DICKER DATA

Appendix 4D & Interim Financial Report

HALF YEAR ENDED 30 JUNE 2024

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Appendix 4D
Half-year report

Name of entity	Dicker Data Limited
ABN	95 000 969 362
Current reporting period	Half year ended 30 June 2024
Previous reporting period	Half year ended 30 June 2023

Results for announcement to the market

Results	**Note**	**Movement**			**Jun-24 (6 months) $'000**	**Jun-23 (6 months) $'000**
Revenues from ordinary activities		Down	-2.1%	to	$1,084,519	$1,107,901
Net operating profit before tax*		Down	-7.4%	to	$50,808	$54,858
Net profit before tax		Down	-6.1%	to	$50,808	$54,098
Net profit after tax attributable to members		Down	-5.7%	to	$35,442	$37,585
Gross sales and other revenue	1	Down	-0.4%	To	$1,590,065	$1,596,447

* Excludes one off costs for Jun23 of $800k

Note 1:
Gross sales is non-IFRS financial information and does not represent revenue in accordance with Australian Accounting Standards. This represents gross proceeds from sale of goods and services, both as agent and principal and other revenue. Refer to table below for reconciliation of statutory revenue to gross sales and other revenue:

Gross sales non-IFRS	**Note**	**Jun-24 (6 months) $'000**	**Jun-23 (6 months) $'000**
Revenues from ordinary activities		$1,084,519	$1,107,901
Non-IFRS adjustment		$505,546	$488,546
Gross sales and other revenue	1	$1,590,065	$1,596,447

Results summary

Statutory revenue for the consolidated entity for the 6 months to June was $1,084.5m (Jun23: $1,107.9m) down by $23.4m, or 2.1%. With strong sales growth in Q224 total gross revenue for the six months finished relatively flat at $1,590.1m (Jun23: $1,596.4) being a small decline of 0.4% Gross profit (excluding other revenue) is tracking stronger against the comparative period last year at $155.0m (Jun23: $150.7m) with gross profit margins improving to 14.3% (Jun23: 13.6%). Operating expenses have grown $5.4m, an increase of 6.3% resulting in EBITDA for the half year finalising at $68.9m (Jun23: $70.6m), down by $1.7m or 2.4%. Net profit before tax finalised at $50.8m, down by 6.1%. Net profit after tax finalised at $35.4m, a decline of 5.7% on the comparative period.

For more detailed explanation of the results please refer to the Interim Financial Report.

Net tangible assets	**Jun-24 (6 months) $'000**	**Jun-23 (6 months) $'000**
Net tangible asset per ordinary share	0.85	0.82

Details of entities over which control has been gained or lost

A new wholly owned subsidiary, Dicker Data SGE Pte Ltd, was incorporated on 12 June 2024 in Singapore. The entity has been established with a view that the Company may explore expanding operations in the Asia Pacific region in the future.

There have been no other additions or subtraction of entities over which control has been gained or lost in the current reporting period.

Dividends paid

The total dividends declared and paid during the half financial year was 26.0 cents per share or a total of $46.9m, fully franked.

Record date	**Payment date**	**Dividend/ share (in Cents)**	**Amount (in 000's)**	**Type**	**FY**	**Amount franked**
15-Feb-24	1-Mar-24	15.00	$27,043	Final	2023	100%
15-May-24	3-Jun-24	11.00	$19,840	Interim	2024	100%
	Total	**26.00**	**$46,883**			

Dividend reinvestment plans

The Company continued to offer participation in the Dividend Reinvestment Plan (DRP) in the reporting period. Of the total $46.9m dividends paid in the period, $45.5m was paid as cash dividends and $1.4m participated in the DRP.

Details of associates and joint venture entities

Not applicable.

Review report

The financial statements were subject to review by our external auditors, Ernst & Young (EY) and the review report is attached as part of the Interim Financial Report.

Attachments

The interim Financial Report of Dicker Data Limited for the half year ended 30 June 2024 is attached.

David Dicker
CEO AND CHAIRMAN

Sydney, 30 August 2024

DICKER DATA

Interim Financial Report

HALF YEAR ENDED
30 JUNE 2024

Directors' Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Dicker Data Limited (referred to hereafter as the 'Company' or 'parent Company') and the entities it controlled at the end of, or during the half year ended 30 June 2024.

The following persons were Directors of Dicker Data Limited for the entire half-year ended and up to the date of this report. Directors were in office for this entire period unless otherwise stated.

Directors

- David J Dicker
- Fiona T Brown
- Mary Stojcevski
- Vladimir Mitnovetski
- Ian Welch
- Leanne Ralph
- Kim Stewart-Smith

Principal activities

The principal activities of the Company during the half-year were wholesale value added distribution of IT hardware, software, cloud, access control, surveillance and emerging technology solutions for the corporate and commercial market. No significant change occurred in the nature of these activities for the half-year.

Review of operations

Revenue
Statutory revenue for the consolidated entity for the 6 months to June was $1,084.5m (Jun23: $1,107.9m) down by $23.4m, or 2.1%. The group gross revenue finalised at $1,590.1m (Jun23: $1,596.4m), only marginally down by $6.3m or 0.4%.

The underlying gross sales for the consolidated entity for the 6 months to 30 June 2024 were $1,584.7m (Jun23: $1,590.9m), down by $6.2m. Gross sales (excluding other revenue) represent the gross proceeds from sale of goods and services. While gross sales were relatively flat versus prior comparative period, the Company was able to return back to growth in Q224 after a more significant decline in Q124, coming off the back of strong Q123 comparatives. For Q2 gross sales grew quarter on quarter by 8.3%, marking a significant improvement on the decline experienced in Q124 of 9.6%, which was impacted largely by a stronger Q123 comparative period as a result of invoicing the large backorders from FY22 as supply constraints eased.

At a country level gross sales for Australia were $1,307.5m (Jun23: $1,313.8m) and for New Zealand $277.2m (Jun23: $277.1m). For Australia gross sales have declined by $6.8m or 0.5% and for NZ gross sales were relatively flat.

At a sector level, hardware and virtual services sales declined by $8.2m or 0.7% finalising at gross sales of $1,133.8m (Jun23: $1,142.0m). Software sales increased to $444.9m, up $2.1m (Jun23: $442.8m) and now representing 28% of our underlying gross sales. Software gross sales increased despite the significant impact from the loss of the Autodesk sole distribution in the first half, contributing a decline of approximately $58m across ANZ. Services revenue declined by $127k or 1.6% finalising at $6.0m (Jun23: $6.1m).

Gross profit
Gross profit (excluding other revenue) was $155.0m (Jun23: $150.7m), an increase of $4.4m, representing growth of 2.9%. Gross profit margin improved for the half year to 14.3% (Jun23: 13.6%), driven by improved margins in our NZ operations.

Based on underlying gross sales the gross profit margin was 9.8% (Jun23: 9.4%), representing a consistent increase in the achievement of back-end margin programs and continued margin improvement in our New Zealand business.

Operating expenses
Operating expenses: (excluding one-off costs) have grown by $5.4m, an increase of 6.3% on the previous corresponding period. The largest increase in expenses related to salary costs. Salary related expenses were up by $3.4m (+4.9%), to $72.9m representing 6.7% of revenue (Jun23: 6.3%). The company has continued to synergise and realign headcount with the number of staff increasing to 920 (Jun23: 883), up by 4.2%. Employee costs were also impacted with the increase in the superannuation levy from 1st July 2023, being lower in the comparative period.

Other operating costs (excluding one-off costs) have increased by $2.0m (+12.7%) including increases in bad debt provision. Overall, our operating expenses have increased as a percentage of revenue at 8.3%, comparable to 7.7% for Jun23.

Depreciation and amortisation expense increased by $0.3m to $7.1m (Jun23: $6.8m). Included in the half year number is $2.2m (Jun23: $2.3m) for amortisation of intangible assets related to identifiable intangibles from acquisitions. Total depreciation expense was $4.9m which included $0.6m (Jun23: $0.5m) for equipment under lease through Dicker Data Financial Services. Also included in depreciation expense is depreciation on the Right to Use Assets (ROUA) for the capitalised leases to the value of $2.0m (Jun23: $2.0m).
Finance costs in the reporting period were $12.1m, up $2.7m from the prior year (Jun23: $9.4m) driven predominantly by increases in the cost of borrowing and to a lesser extent by an increase in working capital levels. Net working capital investment was up to $402.5m (Jun23: $384.5m), an increase of $18.0m.

Profit
Net profit before tax finalised at $50.8m (Jun23: $54.1m) representing a decrease of 6.1%. Operating profit before tax finalised at $50.8m (Jun23: $54.9m excluding one-off costs in H123 of $800k), down by 7.4%. The profit decline is attributable to increase in employee and finance costs. This was partially offset by improved gross profit margins of 9.8% (Jun23: 9.4%) on underlying gross sales basis as reported in previous years or 14.3% (Jun23: 13.6%) on net revenue basis. Gross profit (excluding other revenue) increased to $155.0m (Jun23: $150.7m), an increase of $4.4m or 2.9%.

Total EBITDA for the half year finalised at $68.9m being 6.3% of revenue, only marginally down on corresponding period last year at $70.6m or 6.4% of revenue, down by $1.7m or 2.4%.

Net Profit after tax finalised at $35.4m (Jun23: $37.6m), down by $2.1m or 5.7%. This represents basic earnings per share of 19.65 cents, a decrease of 5.8% (Jun23: 20.86 cents).

Statement of financial position
Total assets as at 30 June 2024 increased to $1,068.4m (Dec23: $927.0m), with cash finalising at $16.4m up by $4.8m (Dec23: $11.6m).

The statement of financial position reflected an increase in working capital investment since the last balance date. Total investment in net working capital was $402.5m, up by $18.0m from the previous balance date (Dec23: $384.5m). Total inventory holdings increased from the prior balance date to $296.1m (Dec23: $218.9m), an increase of $77.3m. Trade and other receivables finalised at $548.2m (Dec23: $485.7m) an increase of $62.5m, as a result of large invoicing end of June and decline in collection days. This was offset by trade and other payables also increasing to $441.8m (Dec23: $320.0m), up $121.8m.

Property, plant and equipment decreased to $96.5m (Dec23: $96.7m), a decrease of $0.2m.

Total liabilities as at 30 June 2024 were $823.3m, up by $151.6m from the prior period (Dec 2023: $671.7m). Total borrowings increased to $331.1m (Dec23: $300.9m), however net debt position finalised at $314.7m, up $25.4m against the last balance date. Total borrowings increased by $30.2m comprising of an increase in the drawn balance of the Westpac Receivables Facility increasing to $233m from $197m as at Dec23.

Cash flow
Net cash generated from operating activities was $26.2m (Jun23: $37.2m), a decrease of $11.0m, impacted by an increase in working capital investments.

Outlook

The Company displayed remarkable resilience in the face of subdued market conditions persisting throughout the first half of our financial year. Gross sales finalised relatively flat year on year, yet profitability was squeezed predominantly with increased finance costs as a result of higher interest rates. Despite this, the Company's market share across all key vendors was either maintained or grew, demonstrating the widespread challenging conditions facing the entire sector, and the strength of the Company's performance in the period.
The Company sourced growth in the first half from the materialisation of new distribution agreements established in late 2023 and early 2024, such as NetApp, Riverbed, Hikvision and our exclusive arrangement with Samsung's Mobile Experience (MX) division. Demand for cloud, cybersecurity and cyber resiliency solutions remained strong, despite some pipeline being pushed into the second half. However, these gains made during the first half were offset by contractions in demand for networking, components and professional AV solutions.

Profitability during the first half was not only impacted by increased interest rates but also increased competitiveness and increase in some operating expenses, but the overall impact was softened by slightly improved margins. Despite the subdued market conditions, the Company saw signs of the market returning to growth during the later stages of the half year period. Several product categories recovered into single digit growth, with some categories achieving double digit growth, predominantly led by software.

The Company further extended its leading position in the Artificial Intelligence (AI) arena, retaining the number one distribution market share for Microsoft Copilot in Australia and New Zealand during the first half. We are continuing our work to educate and enable our Australian and New Zealand partners on how to capitalise on the opportunity presented by AI, as well as enabling our teams internally to accelerate their productivity with the staged rollout of AI tools, such as Microsoft Copilot.

During the first half the Company was selected as Microsoft's go-to-market distributor for the strategic opportunity to drive device refresh as the world approaches Windows 10 end of support in October 2025. Selected amongst only a handful of distributors globally for the initiative, the Company has commenced work educating its network of channel partners on how to maximise the impending opportunity. Furthermore, the Company now has stock of the latest Copilot+ PCs, AI PCs and Windows 11 Pro devices, providing access for our partners to the full spectrum of corporate and commercial refresh choices.

The Company's Dicker Access and Surveillance (DAS) business continued to strengthen its position in the first half, delivering growth on both the top and bottom line. The division's appointment as a distributor for Hikvision has resulted in the Company representing the top two global surveillance brands, in turn increasing our market coverage and widening our appeal. The appointment also solidifies the Company's position at the centre of the convergence of the IT and security market which is expected to accelerate in the next twelve months. Furthermore, the DAS division also onboarded safety platform vendor Duress, which will unlock access to new verticals, such as health.

The Company's adaptability and comprehensive range of value-add services has underscored its appeal to the thousands of reseller partners across Australia and New Zealand who choose to work with us each month. The Company remains well-positioned for the remainder of the financial year, particularly as much of the strategic groundwork to stimulate the required levels of demand was successfully delivered in the first half. Despite the subdued market thus far, the Company retains a positive outlook that the business will return to growth in the second half. Our commitment to delivering for our shareholders, vendors and partners remains unwavering.

Business risks

Whilst our outlook for H2 2024 and the future is optimistic we outline the principal risks that may impact future financial performance of the Company as follows:

Risks	Key drivers	Mitigations
Macroeconomic and competitor landscape Dicker Data operates within and relies on a global supply chain, which requires the ability to access, and transport products to our customers. Intrinsic dependencies on suppliers or regions can result in the risk of disruption to our supply chain, including shortages or delays associated with geopolitical uncertainty, extreme weather, or pandemic induced slowdowns.	• Competitor activity. • Movement in economic conditions. • Evolving geopolitical risk landscape. • Environmental factors including extreme weather and pandemics.	• Regular oversight and monitoring across our markets. • Adapting processes and business continuity discipline to respond to changing conditions. • Scenario modelling to enable changes to spending and investment approaches in response to changes in economic and business conditions.

Risks	Key drivers	Mitigations
IT resilience and cyber security Dicker Data recognises the importance of protecting its systems, applications and data, and maximising its ability to recover rapidly in the event of a disruption. In particular, cyber security risks continue to pose an increased threat to all organisations, including risks associated with major 'denial of service' type attacks, ransomware, malware and other malicious hacking activities, all of which can lead to a significant disruption to operations.	• Increasing complexity and transformation of the IT environment. • Dynamic cyber security risk landscape. • Technology changes including additional adoption of cloud and AI technology.	• Proactive IT environment testing, monitoring, and maintenance. • Clearly defined strategy, and control environment. • Governance and oversight mechanisms and Audit and Risk Management Committee risk updates. • Data security and awareness programs for all Dicker Data employees. • Investment in best practice tools and processes to provide multi-layer protection against unauthorised access.
Refinance risk Dicker Data currently has in place a working capital facility with Westpac Banking Corporation in Australia and Bank of New Zealand (BNZ) in New Zealand and both facilities were renewed in April 2024. Whilst the Board is confident on the Company's ability to refinance these facilities there is no guarantee that in the future Dicker Data will be able to extend, renew or refinance its existing bank facilities at the required time, or access additional debt facilities if desired. Any new debt may also be available on terms that are less favourable to Dicker Data. If Dicker Data is unable to access adequate debt financing when desired, or debt that is provided is on commercially less favourable terms, this may affect its financing costs, or its ability to fund its operations, meet its growth aspirations or respond to competitive pressures. This in turn may affect Dicker Data's financial performance. The Company is currently reviewing its refinance options for renewal or replacement of current facilities upon the end of their term.	• Tightening of monetary policy resulting in higher interest rates. • Strengthening of banking risk profiles.	• Dicker Data has the ability to reassess its current 100% dividend payout policy. • Ability to raise more capital through a share issue. • Maintaining strong relationships with our bankers.
Supply chain and transportation disruption Dicker Data operates within and relies on a global supply chain, which requires the ability to access, and transport products to our customers. Intrinsic dependencies on suppliers or regions can result in the risk of disruption to our supply chain, including shortages or delays associated with geopolitical uncertainty, extreme weather, or pandemic induced slowdowns.	• Evolving global and geopolitical risk landscape. • Freight and transportation dependencies. • Points of sensitivity in the supply chain. • Component/raw material shortages.	• Ability to flex working capital holdings where shortages are foreseen. • Robust contractual agreements and protections. • Ongoing program to ensure diversification of suppliers across multiple regions.

Risks	Key drivers	Mitigations
People and talent Dicker Data requires highly skilled talent to continue to ensure we have the right expertise to continue to drive growth in the business. Retention and recruiting are expected to remain challenging due to relatively low unemployment rates, as a result we need to actively manage key talent risks within the business.	• Competitive talent market where demand is exceeding supply. • Increasing expectations from the workforce in the current labour market. • Evolution of flexibility in role design in the post-COVID-19 environment.	• Employer of choice by continuing to build strong organisation culture and leadership. • Succession planning process for key roles • Remuneration structure reviews and benchmarking. • Attraction and retention strategies with broad employee value proposition.
Legal and compliance risk Dicker Data must comply with a broad range of laws and regulations, as well as its legally binding contracts and agreements, whilst also ensuring that any breaches (potential or actual) are identified and handled in a timely and proactive manner. The ever-expanding complexity of regulatory and contractual obligations is also growing as the Dicker Data business evolves.	• Growing span and complexity of Dicker Data's regulatory landscape. • Increasing regulatory requirements across a range of areas (e.g. ESG). • Large volume of contracts and agreements across the business.	• Dedicated in-house HSE, procurement and legal personnel. • Mandatory policies, procedures, training and education provided covering • key regulatory and compliance areas.
Environmental, social, and corporate governance (ESG) Dicker Data's operations must continue to progress our journey to reducing our impact on the environment and respond to legislative requirements in this area. We also recognise the reputational risk associated with any failure against ESG reporting or disclosure obligations.	• Source of growing stakeholder expectations. • Depth and complexity of the supply chain. • Increasing regulatory landscape surrounding ESG.	• ESG governance framework in place. • Developing integrated reports and ESG targets. • Dedicated team committed to advancing our ESG credentials. • Member of APCO. • Regular review and oversight of ESG initiatives and risks by leadership team.
Wellbeing, health and safety The health and safety of the Dicker Data team and customers is a central focus, and remains fundamental to the daily and weekly routines of our teams. Dicker Data is committed to creating a safe working environment where people are protected from both physical and psychological harm.	• Inherent safety risks arising in the normal course of business. • Diverse network of physical infrastructure and equipment across sites.	• Dedicated safety team, including supporting systems and controls. • Safety monitoring, inspection and training programs. • Investment in programs and resources that support our employees. • Structured incident and injury management processes.

Risks	Key drivers	Mitigations
Technological disruption and transformation Dicker Data must keep pace with technological advancements that disrupt our operational and competitive landscape. Evolving technologies, including advanced robotics and artificial intelligence (AI), have the potential to impact Dicker Data and its broader markets, together with rapid developments in data science, machine learning and predictive modelling.	• Increasing speed and volume of technological disruption. • Changing consumer behaviours and expectations. • Impact of legacy infrastructure and environments.	• Technology strategy and roadmap. • Working with our partners on the safe and ethical adoption of AI solutions. • Ensuring our teams have the right resources and training to adapt quickly to the changing environment.
Foreign exchange Dicker Data undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency.	• Increasing purchases from vendors that trade with us in a foreign currency. • Instability in global financial markets.	• In order to protect against exchange rate movements, Dicker Data has entered into forward foreign exchange contracts. • Management has a risk management policy to hedge between 30% and 80% of anticipated foreign currency transactions for the subsequent 4 months, with occasionally requiring a hedge for up to 12 months on specific transactions.

Significant changes in the state of affairs

Westpac receivables facility
In April 2024 the limit on the Westpac Receivables Facility was increased from $270m to $320m, an increase of $50m. This increase in limit will help support the ongoing growth and working capital requirements of the business. The Receivables Facility is to be renewed in May 2027.

BNZ cash advance facility
The Bank of New Zealand facility was renewed in February 2024, increasing the facility limit to NZD $88.9m. This is comprised of cash advance facility for NZD $68m, up from NZD $58m previously approved, with the balance being available for stand by letter of credit facility to support supplier trade credit arrangements. The extension of the facility is to May 2025.

There were no other significant changes in the state of affairs of the consolidated entity during half-year ended 30 June 2024.

Matters subsequent to the end of the half year

Westpac cash advance facility
On 28th August 2024, the Westpac cash advance facility, initially used to finance the Exeed acquisition, was converted to a general purpose corporate facility and the remaining balance of $45m was rolled over for a further 12 months to August 2025. The effective commencement date of the updated facility is 30 September 2024.

There were no other significant matters subsequent to the end of the half year ended 30 June 2024.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

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 the following page.

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

David Dicker
CEO AND CHAIRMAN

Sydney, 30 August 2024

Auditor’s Declaration of Independence

Building a better working world

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of Dicker Data Limited

As lead auditor for the review of the half-year financial report of Dicker Data Limited for the half-year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Dicker Data Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

Graham Leonard
Partner
30 August 2024

Consolidated Statement of Profit or Loss & Other Comprehensive Income

For the half year ended 30 June 2024

	Note	30-Jun-24 $'000	30-Jun-23 $'000
Revenue			
Sales revenue	4	1,079,107	1,102,403
Other revenue:			
Interest received		1,153	493
Recoveries		80	-
Other revenue		4,179	5,005
		1,084,519	**1,107,901**
Expenses			
Cost of goods sold		(924,064)	(951,717)
Employee benefits expense		(72,899)	(69,513)
Depreciation and amortisation		(7,110)	(6,836)
Finance costs		(12,095)	(9,428)
Other expenses		(17,543)	(16,309)
		(1,033,711)	**(1,053,803)**
Profit before income tax expense		50,808	54,098
Income tax expense		(15,366)	(16,513)
Profit after income tax expense for the year		**35,442**	**37,585**
Profit attributable to members of the company		**35,442**	**37,585**
Other comprehensive income, net of tax			
Foreign currency translation		(159)	(422)
Total comprehensive income for the year		35,283	37,163
Total comprehensive income attributable to members of the Company		**35,283**	**37,163**
Weighted earnings per share		**Cents**	**Cents**
Basic earnings per share		19.65	20.86
Diluted earnings per share		19.65	20.86

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	30-Jun-24 $'000	31-Dec-23 $'000
Assets			
Current Assets			
Cash and cash equivalents		16,393	11,607
Trade and other receivables		548,178	485,670
Inventories		296,137	218,885
Current tax asset		1,426	-
Total Current Assets		862,134	716,162
Non-Current Assets			
Right of use asset	8	16,587	17,974
Property, plant and equipment		96,514	96,693
Intangible assets		92,275	94,458
Deferred tax assets		852	1,746
Total Non-Current Assets		206,228	210,871
TOTAL ASSETS		1,068,362	927,033
Liabilities			
Current Liabilities			
Trade and other payables		441,819	320,049
Lease liabilities	8	2,916	2,826
Borrowings	7	98,080	300,863
Current tax liabilities		-	1,765
Short-term provisions		24,420	22,042
Total Current Liabilities		567,235	647,545
Non-Current Liabilities			
Borrowings	7	233,000	-
Lease liabilities	8	14,297	15,462
Deferred tax liabilities		4,263	4,521
Long-term provisions		4,481	4,169
Total Non-Current Liabilities		256,041	24,152
TOTAL LIABILITIES		823,276	671,697
NET ASSETS		245,086	255,336
Equity			
Equity attributable to Equity Holders			
Issued capital		215,913	214,563
Reserves		(152)	7
Retained profits		29,325	40,766
TOTAL EQUITY		245,086	255,336

The consolidated statement of financial position is to be read in conjunction with the attached notes

Consolidated Statement of Changes in Equity

For the half year ended 30 June 2024

	Note	Issued Capital $'000	Retained Profits $'000	Reserves $'000	Total Equity $'000
Balance at 1 January 2023		212,742	229	17,174	230,145
Profit after income tax for the year		-	-	37,585	37,585
Other comprehensive income for the year net of tax		-	(422)	-	(422)
Total comprehensive income for the year		-	(422)	37,585	37,163
Transactions with the owners in their capacity as owners:					
Share issue (DRP)		640	-	-	640
Dividends paid		-	-	(22,513)	(22,513)
Balance at 30 June 2023		213,382	(193)	32,246	245,435

	Note	Issued Capital $'000	Retained Profits $'000	Reserves $'000	Total Equity $'000
Balance at 1 January 2024		214,563	7	40,766	255,336
Profit after income tax for the year		-	-	35,442	35,442
Other comprehensive income for the year net of tax		-	(159)	-	(159)
Total comprehensive income for the year		-	(159)	35,442	35,283
Transactions with the owners in their capacity as owners:					
Share issue (DRP)		1,350	-	-	1,350
Dividends paid		-	-	(46,883)	(46,883)
Balance at 30 June 2024		215,913	(152)	29,325	245,086

The consolidated statement of changes in equity is to be read in conjunction with the attached notes.

Consolidated Statement of Cash Flows

For the half year ended 30 June 2024

	Note	30-Jun-24 $'000	30-Jun-23 $'000
Cash flows from operating activities			
Receipts from customers and agency partners (includes GST)		1,696,629	1,791,630
Payments to suppliers, agency vendors and employees (includes GST)		(1,643,234)	(1,725,104)
Interest received		1,153	493
Interest and other finance costs paid		(10,430)	(8,868)
Income tax paid		(17,920)	(20,954)
Net cash from operating activities		26,198	37,197
Cash flows from investing activities			
Payments for property, plant and equipment		(2,727)	(8,140)
Proceeds from sale of property plant and equipment		47	62
Payment for purchase of business, net of cash acquired		-	(4,741)
Net cash used in investing activities		(2,680)	(12,819)
Cash flows from financing activities			
Drawdown of borrowings		30,216	16,613
Principal paid on lease liabilities		(1,750)	(1,585)
Interest paid on lease liabilities		(520)	(559)
Interest paid to related parties		(1,145)	-
Loan from related parties		211,011	-
Repayment of loan from related parties		(211,011)	-
Payment of dividends		(45,533)	(21,872)
Net cash from financing activities		(18,732)	(7,403)
Net cash flows		4,786	16,975
Cash and cash equivalents at the beginning of the period		11,607	12,263
Cash and cash equivalents at the end of period		16,393	29,238

The consolidated statement of cash flows is to be read in conjunction with the attached notes.

Notes To The Financial Statements
Half year ended 30 June 2024

Note 1. Material accounting policies

These general purpose interim financial statements for the half-year reporting period ended 30 June 2024 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 interim 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 31 December 2023 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, revised or amending Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for tax deductible differences only if the consolidated entity considers it probable that future taxable amounts will be available to utilise those temporary differences and losses.

Impairment of receivables
A degree of estimation and judgement is required to provide for the impairment of receivables. The expected loss rates are based on the Group's movement of balances from one ageing category to the next to indicate increase in collection time which is an indicator of the probability of default. The value of debtors insurance is then applied to these balances to indicate the exposure at default. These loss rates are then applied to the individual ageing categories to calculate an expected credit loss. The entity has used their ability to apply the effects of debtor's insurance as a suitable collateral to reduce the exposure of default.

Impairment of inventory
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Estimation of useful life of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other intangibles
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Right of use assets
When the group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate which require a degree of judgement.

Note 3. Operating segments

Identification of reportable operating segments
The consolidated entity is organised into two operating segments: Australia and New Zealand. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). Reportable revenue is for only the product being the sale of IT goods and services, and agency commission earned. 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 at least a monthly basis.

Intersegment transactions
There were also some immaterial inventory purchasing transactions during the period. All intersegment transactions have been eliminated on consolidation.

Intersegment receivables, payables and loans
Intersegment loans are initially recognised at the consideration received. Interest on intersegment loans is calculated at market rates. Intersegment loans are eliminated on consolidation.

Operating Segment Information

	Australia	New Zealand	Eliminations / Unallocated	TOTAL
Consolidated - 30 June 2024	**$'000**	**$'000**	**$'000**	**$'000**
Revenue:				
Sale of goods and services	888,775	190,332	-	1,079,107
Other revenue	3,812	447	-	4,259
Interest revenue	893	260	-	1,153
Total Revenue	893,480	191,039	-	1,084,519
EBITDA	59,871	8,989	-	68,860
Depreciation & amortisation	(4,713)	(2,397)	-	(7,110)
Interest received	893	260	-	1,153
Finance costs	(9,828)	(2,267)	-	(12,095)
Profit before income tax expense	46,223	4,585	-	50,808
Income tax expense	(13,722)	(1,644)	-	(15,366)
Profit after income tax expense	32,501	2,941	-	35,442
Segment current assets	725,873	136,261	-	862,134
Segment non current assets	141,849	64,379	-	206,228
Segment Assets	867,722	200,640	-	1,068,362
Segment current liabilities	686,193	114,042	-	800,235
Segment non current liabilities	4,847	18,194	-	23,041
Segment Liabilities	691,040	132,236	-	823,276

Operating Segment Information

Consolidated - 30 June 2023	Australia $'000	New Zealand $'000	Eliminations / Unallocated $'000	TOTAL $'000
Revenue:				
Sale of goods and services	908,128	194,275	-	1,102,403
Other revenue	3,783	1,222	-	5,005
Interest revenue	253	240	-	493
Total Revenue	912,164	195,737	-	1,107,901
EBITDA	62,516	7,353	-	69,869
Depreciation & amortisation	(4,421)	(2,415)	-	(6,836)
Interest received	465	240	(212)	493
Finance costs	(7,476)	(2,164)	212	(9,428)
Profit before income tax expense	51,084	3,014	-	54,098
Income tax expense	(15,587)	(926)	-	(16,513)
Profit after income tax expense	35,497	2,088	-	37,585
Segment current assets	712,565	132,726	-	845,291
Segment non current assets	150,454	67,769	-	218,223
Segment Assets	863,019	200,495	-	1,063,514
Segment current liabilities	668,466	116,441	-	784,907
Segment non current liabilities	11,531	21,640	-	33,171
Segment Liabilities	679,997	138,081	-	818,078

Note 4. Revenue

Sales from contracts with customers
The Company sells hardware (including access control and surveillance), software (including software licensing), warranties, logistics and configuration services. Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For contracts with customers the Company identifies the contract with the customer, the performance obligation in the contract and recognises revenue when or as each performance obligation is satisfied when there is a transfer to the customer of the goods or services promised. Payment terms with customers are generally 30 days from end of month. The types of revenue the Company earns is detailed as follows:

Hardware sales: The performance promise that is the responsibility of the company is to procure and supply IT hardware and related products and revenue is recognised at the point of sale. The performance obligation that is created is to deliver these goods and services hence the entity has determined point of sale as the most relevant way to recognise revenue per performance obligation. The company bears the inventory and credit risk and has pricing control for the products and services supplied. Amounts disclosed as revenue are net of sales returns and any customer rebates. Returns and customer rebates represent a variable consideration but do not represent a judgement by management. There is no constraint on the amount of revenue recognised.

Virtual services: Virtual services refers to warranty and maintenance contracts that are sold on behalf of our suppliers. The Company's performance obligation is to arrange for the provision of the specified service by the manufacturer and then in turn it is the manufacturer who performs the warranty and maintenance services. Once the sale has been made the Company has no further obligation to the customer in terms of the service or maintenance and revenue is recognised on a net basis as it is considered the Company is acting as agent.

Software sales: The Company sells software licences and upon review of new and changing supplier agreements it has been determined that for all license reseller contracts we act as agent. Our performance obligation is to arrange for the licences to be provided by the software supplier. As we act as agent the software supplier is our customer rather than the software reseller partner. Our software revenue is not based on the gross amount invoiced to our reseller partner, but rather the agent fee we earn from the vendor in these transactions. Incentives from vendors previously recognised as a reduction in cost of sales will be recognised as revenue being an agency fee which is made up of standard commission and other incentives driven by volume and other metrics.

Services: The Company provides third party logistics and configuration services as value added services to our customers. The revenue earned for these services is based on fixed fee income or time and materials basis. Revenue is recognised at a point in time or when the service is complete.

Partner services: The Company acts as an agent and earns commission in respect of telecommunications complex data sales and as such the revenue is recognised on a net basis.

Disaggregation of revenue
The group has disaggregated the revenue from customer contracts into various categories in the following table which is intended to:
- depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic data; and
- enable users to understand the relationship with revenue segment information provided in Note 3.

Half year to 30 June 2024

Product Type	Description	Revenue recognition (PIT/OT)	Agent/ Principal	AU $'000	NZ $'000	Consolidated $'000
Infrastructure	Hardware products	Point in time	Principal	845,439	181,856	1,027,295
Virtual Services	Sales of 3rd party warranties and services	Point in time	Agent	8,230	592	8,822
Software	Software Licensing	Point in time	Agent	29,207	7,773	36,980
Dicker Data Services	3rd party logistics and configuration services	Point in time	Principal	2,885	111	2,996
Partner Services	Agent commission	Point in time	Agent	3,014	-	3,014
				888,775	**190,332**	**1,079,107**

Half year to 30 June 2023

Product Type	Description	Revenue recognition (PIT/OT)	Agent/ Principal	AU $'000	NZ $'000	Consolidated $'000
Infrastructure	Hardware products	Point in time	Principal	867,609	186,951	1,054,560
Virtual Services	Sales of 3rd party warranties and services	Point in time	Agent	8,009	708	8,717
Software	Software Licensing	Point in time	Agent	26,450	6,570	33,020
Dicker Data Services	3rd party logistics and configuration services	Point in time	Principal	2,919	46	2,965
Partner Services	Agent commission	Point in time	Agent	3,141	-	3,141
				908,128	**194,275**	**1,102,403**

Note 5. Dividends

The total dividends declared and paid during the half financial year was 26.0 cents per share or a total of $46.9m, fully franked.

Record Date	Payment Date	Dividend /Share (in Cents)	Amount (in 000's)	Type	FY	Amount Franked
15-Feb-24	1-Mar-24	15.00	$27,043	Final	2023	100%
15-May-24	3-Jun-24	11.00	$19,840	Interim	2024	100%
Total		**26.00**	**$46,883**			

Note 6. Fair value measurement

The Company has a number of financial instruments which are not measured at fair value in the statement of financial position, including cash, receivables, payables and current borrowings. The fair value of these financial assets and financial liabilities approximates their carrying amount due to their short-term nature.

	Jun-24 $'000	Dec-23 $'000
Financial Assets		
Cash and cash equivalents	16,393	11,607
Trade and other receivables	548,178	485,670
Total Financial Assets	**564,571**	**497,277**
Financial Liabilities		
Trade and other payables	441,819	320,049
Borrowings	331,080	300,863
Total Financial Liabilities	**772,899**	**620,912**

Note 7. Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

		Jun-24 $'000	Dec-23 $'000
	Current		
	Westpac receivables facility	-	197,000
	Westpac cash advance facility	45,000	50,000
	BNZ cash advance facility	53,080	53,863
	Total current borrowings	**98,080**	**300,863**
	Non-Current		
	Westpac receivables facility	233,000	-
	Total non-current borrowings	**233,000**	**-**
(a)	**Total current and non-current secured liabilities:**		
	Westpac receivables facility	233,000	197,000
	Westpac cash advance facility	45,000	50,000
	BNZ cash advance facility	53,080	53,863
	Total borrowings	**331,080**	**300,863**

(b) The Westpac receivables facility is secured by a fixed charge over all the Australian trade receivables and the Westpac cash advance facility is secured by a General Security Agreement over the assets of the Company.

The BNZ Cash Advance Facility is secured by a General Security Agreement over the assets of Dicker Data NZ Limited, and a Specific Security Deed over the assets of Express Data Holdings Pty Limited.

		Jun-24 $'000	Dec-23 $'000
(c)	**Facility limits**		
	Westpac receivables facility	320,000	270,000
	Westpac cash Advance Facility	45,000	50,000
	BNZ cash advance facility	62,231	53,863
	Total facility limits	**427,231**	**373,863**

Westpac receivables facility
The limit on the Westpac Receivables Facility increased from $270m to $320m in April 2024, supported by the increase in receivables balance. The renewal of the facility and increase in limit ensures the ongoing funding to continue to support working capital investments and the growth of the business. This facility is secured by a fixed charge over the Australian receivables and is to be renewed in May 2027.

Westpac cash advance facility
The cash advance facility was entered into with Westpac in August 2021 to fund the acquisition of the Exeed group and corresponding transaction costs. The original amount drawn down was $70m, which included annual repayments of $10m per annum over the 3 year life of the facility. The drawn down amount of the facility at 30 June 2024 is $45m. The facility is secured by a General Security Deed over the assets of the Company and was refinanced as a general corporate purpose cash advance facility in August 2024 for a further 12 months.

BNZ cash advance facility
In June 2022 Dicker Data NZ Ltd entered into a new cash advance facility with BNZ Bank. This facility replaced the Exeed Ltd invoice finance and cash advance facilities assumed on the acquisition of Exeed Ltd. This facility was renewed in March 2024 with an increased limit of NZD $68m, to be renewed May 2025. The facility was drawn to NZD $58m as at 30 June 2024. The facility also includes a stand-by letter of credit facility for $21.1m NZD to support supplier trade credit arrangements. The facility is secured by a General Security Deed over the assets of the New Zealand group supported by a guarantee and indemnity from the parent entity. This facility will help support the ongoing growth and working capital requirements of our growing New Zealand business.

Refinance risk
Dicker Data currently has in place a working capital facility with the Westpac Banking Corporation in Australia and Bank of New Zealand (BNZ) in New Zealand. The Australian receivables facility is to be renewed before May 2027, with the cash advance facility expiring Aug 2025. The BNZ facilities in New Zealand are to be renewed before May 2025. Whilst the Board is confident on the Company's ability to refinance these facilities there is no guarantee that in the future Dicker Data will be able to extend, renew or refinance its existing bank facilities at the required time, or access additional debt facilities if desired. Any new debt may also be available on terms that are less favourable to Dicker Data. If Dicker Data is unable to access adequate debt financing when desired, or debt that is provided is on commercially less favourable terms, this may affect its financing costs, or its ability to fund its operations, meet its growth aspirations or respond to competitive pressures. This in turn may affect Dicker Data's financial performance.

Note 8. Leases

The company leases eighteen properties both in Australia and New Zealand.

	Jun-24 $'000	Dec-23 $'000
Right of use asset		
Opening balance	17,974	19,748
Addition through business combination	-	701
Additions	1,077	1,816
Amortisation	(2,080)	(4,195)
Disposal	(167)	(12)
Effect of modification to lease terms	-	-
Effect of movements in exchange rate	(217)	(84)
Closing balance	**16,587**	**17,974**
Lease liability		
Opening balance	18,288	19,195
Addition through business combination	-	701
Addition	1,077	1,802
Interest expense	520	1,090
Disposal	(171)	-
Lease payments	(2,270)	(4,419)
Effects of movement in exchange rate	(231)	(81)
Closing balance	**17,213**	**18,288**
Maturity analysis		
Less than one year	2,916	2,826
One to five years	14,297	15,462
Total discounted lease liabilities	**17,213**	**18,288**

Future cash flows to which the Company is potentially exposed that are not reflected in the measurement of the right of use and lease liabilities are related to extension options for which the Company is uncertain to exercise.

Note 9. Business combinations

CSP Acquisition

On 28 February 2023 the Company announced the completion of the acquisition in New Zealand of Connect Security Products Ltd (CSP). The valuation of the fair value of the acquired assets and liabilities at acquisition date was finalised and completed at 30 June 2023. There has been no change to the provisional amounts presented in the 2023 annual report.

Note 10. Transactions with related parties

There were a number of related party transactions during the half year with Australis Music Group Pty Ltd an entity owned by Fiona Brown. The transactions included sales of goods and services which are billed to Australis Music Group Pty Ltd at an arm's length commercial basis. The total amount billed to Australis Music Group Pty Ltd for the interim reporting period was $92,532.71.

There were a number of related party transactions during the half year with the entity Rodin Cars Ltd, a New Zealand based entity owned by David Dicker. The transactions included sales of goods and services which are billed to Rodin Cars Ltd at an arm's length commercial basis both in Australia and New Zealand. The total amount billed to Rodin Cars Ltd for the interim reporting period was $166,839.62. There were also related party transactions with Rodin Aviation Ltd, a New Zealand based entity owned by David Dicker. The transaction included services provided by Rodin Aviation to Dicker Data Ltd and the amount paid for services during the interim reporting period was $280,901.16.

Dicker Data New Zealand Financial Services Pty Ltd has also provided finance to Rodin Cars Ltd at arm's length commercial rates. The amount payable as at 30 June 2024 was $420,614. The principal amount financed was $611,594.

During the half year David Dicker and Rodin Ventures Ltd, an entity owned by David Dicker partially sold down their shareholdings in Dicker Data Ltd. The proceeds from the sale of the shares were initially banked into the company bank account and then disbursed upon instructions from David Dicker and Rodin Ventures. Whilst the funds were held in the company bank account interest was earned at an arm's length commercial basis. Total interest paid to David Dicker and Rodin Ventures was $861,832.78 and $283,489.27 respectively. Total interest paid to David Dicker and Rodin Ventures is in line with total interest earned by the Company resulting in no net impact to shareholders.

In addition to these transactions there were also payments made on behalf of shareholders David Dicker and Rodin Ventures Ltd throughout the half year that were subsequently reimbursed, or funds were deposited in advance to cover these expenses from dividends paid to David Dicker and Rodin Ventures being deposited in the company bank account. As at 30 June 2024 there were no amounts owed or owing to the Company by David Dicker and Rodin Ventures Ltd.

Note 11. Contingent liabilities

The directors are not aware of any contingent liabilities related to the consolidated entity as at the report date.

Note 12. Subsequent events

Westpac cash advance facility
On 28th August 2024, the Westpac cash advance facility, initially used to finance the Exeed acquisition, was converted to a general purpose corporate facility and the remaining balance of $45m was rolled over for a further 12 months to August 2025. The effective commencement date of the updated facility is 30 September 2024.

There were no other significant matters subsequent to the end of the half year ended 30 June 2024.

Directors' Declaration

In the Directors' opinion:

- The attached financial statements and notes thereto 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 thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2024 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.

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

On behalf of the directors

David Dicker
CEO AND CHAIRMAN
30 August 2024

Independent Auditor's Review Report

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent Auditor's Review Report to the Members of Dicker Data Limited

Conclusion

We have reviewed the accompanying half-year financial report of Dicker Data Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

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

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial 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*.

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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities 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 responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Independent Auditor’s Review Report

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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.

Ernst & Young

Ernst & Young

Graham Leonard

Graham Leonard
Partner
Sydney
30 August 2024

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