Australia.

The Manufacturing activities of the consolidated entity for the half-year consisted of the manufacture of equipment and the sale of equipment and spare parts. The consolidated entity conducted its operations from Australia, Vietnam and Indonesia with sales to multiple global jurisdictions.

The Construction Materials activities of the consolidated entity for the half-year consisted of the operation of fixed and mobile plant quarries, crushing services, concrete transport services and geotechnical services within Australia.

**Review of operations**

The profit for the consolidated entity after providing for income tax and non-controlling interest amounted to \$14,610,442 (31 December 2020: \$11,670,409).

Reconciliation of profit before income tax (audited) to EBITDA and Adjusted EBITDA (unaudited):

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	\$	\$
Profit before income tax expense	20,788,545	15,623,624
Depreciation and amortisation	13,082,457	6,860,996
Interest revenue	(7,897)	(6,018)
Finance costs	3,073,594	4,419,985
EBITDA	<u>36,936,699</u>	<u>26,898,587</u>
Transaction costs in connection with the IPO and preparation towards the IPO	-	1,671,305
Transaction costs relating to business combinations	1,876,806	139,397
Other non-recurring expenses	-	<u>140,558</u>
Adjusted EBITDA	<u><u>38,813,505</u></u>	<u><u>28,849,847</u></u>

**MAAS Group Holdings Limited**  
**Directors' report**  
**31 December 2021**

Reconciliation of Adjusted EBITDA to Proforma EBITDA (unaudited):

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	<b>\$</b>	<b>\$</b>
Adjusted EBITDA	38,813,505	28,849,847
Pre-acquisition EBITDA of business combinations	972,244	1,533,696
Share-based payment expense (relating to business combination)	351,636	-
	<u>40,137,385</u>	<u>30,383,543</u>

EBITDA, Adjusted EBITDA and Proforma EBITDA are non-IFRS earnings measures which do not have any standardised meaning prescribed by IFRS and therefore may not be comparable to EBITDA presented by other companies. These measures, which are unaudited, are important to management as an additional way to evaluate the consolidated entity's performance.

Adjusted EBITDA excludes the effects of significant items of income and expenditure which may have an impact on the quality of earnings because of isolated or non-recurring events. It also excludes bargain purchases from business combinations. Interest income and finance costs have been allocated to segments, however going forward this type of activity will be driven by a central treasury function and will therefore not be allocated to segments. Refer to segment note 4 to the financial statements for further details of the consolidated entity's results which have been broken down to 4 segments: (1) Real Estate; (2) Civil, Construction and Hire; (3) Manufacturing; and (4) Construction Materials.

Proforma EBITDA is adjusted for the pre-acquisition earnings of business combinations and non-operational items during the half-year including share-based payments and fair value movement of contingent consideration.

**Significant changes in the state of affairs**

The consolidated entity acquired Redimix, Inverell, A1 Earthworx, Stanaway, MAAS Construction, MAAS Plumbing, Spacey Self Storage, Brett Harvey and Westwood during the half-year. Redimix is a concrete and aggregate business operating in Tamworth, NSW reporting into the Construction Materials segment. Inverell is a land and business construction materials acquisition in Inverell, NSW. Westwood is a construction materials acquisition further increasing the group's capability in Central Queensland. A1 earthmoving is a civil construction and machinery business in Mudgee, NSW further enhancing the group's capability in its Civil, Construction & Hire segment. Stanaway is a commercial construction business located in Dubbo, NSW which will increase capacity to deliver on the group's commercial development portfolio. Brett Harvey is a residential home building company based in Dubbo, NSW whose acquisition strengthens the vertically integrated house and land package delivery capability within the real estate segment. MAAS Construction and MAAS Plumbing provide enhanced construction capability in the commercial development portfolio. Spacey Self Storage is a self storage business operating in regional centres across NSW and ACT. The total consideration for these businesses was \$ 88,418,715 (note 24).

MAAS Group Holdings Limited issued 27,180,281 new ordinary shares during the half-year, resulting in issued share capital increasing from \$279,635,572 to \$417,031,671 (refer note 20). The share capital increase is represented by cash proceeds of \$87,251,648 relating to capital raises, a DRP of \$6,012,402 and \$45,442,684 as part consideration for businesses acquired during the period.

There were no other significant changes in the state of affairs of the consolidated entity during the financial half-year.

**Matters subsequent to the end of the financial half-year**

The Directors declared a fully franked interim dividend of 2 cents per share on 24 February 2022. The dividend is subject to a dividend reinvestment plan ("DRP") and the reinvestment price for those shareholders who elect to participate in the DRP will be a 2.5% discount to the five-day VWAP for the five trading days immediately after the dividend record date.

No other matter or circumstance has arisen since 31 December 2021 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 future financial years.

**Likely developments and expected results of operations**

Other than the following acquisitions listed below, no other information on likely developments in the operations of the consolidated entity and the expected results of operations has been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

**MAAS Group Holdings Limited**  
**Directors' report**  
**31 December 2021**

*Earth Commodities*

On 9 September 2021, the consolidated entity entered into an agreement to acquire the business owned and operated by Earth Commodities Gladstone Pty Ltd ("ECG"). The acquisition is expected to complete on 24 February 2022. The purchase price comprises of cash on completion of \$7.5 million. The financial effects of this transaction have not been recognised at 31 December 2021. The operating results and assets and liabilities of the acquired company will be consolidated from the date of completion. ECG will be reported in the Construction Materials segment further complimenting the Queensland quarry offering.

*Dawson*

On 17 December 2021, the consolidated entity entered into a share purchase agreement to acquire all the issued shares of Dawson Quarries Pty Ltd ("Dawson"). The acquisition is expected to complete in March 2022. The purchase price comprises of cash on completion of \$4 million. The financial effects of this transaction have not been recognised at 31 December 2021. The operating results and assets and liabilities of the acquired company will be consolidated from the date of completion. Dawson will be reported in the Construction Materials segment further complimenting the Queensland quarry offering.

*Astley's Plumbing & Hardware*

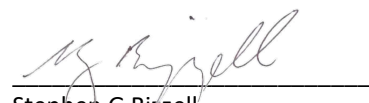
On 2 February 2022, the consolidated entity entered into an agreement to acquire the business and land owned and operated by Rosalu Pty Ltd and Dubplast Pty Ltd, together ("Astleys"). The acquisitions of the business and land is expected to complete on 28 February 2022. The purchase price comprises of cash on completion of \$9 million. The financial effects of this transaction have not been recognised at 31 December 2021. The operating results and assets and liabilities of the acquired company will be consolidated from the date of completion. Astleys will be reported in the Real Estate segment and increase the groups vertically integrated residential and commercial construction capacity.

**Auditor's independence declaration**

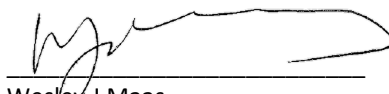
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

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

On behalf of the directors



Stephen G Bizzell  
Chairman



Wesley J Maas  
Managing Director and Chief Executive Officer

24 February 2022  
Dubbo





**DECLARATION OF INDEPENDENCE BY KIM COLYER TO THE DIRECTORS OF MAAS GROUP HOLDINGS LIMITED**

As lead auditor for the review of MAAS Group Holdings Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Maas Group Holdings Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'K L Colyer'.

**K L Colyer**

Director

**BDO Audit Pty Ltd**

Brisbane, 24 February 2022

**MAAS Group Holdings Limited**

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**MAAS Group Holdings Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2021**

		<b>Consolidated</b>	
	<b>Note</b>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>	5	197,200,682	128,572,379
Other income	6	1,785,119	608,629
Interest revenue		7,897	6,018
<b>Expenses</b>			
Purchase of raw materials and consumables used and changes in inventories		(91,994,890)	(67,832,893)
Bad debts		(238,575)	(41,094)
Employee benefits expense		(42,462,886)	(21,066,711)
Depreciation and amortisation expense		(13,082,457)	(6,860,996)
Transaction costs in connection with the IPO and preparation towards the IPO		-	(1,671,305)
Transaction costs relating to business combinations		(1,876,806)	(139,397)
Legal, audit, accounting and consultants		(1,333,791)	(984,691)
Motor vehicle and plant expenses		(4,994,955)	(2,459,725)
Insurance and registration		(3,025,696)	(1,186,945)
Repairs and maintenance		(9,914,864)	(4,632,598)
Rent - short-term and low-value leases		(369,045)	(154,646)
Travel and accommodation		(1,507,421)	(349,295)
Other expenses		(4,330,173)	(1,763,121)
Finance costs		(3,073,594)	(4,419,985)
Total expenses		<u>(178,205,153)</u>	<u>(113,563,402)</u>
<b>Profit before income tax expense</b>		20,788,545	15,623,624
Income tax expense		<u>(6,178,103)</u>	<u>(3,781,200)</u>
<b>Profit after income tax expense for the half-year</b>		14,610,442	11,842,424
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>449,193</u>	<u>(1,300,413)</u>
Other comprehensive income for the half-year, net of tax		<u>449,193</u>	<u>(1,300,413)</u>
<b>Total comprehensive income for the half-year</b>		<u><u>15,059,635</u></u>	<u><u>10,542,011</u></u>
Profit for the half-year is attributable to:			
Non-controlling interest		-	172,015
Owners of MAAS Group Holdings Limited		<u>14,610,442</u>	<u>11,670,409</u>
		<u><u>14,610,442</u></u>	<u><u>11,842,424</u></u>
Total comprehensive income for the half-year is attributable to:			
Non-controlling interest		-	172,015
Owners of MAAS Group Holdings Limited		<u>15,059,635</u>	<u>10,369,996</u>
		<u><u>15,059,635</u></u>	<u><u>10,542,011</u></u>

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

**MAAS Group Holdings Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2021**

	<b>Note</b>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	27	5.2	5.4
Diluted earnings per share	27	5.2	5.4

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

**MAAS Group Holdings Limited**  
**Consolidated statement of financial position**  
**As at 31 December 2021**

		<b>Consolidated</b>	
	<b>Note</b>	<b>31 Dec 2021</b>	<b>30 June 2021</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	31,758,204	17,996,088
Trade and other receivables	8	47,555,600	37,744,713
Contract assets	9	16,202,625	8,619,042
Inventories	10	71,316,668	57,005,110
Income tax refund due		2,246,403	1,671,066
Non-current assets classified as held for sale	11	3,012,183	4,280,000
Other assets	12	10,300,017	4,409,039
<b>Total current assets</b>		<u>182,391,700</u>	<u>131,725,058</u>
<b>Non-current assets</b>			
Inventories	10	41,739,230	31,860,261
Investments accounted for using the equity method		8,000,000	8,000,000
Investment properties	13	100,939,940	25,843,360
Property, plant and equipment	14	266,481,119	232,995,733
Intangibles	15	101,357,242	54,284,656
Deferred tax		6,636,781	4,361,322
Other assets	12	145,812	137,510
<b>Total non-current assets</b>		<u>525,300,124</u>	<u>357,482,842</u>
<b>Total assets</b>		<u>707,691,824</u>	<u>489,207,900</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	16	45,296,002	38,252,457
Contract liabilities	17	9,937,479	7,037,767
Borrowings and lease liabilities	18	36,140,204	35,604,509
Employee benefits		5,508,807	4,108,329
Provisions	19	4,080,572	1,128,174
Other - deferred consideration payable		1,254,833	333,333
<b>Total current liabilities</b>		<u>102,217,897</u>	<u>86,464,569</u>
<b>Non-current liabilities</b>			
Borrowings and lease liabilities	18	159,013,818	121,280,786
Deferred tax		28,788,894	25,338,029
Employee benefits		580,530	390,873
Provisions	19	18,531,716	1,000,000
Other - deferred consideration payable		-	333,333
<b>Total non-current liabilities</b>		<u>206,914,958</u>	<u>148,343,021</u>
<b>Total liabilities</b>		<u>309,132,855</u>	<u>234,807,590</u>
<b>Net assets</b>		<u>398,558,969</u>	<u>254,400,310</u>

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

**MAAS Group Holdings Limited**  
**Consolidated statement of financial position**  
**As at 31 December 2021**

		<b>Consolidated</b>	
	<b>Note</b>	<b>31 Dec 2021</b>	<b>30 June 2021</b>
		<b>\$</b>	<b>\$</b>
<b>Equity</b>			
Issued capital	20	417,031,671	279,635,572
Other equity - deferred consideration		3,353,774	3,353,774
Reserves	21	(108,384,864)	(109,185,693)
Retained profits		<u>86,558,388</u>	<u>80,596,657</u>
<b>Total equity</b>		<u><u>398,558,969</u></u>	<u><u>254,400,310</u></u>

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

**MAAS Group Holdings Limited**  
**Consolidated statement of changes in equity**  
**For the half-year ended 31 December 2021**

<b>Consolidated</b>	<b>Issued capital</b> <b>\$</b>	<b>Other equity</b> <b>\$</b>	<b>Reserves</b> <b>\$</b>	<b>Retained profits</b> <b>\$</b>	<b>Non-controlling interests</b> <b>\$</b>	<b>Total equity</b> <b>\$</b>
Balance at 1 July 2020	153,643,287	-	(108,658,802)	51,326,145	2,451,929	98,762,559
Profit after income tax expense for the half-year	-	-	-	11,670,409	172,015	11,842,424
Other comprehensive income for the half-year, net of tax	-	-	(1,300,413)	-	-	(1,300,413)
Total comprehensive income for the half-year	-	-	(1,300,413)	11,670,409	172,015	10,542,011
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs	118,096,835	-	-	-	-	118,096,835
Transactions with non-controlling interests	-	-	103,469	-	(2,623,944)	(2,520,475)
Balance at 31 December 2020	<u>271,740,122</u>	<u>-</u>	<u>(109,855,746)</u>	<u>62,996,554</u>	<u>-</u>	<u>224,880,930</u>
<b>Consolidated</b>	<b>Issued capital</b> <b>\$</b>	<b>Other equity</b> <b>\$</b>	<b>Reserves</b> <b>\$</b>	<b>Retained profits</b> <b>\$</b>	<b>Non-controlling interests</b> <b>\$</b>	<b>Total equity</b> <b>\$</b>
Balance at 1 July 2021	279,635,572	3,353,774	(109,185,693)	80,596,657	-	254,400,310
Profit after income tax expense for the half-year	-	-	-	14,610,442	-	14,610,442
Other comprehensive income for the half-year, net of tax	-	-	449,193	-	-	449,193
Total comprehensive income for the half-year	-	-	449,193	14,610,442	-	15,059,635
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs (note 20)	137,396,099	-	-	-	-	137,396,099
Share-based payments	-	-	351,636	-	-	351,636
Dividends paid (note 22)	-	-	-	(8,648,711)	-	(8,648,711)
Balance at 31 December 2021	<u>417,031,671</u>	<u>3,353,774</u>	<u>(108,384,864)</u>	<u>86,558,388</u>	<u>-</u>	<u>398,558,969</u>

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

**MAAS Group Holdings Limited**  
**Consolidated statement of cash flows**  
**For the half-year ended 31 December 2021**

		<b>Consolidated</b>	
	<b>Note</b>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		215,789,903	144,604,029
Payments to suppliers and employees (inclusive of GST)		(179,775,470)	(96,023,885)
Payments for land held for development and resale (inclusive of GST)		(28,494,379)	(15,235,830)
Interest received		7,897	6,018
Interest and other finance costs paid		(2,834,742)	(4,036,740)
Income taxes paid		(5,476,779)	(5,135,980)
Net cash from/(used in) operating activities	26	<u>(783,570)</u>	<u>24,177,612</u>
<b>Cash flows from investing activities</b>			
Payment for purchase of business, net of cash acquired	24	(15,481,449)	(5,795,737)
Payments for investment property		(50,333,987)	(280,868)
Payments for property, plant and equipment		(30,243,882)	(9,388,376)
Payments for intangibles		-	(28,783)
Payments for minority interest in subsidiary		-	(2,520,475)
Payments for deposits		(4,675,843)	(173,458)
Proceeds from disposal of investment property		-	2,176,329
Proceeds from disposal of property, plant and equipment		4,686,066	2,982,773
Net cash used in investing activities		<u>(96,049,095)</u>	<u>(13,028,595)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		87,251,648	82,000,000
Payment for contingent and deferred consideration (long term)		(1,329,333)	(843,334)
Payment of lease liabilities		(5,081,048)	(8,673,263)
Net proceeds from/(payments of) borrowings		33,700,458	(67,524,303)
Share issue transaction costs	20	(1,310,635)	(2,031,057)
Dividends paid		(2,636,309)	-
Net cash from financing activities		<u>110,594,781</u>	<u>2,928,043</u>
Net increase in cash and cash equivalents		13,762,116	14,077,060
Cash and cash equivalents at the beginning of the financial half-year		<u>17,996,088</u>	<u>12,453,302</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>31,758,204</u></u>	<u><u>26,530,362</u></u>

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



**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 1. General information**

The financial statements cover MAAS Group Holdings Limited as a consolidated entity consisting of MAAS Group Holdings Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is MAAS Group Holdings Limited's functional and presentation currency.

MAAS Group Holdings Limited is an ASX listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

20L Sheraton Road  
Dubbo  
NSW 2830

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 February 2022. The directors have the power to amend and reissue the financial statements.

**Note 2. Significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these new or amended Accounting Standards and Interpretations did not have a material impact to the financial statements.

**New standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the consolidated entity. These standards are not expected to have a material impact on the consolidated entity in the current or future reporting periods and on foreseeable future transactions.

**Note 3. Significant changes in the current reporting period**

The financial performance of the consolidated entity was particularly affected by the following events and transactions during the six months to 31 December 2021.

The group acquired Redimix, Inverell, A1 Earthworx, Stanaway, MAAS Construction, MAAS Plumbing, Spacey Self Storage, Brett Harvey and Westwood during the half-year. The total consideration for these businesses was \$88,418,715 (cash and scrip), resulting in the recognition of goodwill of \$35,983,570, other identifiable intangible assets of \$13,098,536 and contingent consideration financial liability of \$21,493,426 and deferred consideration liability of \$917,500. Refer to note 24 for further detail on business combinations.

Land held for development and resale increased by \$19,842,590 in the reporting period. This investment is in line with the continued expansion of residential land banks in Dubbo, Tamworth and Griffith. Operating cash flows pre investment of land held for development and resale was \$27,710,809.

**Note 3. Significant changes in the current reporting period (continued)**

The group issued 27,180,281 new ordinary shares during the half-year, resulting in issued share capital increasing from \$279,635,572 to \$417,031,671 (refer note 20). The share capital increase is represented by cash proceeds of \$87,251,648 relating to capital raises, a DRP of \$6,012,402 and \$45,442,684 as part consideration for businesses acquired during the period.

Investment properties increased in the current period by \$75,096,580 in relation to the further establishment of the group's diverse commercial property portfolio. This increase is driven by the acquisition of RAAF Base Dubbo, Spacey Storage facilities (business combination), the Liberal development site and future land lease communities. The significant portion of the acquisitions are held for development and construction and therefore held at cost at reporting date. For the remaining investment properties held at fair value, a review by an independent valuer was undertaken at 31 December 2021 and it was concluded the fair values have not significantly changed since 30 June 2021, accordingly no fair value movements were recognised in profit or loss. Refer to note 13 for further details.

Following two approvals for increases in banking facility limits, the group's net drawn institutional and vendor debt increased by \$38,268,727. This debt was utilised to fund the diverse growth and acquisition strategies across varying segments. Refer to note 18 for further details.

A significant investment in Assets Under Construction took place in the current period with additions of \$19,226,750. This investment was materially within the Construction Materials segment, bringing quarry plant assets online.

As a result of the business combinations entered into during the period and the growth in operations of the consolidated entity since 31 December 2020, employee head count has increased 133% since the comparative period with approximately \$15.1 million of acquired employment costs. This has resulted in a direct increase in employee benefits expense of \$21,396,175.

**Note 4. Operating segments**

*Identification of reportable operating segments*

During the second half of the 30 June 2021 financial year, management undertook an operational review of the former Tunnelling and Underground Services segment which resulted in the consolidation of the Underground equipment hire operations into MAAS Plant Hire Pty Ltd (Civil, Construction and Hire segment), resulting in a fully integrated hire and workshop operation. The remaining manufacturing and Jacon product sales were established as a stand-alone segment (Manufacturing) with independent management reporting directly to the Group CEO. The current reportable segments are: Real Estate; Civil, Construction and Hire; Manufacturing; and Construction Materials. The 31 December 2020 half-year comparatives have been restated to reflect these changes. The reportable segments of the business are as follows:

<b>Segment</b>	<b>Description of segment</b>
1. Real Estate	<ul style="list-style-type: none"> <li>- Residential Development: develops, builds and sells residential housing estates</li> <li>- Commercial Development and Investment: delivers commercial property and industrial developments, and investing in commercial real estate</li> </ul>
2. Civil, Construction and Hire	<ul style="list-style-type: none"> <li>- Civil Construction: civil infrastructure construction, roads, dams and mining infrastructure</li> <li>- Plant Hire and Sales: above ground plant hire for major infrastructure projects</li> <li>- Electrical Services: electrical infrastructure, communications and specialised services</li> <li>- Underground hard rock mining</li> <li>- Underground Equipment Hire and Repair: hires, maintains, rebuilds and sells second-hand mobile equipment for civil tunnelling and underground hard rock mining</li> </ul>
3. Manufacturing	<ul style="list-style-type: none"> <li>- Manufacturing, sales and distribution of underground construction and mining equipment and parts</li> </ul>
4. Construction Materials	<ul style="list-style-type: none"> <li>- Quarries: supply of quarry materials to construction projects</li> <li>- Crushing and Screening: mobile crushing and screening for quarries, civil works and mining</li> <li>- Geotechnical services</li> </ul>
Other	<ul style="list-style-type: none"> <li>- This includes head office.</li> </ul>

The operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
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**Note 4. Operating segments (continued)**

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

The information reported to the CODM is on a monthly basis.

*Intersegment transactions*

Intersegment transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

*Operating segment information*

<b>Consolidated - 31 Dec 2021</b>	Real Estate \$	Civil, Construction and Hire \$	Manufacturing \$	Construction Materials \$	Other \$	Eliminations and adjustments \$	Total \$
<b>Revenue</b>							
Sales to external customers	38,401,115	102,745,145	8,918,852	44,279,463	-	-	194,344,575
Intersegment sales	1,228,563	14,943,026	235,337	2,882,137	-	(19,289,063)	-
Total sales revenue	39,629,678	117,688,171	9,154,189	47,161,600	-	(19,289,063)	194,344,575
Other revenue	961,541	837,192	(961)	1,058,335	-	-	2,856,107
Interest revenue	6,892	596	274	46	89	-	7,897
<b>Total revenue</b>	<b>40,598,111</b>	<b>118,525,959</b>	<b>9,153,502</b>	<b>48,219,981</b>	<b>89</b>	<b>(19,289,063)</b>	<b>197,208,579</b>
<b>Adjusted EBITDA*</b>							
Depreciation and amortisation	(123,339)	(8,258,693)	(639,802)	(4,190,846)	(380)	130,603	(13,082,457)
Interest revenue	6,892	596	274	46	89	-	7,897
Finance costs	(277,944)	(986,378)	(184,266)	(554,346)	(1,070,660)	-	(3,073,594)
Transaction costs relating to business combinations	(72,500)	-	-	(253,195)	(1,551,111)	-	(1,876,806)
<b>Profit/(loss) before income tax expense</b>	<b>5,724,550</b>	<b>15,423,953</b>	<b>(133,803)</b>	<b>6,357,716</b>	<b>(6,041,703)</b>	<b>(542,168)</b>	<b>20,788,545</b>
Income tax expense							(6,178,103)
<b>Profit after income tax expense</b>							<b>14,610,442</b>
<b>Assets</b>							
Segment assets	259,120,971	247,666,988	43,009,151	157,538,493	5,029,580	(4,673,359)	707,691,824
<b>Total assets</b>							<b>707,691,824</b>
<b>Liabilities</b>							
Segment liabilities	45,129,596	113,043,905	10,143,907	46,238,172	95,011,280	(434,005)	309,132,855
<b>Total liabilities</b>							<b>309,132,855</b>

\* Adjusted EBITDA excludes the effects of significant items of income and expenditure which may have an impact on the quality of earnings because of isolated or non-recurring events.

**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 4. Operating segments (continued)**

	Real Estate	Civil, Construction and Hire	Manufacturing	Construction Materials	Other	Eliminations and adjustments	Total
<b>Consolidated - 31 Dec 2020</b>	\$	\$	\$	\$	\$	\$	\$
<b>Revenue</b>							
Sales to external customers	23,280,440	82,340,686	9,057,901	11,510,187	-	-	126,189,214
Intersegment sales	-	8,758,740	-	4,409,873	-	(13,168,613)	-
<b>Total sales revenue</b>	<b>23,280,440</b>	<b>91,099,426</b>	<b>9,057,901</b>	<b>15,920,060</b>	<b>-</b>	<b>(13,168,613)</b>	<b>126,189,214</b>
Other revenue	1,396,171	425,598	56,162	498,610	6,624	-	2,383,165
Interest revenue	2,676	2,389	559	120	274	-	6,018
<b>Total revenue</b>	<b>24,679,287</b>	<b>91,527,413</b>	<b>9,114,622</b>	<b>16,418,790</b>	<b>6,898</b>	<b>(13,168,613)</b>	<b>128,578,397</b>
<b>Adjusted EBITDA*</b>							
Adjusted EBITDA*	5,261,114	18,008,730	1,900,048	4,672,628	(170,794)	(868,231)	28,803,495
Depreciation and amortisation	(32,970)	(5,419,633)	(343,319)	(1,140,073)	-	74,999	(6,860,996)
Interest revenue	2,676	2,389	559	120	274	-	6,018
Finance costs	(365,401)	(996,710)	(254,646)	(287,611)	(2,337,708)	(177,909)	(4,419,985)
Transaction costs in connection with the IPO	-	-	-	-	(1,671,305)	-	(1,671,305)
Transaction costs relating to business combinations	-	-	-	(139,397)	-	-	(139,397)
Other non-recurring expenses	-	(94,206)	-	-	-	-	(94,206)
<b>Profit/(loss) before income tax expense</b>	<b>4,865,419</b>	<b>11,500,570</b>	<b>1,302,642</b>	<b>3,105,667</b>	<b>(4,179,533)</b>	<b>(971,141)</b>	<b>15,623,624</b>
Income tax expense	-	-	-	-	-	-	(3,781,200)
<b>Profit after income tax expense</b>							<b>11,842,424</b>
<b>Consolidated - 30 June 2021</b>							
<b>Assets</b>							
Segment assets	102,238,397	226,309,545	40,143,717	120,375,211	3,383,498	(3,242,468)	489,207,900
<b>Total assets</b>							<b>489,207,900</b>
<b>Liabilities</b>							
Segment liabilities	26,144,443	108,679,529	15,049,157	47,802,945	37,442,375	(310,859)	234,807,590
<b>Total liabilities</b>							<b>234,807,590</b>

\* Adjusted EBITDA excludes the effects of significant items of income and expenditure which may have an impact on the quality of earnings because of isolated or non-recurring events.

**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 5. Revenue**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	<b>\$</b>	<b>\$</b>
<i>Revenue from contracts with customers</i>		
Construction - civil infrastructure (i)	30,373,727	15,866,692
Construction - residential and commercial (i)	26,370,885	6,657,609
Electrical service (i)	20,043,990	20,699,053
Labour hire and repairs (i)	876,678	1,233,410
Sale of goods - plant, equipment, parts, road-base and aggregates (ii)	69,564,719	49,359,405
Land development and resale (ii)	13,258,793	16,622,831
Geotechnical services	9,243,512	-
	<u>169,732,304</u>	<u>110,439,000</u>
<i>Other revenue</i>		
Equipment and machinery hire	24,612,271	15,750,214
Management fees	-	1,140,000
Rent	593,085	239,340
Sundry revenue	2,263,022	1,003,825
	<u>27,468,378</u>	<u>18,133,379</u>
<b>Revenue</b>	<u><u>197,200,682</u></u>	<u><u>128,572,379</u></u>

(i) Revenue recognised over time

(ii) Revenue recognised at a point in time

*Disaggregation of revenue*

Included in the following tables are reconciliations of the disaggregated revenue and other income with the consolidated entity's reportable segments (refer note 4).

	Real Estate	Civil, Construction and Hire	Manufacturing	Construction Materials	Eliminations	Total
	\$	\$	\$	\$	\$	\$
<b>31 Dec 2021</b>						
Construction - civil infrastructure	-	45,836,187	-	-	(15,462,460)	30,373,727
Construction - residential	26,370,885	-	-	-	-	26,370,885
Electrical service	-	20,043,990	-	-	-	20,043,990
Labour hire and repairs	-	876,678	-	-	-	876,678
Sale of goods - plant, equipment, road-base and aggregates	-	26,350,065	9,154,189	37,104,153	(3,043,688)	69,564,719
Land development and resale	13,258,793	-	-	-	-	13,258,793
Geotechnical services	-	-	-	9,243,512	-	9,243,512
Revenue from contracts with customers	<u>39,629,678</u>	<u>93,106,920</u>	<u>9,154,189</u>	<u>46,347,665</u>	<u>(18,506,148)</u>	<u>169,732,304</u>
Equipment and machinery hire	-	<u>24,581,251</u>	-	813,935	(782,915)	<u>24,612,271</u>
<b>Total sales revenue per segment</b>	<u><u>39,629,678</u></u>	<u><u>117,688,171</u></u>	<u><u>9,154,189</u></u>	<u><u>47,161,600</u></u>	<u><u>(19,289,063)</u></u>	<u><u>194,344,575</u></u>

**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 5. Revenue (continued)**

	Real Estate \$	Civil, Construction and Hire \$	Manufacturing \$	Construction Materials \$	Eliminations \$	Total \$
<b>31 Dec 2021</b>						
Other revenue	961,541	25,418,443	(961)	1,872,270	(782,915)	27,468,378
Equipment and machinery hire disclosed in sales revenue per segment	-	(24,581,251)	-	(813,935)	782,915	(24,612,271)
<b>Total other revenue per segment</b>	<b>961,541</b>	<b>837,192</b>	<b>(961)</b>	<b>1,058,335</b>	<b>-</b>	<b>2,856,107</b>

	Real Estate \$	Civil, Construction and Hire \$	Manufacturing \$	Construction Materials \$	Eliminations \$	Total \$
<b>31 Dec 2020</b>						
Construction - civil infrastructure	-	24,006,551	-	-	(8,139,859)	15,866,692
Construction - residential	6,657,609	-	-	-	-	6,657,609
Electrical service	-	20,699,053	-	-	-	20,699,053
Labour hire and repairs	-	1,233,410	-	-	-	1,233,410
Sale of goods - plant, equipment, road-base and aggregates	-	28,811,466	9,057,901	15,899,911	(4,409,873)	49,359,405
Land development and resale	16,622,831	-	-	-	-	16,622,831
Revenue from contracts with customers	23,280,440	74,750,480	9,057,901	15,899,911	(12,549,732)	110,439,000
Equipment and machinery hire	-	16,348,946	-	20,149	(618,881)	15,750,214
<b>Total sales revenue per segment</b>	<b>23,280,440</b>	<b>91,099,426</b>	<b>9,057,901</b>	<b>15,920,060</b>	<b>(13,168,613)</b>	<b>126,189,214</b>

	Real Estate \$	Civil, Construction and Hire \$	Manufacturing \$	Construction Materials \$	Eliminations \$	Total \$
<b>31 Dec 2020</b>						
Other revenue	1,396,171	16,774,544	56,162	518,759	(612,257)	18,133,379
Equipment and machinery hire disclosed in sales revenue per segment	-	(16,348,946)	-	(20,149)	618,881	(15,750,214)
<b>Total other revenue per segment</b>	<b>1,396,171</b>	<b>425,598</b>	<b>56,162</b>	<b>498,610</b>	<b>6,624</b>	<b>2,383,165</b>

**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 6. Other income**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	\$	\$
Net gain on disposal of property, plant and equipment	1,505,010	28,529
Net fair value gain on financial assets at fair value through profit or loss	-	10,150
Insurance recoveries	187,124	96,746
Net reimbursement of expenses	92,985	40,490
Net gain on disposal of investment properties held for sale	-	32,714
Write back of provision for expected credit loss	-	400,000
	<hr/>	<hr/>
Other income	<u>1,785,119</u>	<u>608,629</u>

**Note 7. Cash and cash equivalents**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	\$	\$
<i>Current assets</i>		
Cash on hand	19,027	-
Cash at bank	31,739,177	17,996,088
	<hr/>	<hr/>
	<u>31,758,204</u>	<u>17,996,088</u>

**Note 8. Trade and other receivables**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	\$	\$
<i>Current assets</i>		
Trade receivables	42,072,572	34,018,656
Other receivables	5,245,439	3,726,057
GST receivable	237,589	-
	<hr/>	<hr/>
	<u>47,555,600</u>	<u>37,744,713</u>

**Note 9. Contract assets**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	\$	\$
<i>Current assets</i>		
Contract assets	16,202,625	8,619,042
	<hr/>	<hr/>
	<u>16,202,625</u>	<u>8,619,042</u>

**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 10. Inventories**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	\$	\$
<i>Current assets</i>		
Raw materials - at cost	7,712,272	7,668,134
Finished goods - at cost	12,101,918	6,756,653
Land held for development and resale	28,773,744	18,810,123
Machines held for resale - at cost	22,728,734	23,770,200
	<u>71,316,668</u>	<u>57,005,110</u>
<i>Non-current assets</i>		
Land held for development and resale	41,739,230	31,860,261
	<u>113,055,898</u>	<u>88,865,371</u>

**Note 11. Non-current assets classified as held for sale**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	\$	\$
<i>Current assets</i>		
Investment properties - at fair value less costs to sell	<u>3,012,183</u>	<u>4,280,000</u>
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:		
Opening balance	4,280,000	6,963,615
Properties sold	-	(2,683,615)
Capitalised subsequent expenditure	12,183	-
Transfer to investment properties (note 13)	(1,280,000)	-
Closing balance	<u>3,012,183</u>	<u>4,280,000</u>



**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 12. Other assets**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	\$	\$
<i>Current assets</i>		
Prepaid expenses	2,698,738	1,991,992
Deposits	6,443,844	1,768,001
Other current assets	1,157,435	649,046
	<u>10,300,017</u>	<u>4,409,039</u>
<i>Non-current assets</i>		
Security deposits	141,495	130,305
Other non-current assets	4,317	7,205
	<u>145,812</u>	<u>137,510</u>
	<u><u>10,445,829</u></u>	<u><u>4,546,549</u></u>

**Note 13. Investment properties**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	\$	\$
<i>Non-current assets</i>		
Investment properties - at fair value	42,493,404	25,644,984
Investment properties under construction - at cost	58,446,536	198,376
	<u>100,939,940</u>	<u>25,843,360</u>

*Reconciliation*

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

Opening balance	25,843,360	14,416,086
Additions	56,971,805	2,142,808
Additions through business combinations (note 24)	16,170,500	-
Transfer from non-current assets held for sale (note 11)	1,280,000	-
Fair value gain	-	9,284,466
Transfer from inventory	294,740	-
Transfer from property, plant and equipment (note 14)	379,535	-
	<u>100,939,940</u>	<u>25,843,360</u>
Closing balance	<u><u>100,939,940</u></u>	<u><u>25,843,360</u></u>

**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 14. Property, plant and equipment**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Quarry land	33,590,625	28,729,803
Less: Accumulated amortisation	(651,352)	(492,039)
	<u>32,939,273</u>	<u>28,237,764</u>
Land and buildings - at cost	32,441,386	33,015,109
Less: Accumulated depreciation	(3,232,304)	(2,484,110)
	<u>29,209,082</u>	<u>30,530,999</u>
Hire equipment and machinery - at cost	118,936,012	111,152,503
Less: Accumulated depreciation	(21,785,751)	(17,173,997)
	<u>97,150,261</u>	<u>93,978,506</u>
Plant and equipment - at cost	93,839,991	68,999,192
Less: Accumulated depreciation	(13,478,487)	(10,300,809)
	<u>80,361,504</u>	<u>58,698,383</u>
Motor vehicles - at cost	21,870,531	20,292,639
Less: Accumulated depreciation	(6,692,005)	(6,032,203)
	<u>15,178,526</u>	<u>14,260,436</u>
Assets under construction - at cost	11,642,473	7,289,645
	<u>266,481,119</u>	<u>232,995,733</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Quarry land	Land and buildings	Hire equipment and machinery	Plant and equipment	Motor vehicles	Assets under construction	Total
<b>Consolidated</b>	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	28,237,764	30,530,999	93,978,506	58,698,383	14,260,436	7,289,645	232,995,733
Additions	6,321	536,389	7,183,882	2,366,872	1,953,736	19,226,750	31,273,950
Additions through business combinations (note 24)	4,900,000	-	-	11,652,610	242,250	-	16,794,860
Disposals	-	-	(1,276,087)	(1,488,635)	(292,179)	(124,155)	(3,181,056)
Transfers from/(to) investment property	-	(379,535)	-	-	-	-	(379,535)
Transfers from/(to) inventory	-	-	41,519	-	-	-	41,519
Exchange differences	-	44,676	-	(36,091)	-	-	8,585
Transfers in/(out)	-	(503,671)	2,108,031	13,151,554	(6,147)	(14,749,767)	-
Depreciation expense	(204,812)	(1,019,776)	(4,885,590)	(3,983,189)	(979,570)	-	(11,072,937)
Balance at 31 December 2021	<u>32,939,273</u>	<u>29,209,082</u>	<u>97,150,261</u>	<u>80,361,504</u>	<u>15,178,526</u>	<u>11,642,473</u>	<u>266,481,119</u>

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**Note 14. Property, plant and equipment (continued)**

*Reconciliations - Right-of-use assets*

Reconciliations of the written down values of right-of-use assets at the beginning and end of the current financial half-year included in property, plant and equipment are set out below:

	Land and buildings \$	Hire equipment and machinery \$	Plant and equipment \$	Motor vehicles \$	Total \$
Balance at 1 July 2021	12,064,674	39,991,272	5,288,190	5,128,783	62,472,919
Additions	1,030,068	-	-	-	1,030,068
Disposals	-	(523,338)	-	(132,599)	(655,937)
Depreciation expense	(968,091)	(2,040,023)	(133,835)	(279,717)	(3,421,666)
Balance at 31 December 2021	<u>12,126,651</u>	<u>37,427,911</u>	<u>5,154,355</u>	<u>4,716,467</u>	<u>59,425,384</u>

**Note 15. Intangibles**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Goodwill - at cost	70,666,066	34,682,496
Brand names - at cost	20,382,126	9,192,126
Customer contracts/relationships - at cost	9,310,000	8,470,000
Less: Accumulated amortisation	(3,449,722)	(1,873,332)
	5,860,278	6,596,668
Extraction rights - at cost	5,547,319	4,478,783
Less: Accumulated amortisation	(1,322,159)	(889,029)
	4,225,160	3,589,754
Water license - at cost	223,612	223,612
	<u>101,357,242</u>	<u>54,284,656</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Goodwill \$	Brand names \$	Customer contracts/ relationships \$	Extraction rights \$	Water license \$	Total \$
Balance at 1 July 2021	34,682,496	9,192,126	6,596,668	3,589,754	223,612	54,284,656
Additions through business combinations (note 24)	35,983,570	11,190,000	840,000	1,068,536	-	49,082,106
Amortisation expense	-	-	(1,576,390)	(433,130)	-	(2,009,520)
Balance at 31 December 2021	<u>70,666,066</u>	<u>20,382,126</u>	<u>5,860,278</u>	<u>4,225,160</u>	<u>223,612</u>	<u>101,357,242</u>

**MAAS Group Holdings Limited**  
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**Note 16. Trade and other payables**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Trade payables	29,773,242	20,578,740
GST payable	-	1,142,091
Other payables, accruals and statutory charges	15,522,760	16,531,626
	<u>45,296,002</u>	<u>38,252,457</u>

**Note 17. Contract liabilities**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Contract liabilities	3,169,663	1,522,226
Lease income in advance	6,767,816	5,515,541
	<u>9,937,479</u>	<u>7,037,767</u>

**MAAS Group Holdings Limited**  
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**Note 18. Borrowings and lease liabilities**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Secured:		
Bank loans	3,295,068	4,093,429
Vendor financing	9,648,809	11,720,245
Chattel mortgages	10,780,174	8,136,864
Lease liabilities - plant & equipment and motor vehicles	9,519,183	7,714,202
Unsecured:		
Loans - other	1,590,102	1,035,427
Lease liabilities - land and buildings	1,306,868	2,904,342
	<u>36,140,204</u>	<u>35,604,509</u>
<i>Non-current liabilities</i>		
Secured:		
Bank loans	61,458,790	46,488,070
Multi-option facility	10,000,000	-
Project facility	9,913,400	-
Vendor financing	6,805,403	8,918,600
Chattel mortgages	37,888,779	28,668,183
Lease liabilities - plant & equipment and motor vehicles	22,296,013	27,730,809
Unsecured:		
Lease liabilities - land and buildings	10,651,433	9,475,124
	<u>159,013,818</u>	<u>121,280,786</u>
	<u><u>195,154,022</u></u>	<u><u>156,885,295</u></u>

In September 2021, the company received approval for the increase of its banking facility limits from \$160m to \$200m with a \$15m increase to the term loan, a \$20m increase in the equipment finance facility and a \$5m increase in the multi-option cash advance and bank guarantee facility. In addition, the company received approval from its banking consortium to secure up to an additional \$100m for future project finance funding. Commercial developments will be funded separately by project financiers under standalone project-specific finance facilities with separate covenants and undertakings.

In December 2021, the company received approval for an additional increase of its banking facility limits from \$200m to \$300m with a \$80m increase to the term loan, a \$10m increase to the equipment finance facility and a \$10m increase to the multi-option cash advance and bank guarantee facility.

**MAAS Group Holdings Limited**  
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**Note 19. Provisions**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Warranties	118,862	88,555
Contingent consideration	3,961,710	1,000,000
Other provisions	-	39,619
	<u>4,080,572</u>	<u>1,128,174</u>
<i>Non-current liabilities</i>		
Contingent consideration	18,531,716	1,000,000
	<u>22,612,288</u>	<u>2,128,174</u>

Of the total contingent consideration to be settled at 31 December 2021, \$15,249,368 is to be settled in equity and \$7,244,058 is to be settled in future cash payments. Refer to note 23 for further detail on the calculation of contingent consideration.

*Movements in provisions*

Movements in each class of provision during the current financial half-year, are set out below:

	Warranties	Contingent consideration	Other
	\$	\$	\$
<b>Consolidated - 31 Dec 2021</b>			
Carrying amount at the start of the half-year	88,555	2,000,000	39,619
Additional provisions recognised	30,307	-	-
Additions through business combinations (note 24)	-	21,493,426	-
Payments	-	(1,000,000)	-
Unused amounts reversed	-	-	(39,619)
	<u>118,862</u>	<u>22,493,426</u>	<u>-</u>
Carrying amount at the end of the half-year	<u>118,862</u>	<u>22,493,426</u>	<u>-</u>

**Note 20. Issued capital**

	<b>Consolidated</b>			
	<b>31 Dec 2021</b>	<b>30 June 2021</b>	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	<u>294,019,373</u>	<u>266,839,092</u>	<u>417,031,671</u>	<u>279,635,572</u>

**MAAS Group Holdings Limited**  
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**Note 20. Issued capital (continued)**

*Movements in ordinary share capital*

Details	Date	Shares	Issue price	\$
Balance	1 July 2021	266,839,092		279,635,572
Institutional placement (a)	8 July 2021	8,915,909	\$5.50	49,037,500
Shares issued as part consideration for acquisition of A1 Earthworx (note 24)	16 Aug 2021	444,444	\$4.69	2,084,442
Shares issued as part consideration for acquisition of Redimix Concrete (note 24)	8 Sept 2021	91,098	\$4.83	440,000
Shares issued as part consideration for acquisition of Stanaway (note 24)	29 Sept 2021	1,800,000	\$5.20	9,360,000
Shares issued to underwriter under the Dividend Reinvestment Plan (c)	12 Nov 2021	405,383	\$3.33	1,349,925
Shares issued as consideration for acquisition of Maas Brothers (note 24)	12 Nov 2021	6,109,000	\$4.60	28,101,400
Shares issued under Share Purchase Plan (b)	6 Oct 2021 to 12 Nov 2021	786,822	\$5.50	4,327,522
Conditional Placement (d)	12 Nov 2021 to 10 Dec 2021	5,436,361	\$5.50	29,899,986
Shares issued under the Dividend Reinvestment Plan (c)	7 Dec 2021	2,054,422	\$4.21	8,649,117
Shares issued as consideration for the acquisition of Brett Harvey (note 24)	22 Dec 2021	1,136,842	\$4.80	5,456,842
Transaction costs arising on share issues, net of tax				<u>(1,310,635)</u>
Balance	31 December 2021	<u>294,019,373</u>		<u>417,031,671</u>

*(a) Institutional placement*

On 8 July 2021, the company issued 8,915,909 fully paid ordinary shares at \$5.50 per share to institutional investors. This placement was part of the company's capital raising announced on 1 July 2021. The placement was ratified by the company's shareholders at its Annual General Meeting held on 9 November 2021.

*(b) Share Purchase Plan (SPP)*

On 1 July 2021, as part of its capital raising, the company announced a Share Purchase Plan. The company entered into irrevocable agreements with a small number of sophisticated investors (the Underwriters) for them to subscribe for any shortfall in the SPP offer to the extent of \$15 million.

To the extent the SPP Offer was not fully subscribed by existing shareholders, the Underwriters agreed to subscribe for the shares not taken up upon the same terms (SPP Shortfall Shares). In addition to the irrevocable commitments to subscribe for any SPP Shortfall Shares received, the company agreed, to the extent there is insufficient SPP Shortfall Shares available upon completion of the SPP Offer, to undertake an additional placement of ordinary shares to the Underwriters for an amount not exceeding \$15 million at the SPP issue price of \$5.50 per share.

The following are the shares issued in terms of the SPP:

- (i) 6 October 2021 - 41,369 shares
- (ii) 21 October 2021 - 690,908 shortfall shares
- (iii) 12 November 2021 - 54,545 shortfall shares

**MAAS Group Holdings Limited**  
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**Note 20. Issued capital (continued)**

*(c) Dividend Reinvestment Plan (DRP)*

The shares issued on 12 November 2021, were issued in terms of the Dividend Reinvestment Plan (DRP) underwriting agreement for the 2021 interim dividend. The underwriter agreed to underwrite the subscription of 405,383 ordinary shares in the company for the purchase price of \$3.33 per share, these being the shortfall shares not subscribed for under the DRP, which was approved by shareholders at the MGH Annual General Meeting of 9 November 2021.

In accordance with the terms of the DRP relating to the 2021 final dividend, the issue price of shares under the DRP was \$4.21 per share with 1,428,124 shares issued under the DRP to shareholders who elected to participate and 626,298 shares to the Underwriter in relation to the DRP shortfall.

*(d) Conditional Placement*

During the half-year, the company issued a total of 5,436,361 fully ordinary shares at \$5.50 per share to certain Directors of the company (or entities associated with them) and other founding shareholders and executives of the company on a non-underwritten basis. The Conditional Placement of 5,454,543 shares was approved by the company's shareholders at its Annual General Meeting held on 9 November 2021.

**Note 21. Reserves**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>30 June 2021</b>
	\$	\$
Foreign currency reserve	(191,459)	(640,652)
Share-based payments reserve	703,272	351,636
Business combinations under common control	(109,000,146)	(109,000,146)
Transactions with non-controlling interests	103,469	103,469
	<u>(108,384,864)</u>	<u>(109,185,693)</u>

*Movements in reserves*

Movements in each class of reserve during the current financial half-year are set out below:

	Foreign currency reserve	Share-based payments reserve	Business combinations under common control	Transactions with non- controlling interests	Total
<b>Consolidated</b>	\$	\$	\$	\$	\$
Balance at 1 July 2021	(640,652)	351,636	(109,000,146)	103,469	(109,185,693)
Foreign currency translation	449,193	-	-	-	449,193
Share based payments	-	351,636	-	-	351,636
Balance at 31 December 2021	<u>(191,459)</u>	<u>703,272</u>	<u>(109,000,146)</u>	<u>103,469</u>	<u>(108,384,864)</u>



**MAAS Group Holdings Limited**  
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**Note 22. Dividends**

Dividends paid during the financial half-year were as follows:

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	\$	\$
Final dividend for the year ended 30 June 2021 of 3 cents per ordinary share	<u>8,648,711</u>	<u>-</u>

On 27 August 2021, MAAS Group Holdings Limited (MGH) announced a fully franked final dividend of 3 cents per share together with its Dividend Reinvestment Plan (DRP).

The final dividend was paid on 7 December 2021 and was subject to the DRP, offering shareholders the choice to participate in the DRP at \$4.21 per ordinary share.

See note 20 for more information on MGH's issued capital.

A interim dividend of 2 cents per ordinary share was declared subsequent to 31 December 2021 (refer note 25).

**Note 23. Fair value measurement**

*Fair value hierarchy*

The following tables detail the consolidated entity's financial assets and financial liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

<b>Consolidated - 31 Dec 2021</b>	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Financial liabilities</i>				
Contingent consideration	-	-	22,493,426	22,493,426
Total liabilities	-	-	22,493,426	22,493,426
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Consolidated - 30 June 2021</b>				
<i>Financial liabilities</i>				
Contingent consideration	-	-	2,000,000	2,000,000
Total liabilities	-	-	2,000,000	2,000,000

There were no transfers between levels during the financial half-year and there were no financial assets measured or disclosed at fair value.

*Valuation techniques for fair value measurements categorised within level 2 and level 3*

- Contingent consideration

The fair value of contingent consideration has been estimated in line with earn out calculations stipulated in the respective business sale contracts. Contingent consideration to be settled through equity has been estimated through measuring forecasted EBITDA marked to the share price at reporting date. Contingent consideration to be settled through future cash payments have been present valued by discounting the probability-weighted future cash flows.

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**Note 23. Fair value measurement (continued)**

*Level 3 assets and liabilities*

Movements in level 3 financial instruments during the current financial half-year are set out below:

<b>Consolidated</b>	Contingent consideration \$
Balance at 1 July 2021	(2,000,000)
Additions through business combinations (note 24)	(21,493,426)
Disposals/settlements	<u>1,000,000</u>
Balance at 31 December 2021	<u><u>(22,493,426)</u></u>
Total gains for the previous half-year included in profit or loss that relate to level 3 assets held at the end of the previous half-year	<u><u>-</u></u>
Total gains for the current half-year included in profit or loss that relate to level 3 assets held at the end of the current half-year	<u><u>-</u></u>

For contingent consideration, changing one or more of the unobservable inputs to reflect reasonably possible alternative assumptions would not change fair value significantly

**Note 24. Business combination**

*Acquisition of Redimix*

On 23 July 2021, the consolidated entity entered into an agreement to purchase the aggregate and concrete business BJB Concrete Pty Ltd, trading as Redimix Concrete for an agreed cash consideration of \$2.5 million and 91,098 MGH shares and an associated parcel of land for a purchase price of \$3.0 million cash. The acquisition completed on 20 August 2021. The Redimix business operates in the Construction Materials segment and complements the Group's growth strategy in growing its Construction Materials business. In accordance with accounting standards, the acquisition has been completed on a provisional basis and finalisation of the assessment of fair values of the identifiable assets and liabilities acquired may result in adjustments to the amounts disclosed in the table below.

*Acquisition of Inverell*

On 25 June 2021, the consolidated entity entered into an agreement to acquire the business and land owned and operated by Inverell Aggregate Supplies Pty Ltd ("Inverell"). The acquisitions of the business and land were completed on 22 July 2021 with \$1.8 million of the total consideration of \$3.9 million payable at completion. The remaining consideration of \$2.1 million is a combination of deferred and contingent consideration and will be released progressively over the four years following completion. The Inverell business operates in the Construction Materials segment and complements the Group's growth strategy in growing its Construction Materials business. In accordance with accounting standards, the acquisition has been completed on a provisional basis and finalisation of the assessment of fair values of the identifiable assets and liabilities acquired may result in adjustments to the amounts disclosed in the table below.

*Acquisition of A1 Earthworx*

On 16 August 2021, the consolidated entity entered into a share purchase agreement to acquire all the issued shares of the earthmoving and civil construction machinery business A1 Earthworx Mining & Civil Pty Ltd. The acquisition was completed on 16 August 2021 with \$8.575 million in cash paid and 444,444 MGH shares issued at completion. Contingent consideration of up to \$1.8 million is payable in cash following the finalisation of the FY24 financial result if certain earnings targets are met. A1 Earthworx is reported in the Civil, Construction and Hire segment increasing the segment's civil capability for both internal and external projects. In accordance with accounting standards, the acquisition has been completed on a provisional basis and finalisation of the assessment of fair values of the identifiable assets and liabilities acquired may result in adjustments to the amounts disclosed in the table below.

*Acquisition of Stanaway*

On 25 June 2021, the consolidated entity entered into a share purchase agreement to acquire all the issued shares of Stanaway Pty Ltd (trading as David Payne Construction). The acquisition was completed on 29 September 2021. Consideration is a combination of scrip and cash with 1.8 million MGH shares issued at completion. In addition, up to 1.2 million MGH shares are contingent upon certain EBITDA targets being reached over three years following completion. A potential of up to \$1.4 million is payable in cash following the finalisation of the FY24 financial result if certain EBITDA targets are met. Operating results and assets and liabilities of the acquired company will be consolidated from completion. Stanaway Pty Limited reports into the Real Estate segment providing construction capability for the commercial development portfolio. In accordance with accounting standards, the acquisition has been completed on a provisional basis and finalisation of the assessment of fair values of the identifiable assets and liabilities acquired may result in adjustments to the amounts disclosed in the table below.

*Acquisition of MAAS Construction, MAAS Plumbing and Spacey Self Storage (Maas Brothers)*

On 27 June 2021, the consolidated entity entered into share purchase agreements to acquire the issued shares of MAAS Construction Group comprising MAAS Construction (Dubbo) Pty Ltd, MAAS Building Pty Ltd and Regional Demolition Pty Ltd (MAAS Construction), and MAAS Plumbing Pty Ltd (MAAS Plumbing). The combined purchase price consists of 2.73 million MGH shares issued at completion. In addition, up to 0.97million MGH shares are contingent upon EBITDA targets being reached over three years following completion. A potential of up to \$2.2million is payable in cash following the finalisation of the FY24 financial result if certain EBITDA targets are met. The directors resolved that the transaction would be subject to shareholder approval due to the relationship of the vendors with Wesley Maas. The resolution was passed at the Annual General Meeting with completion occurring on 11 November 2021. Maas Construction and Maas Plumbing are reported in the Real Estate segment providing construction capability for the commercial development portfolio.

**Note 24. Business combination (continued)**

On 27 June 2021, MAAS Commercial Developments Pty Ltd and MAAS Self Storage (Southern) Pty Ltd atf the MAAS Self Storage (Southern) Unit Trust entered into purchase agreements to acquire the shares, interests and land of a storage business (the "Spacey Self Storage" business). The purchase price is made up of 3.379 million MGH shares issued at completion and cash of \$2.7 million payable at completion. There is no deferred or contingent consideration. The directors resolved that the transaction would be subject to shareholder approval due to the relationship of the vendors with Wesley Maas. The resolution was passed at the Annual General Meeting with completion occurring on 11 November 2021. The Spacey Self Storage business is reported in the Real Estate segment and will form a key platform of growth for the commercial property portfolio.

The interdependence of agreements provisions of AASB 3 have been applied, thus accounting for the MAAS Construction, MAAS Plumbing and Spacey Self Storage businesses as a combined transaction. In accordance with accounting standards, the acquisitions have been completed on a provisional basis and finalisation of the assessment of fair values of the identifiable assets and liabilities acquired may result in adjustments to the amounts disclosed in the table below.

*Acquisition of Brett Harvey*

On 22 December 2021, the consolidated entity completed an acquisition of Brett Harvey Construction Pty Ltd (Brett Harvey), a residential home building company based in Dubbo, NSW, for initial consideration of 1,136,842 ordinary shares in MGH. Up to 947,368 additional ordinary shares of MGH are contingent upon the EBITDA performance of Brett Harvey over the next 3 years. The shares being issued at completion are subject to voluntary escrow arrangements with one-third of the shares to be released from escrow each year over the next 3 years. The acquisition of Brett Harvey further strengthens the vertically integrated house and land package delivery capability within MGH's growing Real Estate segment. In accordance with accounting standards, the acquisition has been completed on a provisional basis and finalisation of the assessment of fair values of the identifiable assets and liabilities acquired may result in adjustments to the amounts disclosed in the table below.

*Acquisition of Westwood*

On 14 September 2021, the consolidated entity entered into an agreement to purchase the business and operations of Quarry Materials Queensland Pty Ltd ("Westwood") for an agreed cash consideration of \$2.35 million. There is no deferred or contingent consideration. The acquisition completed on 27 October 2021. The Westwood business operates in the Construction Materials segment and complements the Group's growth strategy in growing its Construction Materials business. In accordance with accounting standards, the acquisition has been completed on a provisional basis and finalisation of the assessment of fair values of the identifiable assets and liabilities acquired may result in adjustments to the amounts disclosed in the table below.

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**Note 24. Business combination (continued)**

Details of the acquisition are as follows:

	Redimix	Inverell	A1 Earthworx	Stanaway	Maas Brothers	Brett Harvey	Westwood	Total
	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
	\$	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	-	-	457,635	1,625,282	931,685	2,069,054	-	5,083,656
Trade receivables	-	-	1,582,250	4,147,703	2,430,750	934,402	-	9,095,105
Income tax refund due	-	-	-	723,299	12,533	-	-	735,832
Inventories	120,000	134,674	257,504	-	-	-	930,299	1,442,477
Prepayments	-	-	105,299	486,389	-	55,921	-	647,609
Other current assets	-	-	205,547	86,950	494,053	638,829	127,797	1,553,176
Investment property	-	-	-	-	16,170,500	-	-	16,170,500
Land	3,000,000	1,900,000	-	-	-	-	-	4,900,000
Plant and equipment	1,048,000	1,865,326	6,946,020	1,508,286	104,978	-	180,000	11,652,610
Motor vehicles	-	-	-	242,250	-	-	-	242,250
Customer contracts/relationships	-	-	840,000	-	-	-	-	840,000
Brand names	860,000	-	1,600,000	4,000,000	2,500,000	2,230,000	-	11,190,000
Extraction rights	-	-	-	-	-	-	1,068,536	1,068,536
Deferred tax asset	-	-	98,204	174,560	-	44,192	-	316,956
Trade and other payables	-	-	(1,372,491)	(5,606,295)	(1,907,523)	(1,087,552)	-	(9,973,861)
Current tax liability	-	-	(6,822)	-	-	(135,800)	-	(142,622)
Deferred tax liability	-	-	(252,000)	-	-	-	-	(252,000)
Employee benefits	(155,876)	(133,151)	(327,126)	(387,595)	(218,547)	(147,305)	(15,000)	(1,384,600)
Other liabilities	-	-	-	(166,522)	(436,915)	(147,042)	-	(750,479)
<b>Net assets acquired</b>	<b>4,872,124</b>	<b>3,766,849</b>	<b>10,134,020</b>	<b>6,834,307</b>	<b>20,081,514</b>	<b>4,454,699</b>	<b>2,291,632</b>	<b>52,435,145</b>
Goodwill	912,000	-	2,325,422	9,945,098	17,251,539	5,549,511	-	35,983,570
<b>Net assets acquired</b>	<b>5,784,124</b>	<b>3,766,849</b>	<b>12,459,442</b>	<b>16,779,405</b>	<b>37,333,053</b>	<b>10,004,210</b>	<b>2,291,632</b>	<b>88,418,715</b>
Representing:								
Cash paid or payable	5,344,124	2,571,849	8,575,000	-	2,700,000	-	2,291,632	21,482,605
MGH shares issued	440,000	-	2,084,442	9,360,000	28,101,400	5,456,842	-	45,442,684
Contingent consideration	-	1,195,000	1,800,000	7,419,405	6,531,653	4,547,368	-	21,493,426
	<b>5,784,124</b>	<b>3,766,849</b>	<b>12,459,442</b>	<b>16,779,405</b>	<b>37,333,053</b>	<b>10,004,210</b>	<b>2,291,632</b>	<b>88,418,715</b>
Cash used to acquire business, net of cash acquired:								
Fair value of the total consideration transferred	5,784,124	3,766,849	12,459,442	16,779,405	37,333,053	10,004,210	2,291,632	88,418,715
Less: cash and cash equivalents	-	-	(457,635)	(1,625,282)	(931,685)	(2,069,054)	-	(5,083,656)
Less: contingent consideration	-	(1,195,000)	(1,800,000)	(7,419,405)	(6,531,653)	(4,547,368)	-	(21,493,426)
Less: shares issued as part of consideration	(440,000)	-	(2,084,442)	(9,360,000)	(28,101,400)	(5,456,842)	-	(45,442,684)
Less: deferred consideration	-	(917,500)	-	-	-	-	-	(917,500)
<b>Net cash used/(received)</b>	<b>5,344,124</b>	<b>1,654,349</b>	<b>8,117,365</b>	<b>(1,625,282)</b>	<b>1,768,315</b>	<b>(2,069,054)</b>	<b>2,291,632</b>	<b>15,481,449</b>

**Note 24. Business combination (continued)**

**Revenue and profit contribution**

If the acquisitions had occurred on 1 July 2021, the consolidated results for the half year ended 31 December 2021 would have been as follows:

	Revenue \$	Net profit for the period after tax \$
A1 Earthworks	10,208,000	842,000
Stanaway	18,844,000	864,000
Maas Brothers	11,715,968	1,843,725
Brett Harvey	12,259,392	678,004
	<u>53,027,360</u>	<u>4,227,729</u>
Other consolidated entities	<u>173,229,251</u>	<u>11,387,442</u>
	<u><u>226,256,611</u></u>	<u><u>15,615,171</u></u>

The amounts in the above table have been calculated using the results of each subsidiary and adjusting them for:

- differences in the accounting policies between the consolidated entity and the subsidiary, and
- the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from 1 July 2021, together with the consequential tax effects.

The acquired businesses contributed the following revenues and net profit to the consolidated entity from the dates of their respective acquisitions to 31 December 2021:

	Revenue \$	Net profit for the period after tax \$
A1 Earthworks	8,894,000	879,000
Stanaway	11,002,000	987,000
Maas Brothers	4,360,035	1,748,257
Brett Harvey	-	-
	<u>24,256,035</u>	<u>3,614,257</u>

It is impractical to isolate the post-acquisition revenue and net results for the period and for Inverell, Redimix and Westwood given the acquisitions have been operationally consumed within Regional Group Australia Pty Ltd.

**Acquired receivables**

	Fair value of acquired receivables \$	Gross contractual amount due \$	Loss allowance recognised on acquisition \$
A1 Earthworx	1,582,250	(1,582,250)	-
Stanaway	4,147,703	(4,147,703)	-
Mass Brothers	2,430,750	(2,430,750)	-
Brett Harvey	934,402	(934,402)	-
	<u>9,095,105</u>	<u>(9,095,105)</u>	<u>-</u>

**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 24. Business combination (continued)**

**Acquisition-related costs**

Acquisition-related costs totalling \$1,876,806 that were not directly attributable to the issue of shares are disclosed separately in the statement of profit or loss and other comprehensive income as *Transaction costs relating to business combinations*.

**Note 25. Events after the reporting period**

The Directors declared a fully franked interim dividend of 2 cents per share on 24 February 2022. The dividend is subject to a dividend reinvestment plan (“DRP”) and the reinvestment price for those shareholders who elect to participate in the DRP will be a 2.5% discount to the five-day VWAP for the five trading days immediately after the dividend record date.

No other matter or circumstance has arisen since 31 December 2021 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 future financial years.

**Note 26. Cash flow information**

*Reconciliation of profit after income tax to net cash from/(used in) operating activities*

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	\$	\$
Profit after income tax expense for the half-year	14,610,442	11,842,424
Adjustments for:		
Depreciation and amortisation	13,082,457	6,860,996
Net gain on disposal of non-current assets	-	(32,714)
Net gain on disposal of property, plant and equipment	(1,505,010)	(28,529)
Share-based payments	351,636	-
Reversal of provision for expected credit losses	-	(400,000)
Contingent consideration	-	25,806
Amortisation of borrowing costs	238,852	205,275
Unwinding of interest on vendor financing	575,722	177,970
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(489,383)	1,800,482
Decrease/(increase) in contract assets	(7,583,583)	1,276,557
Decrease/(increase) in inventories	(22,484,310)	1,434,165
Increase in deferred tax assets	(1,958,503)	(668,946)
Decrease in prepayments	495,538	433,542
Decrease/(increase) in other operating assets	1,047,675	(133,216)
Increase/(decrease) in trade and other payables	(3,477,776)	1,432,149
Increase in contract liabilities	2,899,712	950,862
Increase/(decrease) in provision for income tax	17,873	(3,111,517)
Increase in deferred tax liabilities	3,198,865	2,015,263
Increase in employee benefits	205,535	287,357
Decrease in other provisions	(9,312)	(190,314)
Net cash from/(used in) operating activities	<u>(783,570)</u>	<u>24,177,612</u>

**MAAS Group Holdings Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 26. Cash flow information (continued)**

*Non-cash investing and financing activities*

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	<b>\$</b>	<b>\$</b>
Right-of-use additions (land & buildings)	1,030,068	-
Acquisition of plant and equipment by means of finance leases	-	16,682,942
Dividend reinvestment plan share issues	6,012,402	-
Share based payments	351,636	-
Partial settlement of business combinations through the issue of shares	45,442,684	-
Convertible notes converted into ordinary shares	-	23,293,576
Loans to shareholder related entities converted into ordinary shares	-	14,834,316
Acquisition of investment property through vendor finance	6,650,000	-
Acquisition of land held for resale through vendor finance	600,000	1,032,558
Acquisition of Quarry land through vendor finance	-	2,750,000

**Note 27. Earnings per share**

	<b>Consolidated</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	<b>\$</b>	<b>\$</b>
Profit after income tax	14,610,442	11,842,424
Non-controlling interest	-	(172,015)
	<u>14,610,442</u>	<u>11,670,409</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	280,240,310	216,485,586
Adjustments for calculation of diluted earnings per share:		
Share rights granted to employees of Macquarie Geotechnical Pty Ltd to be issued in three equal tranches on the third, fourth and fifth anniversaries of the acquisition	1,346,687	73,189
Shares to be issued to the vendor of Amcor on second anniversary of the acquisition	707,547	-
	<u>282,294,544</u>	<u>216,558,775</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	5.2	5.4
Diluted earnings per share	5.2	5.4




**MAAS Group Holdings Limited**  
**Directors' declaration**  
**31 December 2021**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Stephen G Bizzell  
Chairman



Wesley J Maas  
Managing Director and Chief Executive Officer

24 February 2022  
Dubbo

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of MAAS Group Holdings Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of MAAS Group Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant 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 accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the 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 the same terms if given to the directors as at the time of this auditor's review report.

#### Responsibility of the directors for the 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 for the review of the 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's financial position as at 31 December 2021 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**BDO Audit Pty Ltd**

A handwritten signature in black ink that reads 'K L Colyer'. The signature is written in a cursive style with a large, looping 'y' at the end.

**K L Colyer**  
Director

Brisbane, 24 February 2022