

## APPENDIX 4D

Half Yearly Report  
Under ASX Listing Rule 4.2A.3.

### Acrow Limited

ABN 36 124 893 465

#### Details of Reporting Period

Reporting Period 6 months ended 31 December 2024  
Previous Reporting Period 6 months ended 31 December 2023

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#### Results for announcement to the market

	2024	2023	% change
	<i>dollars</i>	<i>dollars</i>	
Revenue from ordinary activities <sup>1</sup>	126,585,043	101,041,125	Up 25%
Net profit after tax from ordinary activities attributable to members	9,381,212	12,263,858	Down 24%
Share based payments and significant costs	7,059,686	3,952,892	Up 79%
Net profit after tax from ordinary activities excluding significant costs	16,440,898	16,216,750	Up 1%
	<i>Cents</i>	<i>Cents</i>	
Basic earnings per share (cents)	3.07	4.44	Down 31%
Diluted earnings per share (cents)	3.02	4.34	Down 30%
Basic earnings per share (cents) excluding significant costs	5.38	5.87	Down 8%
Diluted earnings per share (cents) excluding significant costs	5.29	5.74	Down 8%
Net tangible asset per share (cents)	42.71	39.69	Up 8%

#### Amount per security (Cents)

<b>Dividend distributions</b>	
Interim dividend per share (cents) – 100% franked	2.90
Record date for determining entitlements to the dividend	Wednesday, 30 April 2025
Dividend payment date	Friday, 30 May 2025
Dividend Reinvestment Plan (“DRP”) is in place, last date for election to participate	Friday, 9 May 2025
The Company paid a final dividend for the year ended 30 June 2024 – 100% franked on the 29 November 2024	3.00

The above information is based on the interim financial report which has been reviewed by Grant Thornton with the Independent auditor’s review report included. Additional disclosure requirements to Appendix 4D can also be found in the interim financial report.

<sup>1</sup> Revenue from ordinary activities includes revenue from continuing operations of \$117.1m and proceeds from the disposal of property, plant and equipment of \$9.4m.



**Acrow Limited**  
**ACN 124 893 465**

Interim Financial Report  
31 December 2024



## DIRECTORS' REPORT

The Directors of Acrow Limited and its controlled entities (Acrow) present their report together with the consolidated interim financial report for the half year ended 31 December 2024 and the auditor's review report thereon.

### DIRECTORS

The Directors of the Company at any time during or since the end of the period are:

Peter Lancken (Chairman)  
Steven Boland (Chief Executive Officer)  
David Moffat  
Melanie Allibon  
Laurie Lefcourt

### PRINCIPAL ACTIVITIES

Acrow operates in the Australian construction services industry, hiring formwork including screen systems, falsework, jump forms and scaffolding equipment, and is undertaking sales of formwork and scaffolding related consumables. Acrow also operates an industrial services business.

The Formwork operation involves the supply of the temporary mould that supports concrete structures in their construction.

The Industrial Scaffolding operations supplies an industrial labour service to complement its scaffold hire to the energy, mining and industrial sectors.

The Scaffolding operation supplies scaffolding equipment and access solutions to builders and building contractors when working at heights.

### OPERATING AND FINANCIAL REVIEW

The Acrow Group has always included safety as its number one priority. In the current half year it achieved a 100% improvement in its Loss Time Injury Frequency Rate from 1.1 in the financial year 2024 to zero.

The Acrow group performed strongly for the 6 months to 31 December 2024. The business has continued its long-term strategy of moving greater operational share towards the value added, highly engineered civil and commercial formwork solutions market as well as continued focus on equipment sales. The group is also placing additional emphasis on expanding its Industrial Access division, which provides a level of diversification and risk mitigation to the cyclical nature of the construction industry.

#### Financial performance:

The company achieved a net profit after tax of \$9.4m for the six months down from \$12.3m in the previous corresponding period (pcp). This decrease included the impact of additional earnout paid for the MI acquisition from its outperformance (\$2.7m additional) and amortisation of intangible assets (\$0.9m).

On an underlying basis, the key highlights for the year included:

- Group revenue of \$126.5m up 25% on pcp, assisted by a strong trading performance in the Industrial Access division both organic and from the MI and Benchmark acquisitions (additional 4 and 6 months respectively).



The Formwork division revenue decreased by \$6.7m or 11.9% pcp. This was predominantly the result of unexpected delays in projects particularly in Queensland.

- Sales contribution of \$70.8m, up 10%, driven by Industrial Access increased from \$10.8m to \$24.7m (or 128%). Gross margin decreased 7.5 percentage points “ppts” to 56% due to the percentage of industrial access revenue increasing by 74% pcp to 50% of the revenue which attracts lower margins due to the large labour component.
- Overhead costs increased 10%, primarily due to of costs associated with the acquisitions of MI and Benchmark Scaffold. No bad debts were expensed during the period.
- Underlying earnings before interest, depreciation and amortisation “EBITDA” increased 11% to \$39.0m. Underlying EBITDA margin decreased by 4 ppts to 30.8%, due predominantly to the higher mix of Industrial Access as mentioned above.
- Depreciation increased from \$9.5m to \$11.3m or 19% in line with full depreciation from last years capex spend, acquisition of MI and Benchmark and the front-end nature of the capital expenditure in the first half.
- Interest expense increased from \$3.0m to \$4.8m. This was from both increase in average gross debt and the increase in weighted average interest rates. Average monthly debt increased to \$80.5m from \$52.8m pcp or 52%. Weighted average interest rate increased by 0.53% from pcp.
- Underlying Net profit after tax “NPAT” remained relatively flat at \$16.4m from \$16.2 pcp.
- Underlying Earnings Per Share “EPS” decreased 8% to 5.4 cents per share from 5.9 cents per share pcp. Although underlying NPAT was relatively stable there was a 10% increase in weighted average number of shares. This was impacted from the annualised impact of the previous years issue of share in November (18.75m) and May (6.6m) plus the current year executive performance rights conversions (5m).
- Debt increased during the period predominantly due to increased growth capex, trade and acquisition related expenditures which has resulted in an increase of Net Debt to EBITDA of 1.3 from 1.1.



## Segment Underlying EBITDA

Half year ended 31 December 2024 (\$'000's)	1H25	1H24	\$ Mvt	% chg PCP
Formwork	54,614	61,278	-6,664	-11%
Industrial Services	63,192	28,856	34,336	119%
Commercial Scaffold	8,761	10,893	-2,132	-20%
<b>Total Revenue</b>	<b>126,566</b>	<b>101,026</b>	<b>25,541</b>	<b>25%</b>
Formwork	39,522	44,549	-5,027	-11%
Industrial Services	24,675	10,837	13,838	128%
Commercial Scaffold	6,619	8,724	-2,105	-24%
<b>Total Contribution</b>	<b>70,816</b>	<b>64,109</b>	<b>6,707</b>	<b>10%</b>
<i>Contribution Margin*</i>	56.0%	63.5%		-7.5%
Yard Related Expenses	9,437	9,170	267	3%
Labour	18,117	15,446	2,671	17%
Other	4,234	4,295	-61	-1%
<b>Total Overheads</b>	<b>31,787</b>	<b>28,911</b>	<b>2,876</b>	<b>10%</b>
<b>Underlying EBITDA</b>	<b>39,029</b>	<b>35,198</b>	<b>3,831</b>	<b>11%</b>
<i>EBITDA Margin*</i>	30.8%	34.8%		-4%

## Dec-24 Reconciliation of Reported Net Profit after Tax to Underlying EBITDA

	1H2025	1H2024
<b>Statutory net profit after tax</b>	<b>9,381</b>	<b>12,264</b>
Add back share-based payments	1,441	1,384
Add back acquisition and integration costs	5,619	2,569
<b>Underlying net profit after tax</b>	<b>16,441</b>	<b>16,217</b>
Add back reported depreciation	11,323	9,544
Add back short term lease depreciation	264	331
Add back interest	4,754	3,000
Add back foreign exchange loss not included in underlying	646	-225
Add back tax expense	5,602	6,331
<b>Underlying EBITDA</b>	<b>39,029</b>	<b>35,198</b>



## Significant items

### *Contingent consideration:*

The purchase price accounting for the November 2023 acquisition of MI Scaffold Pty Limited included an assumption for the earn-out payments 12 and 24 months after acquisition. Based on assumptions at the time of acquisition, earn-out payments of \$2.1m and \$3.4m for 2024 and 2025 respectively were taken up.

The performance of MI Scaffold exceeded expectations and the full capped earnout of \$4.95m was payable in November 2024. As a result, an expense of \$2.7m was recorded in the consolidated statement of comprehensive income.

### *Amortisation of intangible assets*

The purchase price accounting for both MI Scaffold Pty Limited and Benchmark Scaffolding & Edge included intangibles for customer contracts and brand. These intangibles are being amortised over 12 and 10 years respectively.

## Balance sheet and cash flow

Net current assets remained relatively stable decreasing from \$13.7m at 30 June 2024 to \$12.0m at half year end. Working capital of \$57.4m increased from \$50.6m at June 2024 which represents 22.7% of sales revenue annualised compared to 23.5% at June and is therefore considered within normal operating parameters.

During the period a Business Loan Acquisition facility of \$31m was negotiated to enable the Company to acquire businesses in line with our growth strategy without the need for equity raising if appropriate and other loan terms and capacity were renegotiated to provide improved rates and additional headroom on key operational facilities

Net debt increased from \$68.6m in 2024 to \$92.0m. This was predominantly due to:

- Growth capex to ensure we can meet our secured contract commitments.
- Contractual payments associated with earn out payments from acquisitions
- Providing extended terms to key customers to enable significant equipment sales, and the ensuing replacement of that ex-hire equipment
- Front loaded costs on contracts such as labour and freight that will be recovered over time as the contract progresses.

Net gearing (net debt / (net debt + equity)) increased from 32.7% to 39.0% and remains well within our bank covenants.

Capital expenditure, offset by depreciation saw an increase in property plant and equipment from \$170.4m to \$184.0m.

During the period the purchase price allocation of Benchmark was finalised with the assistance of fair value specialists and is reflected in the financial statements as at 31 December 2024, including a note on the differences between the interim allocation at 30 June and the finalised allocation between identifiable assets and goodwill as of 31 December 2024.



## **DIVIDENDS Paid during the period**

The company paid a 3.0 cents per share dividend, fully franked on 29 November 2024 being a total of \$9.2m. Shares totalling 754,196 were issued under the Dividend Reinvestment Plan at 1.06 cents per share including a 2.5% discount.

## **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

There were no significant changes in the Group's state of affairs.

## **EVENTS SUBSEQUENT TO THE REPORTING DATE**

On 26 February 2025, the Directors declared a fully franked interim dividend of 2.90 cents per share to be paid on 30 May 2025. Dividend Reinvestment Plan is available for election. The dividend has not been provided for in this financial report as it was not declared until after 31 December 2024.

On 12<sup>th</sup> February 2025 Acrow Limited acquired all the shares in Australasian Training & Education Centre Pty Limited. This business was acquired to provide Acrow with a competitive advantage by being able to train external customers for a fee, along with internal employees in skills relevant to the Industrial Access sector.

Other than the matter noted above, there has not arisen in the interval between the end of the financial period and the date of this Directors' report, any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of Acrow, the results of those operations, or the state of affairs of Acrow in future financial periods.

## **LEAD AUDITOR'S INDEPENDENCE DECLARATION**

The lead auditor's independence declaration is set out on page 8 and forms part of the Directors' report for the period ended 31 December 2024.

Dated at Sydney this 26<sup>th</sup> February 2025

Signed in accordance with a resolution of the directors:



Peter Lancken  
Chairman



Steven Boland  
Chief Executive Officer



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## Auditor's Independence Declaration

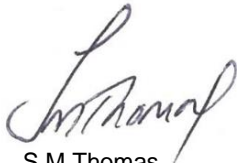
### To the Directors of Acrow Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Acrow Limited for the half-year ended 31 December 2024. I declare that, 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; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



S M Thomas  
Partner – Audit & Assurance

Sydney, 26 February 2025



## Consolidated Statement of Comprehensive Income

For the half-year ended 31 December 2024

<i>In dollars</i>	Note	31 Dec 2024	31 Dec 2023
<b>Continuing operations</b>			
Revenue	3	117,144,138	93,373,022
Other income	4	4,006,074	4,686,347
Personnel expenses		(53,324,212)	(35,497,902)
Sub-contract labour costs		(7,466,452)	(6,012,377)
Inventory purchased, net of changes in finished goods		(14,574,103)	(15,523,557)
Depreciation		(11,323,036)	(9,543,519)
Contingent consideration		(2,660,434)	-
IT and telecommunication expenses		(1,297,696)	(1,107,356)
Freight costs		(1,827,902)	(1,389,240)
Insurance expenses		(1,254,508)	(946,120)
Amortisation of other intangible assets		(938,217)	-
Other expenses	5	(6,746,820)	(6,443,716)
<b>Profit before net finance costs and income tax</b>		<b>19,736,832</b>	<b>21,595,582</b>
Finance costs		(4,753,938)	(3,000,333)
<b>Net finance costs</b>		<b>(4,753,938)</b>	<b>(3,000,333)</b>
<b>Profit before income tax</b>		<b>14,982,894</b>	<b>18,595,249</b>
Income tax expense	6	(5,601,682)	(6,331,391)
<b>Profit from continuing operations</b>		<b>9,381,212</b>	<b>12,263,858</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified to profit / (loss)</b>			
Foreign operations - foreign currency translation differences		-	9,741
<b>Total comprehensive income for the period</b>		<b>9,381,212</b>	<b>12,273,599</b>
<b>Earnings per share from continuing operations</b>			
Basic EPS (cents per share)	12	3.07	4.44
Diluted EPS (cents per share)	12	3.02	4.34

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



## Consolidated Statement of Financial Position

As at 31 December 2024

<i>In dollars</i>	Note	31 Dec 2024	30 June 2024
<b>Current assets</b>			
Cash and cash equivalents	7	3,129,815	5,593,504
Trade and other receivables		61,384,295	53,735,780
Inventories		12,847,976	14,009,225
Contract assets		1,130,484	43,299
Prepayments and other assets		9,171,379	4,370,251
<b>Total current assets</b>		<b>87,663,949</b>	<b>77,752,059</b>
<b>Non-current assets</b>			
Property, plant and equipment		183,977,376	170,421,375
Right-of-use lease assets		30,878,736	28,061,115
Goodwill	8	21,373,360	19,971,167
Other intangible assets	8	17,683,707	16,239,924
<b>Total non-current assets</b>		<b>253,913,179</b>	<b>234,693,581</b>
<b>Total assets</b>		<b>341,577,128</b>	<b>312,445,640</b>
<b>Current liabilities</b>			
Bank overdraft	7	14,278,364	3,597,901
Trade payables		26,031,300	21,535,436
Other payables	9	4,412,372	1,737,880
Employee benefits		7,318,340	7,903,481
Lease liabilities		6,535,129	5,727,741
Loans and borrowings	10	17,556,052	21,485,595
Current tax liabilities		(450,651)	2,029,461
<b>Total current liabilities</b>		<b>75,680,906</b>	<b>64,017,495</b>
<b>Non-current liabilities</b>			
Other payables	9	659,447	3,980,903
Employee benefits		959,619	778,061
Lease liabilities		29,253,504	26,734,220
Loans and borrowings	10	63,274,651	49,147,807
Provisions		569,274	569,274
Deferred income tax liability		27,537,543	26,257,568
<b>Total non-current liabilities</b>		<b>122,254,038</b>	<b>107,467,833</b>
<b>Total liabilities</b>		<b>197,934,944</b>	<b>171,485,328</b>
<b>Net assets</b>		<b>143,642,184</b>	<b>140,960,312</b>
<b>Equity</b>			
Issued capital		92,951,615	89,458,912
Reserves		3,656,956	4,674,077
Retained earnings		47,033,613	46,827,323
<b>Total equity</b>		<b>143,642,184</b>	<b>140,960,312</b>

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



## Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2024

	Share capital	Share-based payments reserve	Foreign currency translation reserve	Retained Earnings	Total equity
<i>In dollars</i>					
<b>Balance at 30 June 2023</b>	<b>61,809,122</b>	<b>4,022,214</b>	<b>53,803</b>	<b>36,998,532</b>	<b>102,883,671</b>
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	12,263,858	12,263,858
Other comprehensive income	-	-	9,741	-	9,741
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>9,741</b>	<b>12,263,858</b>	<b>12,273,599</b>
<b>Transactions with owners of the Group</b>					
Shares issued net of transaction costs	14,340,000	-	-	-	14,340,000
Dividends paid to shareholders	-	-	-	(7,351,317)	(7,351,317)
Shares issued under dividend reinvestment plan ("DRP"), net of costs	703,945	-	-	-	703,945
Listing costs	(71,889)	-	-	-	(71,889)
Equity settled share-based payments	-	1,384,254	-	-	1,384,254
Transfer of option reserves to share capital	2,539,268	(2,539,268)	-	-	-
<b>Total transactions with Owners of the Company</b>	<b>17,511,324</b>	<b>(1,155,014)</b>	<b>-</b>	<b>(7,351,317)</b>	<b>9,004,993</b>
<b>Balance at 31 December 2023</b>	<b>79,320,446</b>	<b>2,867,200</b>	<b>63,544</b>	<b>41,911,073</b>	<b>124,162,263</b>
<b>Balance at 30 June 2024 as previously reported</b>	<b>89,458,912</b>	<b>4,674,077</b>	<b>-</b>	<b>46,827,323</b>	<b>140,960,312</b>
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	9,381,212	9,381,212
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,381,212</b>	<b>9,381,212</b>
<b>Transactions with owners of the Group</b>					
Shares issued as consideration on business combination, net of cost	270,712	-	-	-	270,712
Performance Rights forfeited	-	(28,273)	-	14,481	(13,792)
Dividends paid to shareholders	-	-	-	(9,189,403)	(9,189,403)
Shares issued under dividend reinvestment plan ("DRP")	799,750	-	-	-	799,750
Listing costs	(21,155)	-	-	-	(21,155)
Equity settled share-based payments	-	1,097,627	-	-	1,097,627
Transfer of LTVRs reserves to share capital	2,086,475	(2,086,475)	-	-	-
Shares issued to executives	356,921	-	-	-	356,921
<b>Total transactions with Owners of the Company</b>	<b>3,492,703</b>	<b>(1,017,121)</b>	<b>-</b>	<b>(9,174,922)</b>	<b>(6,699,340)</b>
<b>Balance at 31 December 2024</b>	<b>92,951,615</b>	<b>3,656,956</b>	<b>-</b>	<b>47,033,613</b>	<b>143,642,184</b>

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



## Consolidated Statement of Cash Flows

For the period ended 31 December 2024

*In dollars*

	Note	31 Dec 2024	31 Dec 2023
<b>Cash flows from operating activities</b>			
Receipts from customers		63,090,027	48,293,989
Receipts from lease revenue		52,814,403	53,758,461
Payments to suppliers and employees		(92,365,907)	(78,711,636)
Cash generated from operations		23,538,523	23,340,814
Income tax paid		(6,620,168)	(2,350,000)
<b>Net cash inflow from operating activities</b>		<b>16,918,355</b>	<b>20,990,814</b>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of property, plant and equipment		9,440,905	7,668,103
Purchase of property, plant and equipment		(29,255,550)	(22,634,369)
Consideration paid for controlled entities; net of cash acquired		(4,050,000)	(24,984,704)
<b>Net cash outflow from investing activities</b>		<b>(23,864,645)</b>	<b>(39,950,970)</b>
<b>Cash flows from finance activities</b>			
Proceeds from issue of shares		-	15,000,000
Capital raising costs		(21,155)	(660,000)
Proceeds from borrowings		22,891,570	29,918,183
Repayment of borrowings		(12,694,268)	(16,463,703)
Repayment of lease liabilities		(4,232,127)	(3,653,510)
Dividends paid, net of DRP	11	(8,389,653)	(6,647,372)
Finance costs paid		(3,752,229)	(2,100,585)
<b>Net cash flow from financing activities</b>		<b>(6,197,862)</b>	<b>15,393,013</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(13,144,152)</b>	<b>(3,567,143)</b>
Cash and cash equivalents at 1 July		1,995,603	4,939,396
Effect of exchange rate fluctuations on cash held		-	2
<b>Cash and cash equivalents at end of reporting period</b>		<b>(11,148,549)</b>	<b>1,372,255</b>

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



## Notes to the Financial Statements

### 1. Reporting entity

Acrow Limited (Acrow or the Group) is a limited company incorporated in Australia and whose shares are traded on the Australian Securities Exchange under the issuer code "ACF".

The interim financial statements of Acrow for the half-year ended 31 December 2024 comprise of the Company and its controlled entities (the Group).

The Group is a for-profit entity and is primarily involved in the hire and sale of falsework, formwork, scaffolding and screen equipment including industrial services and other construction services.

Acrow's Annual Reports for prior reporting periods are available upon request from the Group's registered office located at 2A Mavis Street, Revesby NSW 2212, Australia or at [www.acrow.com.au](http://www.acrow.com.au).

### 2. Basis of preparation

#### (a) Basis of accounting

The interim financial statements are general purpose financial statements which have been prepared in accordance with AASB 134 Interim Financial Reporting and Corporations Act 2001, and with IAS 34 Interim Financial Reporting.

This report does not include all the information required for a full annual financial report and should be read in conjunction with Acrow's Annual Financial Report for the year ended 30 June 2024. This report should also be read in conjunction with any public announcement made by Acrow during the half-year ended 31 December 2024 in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

The interim financial report was authorised for issue by the Board of Directors on 26 February 2025.

#### (b) Basis of measurement

The interim financial statements have been prepared on accrual basis and are based on historical costs, modified where applicable by the measurement at fair value.

#### (c) Functional and presentation currency

The interim financial statements are presented in Australian dollars, which is the Group's functional currency.

#### (d) Use of estimates and judgements

The preparation of interim financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimations, uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the interim financial statements include the following:

- (i) Valuation of goodwill;
- (ii) Determination of expected credit losses of receivables; and
- (iii) Utilisation of tax losses.



## Acrow Limited | Interim Financial Report

Current accounting policies have been applied consistently to all periods presented in these interim financial statements and have been applied consistently by the Group.

### (e) Comparative information

Where applicable, comparative information is reclassified to comply with disclosure requirements and improve comparability. The impact of which is not material to the financial report.

### (f) Rounding

Acrow is a company of the kind referred to in the Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016 and in accordance with that Legislative Instrument, amounts in these interim financial statements have been rounded off to the nearest dollar and are shown as such, unless stated otherwise.

### (g) Basis of consolidation

The interim financial statements have been prepared by aggregating the financial statements of all the entities that comprise the Group, being Acrow Limited and its controlled entities.

All inter-entity balances and transactions are eliminated in these interim financial statements.

## 3. Revenue

*In dollars*

	31 Dec 2024	31 Dec 2023
<b>Revenue from contracts with customers</b>		
Labour services transferred over time	43,298,020	19,015,557
Cartage services transferred over time	4,925,580	3,827,136
Consumable sales and other services transferred at a point in time	20,907,445	21,659,001
	<b>69,131,045</b>	<b>44,501,694</b>
<b>Revenue from operating leases</b>		
Hire of equipment	48,013,093	48,871,328
	<b>117,144,138</b>	<b>93,373,022</b>

## 4. Other income

*In dollars*

	31 Dec 2024	31 Dec 2023
<b>Disposal of property, plant and equipment</b>		
Ex-hire equipment		
Proceeds	9,422,178	7,653,012
Written down value	(5,434,831)	(2,975,756)
	<b>3,987,347</b>	<b>4,677,256</b>
Non-hire equipment		
Proceeds	18,727	15,091
Written down value	-	(6,000)
	<b>18,727</b>	<b>9,091</b>
<b>Net gain on disposal of property, plant and equipment</b>	<b>4,006,074</b>	<b>4,686,347</b>



## Acrow Limited | Interim Financial Report

### 5. Other expenses

<i>In dollars</i>	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
Acquisition, restructuring and process integration expenses	(2,020,279)	(2,416,581)
Occupancy expenses	(1,546,969)	(1,098,372)
Expected credit loss	-	(1,000,000)
Administrative expenses	(895,189)	(626,916)
Audit, tax and legal expenses	(752,139)	(593,082)
Travel and entertainment expenses	(601,866)	(496,608)
Miscellaneous expenses	(930,378)	(212,157)
	<b>(6,746,820)</b>	<b>(6,443,716)</b>

### 6. Income tax (expense)

<i>In dollars</i>	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
Current income tax (expense)	(4,364,839)	(4,338,183)
Deferred income tax (expense)	(1,343,296)	(1,991,887)
Changes to estimate from prior years	106,453	(1,321)
<b>Income tax (expense) attributable to profit</b>	<b>(5,601,682)</b>	<b>(6,331,391)</b>

### 7. Cash and cash equivalents

<i>In dollars</i>	<b>31 Dec 2024</b>	<b>30 Jun 2024</b>
Cash at bank	3,129,815	5,593,504
Bank overdraft	(14,278,364)	(3,597,901)
	<b>(11,148,549)</b>	<b>1,995,603</b>

### 8. Goodwill & other intangible assets

<i>In dollars</i>	<b>31 Dec 2024</b>	<b>30 Jun 2024</b>
Opening goodwill balance	19,971,167	7,428,704
Additions	1,402,193	12,542,463
Closing balance	<b>21,373,360</b>	<b>19,971,167</b>
Opening other intangible asset balance	16,239,924	14,069,696
Additions	2,382,000	3,069,628
Accumulated amortisation	(938,217)	(899,400)
Closing balance	<b>17,683,707</b>	<b>16,239,924</b>

### 9. Other payables

<i>In dollars</i>	<b>31 Dec 2024</b>	<b>30 Jun 2024</b>
<b>Current other payables</b>		
MI Scaffold contingent consideration	3,676,519	1,459,742
Benchmark deferred and contingent considerations	735,853	278,138
	<b>4,412,372</b>	<b>1,737,880</b>



## Acrow Limited | Interim Financial Report

### Non-current other payables

MI Scaffold contingent consideration	-	3,732,609
Benchmark deferred and contingent considerations	659,447	248,294
	<b>659,447</b>	<b>3,980,903</b>

### 10. Loans and borrowings

*In dollars*

	31 Dec 2024	30 June 2024
Current	17,556,052	21,485,595
Non-current	63,274,651	49,147,807
	<b>80,830,703</b>	<b>70,633,402</b>

#### Borrowings are represented by the following finance facilities:

Secured amortising business loan of \$43.0m limit, was refinanced in September 2024 to optimise financial flexibility by securing lower margins, increasing headroom, and enhancing liquidity through conversion to an interest-only (non-amortising) structure, new facility limit was expanded by \$10.0m to \$53.0m.	47,119,000	44,767,000
<i>Headroom</i>	5,881,000	-
Secured \$31.0m non-amortising, interest-only Business Loan Acquisition Facility was established on 30 September 2024 to support funding for future acquisitions	-	-
<i>Headroom</i>	31,000,000	-
Equipment finance facility, revolving 3-year limit of \$37.0m (June 2024: \$27.0m).	30,496,742	22,573,556
<i>Headroom</i>	6,503,258	4,426,444
Trade finance facility, revolving 180-day limit of \$3.5m (Jun 2024: \$3.5m limit).	3,214,962	3,292,846
<i>Headroom</i>	285,038	207,154
Working capital facility, \$21.5m limit (June 2024: \$16.5m) including \$2.3m bank guarantee (June 2024: \$2.0m), \$19.3m bank overdraft (June 2023: \$14.5m).	15,653,565	5,574,485
<i>Headroom</i>	5,846,435	10,925,515
<b>Borrowings utilised</b>	<b>96,484,269</b>	<b>76,207,887</b>
<i>Headroom</i>	49,515,731	15,559,113
<b>Total accessible borrowing amount</b>	<b>146,000,000</b>	<b>91,767,000</b>
<b>Borrowings utilised and committed</b>	<b>96,484,269</b>	<b>76,207,887</b>
<i>Less: Bank overdraft recognised separately</i>	(14,278,364)	(3,597,902)
<i>Less: Bank guarantee utilised not drawn</i>	(1,375,202)	(1,976,583)
<b>Total borrowings</b>	<b>80,830,703</b>	<b>70,633,402</b>





## Acrow Limited | Interim Financial Report

All borrowings are secured by interlocking guarantees across all Group companies.

Interest rates on secured amortised business loans are variable and dependent on prevailing market rates and bank margins. All borrowing costs incurred during the period have been expensed.

### 11. Issued capital

	31 Dec 2024	30 Jun 2024
<b>Number of shares</b>		
On issue of 1 July	301,396,067	266,339,056
Issue of shares for cash	-	25,395,663
Issue of DRP shares (i)	754,196	1,471,258
Shares issued through conversion of performance rights (ii)	5,007,396	6,250,025
Exercise of share options	-	166,071
Issue of shares on acquisition of Benchmark	-	1,773,994
	<b>307,157,659</b>	<b>301,396,067</b>

- (i) 754,196 units of ordinary shares were issued at \$1.06 per share following the final dividend declaration on 21 August 2024 pursuant to the Dividend Reinvestment Plan (DRP).
- (ii) 5,007,396 units of ordinary shares were issued through conversion of performance rights granted under Long Term Variable Remuneration (LTVR) plan.

The holders of these shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Group.

### Performance Rights

Carried forward from FY2024, there were a total of 14,930,881 units of Performance Rights outstanding which were granted based on Earnings Per Share (EPS) and Total Shareholder Return (TSR) performance hurdles over FY2021 to FY2026 periods.

Current half-year movements are summarised as follow:

#### Long term variable incentives

Measurement period	FY21 - 24	FY2025	FY2026	FY2027	Total
Vesting status on 31 December 2024	Vested	Unvested	Unvested	Unvested	
Outstanding as of 1 July	6,900,427	4,159,690	3,870,764	-	14,930,881
Grants / (cancellations) of issues (i)	332,020	-	-	3,747,368	4,079,388
Unvested or forfeiture	-	(46,268)	(38,704)	-	(84,972)
Vested and exercised as ordinary shares (ii)	(5,007,396)	-	-	-	(5,007,396)
<b>Balance outstanding at 31 December 2024</b>	<b>2,225,051</b>	<b>4,113,422</b>	<b>3,832,060</b>	<b>3,747,368</b>	<b>13,917,901</b>

- (i) A total of 4,079,388 LTVRs had been granted during the period, of which 3,747,368 units were granted on FY2027 measurement period to executives and senior managers and 332,020 units were granted on FY2024 measurement period to senior managers during the half year reporting period. These were granted based on Earnings Per Share (EPS) and Total Shareholder Return (TSR) performance hurdles over each measurement period.



## Acrow Limited | Interim Financial Report

- (ii) A total of 5,007,396 units were exercised, these include 4,436,444 units on FY2024 LTVRs that became vested and exercisable (vesting outcome were 100% on both TSR and EPS issues). Balance on all vested and exercisable LTVRs remaining were 2,225,051 units at end of period.

Total number of outstanding performance rights on 31 December 2024 were 13,917,901 units (30 June 24: 14,930,881 units).

### Dividends

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved prior to the reporting date.

The following dividends were declared and paid by the Group during the period:

<i>In dollars</i>	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
<b>Dividends on ordinary shares declared and paid:</b>		
FY24: 3.0 cents per share (FY23: 2.7 cents per share)		
- Paid in cash	8,389,653	6,647,372
- Paid via DRP	799,750	703,945
	<b>9,189,403</b>	<b>7,351,317</b>

A 100% franked dividend of \$7,351,317 for the year ended 30 June 2023 was paid on 30 November 2023 at 2.7 cents per share with 837,432 new shares issued at 84.06 cents each as part of the DRP.

A 100% franked dividend of \$9,189,403 for the year ended 30 June 2024 was paid on 30 November 2024 at 3.0 cents per share with 754,196 new shares issued at \$1.06 each as part of the DRP.

Subsequent to balance date, the Directors declared an interim dividend of 2.90 cents per share 100% franked on 26 February 2025.

## 12. Earnings per share

Basic EPS is calculated by dividing profit for the half-year attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year plus the potential ordinary shares arising from options and employee share schemes operated by the Group.

The following table reflects the income and share data used in the basic and diluted EPS computations:

<i>In dollars</i>	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
<b>Earnings reconciliation</b>		
Profit excluding significant items	16,440,898	16,216,750
Net share-based payments and significant items*	(7,059,686)	(3,952,892)
Net profit after tax	<b>9,381,212</b>	<b>12,263,858</b>

\* For December 2024, it includes \$2.7m contingent consideration, \$2.0m acquisition & restructuring costs as disclosed in note 5, \$1.4m share based payments and \$1.0m amortisation of intangibles; for December 2023, it includes \$2.6m significant costs and \$1.4m share based payments.



## Acrow Limited | Interim Financial Report

### Number of ordinary shares:

Weighted average number of ordinary shares used in the calculation of basic EPS	305,441,914	276,401,167
Weighted average number of ordinary shares used in the calculation of diluted EPS	311,651,343	282,468,213
Basic EPS excluding significant items (cents per share)	5.38	5.87
Diluted EPS excluding significant items (cents per share)	5.29	5.74
Basic EPS (cents per share)	3.07	4.44
Diluted EPS (cents per share)	3.02	4.34

### 13. Acquisition of Benchmark Scaffolding & Edge Protection Pty Ltd

Updates to provisional accounting on acquisition for the year ended June 2024:

During the period the following events occurred which resulted in updates to the provisional accounting on Benchmark Scaffolding & Edge Protection Pty Ltd (ACN 163 412 888), acquired on the 1 March 2024.

- (i) Valuations on the acquired tangible plant and equipment;
- (ii) Valuations on the acquired intangible assets with respect to customer relationships;
- (iii) New information was obtained about the facts and circumstances that impacted cash and trade payables, and trade receivables was reduced for a \$270,712 loss allowance from contractual amount of \$1,178,617; and
- (iv) Increase to the upfront purchase price predominately due to inclusion of contingent considerations for specific contract outcomes and adjustments to discount rates.

The final goodwill of \$1,073,853 is attributable to the increase in market share and the specialised workforce. It is not deductible for tax purposes.

#### Benchmark Scaffolding & Edge Protection Pty Ltd

<i>In dollars</i>	<b>Provisional at Jun 2024</b>	<b>Revision</b>	<b>Final</b>
Cash paid (iii)	6,400,000	(679,087)	5,720,913
Shares issues	2,000,000	270,712	2,270,712
Deferred considerations	504,907	33,656	538,563
Contingent considerations	-	703,059	703,059
<b>Total purchase consideration (iv)</b>	<b>8,904,907</b>	<b>328,340</b>	<b>9,233,247</b>
Cash and cash equivalents	400,382	-	400,382
Trade and other receivables (iii)	1,178,617	(271,384)	907,233
Property, plant and equipment (i)	7,500,000	(2,716,120)	4,783,880
Prepayments and other assets	30,000	-	30,000
Right-of-use lease assets	309,445	-	309,445
Customer relationship (ii)	-	2,382,000	2,382,000
Trade and other payables (iii)	(811,304)	(650,000)	(1,461,304)
Lease liabilities	(309,444)	-	(309,444)
Employee benefits	(521,656)	-	(521,656)



## Acrow Limited | Interim Financial Report

Deferred income tax liabilities	(1,849,610)	181,651	(1,667,959)
<b>Net identifiable assets acquired</b>	<b>5,926,430</b>	<b>(1,073,853)</b>	<b>4,852,577</b>
<b>Goodwill on acquisition</b>	<b>2,978,477</b>	<b>1,402,193</b>	<b>4,380,670</b>

The fair values of plant and equipment and intangible assets on acquisition date have been determined by engaging two qualified and specialised valuers.

The valuation of intangibles, being Customer Relationships was determined using the Multi-Period Excess Earnings Method. Key assumptions used in determining the fair values included revenue, growth rate, attrition rate and margins.

For plant and equipment, another valuer was engaged to determine the depreciated replacement cost of the assets. The depreciated replacement costs reflect adjustments for physical deterioration, as well as functional and economic obsolescence.

No acquisition cost has been incurred during the current reporting periods.

### *Contribution of acquisition to revenue and profits*

The consolidated statement of profit and loss and comprehensive income includes the following revenue and net profit in the current reporting period:

Revenue	\$4,879,044
Net profit after tax	\$844,919

## 14. Group entities

The interim financial statements include the financial statements of the following wholly owned subsidiaries:

	<b>Place of incorporation</b>	<b>% Equity interest</b>
Acrow Holdings Pty Limited	NSW	100%
Acrow Formwork and Scaffolding Pty Ltd	NSW	100%
Acrow Screens Pty Ltd	NSW	100%
Acrow Screens (Qld) Pty Ltd	QLD	100%
Acrow Industrial Services Group Pty Ltd	QLD	100%
Uni-span Height Safety Pty Ltd	QLD	100%
Unispan Australia Pty Ltd	QLD	100%
Uni-span Formwork Solutions Pty Ltd	QLD	100%
MI Scaffold Pty Ltd	QLD	100%
Acrow Group Investments Pty Ltd	NSW	100%
Benchmark Scaffolding & Edge Protection Pty Ltd	QLD	100%

These subsidiaries have been granted relief from the necessity to prepare financial reports under the option available to the Group under ASIC Corporations (Wholly Owned Companies) Instrument 2016/785.

These subsidiaries, along with Acrow Limited (the parent entity of the Group), form the Deed of Cross Guarantee Group.



### 15. Operating segments

The Group's operating segment is based on the internal reports that are reviewed and used by the Board of Directors and the executive management team (being the Chief Operating Decision Makers ("CODM")) in assessing the financial performance and in determining the allocation of resources. The Group operates in the building construction market, providing falsework, formwork, scaffolding, screens and related material for hire and sales. There are no operating segments for which discrete financial information exists.

The information reported to the CODM, on at least monthly basis, is the consolidated results as shown in the statement of profit or loss and other comprehensive income and statement of financial position

### 16. Subsequent Events

On 26 February 2025, the Directors declared a 100% franked dividend of 2.90 cents per share to be paid on 30 May 2025. Dividend Reinvestment Plan (DRP) is available for election. The dividend has not been provided for elsewhere in this report as the declaration was made after 31 December 2024.

On 12th February 2025 Acrow Limited acquired all the shares in Australasian Training & Education Centre Pty Limited. This business was acquired to provide Acrow with a competitive advantage by being able to train internal employees and external customers for a fee skills relevant to the Industrial Access sector.

Other than the above matter there has not otherwise arisen between the end of the year end period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of the affairs of the Group, in future financial years.

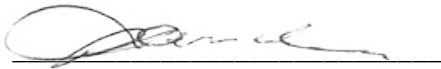


## Directors' Declaration

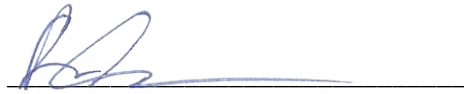
In the opinion of the directors of Acrow Ltd (the Group):

- (a) the consolidated interim financial statements and notes are in accordance with the Corporations Act 2001, including:
  - i) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance, for the financial year ended on that date; and
  - ii) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001;
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Peter Lancken  
Chairman



Steven Boland  
Director, Chief Executive Officer

Sydney  
26 February 2025



## Independent Auditor's Review Report

### To the Members of Acrow Limited

#### Report on the half year financial report

##### Conclusion

We have reviewed the accompanying half year financial report for Acrow Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, and 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, including material accounting policy information, other selected 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 accompanying half-year financial report of Acrow Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial 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 our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### **Directors' responsibility for the half-year financial report**

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

### **Auditor's responsibility for the review of the financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



Grant Thornton Audit Pty Ltd  
Chartered Accountants



S M Thomas  
Partner – Audit & Assurance

Sydney, 26 February 2025