TR Example Group
NZBN xxxxxxxxxxx
Interim condensed consolidated financial statements
30 June 2024

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Interim condensed consolidated financial statements
30 June 2023

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Interim condensed consolidated statement of profit or loss

for the six months ended 30 June

	Notes	2024 $000	2023 $000
Continuing operations			
Revenue from contracts with customers	3	88,465	72,092
Rental income		770	715
Revenue	**4**	**89,235**	**72,807**
Cost of sales		(64,628)	(53,596)
Gross profit		**24,607**	**19,211**
Other operating income		617	1,728
Selling and distribution expenses		(9,253)	(7,228)

Consolidated statement of profit or loss

for the six months ended 30 June

	Notes	2023 $000	2022 $000
Continuing operations			
Revenue from contracts with customers	3	88,465	72,092
Rental income		770	715
Revenue	**4**	**89,235**	**72,807**
Cost of sales		(64,628)	(53,596)
Gross profit		**24,607**	**19,211**
Other operating income		617	1,728
Selling and distribution expenses		(9,253)	(7,228)

	Notes		
Administrative expenses	3, 7	(11,118)	(9,334)
Other operating expenses	10, 11, 14	(1,497)	(91)
Operating profit		**3,356**	**4,286**
Finance costs		(1,662)	(436)
Finance income		204	166
Share of profit of an associate and a joint venture		366	329
Profit before tax from continuing operations	**4**	**2,264**	**4,345**
Income tax expense	8	(389)	(1,194)
Profit for the period from continuing operations		**1,875**	**3,151**
Discontinued operations			
Profit/(loss) after tax for the period from discontinued operations	6	619	(18)
Profit for the period		**2,494**	**3,133**
Attributable to:			
Equity holders of the parent		2,447	3,072
Non-controlling interests		47	61
		2,494	**3,133**
Earnings per share (EPS):			
Basic, profit for the period attributable to ordinary equity holders of the parent		$0.11	$0.15
Diluted, profit for the period attributable to ordinary equity holders of the parent		$0.10	$0.14
Earnings per share from continuing operations:			
Basic, profit from continuing operations attributable to ordinary equity holders of the parent		$0.08	$0.15
Diluted, profit from continuing operations attributable to ordinary equity holders of the parent		$0.08	$0.14

Interim condensed consolidated statement of comprehensive income

for the six months ended 30 June

	Notes	2024 $000	2023 $000
Profit for the period		**2,494**	**3,133**
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):			
Net gain on hedge of net investment		192	90
Exchange differences on translation of foreign operations		(205)	(96)
Net gain/(loss) on cash flow hedges	9	(238)	28
Net gain on debt instruments at fair value through other comprehensive income	9	16	57
Share of other comprehensive income of an associate	9	(10)	-
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods, net of tax		**(245)**	**79**
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):			
Net loss on equity instruments at fair value through other comprehensive income		(182)	(17)
Remeasurement gain/(loss) on defined benefit plans		(19)	132
Revaluation of office properties in <insert country>		-	592
Share of other comprehensive income of an associate		10	-

	Notes		
Administrative expenses	3, 7	(11,118)	(9,334)
Other operating expenses	10, 11, 14	(1,497)	(91)
Operating profit		**3,356**	**4,286**
Finance costs		(1,662)	(436)
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Consolidated statement of comprehensive income

for the six months ended 30 June

	Notes	2023 $000	2022 $000
Profit for the period		**2,494**	**3,133**
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):			
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Net loss on equity instruments at fair value through other comprehensive income		(182)	(17)
Remeasurement gain/(loss) on defined benefit plans		(19)	132
Revaluation of office properties in <insert country>		-	592
Share of other comprehensive income of an associate		10	-
Net other comprehensive (loss)/income that will not be reclassified to			

Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods, net of tax	**(191)**	**707**
Other comprehensive (loss)/income, net of tax	**(436)**	**786**
Total comprehensive income, net of tax	**2,058**	**3,919**
Attributable to:		
Equity holders of the parent	2,011	3,858
Non-controlling interests	47	61
	2,058	**3,919**

Interim condensed consolidated statement of financial position

as at

	Notes	Consolidated entity 30 June 2024 $000	31 December 2023 $000
Assets			
Non-current assets			
Property, plant and equipment	10	39,056	32,979
Right-of-use assets		3,044	2,812
Investment properties		8,951	8,893
Goodwill and intangible assets		4,990	6,019
Investment in an associates and a joint venture		3,553	3,187
Non-current financial assets	12	4,284	3,761
Deferred tax assets		693	383
		64,571	58,034
Current assets			
Inventories	11	22,831	26,375
Right of return assets		1,356	1,124
Trade receivables		27,374	25,672
Contract assets		4,959	4,541
Prepayments		208	244
Other current financial assets	12	753	551
Cash and short-term deposits	13	15,819	17,114
		73,300	75,621
Assets held for sale	6	-	13,554
		73,300	89,175
Total assets		**137,871**	**147,209**
Equity and liabilities			
Equity			
Issued capital		21,888	21,888
Share premium		4,780	4,780
Treasury shares		(508)	(508)
Other capital reserves		1,374	1,171
Retained earnings		33,269	31,926
Other components of equity		(1,078)	(621)

profit or loss in subsequent periods, net of tax	**(191)**	**707**
Other comprehensive (loss)/income, net of tax	**(436)**	**786**
Total comprehensive income, net of tax	**2,058**	**3,919**
Attributable to:		
Equity holders of the parent	2,011	3,858
Non-controlling interests	47	61
	2,058	**3,919**

TR Example Group 2

Consolidated statement of financial position

as at

	Notes	Consolidated entity 30 June 2023 $000	31 December 2022 $000
Assets			
Non-current assets			
Property, plant and equipment	10	39,056	32,979
Right-of-use assets		3,044	2,812
Investment properties		8,951	8,893
Goodwill and Intangible assets and goodwill		4,990	6,019
Investment in an associates and a joint venture		3,553	3,187
Non-current financial assets	12	4,284	3,761
Deferred tax assets		693	383
		64,571	58,034
Current assets			
Inventories	11	22,831	26,375
Right of return assets		1,356	1,124
Trade receivables		27,374	25,672
Contract assets		4,959	4,541
Prepayments		208	244
Other current financial assets	12	753	551
Cash and short-term deposits	13	15,819	17,114
		73,300	75,621
Assets held for sale	6	-	13,554
		73,300	89,175
Total assets		**137,871**	**147,209**
Equity and liabilities			
Equity			
Issued capital		21,888	21,888
Share premium		4,780	4,780
Treasury shares		(508)	(508)
Other capital reserves		1,374	1,171
Retained earnings		33,269	31,926
Other components of equity		(1,078)	(621)
Reserves of a disposal group held for sale	6	-	46
Equity attributable to equity holders of the parent		**59,725**	**58,682**

Reserves of a disposal group held for sale	6	-	46
Equity attributable to equity holders of the parent		**59,725**	**58,682**
Non-controlling interests		2,162	2,127
Total equity		**61,887**	**60,809**
Non-current liabilities			
Interest-bearing loans and borrowings	12	22,477	21,978
Other non-current financial liabilities	12	806	502
Provisions	14	1,557	1,898
Government grants		2,164	3,300
Contract liabilities		1,138	2,962
Net employee defined benefit liabilities		2,972	3,050
Deferred tax liabilities		3,493	2,454
		34,607	36,144

Interim condensed consolidated statement of financial position

as at

	Notes	Consolidated entity 30 June 2024 $000	31 December 2023 $000
Current liabilities			
Trade and other payables		22,385	16,969
Contract liabilities		3,029	2,880
Refund liabilities		6,430	6,242
Interest-bearing loans and borrowings	12	2,759	2,811
Other current financial liabilities	5, 12	2,234	3,257
Government grants		400	149
Income tax payable		3,337	3,511
Provisions	14	803	902
Dividends payable	18	-	410
		41,377	37,131
Liabilities directly associated with the assets held for sale	6	-	13,125
		41,377	50,256
Total liabilities		**75,984**	**86,400**
Total equity and liabilities		**137,871**	**147,209**

Equity attributable to equity holders of the parent		**59,725**	**58,682**
Non-controlling interests		2,162	2,127
Total equity		**61,887**	**60,809**
Non-current liabilities			
Interest-bearing loans and borrowings	12	22,477	21,978
Other non-current financial liabilities	12	806	502
Provisions	14	1,557	1,898
Government grants		2,164	3,300
Contract liabilities		1,138	2,962
Net employee defined benefit liabilities		2,972	3,050
Deferred tax liabilities		3,493	2,454
		34,607	36,144

Consolidated statement of financial position

as at

	Notes	Consolidated entity 30 June 2023 $000	31 December 2022 $000
Current liabilities			
Trade and other payables		22,385	16,969
Contract liabilities		3,029	2,880
Refund liabilities		6,430	6,242
Interest-bearing loans and borrowings	12	2,759	2,811
Other current financial liabilities	5, 12	2,234	3,257
Government grants		400	149
Income tax payable		3,337	3,511
Provisions	14	803	902
Dividends payable	18	-	410
		41,377	37,131
Liabilities directly associated with the assets held for sale	6	-	13,125
		41,377	50,256
Total liabilities		**75,984**	**86,400**
Total equity and liabilities		**137,871**	**147,209**

Interim condensed consolidated statement of changes in equity

For the six months ended 30 June 2024

	Issued capital	Share premium	Treasury shares	Other capital reserves	Retained earnings	Cash flow hedge reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Asset revaluation surplus	Reserve of disposal group held for sale	Total	cont in
	Attributable to the equity holders of the parent											
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	
As at 1 January 2024	**21,888**	**4,780**	**(508)**	**1,171**	**31,926**	**(580)**	**(114)**	**(469)**	**542**	**46**	**58,682**	
Profit for the period	-	-	-	-	2,447	-	-	-	-	-	2,447	
Other comprehensive income	-	-	-	-	(19)	(238)	(176)	(13)	10	-	(436)	
Total comprehensive income	**-**	**-**	**-**	**-**	**2,428**	**(238)**	**(176)**	**(13)**	**10**	**-**	**2,011**	
Depreciation transfer for office properties in <insert country>	-	-	-	-	40	-	-	-	(40)	-	-	
Share-based payments (Note 15)	-	-	-	203	-	-	-	-	-	-	203	
Dividends (Note 18)	-	-	-	-	(1,087)	-	-	-	-	-	(1,087)	
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	
Transfer of reserve of disposal group held for sale upon disposal	-	-	-	-	46	-	-	-	-	(46)	-	
At 30 June 2024	**21,888**	**4,780**	**(508)**	**1,374**	**33,269**	**(818)**	**(290)**	**(482)**	**512**	**-**	**59,725**	

TR Example Group 4

Consolidated statement of changes in equity

For the six months ended 30 June 2023

	Issued capital	Share premium	Treasury shares	Other capital reserves	Retained earnings	Cash flow hedge reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve
	Attributable to the equity holders of the parent							
	$000	$000	$000	$000	$000	$000	$000	$000
As at 1 January 2023	**21,888**	**4,780**	**(508)**	**1,171**	**31,926**	**(580)**	**(114)**	**(469)**
Impact of adoption of the amendments to NZ IAS 37	-	-	-	-	(84)	-	-	-
As at 1 January 2023 after adoption	**21,888**	**4,780**	**(508)**	**1,171**	**31,842**	**(580)**	**(114)**	**(469)**
Profit for the period	-	-	-	-	2,447	-	-	-
Other comprehensive income	-	-	-	-	(19)	(238)	(176)	(13)
Total comprehensive income	**-**	**-**	**-**	**-**	**2,428**	**(238)**	**(176)**	**(13)**
Depreciation transfer for office properties in <insert country>	-	-	-	-	40	-	-	-
Share-based payments (Note 15)	-	-	-	203	-	-	-	-
Dividends (Note 18)	-	-	-	-	(1,087)	-	-	-
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-
Transfer of reserve of disposal group held for sale upon disposal	-	-	-	-	46	-	-	-
At 30 June 2023	**21,888**	**4,780**	**(508)**	**1,374**	**33,269**	**(818)**	**(290)**	**(482)**

Interim condensed consolidated statement of changes in equity

As at 1 January 2024
Profit for the period
Other comprehensive income
Total comprehensive income
Depreciation transfer for office properties in <insert country>
Share-based payments (Note 15)
Dividends (Note 18)
Dividends paid to non-controlling interest
Transfer of reserve of disposal group held for sale upon disposal
At 30 June 2024

Consolidated statement of changes in equity

	Attributable to the equity holders of the parent				
	Asset revaluation surplus	**Reserve of disposal group held for sale**	**Total**	**Non-controlling interests**	**Total equity**
	$000	**$000**	**$000**	**$000**	**$000**
As at 1 January 2023	**542**	**46**	**58,682**	**2,127**	**60,809**
Impact of adoption of the amendments to NZ IAS 37	-	-	(84)	-	(84)
As at 1 January 2023 after adoption	**542**	**46**	**58,598**	**2,127**	**60,725**
Profit for the period	-	-	2,447	47	2,494
Other comprehensive income	10	-	(436)	-	(436)
Total comprehensive income	**10**	**-**	**2,011**	**47**	**2,058**
Depreciation transfer for office properties in <insert country>	(40)	-	-	-	-
Share-based payments (Note 15)	-	-	203	-	203
Dividends (Note 18)	-	-	(1,087)	-	(1,087)
Dividends paid to non-controlling interest	-	-	-	(12)	(12)
Transfer of reserve of disposal group held for sale upon disposal	-	(46)	-	-	-
At 30 June 2023	**512**	**-**	**59,725**	**2,162**	**61,887**

Interim condensed consolidated statement of changes in equity

For the six months ended 30 June 2023

	Attributable to equity share holder of the parent										
	Issued capital	**Share premium**	**Treasury shares**	**Other capital reserves**	**Retained earnings**	**Cash flow hedge reserve**	**Fair value reserve of financial assets at FVOCI**	**Foreign currency translation reserve**	**Asset revaluation surplus**	**Total**	**Non-controlling interests**

Consolidated statement of changes in equity

For the six months ended 30 June 2022

	Attributable to equity share holder of the parent							
	Issued capital	**Share premium**	**Treasury shares**	**Other capital reserves**	**Retained earnings**	**Cash flow hedge reserve**	**Fair value reserve of financial assets at FVOCI**	**Foreign currency translation reserve**

	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
As at 1 January 2023	**19,388**	**80**	**(654)**	**864**	**26,135**	**(245)**	**2**	**(444)**	**-**	**45,126**	**457**
Profit for the period	-	-	-	-	3,072	-	-	-	-	3,072	61
Other comprehensive income	-	-	-	-	132	28	40	(6)	592	786	-
Total comprehensive income	**-**	**-**	**-**	**-**	**3,204**	**28**	**40**	**(6)**	**592**	**3,858**	**61**
Depreciation transfer for office properties in <insert country>	-	-	-	-	40	-	-	-	(40)	-	-
Issue of share capital	2,500	4,703	-	-	-	-	-	-	-	7,203	-
Transaction costs related to issue of share capital	-	(32)	-	-	-	-	-	-	-	(32)	-
Share-based payments (Note 15)	-	-	-	150	-	-	-	-	-	150	-
Dividends (Note 18)	-	-	-	-	(1,082)	-	-	-	-	(1,082)	-
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(20)
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	1,547
At 30 June 2023	**21,888**	**4,751**	**(654)**	**1,014**	**28,297**	**(217)**	**42**	**(450)**	**552**	**55,223**	**2,045**

	$000	$000	$000	$000	$000	$000	$000	$000
As at 1 January 2022	**19,388**	**80**	**(654)**	**864**	**26,135**	**(245)**	**2**	**(444)**
Profit for the period	-	-	-	-	3,072	-	-	-
Other comprehensive income	-	-	-	-	132	28	40	(6)
Total comprehensive income	**-**	**-**	**-**	**-**	**3,204**	**28**	**40**	**(6)**
Depreciation transfer for office properties in <insert country>	-	-	-	-	40	-	-	-
Issue of share capital	2,500	4,703	-	-	-	-	-	-
Transaction costs related to issue of share capital	-	(32)	-	-	-	-	-	-
Share-based payments (Note 15)	-	-	-	150	-	-	-	-
Dividends (Note 18)	-	-	-	-	(1,082)	-	-	-
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-
Acquisition of a subsidiary	-	-	-	-	-	-	-	-
At 30 June 2022	**21,888**	**4,751**	**(654)**	**1,014**	**28,297**	**(217)**	**42**	**(450)**

Consolidated statement of changes in equity

	Attributable to equity share holder of the parent			
	Asset revaluation surplus	Total	Non-controlling interests	Total equity
	$000	$000	$000	$000
As at 1 January 2022	**-**	**45,126**	**457**	**45,583**
Profit for the period	-	3,072	61	3,133
Other comprehensive income	592	786	-	786
Total comprehensive income	**592**	**3,858**	**61**	**3,919**
Depreciation transfer for office properties in <insert country>	(40)	-	-	-
Issue of share capital	-	7,203	-	7,203
Transaction costs related to issue of share capital	-	(32)	-	(32)
Share-based payments (Note 15)	-	150	-	150
Dividends (Note 18)	-	(1,082)	-	(1,082)
Dividends paid to non-controlling interest	-	-	(20)	(20)
Acquisition of a subsidiary	-	-	1,547	1,547
At 30 June 2022	**552**	**55,223**	**2,045**	**57,268**

Interim condensed consolidated statement of cash flows

For the six months ended 30 June

	Notes	2024 $000
Operating activities		
Profit before tax from continuing operations		2,264
Profit/(loss) before tax from discontinued operations	6	890
Profit before tax		3,154
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment and right-of-use assets		1,282
Amortisation and impairment of goodwill and intangible assets		1,614
Fair value adjustment of a contingent consideration	12	53
Fair value adjustment of investment properties		(58)
Share-based payment expense	15	203
Gain on disposal of property, plant and equipment	10	(53)
Gain on disposal of discontinued operations	6	(885)
Reversal of restructuring provision	14	(266)
Finance income		(204)
Finance costs		1,662
Other expense	11	700
Share of net profit of an associate and a joint venture		(366)
Movements in provisions, pensions and government grants		(1,047)
Net foreign exchange differences		303
Working capital adjustments:		
Increase in trade receivables, contract assets and prepayments		(2,084)
Decrease in inventories and right of return assets		3,312
Increase in trade and other payables, contract liabilities and refund liabilities		4,270
		11,590

Consolidated statement of cash flows

For the six months ended 30 June

	Notes	2023 $000	2022 $000
Operating activities			
Profit before tax from continuing operations		2,264	4,345
Profit/(loss) before tax from discontinued operations	6	890	(30)
Profit before tax		3,154	4,315
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment of property, plant and equipment and right-of-use assets		1,282	1,449
Amortisation and impairment of goodwill and intangible assets		1,614	70
Fair value adjustment of a contingent consideration	12	53	-
Fair value adjustment of investment properties		(58)	-
Share-based payment expense	15	203	150
Gain on disposal of property, plant and equipment	10	(53)	(5)
Gain on disposal of discontinued operations	6	(885)	-
Reversal of restructuring provision	14	(266)	-
Finance income		(204)	(166)
Finance costs		1,662	436
Other expense	11	700	567
Share of net profit of an associate and a joint venture		(366)	(329)
Movements in provisions, pensions and government grants		(1,047)	(252)
Net foreign exchange differences		303	(283)
Working capital adjustments:			
Increase in trade receivables, contract assets and prepayments		(2,084)	(2,147)
Decrease in inventories and right of return assets		3,312	1,312
Increase in trade and other payables, contract liabilities and refund liabilities		4,270	1,797
		11,590	6,914
Settlement of contingent consideration of business combination	12	(411)	-
Interest received		250	319
Interest paid		(596)	(424)
Income tax paid		(774)	(846)
Net cash flows from operating activities		**10,059**	**5,963**
Investing activities			
Proceeds from sale of property, plant and equipment	10	1,352	1,415
Proceeds from sale of discontinued operations, net of cash disposed	6	515	-
Purchase of property, plant and equipment	10	(4,087)	(1,320)

Interim condensed consolidated statement of cash flows

For the six months ended 30 June

	Notes	2024 $000
Settlement of contingent consideration of business combination	12	(411)
Interest received		250
Interest paid		(596)
Income tax paid		(774)
Net cash flows from operating activities		**10,059**
Investing activities		
Proceeds from sale of property, plant and equipment	10	1,352
Proceeds from sale of discontinued operations, net of cash disposed	6	515
Purchase of property, plant and equipment	10	(4,087)
Acquisition of a subsidiary, net of cash acquired	5	(5,929)
Settlement of contingent consideration of business combination	12	(714)
Currency forward contracts paid		(1,061)
Loan to an associate		(50)
Net cash flows used in investing activities		**(9,974)**
Financing activities		
Proceeds from loans	12	1,582
Repayment of loans	12	(1,253)
Payment of lease liabilities	12	(312)
Transaction costs of issue of shares		-
Dividend paid to equity holders of the parent	18	(1,497)
Dividend paid to non-controlling interests	18	(12)
Net cash flows (used in)/from financing activities		**(1,492)**
Net (decrease)/increase in cash and cash equivalents		(1,407)
Net foreign exchange difference		(373)
Cash and cash equivalents at 1 January		16,699

Interim condensed consolidated statement of cash flows

For the six months ended 30 June

	Notes	2024 $000
Cash and cash equivalents at 30 June	13	**14,919**

	Notes	2023 $000	2022 $000
Acquisition of a subsidiary, net of cash acquired	5	(5,929)	(370)
Settlement of contingent consideration of business combination	12	(714)	-
Currency forward contracts paid		(1,061)	-
Loan to an associate		(50)	-
Net cash flows used in investing activities		**(9,974)**	**(275)**

Consolidated statement of cash flows

For the six months ended 30 June

	Notes	2023 $000	2022 $000
Financing activities			
Proceeds from loans	12	1,582	2,559
Repayment of loans	12	(1,253)	(108)
Payment of lease liabilities	12	(312)	(288)
Transaction costs of issue of shares		-	(32)
Dividend paid to equity holders of the parent	18	(1,497)	(1,082)
Dividend paid to non-controlling interests	18	(12)	(20)
Net cash flows (used in)/from financing activities		**(1,492)**	**1,029**
Net (decrease)/increase in cash and cash equivalents		(1,407)	6,717
Net foreign exchange difference		(373)	266
Cash and cash equivalents at 1 January		16,699	6,590
Cash and cash equivalents at 30 June	13	**14,919**	**13,573**

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Notes to the interim condensed consolidated financial statements

1. Corporate information

The interim condensed consolidated financial statements of TR Example Group and its subsidiaries (collectively, the Group) for the six months ended 30 June 2024 wer authorised for issue in accordance with a resolution of the directors on [dd mmm yyyy].

TR Example Group (the Company) is a limited company, incorporated and domiciled in [x], whose shares are publicly traded. The registered office is located at [Addres 1], [Address line 2] in [City]. The Group is principally engaged in the provision of fire prevention and electronic equipment and services and the management of investm property.

2. Basis of preparation and changes to the Group's accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with NZ IAS 34 *Interim Financial Reporting*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no ma uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than XX months from the end of the reporting period.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be re conjunction with the Group's annual consolidated financial statements as at 31 December 2023.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of th Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed consolidated financial statements of the Group.

Supplier Finance Arrangements - Amendments to NZ IAS 7 and NZ IFRS 7

In May 2023, the NZ IASB issued amendments to NZ IAS 7 *Statement of Cash Flows* and NZ IFRS 7 *Financial Instruments: Disclosures* to clarify the characteristics of finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group's interim condensed consolidated financial statements.

Notes to the interim condensed consolidated financial statements

2 Basis of preparation and changes to the Group's accounting policies *continued*

Notes to the interim condensed consolidated financial statements

1. Corporate information

The interim condensed consolidated financial statements of TR Example Group and its subsidiaries (collectively, the Group) for the six months ended 30 June 2023 were authorised for issue in accordance with a resolution of the directors on [dd mmm yyyy].

TR Example Group (the Company) is a limited company, incorporated and domiciled in [x], whose shares are publicly traded. The registered office is located at [Address line 1], [Address line 2] in [City]. The Group is principally engaged in the provision of fire prevention and electronic equipment and services and the management of investment property.

2. Basis of preparation and changes to the Group's accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2023 have been prepared in accordance with NZ IAS 34 *Interim Financial Reporting*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than XX months from the end of the reporting period.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2022.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2023, but do not have an impact on the interim condensed consolidated financial statements of the Group.

NZ IFRS 17 Insurance Contracts

In May 2017, the NZ IASB issued NZ IFRS 17 *Insurance Contracts*, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. NZ IFRS 17 replaces NZ IFRS 4 *Insurance Contracts* that was issued in 2005. NZ IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of NZ IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in NZ IFRS 4, which are largely based on grandfathering previous local accounting policies, NZ IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. NZ IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The amendments had no impact on the Group's interim condensed consolidated financial statements.

Definition of Accounting Estimates - Amendments to NZ IAS 8

The amendments to NZ IAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

Notes to the interim condensed consolidated financial statements

2. Basis of preparation and changes to the Group's accounting policies *continued*

Amendments to NZ IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the NZ IASB issued amendments to NZ IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sa leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's interim condensed consolidated financial statements.

Amendments to NZ IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the NZ IASB issued amendments to paragraphs 69 to 76 of NZ IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's interim condensed consolidated financial statements.

3. Revenue from contracts with customers

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Segments	For the six months ended 30 June <insert product 1> $000	<insert product 2> $000	
Type of goods or service			
Sale of <insert product>	42,492	-	
Sale of <insert product>	-	37,395	
Installation services	8,578	-	
Total revenue from contracts with customers	**51,070**	**37,395**	

Notes to the interim condensed consolidated financial statements

3. Revenue from contracts with customers *continued*

Segments	For the six months ended 30 June <insert product 1> $000	<insert product 2> $000	
Geographical markets			
<insert country/region>	36,291	26,573	
<insert country/region>	14,779	10,822	
Total revenue from contracts with customers	**51,070**	**37,395**	
Timing of revenue recognition			
Goods transferred at a point in time	42,492	37,395	
Services transferred over time	8,578	-	
Total revenue from contracts with customers	**51,070**	**37,395**	

2. Basis of preparation and changes to the Group's accounting policies *continued*

The amendments had no impact on the Group's interim condensed consolidated financial statements.

Disclosure of Accounting Policies - Amendments to NZ IAS 1 and NZ IFRS Practice Statement 2

The amendments to NZ IAS 1 and IFRS Practice Statement 2 *Making Materiality Judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had no impact on the Group's interim condensed consolidated financial statements, but are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to NZ IAS 12

The amendments to NZ IAS 12 *Income Tax* narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the Group's interim condensed consolidated financial statements.

3. Revenue from contracts with customers

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Segments	For the six months ended 30 June 2023 <insert product 1> $000	<insert product 2> $000	Total $000
Type of goods or service			
Sale of <insert product>	42,492	-	42,492
Sale of <insert product>	-	37,395	37,395
Installation services	8,578	-	8,578
Total revenue from contracts with customers	**51,070**	**37,395**	**88,465**
Geographical markets			
<insert country/region>	36,291	26,573	62,864
<insert country/region>	14,779	10,822	25,601
Total revenue from contracts with customers	**51,070**	**37,395**	**88,465**
Timing of revenue recognition			
Goods transferred at a point in time	42,492	37,395	79,887
Services transferred over time	8,578	-	8,578
Total revenue from contracts with customers	**51,070**	**37,395**	**88,465**

Segments	For the six months ended 30 June 2022 <insert product 1> $000	<insert product 2> $000	Total $000

Notes to the interim condensed consolidated financial statements

3. Revenue from contracts with customers *continued*

Segments	For the six months ended 30 June <insert product 1> $000	<insert product 2> $000
Type of goods or service		
Sale of <insert product>	41,941	-
Sale of <insert product>	-	22,058
Installation services	8,093	-
Total revenue from contracts with customers	**50,034**	**22,058**
Geographical markets		
<insert country/region>	35,104	15,476
<insert country/region>	14,930	6,582
Total revenue from contracts with customers	**50,034**	**22,058**
Timing of revenue recognition		
Goods transferred at a point in time	41,941	22,058
Services transferred over time	8,093	-
Total revenue from contracts with customers	**50,034**	**22,058**

The Group recognised impairment losses on receivables and contract assets arising from contracts with customers, included under Administrative expenses in the state profit or loss, amounting to $xx,xxx and $xx,xxx for the six months ended 30 June 2024 and 2023, respectively.

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (see Note 4):

	For the six months ended 30 June 2024 <insert product 1> $000	<insert product 2> $000	2023 <insert product 1> $000	proc
Revenue				

Notes to the interim condensed consolidated financial statements

3. Revenue from contracts with customers *continued*

Segments	For the six months ended 30 June 2022 <insert product 1> $000	<insert product 2> $000	Total $000
Type of goods or service			
Sale of <insert product>	41,941	-	41,941
Sale of <insert product>	-	22,058	22,058
Installation services	8,093	-	8,093
Total revenue from contracts with customers	**50,034**	**22,058**	**72,092**
Geographical markets			
<insert country/region>	35,104	15,476	50,580
<insert country/region>	14,930	6,582	21,512
Total revenue from contracts with customers	**50,034**	**22,058**	**72,092**
Timing of revenue recognition			
Goods transferred at a point in time	41,941	22,058	63,999
Services transferred over time	8,093	-	8,093
Total revenue from contracts with customers	**50,034**	**22,058**	**72,092**

Notes to the interim condensed consolidated financial statements

3. Revenue from contracts with customers *continued*

	For the six months ended 30 June			
	2024		2023	
	<insert product 1>	<insert product 2>	<insert product 1>	proc
	$000	$000	$000	
External customer	70,925	37,395	86,605	
Inter-segment	-	1,845	-	
	70,925	39,240	86,605	
Adjustments and eliminations	(19,855)	(1,845)	(36,571)	
Total revenue from contracts with customers	**51,070**	**37,395**	**50,034**	

Notes to the interim condensed consolidated financial statements

3. Revenue from contracts with customers *continued*

4. Segment information

The following tables present revenue and profit information for the Group's operating segments for the six months ended 30 June 2024 and 2023, respectively:

Consolidated Entity Six months ended 30 June 2024	Segment 1	Segment 2	Segment 3	Total segments	Adjustments and eliminations	Cons
	$000	$000	$000	$000	$000	
Revenue						
External customer	70,925	37,395	770	109,090	(19,855)	
Inter-segment	-	1,845	-	1,845	(1,845)	
Total revenue	**70,925**	**39,240**	**770**	**110,935**	**(21,700)**	
Results						
Segment profit	**1,038**	**2,989**	**164**	**4,191**	**(1,927)**	

Consolidated Entity Six months ended 30 June 2023	Segment 1	Segment 2	Segment 3	Total segments	Adjustments and eliminations	Cons
	$000	$000	$000	$000	$000	

Notes to the interim condensed consolidated financial statements

3. Revenue from contracts with customers *continued*

The Group recognised impairment losses on receivables and contract assets arising from contracts with customers, included under Administrative expenses in the statement of profit or loss, amounting to $xx,xxx and $xx,xxx for the six months ended 30 June 2023 and 2022, respectively.

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (see Note 4):

	For the six months ended 30 June			
	2023		2022	
	<insert product 1>	<insert product 2>	<insert product 1>	<insert product 2>
	$000	$000	$000	$000
Revenue				
External customer	70,925	37,395	86,605	22,058
Inter-segment	-	1,845	-	4,094
	70,925	39,240	86,605	26,152
Adjustments and eliminations	(19,855)	(1,845)	(36,571)	(4,094)
Total revenue from contracts with customers	**51,070**	**37,395**	**50,034**	**22,058**

4. Segment information

The following tables present revenue and profit information for the Group's operating segments for the six months ended 30 June 2023 and 2022, respectively:

Consolidated Entity Six months ended 30 June 2023	Segment 1	Segment 2	Segment 3	Total segments	Adjustments and eliminations	Consolidated
	$000	$000	$000	$000	$000	$000
Revenue						
External customer	70,925	37,395	770	109,090	(19,855)	89,235
Inter-segment	-	1,845	-	1,845	(1,845)	-
Total revenue	**70,925**	**39,240**	**770**	**110,935**	**(21,700)**	**89,235**
Results						
Segment profit	**1,038**	**2,989**	**164**	**4,191**	**(1,927)**	**2,264**

Consolidated Entity Six months ended 30 June 2022	Segment 1	Segment 2	Segment 3	Total segments	Adjustments and eliminations	Consolidated
	$000	$000	$000	$000	$000	$000
Revenue						
External customer	86,605	22,058	715	109,378	(36,571)	72,807
Inter-segment	-	4,094	-	4,094	(4,094)	-
Total revenue	**86,605**	**26,152**	**715**	**113,472**	**(40,665)**	**72,807**
Results						
Segment profit	**3,375**	**1,330**	**176**	**4,881**	**(536)**	**4,345**

Revenue						
External customer	86,605	22,058	715	109,378	(36,571)	
Inter-segment	-	4,094	-	4,094	(4,094)	
Total revenue	**86,605**	**26,152**	**715**	**113,472**	**(40,665)**	
Results						
Segment profit	**3,375**	**1,330**	**176**	**4,881**	**(536)**	

The following table presents assets and liabilities information for the Group's operating segments as at 30 June 2024 and 31 December 2023, respectively:

Notes to the interim condensed consolidated financial statements

4. Segment information *continued*

Consolidated Entity	**Segment 1 $000**	**Segment 2 $000**	**Segment 3 $000**	**Total segments $000**	**Adjustments and eliminations $000**	**Cons**
Assets						
30 June 2024	**65,809**	**50,482**	**16,978**	**133,269**	**4,602**	**1**
31 December 2023	**68,163**	**44,814**	**18,467**	**131,444**	**15,765**	**1**

Consolidated Entity	**Segment 1 $000**	**Segment 2 $000**	**Segment 3 $000**	**Total segments $000**	**Adjustments and eliminations $000**	**Cons**
Liabilities						
30 June 2024	**30,371**	**7,002**	**4,234**	**41,607**	**34,377**	
31 December 2023	**27,776**	**7,252**	**4,704**	**39,732**	**46,668**	

Adjustments and eliminations

Finance income, finance costs, taxes and fair value gains and losses on certain financial assets and liabilities are not allocated to individual segments as these are man on an overall group basis. These are included in adjustments and eliminations in the segment disclosures.

Notes to the interim condensed consolidated financial statements

4. Segment information *continued*

For six months ende

Notes to the interim condensed consolidated financial statements

4. Segment information *continued*

The following table presents assets and liabilities information for the Group's operating segments as at 30 June 2023 and 31 December 2022, respectively:

Consolidated Entity	**Segment 1 $000**	**Segment 2 $000**	**Segment 3 $000**	**Total segments $000**	**Adjustments and eliminations $000**	**Consolidated $000**
Assets						
30 June 2023	**65,809**	**50,482**	**16,978**	**133,269**	**4,602**	**137,871**
31 December 2022	**68,163**	**44,814**	**18,467**	**131,444**	**15,765**	**147,209**

Consolidated Entity	**Segment 1 $000**	**Segment 2 $000**	**Segment 3 $000**	**Total segments $000**	**Adjustments and eliminations $000**	**Consolidated $000**
Liabilities						
30 June 2023	**30,371**	**7,002**	**4,234**	**41,607**	**34,377**	**75,984**
31 December 2022	**27,776**	**7,252**	**4,704**	**39,732**	**46,668**	**86,400**

Adjustments and eliminations

Finance income, finance costs, taxes and fair value gains and losses on certain financial assets and liabilities are not allocated to individual segments as these are managed on an overall group basis. These are included in adjustments and eliminations in the segment disclosures.

Reconciliation of profit	**For six months ended 30 June 2023 $000**	**2022 $000**
Segment profit	**4,191**	**4,881**
Finance income	204	166
Finance costs	(1,662)	(436)
Inter-segment (elimination)	(469)	(266)
Profit before tax and discontinued operations	**2,264**	**4,345**

Seasonality of operations

The electronics segment is a supplier of electronic equipment for defence, aviation, electrical safety markets and consumer electronic equipment for home use. It offers products and services in the areas of electronics, safety, thermal and electrical architecture. Due to the seasonal nature of this segment, higher revenues and operating profits are usually expected in the second half of the year rather than in the first six months. Higher sales during the period xxx to xxx are mainly attributed to the increased demand for aviation electronic equipment during the peak holiday season, as well as in xxx, due to increased demand for electronic equipment from private customers. This information is provided to allow for a better understanding of the results, however, management has concluded that this is not 'highly seasonal' in accordance with NZ IAS 34.

Reconciliation of profit	June 2024 $000
Segment profit	**4,191**
Finance income	204
Finance costs	(1,662)
Inter-segment (elimination)	(469)
Profit before tax and discontinued operations	**2,264**

Seasonality of operations

The electronics segment is a supplier of electronic equipment for defence, aviation, electrical safety markets and consumer electronic equipment for home use. It offers products and services in the areas of electronics, safety, thermal and electrical architecture. Due to the seasonal nature of this segment, higher revenues and operating are usually expected in the second half of the year rather than in the first six months. Higher sales during the period xxx to xxx are mainly attributed to the increased der for aviation electronic equipment during the peak holiday season, as well as in xxx, due to increased demand for electronic equipment from private customers. This info is provided to allow for a better understanding of the results. However, management has concluded that this is not 'highly seasonal' in accordance with NZ IAS 34.

5. Business combinations

Acquisition of XXX Limited

On xx xxxx 2024, the Group acquired xxx% of the voting shares of <Insert Company Name> (XXX), an unlisted company based in New Zealand that specialises in the manufacture of electronic equipment. The Group has acquired XXX because it expands both its existing product portfolio and customer base. The acquisition has been accounted for using the acquisition method. The interim condensed consolidated financial statements include the results of XXX for the one month period from the acqu date.

The fair values of the identifiable assets and liabilities of <Insert Company Name> as at the date of acquisition were:

Notes to the interim condensed consolidated financial statements

5. Business combinations *continued*

Assets
Property, plant and equipment (provisional)*
Right-of-use assets
Cash
Trade receivables
Inventories
Deferred tax asset
Patents

Liabilities
Trade payables
Interest-bearing loans and borrowings
Deferred tax liability

Total identifiable net assets at fair value

Goodwill arising on acquisition (provisional)*
Purchase consideration transferred

Analysis of cash flows on acquisition:
Net cash acquired with the subsidiary (included in cash flows from investing activities)
Cash paid
Net cash flow on acquisition

*The valuation of land and buildings acquired had not been completed by the date the interim financial statements were approved for issue by the Board of Directors. Thus, property, plant ar equipment may need to be subsequently adjusted, with a corresponding adjustment to goodwill prior to x xxx xxxx (one year after the transaction).

A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period is presented below:

Go

Notes to the interim condensed consolidated financial statements

5. Business combinations

Acquisition of XXX Limited

On xx xxxx 2023, the Group acquired xxx% of the voting shares of <Insert Company Name> (XXX), an unlisted company based in New Zealand that specialises in the manufacture of electronic equipment. The Group has acquired XXX because it expands both its existing product portfolio and customer base. The acquisition has been accounted for using the acquisition method. The interim condensed consolidated financial statements include the results of XXX for the one month period from the acquisition date.

The fair values of the identifiable assets and liabilities of <Insert Company Name> as at the date of acquisition were:

	Consolidated entity Fair value recognised on acquisition $000
Assets	
Property, plant and equipment (provisional)*	4,323
Right-of-use assets	248
Cash	642
Trade receivables	1,763
Inventories	961
Deferred tax asset	175
Patents	375
	8,487
Liabilities	
Trade payables	(1,022)
Interest-bearing loans and borrowings	(224)
Deferred tax liability	(880)
	(2,126)
Total identifiable net assets at fair value	**6,361**
Goodwill arising on acquisition (provisional)*	210
Purchase consideration transferred	**6,571**
Analysis of cash flows on acquisition:	
Net cash acquired with the subsidiary (included in cash flows from investing activities)	642
Cash paid	(6,571)
Net cash flow on acquisition	**(5,929)**

*The valuation of land and buildings acquired had not been completed by the date the interim financial statements were approved for issue by the Board of Directors. Thus, property, plant and equipment may need to be subsequently adjusted, with a corresponding adjustment to goodwill prior to x xxx xxxx (one year after the transaction).

Reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period is presented below:

Notes to the interim condensed consolidated financial statements

5. Business combinations *continued*

	G
Gross carrying amount	
At 1 January 2024	
Acquisition of a subsidiary	
At 30 June 2024	
Accumulated impairment losses	
At 1 January 2024	
Impairment losses recognised during the reporting period (Note 7)	
At 30 June 2024	
Net book value	
At 1 January 2024	
At 30 June 2024	

Notes to the interim condensed consolidated financial statements

5. Business combinations *continued*

The acquisition date fair value of the trade receivables amounts to $x,xx,xxx. The gross amount of trade receivables is $x,xxx,xxx and it is expected that the full contrac amounts can be collected. The difference between the fair value and the carrying amount is the result of discounting over the expected timing of the cash collection and adjustment for counterparty credit risk.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were mea at an amount equal to the lease liabilities and adjusted to reflect the unfavourable terms of the lease relative to market terms.

From the date of acquisition, XXX has contributed $x,xxx,xxx of revenue and $xx,xxx to the net profit before tax from the continuing operations of the Group. If the acqu had taken place at the beginning of the year, revenue from continuing operations would have been $xxx,xxx,xxx and the profit from continuing operations for the period have been $x,xxx,xxx.

The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of XXX with those of the Group. Th goodwill is not deductible for income tax purposes.

Transaction costs of $xx,xxx have been expensed and are included in Administrative expenses in the statement of profit or loss and are part of operating cash flows in t statement of cash flows.

Information on prior year acquisition

Notes to the interim condensed consolidated financial statements

5. Business combinations *continued*

	Goodwill $000
Gross carrying amount	
At 1 January 2023	2,281
Acquisition of a subsidiary	210
At 30 June 2023	**2,491**
Accumulated impairment losses	
At 1 January 2023	-
Impairment losses recognised during the reporting period (Note 7)	1,541
At 30 June 2023	**1,541**
Net book value	
At 1 January 2023	2,281
At 30 June 2023	950

The acquisition date fair value of the trade receivables amounts to $x,xx,xxx. The gross amount of trade receivables is $x,xxx,xxx and it is expected that the full contractual amounts can be collected. The difference between the fair value and the carrying amount is the result of discounting over the expected timing of the cash collection and an adjustment for counterparty credit risk.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the unfavourable terms of the lease relative to market terms.

From the date of acquisition, XXX has contributed $x,xxx,xxx of revenue and $xx,xxx to the net profit before tax from the continuing operations of the Group. If the acquisition had taken place at the beginning of the year, revenue from continuing operations would have been $xxx,xxx,xxx and the profit from continuing operations for the period would have been $x,xxx,xxx.

The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of XXX with those of the Group. The goodwill is not deductible for income tax purposes.

Transaction costs of $xx,xxx have been expensed and are included in Administrative expenses in the statement of profit or loss and are part of operating cash flows in the statement of cash flows.

Information on prior year acquisition

On XX XXXX 20XX, the Group acquired XX% of the voting shares of XXX Limited, an unlisted company based in Australia, specialising in the manufacture of fire-retardant fabrics. The consideration paid included an element of contingent consideration. Refer to Note 12 for adjustments to the related liability in the current period.

6. Discontinued operations

On x xxxx 20xx, the Group publicly announced the decision of its Board of Directors to sell Example Limited, a wholly owned subsidiary. On xx xxxx 20xx, the shareholders of the Company approved the plan to sell. At 31 December 2022, Example Limited was classified as a disposal group held for sale and as a discontinued operation. The business of Example Limited represented the entirety of the Group's Example operating segment until xx xxxx 20xx. With Example Limited being classified as discontinued operations, the Example segment is no longer presented in the segment note. The sale of Hose Limited was completed on xx xxxx 20xx for $x,xxx,xxx, resulting in a pre-tax gain of $xx,xxx. The results of Example limited for the period are presented below:

Information on prior year acquisition

On XX XXXX 20XX, the Group acquired XX% of the voting shares of XXX Limited, an unlisted company based in Australia, specialising in the manufacture of fire-retard fabrics. The consideration paid included an element of contingent consideration. Refer to Note 12 for adjustments to the related liability in the current period.

6. Discontinued operations

On x xxxx 20xx, the Group publicly announced the decision of its Board of Directors to sell Example Limited, a wholly owned subsidiary. On xx xxxx 20xx, the shareholc the Company approved the plan to sell. At 31 December 2023, Example Limited was classified as a disposal group held for sale and as a discontinued operation. The b of Example Limited represented the entirety of the Group's Example operating segment until xx xxxx 20xx. With Example Limited being classified as discontinued opera the Example segment is no longer presented in the segment note. The sale of Hose Limited was completed on xx xxxx 20xx for $x,xxx,xxx, resulting in a pre-tax gain of $xx,xxx. The results of Example limited for the period are presented below:

	For the six months en June 2024*
	$000
Revenue	3,329
Expenses	(3,285)
Operating income	44
Finance costs	(39)

Notes to the interim condensed consolidated financial statements

6. Discontinued operations *continued*

	For the six months en June 2024*
	$000
Profit/(loss) before tax from a discontinued operations	5
Tax benefit/(expense):	
Related to current pre-tax (loss)/profit	(2)
Post-tax profit/(loss) of discontinued operations	**3**
Gain on sale of the discontinued operations	885
Attributable tax expense	(269)
Post-tax gain on the sale of discontinued operations	**616**
Profit/(loss) after tax for the period from discontinued operations	**619**

*Represents two months of activity prior to the sale on xx xxxx 2xx.

The net cash flows generated from the sale of <Insert Company Name> are, as follows:

Cash received from sale of the discontinued operations	
Cash sold as a part of discontinued operations	
Net cash inflow on date of disposal	

The net cash flows generated/(incurred) by <Insert Company Name> are, as follows:

Notes to the interim condensed consolidated financial statements

6. Discontinued operations *continued*

	$000	$000
Revenue	3,329	21,548
Expenses	(3,285)	(21,535)
Operating income	44	13
Finance costs	(39)	(43)
Profit/(loss) before tax from a discontinued operations	5	(30)
Tax benefit/(expense):		
Related to current pre-tax (loss)/profit	(2)	12
Post-tax profit/(loss) of discontinued operations	**3**	**(18)**
Gain on sale of the discontinued operations	885	-
Attributable tax expense	(269)	-
Post-tax gain on the sale of discontinued operations	**616**	**-**
Profit/(loss) after tax for the period from discontinued operations	**619**	**(18)**

*Represents two months of activity prior to the sale on xx xxxx 2xx.

The net cash flows generated from the sale of <Insert Company Name> are, as follows:

	$000
Cash received from sale of the discontinued operations	1,000
Cash sold as a part of discontinued operations	(485)
Net cash inflow on date of disposal	**515**

The net cash flows generated/(incurred) by <Insert Company Name> are, as follows:

	For the six months ended 30 June	
	2023*	2022
	$000	$000
Operating	204	(1,055)
Financing	40	35
Net cash inflow/(outflow)	**244**	**(1,020)**
Earnings/(loss) per share:		
Basic, profit/(loss) for the year from discontinued operations	$0.03	-
Diluted, profit/(loss) for the year from discontinued operations	$0.03	-

*Represents two months of activity prior to the sale on xx xxxx 20xx.

As <Insert Company here> was sold prior to 30 June 2023, the assets and liabilities classified as held for sale are no longer included in the statement of financial position.

Notes to the interim condensed consolidated financial statements

6. Discontinued operations *continued*

	For the six months en June 2024* $000
Operating	204
Financing	40
Net cash inflow/(outflow)	**244**
Earnings/(loss) per share:	
Basic, profit/(loss) for the year from discontinued operations	$0.03
Diluted, profit/(loss) for the year from discontinued operations	$0.03

*Represents two months of activity prior to the sale on xx xxxx 20xx.

As <Insert Company here> was sold prior to 30 June 2024, the assets and liabilities classified as held for sale are no longer included in the statement of financial positic

7. Impairment testing of goodwill and intangible assets with indefinite lives

The Group performs its annual impairment test in xxxx and when circumstances indicated that the carrying value may be impaired. The Group's impairment test for goo and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2023.

The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 30 Ju 2024, the market capitalisation of the Group was below the book value of its equity, indicating a potential impairment of goodwill. In addition, the overall decline in const and development activities around the world, as well as ongoing economic uncertainty, have led to a decreased demand in the fire prevention equipment and electronic As a result, management performed an impairment test as at 30 June 2024 for the electronics and fire prevention equipment segments, which are the cash generating u with goodwill. The investment property segment did not have any goodwill.

Electronics cash-generating unit

The Group used the cash-generating unit's value-in-use to determine the recoverable amount, which exceeded the carrying amount. The projected cash flows were upc reflect the decreased demand for products and services and a pre-tax discount rate of xx.x% (31 December 2023: xx.x%) was applied. Cash flows beyond the five-year have been extrapolated using a x.x% growth rate (31 December 2023: x.x%). All other assumptions remained consistent with those disclosed in the annual financial statements for the year ended 31 December 2023. As a result of the updated analysis, management did not identify an impairment for this cash-generating unit to which goodwill of $xxx,xxx is allocated.

Notes to the interim condensed consolidated financial statements

7. Impairment testing of goodwill and intangible assets with indefinite lives *continued*

Fire prevention equipment cash-generating unit

The Group used the cash-generating unit's value-in-use, as this is higher than fair value less costs of disposal, to determine the recoverable amount of $xx,xxx,xxx. The projected cash flows were updated to reflect the decreased demand for products and services and a pre-tax discount rate of xx.x% (31 December 2023: xx.x%) was ap| Cash flows beyond the five-year period have been extrapolated using a x.x% growth rate (31 December 2023: x.x%). All other assumptions remained consistent with th disclosed in the annual financial statements for the year ended 31 December 2023.

As a result of this analysis, management recognised an impairment charge of $x,xxx,xxx against goodwill previously carried at $x,xxx,xxx. The impairment charge is rec within administrative expenses in the statement of profit or loss.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the electronics unit, there are no significant changes to the sensitivity information disclosed in the annual consolidated financial statements for the year ended 31 December 2023.

For the fire prevention equipment unit, the estimated recoverable amount is equal to its carrying value. Consequently, any adverse change in a key assumption could re a further impairment loss. The key assumptions for the recoverable amount are discussed below:

Growth rate assumptions - Rates are based on published industry research. These have been updated for the current economic outlook. The revised growth rate of x.x% reflects the effect of a significant industry patent that was acquired during the year ended 31 December 2023. However, given the economic uncertainty, reductions in g estimates may be necessary in the future.

Discount rate - The discount rate has been adjusted to reflect the current market assessment of the risks specific to the fire prevention equipment unit, and was estimate based on the weighted average cost of capital for the Group. This rate was further adjusted to reflect the market assessment of risks specific to the fire prevention equip unit for which future estimates of cash flows have not been adjusted. Further changes to the discount rate may be necessary in the future to reflect changing risks for th industry and changes to the weighted average cost of capital.

8. Income tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of incom expense in the Interim condensed consolidated statement of profit or loss are:

Notes to the interim condensed consolidated financial statements

7. Impairment testing of goodwill and intangible assets with indefinite lives

The Group performs its annual impairment test in xxxx and when circumstances indicated that the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2022.

The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 30 June 2023, the market capitalisation of the Group was below the book value of its equity, indicating a potential impairment of goodwill. In addition, the overall decline in construction and development activities around the world, as well as ongoing economic uncertainty, have led to a decreased demand in the fire prevention equipment and electronics units. As a result, management performed an impairment test as at 30 June 2023 for the electronics and fire prevention equipment segments, which are the cash generating units with goodwill. The investment property segment did not have any goodwill.

Electronics cash-generating unit

The Group used the cash-generating unit's value-in-use to determine the recoverable amount, which exceeded the carrying amount. The projected cash flows were updated to reflect the decreased demand for products and services and a pre-tax discount rate of xx.x% (31 December 2022: xx.x%) was applied. Cash flows beyond the five-year period have been extrapolated using a x.x% growth rate (31 December 2022: x.x%). All other assumptions remained consistent with those disclosed in the annual financial statements for the year ended 31 December 2022. As a result of the updated analysis, management did not identify an impairment for this cash-generating unit to which goodwill of $xxx,xxx is allocated.

Fire prevention equipment cash-generating unit

The Group used the cash-generating unit's value-in-use, as this is higher than fair value less costs of disposal, to determine the recoverable amount of $xx,xxx,xxx. The projected cash flows were updated to reflect the decreased demand for products and services and a pre-tax discount rate of xx.x% (31 December 2022: xx.x%) was applied. Cash flows beyond the five-year period have been extrapolated using a x.x% growth rate (31 December 2022: x.x%). All other assumptions remained consistent with those disclosed in the annual financial statements for the year ended 31 December 2022.

As a result of this analysis, management recognised an impairment charge of $x,xxx,xxx against goodwill previously carried at $x,xxx,xxx. The impairment charge is recorded within administrative expenses in the statement of profit or loss.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the electronics unit, there are no significant changes to the sensitivity information disclosed in the annual consolidated financial statements for the year ended 31 December 2022.

For the fire prevention equipment unit, the estimated recoverable amount is equal to its carrying value. Consequently, any adverse change in a key assumption could result in a further impairment loss. The key assumptions for the recoverable amount are discussed below:

Growth rate assumptions - Rates are based on published industry research. These have been updated for the current economic outlook. The revised growth rate of x.x% reflects the effect of a significant industry patent that was acquired during the year ended 31 December 2022. However, given the economic uncertainty, reductions in growth estimates may be necessary in the future.

Notes to the interim condensed consolidated financial

Notes to the interim condensed consolidated financial statements

8. Income tax *continued*

	For the six months en June 2024 $000
Income taxes	
Current income tax expense	249
Deferred income tax expense relating to origination and reversal of temporary differences	140
Income tax expense recognised in statement of profit or loss	**389**

9. Components of other comprehensive income

	For the six months en June 2024 $000
Cash flow hedges:	
Gains/(losses) arising during the period	
Currency forward contracts	(6)
Commodity futures contract	(334)
	(340)
Debt instruments at fair value through OCI	
Gains arising during the period	16
Share of other comprehensive income of an associate	(10)
Impairments included in the statement of profit or loss	6
	12

Notes to the interim condensed consolidated financial statements

9. Components of other comprehensive income *continued*

Cash flow hedges:	
Gains/(losses) arising during the period	102
Debt instruments at fair value through OCI	
Gains arising during the period	(4)
Reclassification adjustments for losses included in the statement of profit or loss	(2)
	(6)
Deferred tax credited/(charged) to OCI	**96**

Notes to the interim condensed consolidated financial statements

7. Impairment testing of goodwill and intangible assets with indefinite lives *continued*

Discount rate - The discount rate has been adjusted to reflect the current market assessment of the risks specific to the fire prevention equipment unit, and was estimated based on the weighted average cost of capital for the Group. This rate was further adjusted to reflect the market assessment of risks specific to the fire prevention equipment unit for which future estimates of cash flows have not been adjusted. Further changes to the discount rate may be necessary in the future to reflect changing risks for the industry and changes to the weighted average cost of capital.

8. Income tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the consolidated statement of profit or loss are:

	For the six months ended 30 June 2023 $000	2022 $000
Income taxes		
Current income tax expense	249	934
Deferred income tax expense relating to origination and reversal of temporary differences	140	260
Income tax expense recognised in statement of profit or loss	**389**	**1,194**

9. Components of other comprehensive income

	For the six months ended 30 June 2023 $000	2022 $000
Cash flow hedges:		
Gains/(losses) arising during the period		
Currency forward contracts	(6)	40
Commodity futures contract	(334)	-
	(340)	**40**
Debt instruments at fair value through OCI		
Gains arising during the period	16	78
Share of other comprehensive income of an associate	(10)	-
Impairments included in the statement of profit or loss	6	4
	12	**82**

Notes to the interim condensed consolidated financial statements

9. Components of other comprehensive income *continued*

Deferred tax related to items recognised in OCI during the period:	For the six months ended 30 June 2023 $000	2022 $000
Cash flow hedges:		
Gains/(losses) arising during the period	102	(18)
Debt instruments at fair value through OCI		
Gains arising during the period	(4)	(24)

Notes to the interim condensed consolidated financial statements

9. Components of other comprehensive income *continued*

10. Property, plant and equipment

Acquisitions and disposals

During the six months ended 30 June 2024, the Group acquired assets with a cost of $X,XXX,XXX (30 June 2023: $X,XXX,XXX), excluding property, plant and equipm acquired through a business combination (see Note 5) and property under construction.

The Group also commenced construction of a new corporate headquarters in XXX 20XX. This project is expected to be completed in XXX 20XX and the carrying amou June 2024 was $X,XXX,XXX (31 December 2023: $Nil). The amount of borrowing costs capitalised during the six months ended 30 June 2024 was approximately $XX (30 June 2023: $Nil). The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation was XX%, which is the effective interest rate specific borrowing.

Assets (other than those classified as held for sale) with a net book value of $X,XXX,XXX were disposed by the Group during the six months ended 30 June 2024 (30 J 2023: $X,XXX,XXX), resulting in a net gain on disposal of $XX,XXX (30 June 2023: $X,XXX).

See Note 16 for capital commitments.

11. Inventories

During the six months ended 30 June 2024, the Group wrote down $XXX,XXX (30 June 2023: $XXX,XXX) of inventories that had been damaged by flooding. This expe included in other operating expenses in the statement of profit or loss. The financial loss resulting from the flooding is likely to be covered by the Group's insurance polic However, as at 30 June 2024, the insurance company's investigations were still ongoing. Consequently, it is not virtually certain that the Group will receive the proceeds the insurance policy.

12. Financial assets and financial liabilities

Set out below, is an overview of financial assets, other than cash and short-term deposits, held by the Group as at 30 June 2024 and 31 December 2023:

	Consolidated enti 30 June 2024 $000	31 Dec
Debt instruments at amortised cost:		
Trade and other receivables	27,374	
Loan to an associate	253	
Loan to directors	10	

Reclassification adjustments for losses included in the statement of profit or loss	(2)	(1)
	(6)	(25)
Deferred tax credited/(charged) to OCI	**96**	**(43)**

10. Property, plant and equipment

Acquisitions and disposals

During the six months ended 30 June 2023, the Group acquired assets with a cost of $X,XXX,XXX (30 June 2022: $X,XXX,XXX), excluding property, plant and equipment acquired through a business combination (see Note 5) and property under construction.

The Group also commenced construction of a new corporate headquarters in XXX 20XX. This project is expected to be completed in XXX 20XX and the carrying amount at 30 June 2023 was $X,XXX,XXX (31 December 2022: $Nil). The amount of borrowing costs capitalised during the six months ended 30 June 2023 was approximately $XXX,XXX (30 June 2022: $Nil). The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation was XX%, which is the effective interest rate of the specific borrowing.

Assets (other than those classified as held for sale) with a net book value of $X,XXX,XXX were disposed by the Group during the six months ended 30 June 2023 (30 June 2022: $X,XXX,XXX), resulting in a net gain on disposal of $XX,XXX (30 June 2022: $X,XXX).

See Note 16 for capital commitments.

11. Inventories

During the six months ended 30 June 2023, the Group wrote down $XXX,XXX (30 June 2022: $XXX,XXX) of inventories that had been damaged by flooding. This expense is included in other operating expenses in the statement of profit or loss. The financial loss resulting from the flooding is likely to be covered by the Group's insurance policy. However, as at 30 June 2023, the insurance company's investigations were still ongoing. Consequently, it is not virtually certain that the Group will receive the proceeds under the insurance policy.

12. Financial assets and financial liabilities

Set out below, is an overview of financial assets, other than cash and short-term deposits, held by the Group as at 30 June 2023 and 31 December 2022:

	Consolidated entity 30 June 2023 $000	31 December 2022 $000

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

	Consolidated enti	
	30 June	31 Dec
	2024	
	$000	
Debt instruments at fair value through OCI		
Quoted debt instruments	1,809	
Equity instruments at fair value through OCI		
Non-listed equity investments	938	
Financial assets at fair value through profit or loss		
Listed equity investments	524	
Derivatives not designated as hedging instruments		
Foreign exchange forward contracts	1,100	
Embedded derivatives	161	
Derivatives designated as hedging instruments		
Foreign exchange forward contracts	242	
Total	**32,411**	
Total current	**28,127**	
Total non-current	**4,284**	

Set out below is an overview of financial liabilities held by the Group as at 30 June 2024 and 31 December 2023:

	Consolidated enti	
	30 June	31 Dec
	2024	
	$000	
Derivatives not designated as hedging instruments		
Foreign exchange forward contracts	1,073	
Embedded derivatives	764	

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

	Consolidated enti	
	30 June	31 Dec
	2024	
	$000	
Derivatives designated as hedging instruments		
Foreign exchange forward contracts	194	
Commodity futures contract	913	
Commodity forward contract	-	
Interest rate swaps	-	
Financial liabilities at fair value through profit or loss		
Contingent consideration	-	
Financial liabilities at amortised cost:		
Trade and other payables	22,385	
Other long-term payable	96	
Non-current interest bearing loans and borrowings		
Lease liabilities	2,736	
x% debentures	3,274	
x.xx% secured loan of USDx,xxx,xxx	2,146	
Secured bank loan	4,379	
Other non-current loans		
$x,xxx,xxx bank loan	2,386	
$x,xxx,xxx bank loan	1,978	
Loan from a third-party investor in Example Limited	2,900	
Convertible preference shares	2,678	
Current interest bearing loans and borrowings		

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

	Consolidated entity	
	30 June	31 December
	2023	2022
	$000	$000
Debt instruments at amortised cost:		
Trade and other receivables	27,374	25,672
Loan to an associate	253	200
Loan to a director	10	13
Debt instruments at fair value through OCI		
Quoted debt instruments	1,809	1,622
Equity instruments at fair value through OCI		
Non-quoted equity investments	938	1,038
Financial assets at fair value through profit or loss		
Quoted equity investments	524	337
Derivatives not designated as hedging instruments		
Foreign exchange forward contracts	1,100	640
Embedded derivatives	161	210
Derivatives designated as hedging instruments		
Foreign exchange forward contracts	242	252
Total	**32,411**	**29,984**
Total current	**28,127**	**26,223**
Total non-current	**4,284**	**3,761**

Set out below, is an overview of financial liabilities held by the Group as at 30 June 2023 and 31 December 2022:

	Consolidated entity	
	30 June	31 December
	2023	2022
	$000	$000
Derivatives not designated as hedging instruments		
Foreign exchange forward contracts	1,073	720
Embedded derivatives	764	782
Derivatives designated as hedging instruments		
Foreign exchange forward contracts	194	170
Commodity futures contract	913	-
Commodity forward contract	-	980
Interest rate swaps	-	35
Financial liabilities at fair value through profit or loss		
Contingent consideration	-	1,072
Financial liabilities at amortised cost:		
Trade and other payables	22,385	16,969
Other long-term payable	96	-

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

	Consolidated entity	
	30 June	31 December
	2023	2022
	$000	$000
Non-current interest bearing loans and borrowings		
Lease liabilities	2,736	2,537

Current interest bearing loans and borrowings		
Lease liabilities	467	
Bank overdrafts	900	
Other current loans		
$x,xxx,xxx bank loan	1,392	
Total	**50,661**	
Total current	**27,378**	

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

	Consolidated enti	
	30 June 2024 $000	31 Dec
Total non-current	**23,283**	

Contingent consideration

As part of the purchase agreement with the previous owner of <Insert Company Name>, dated xx xxx 20xx (see Note 5), a portion of the consideration was determined contingent, based on the performance of the acquired entity.

As at 31 December 2023, the key performance indicators of <Insert Company Here> showed that it was highly probable that the target would be achieved due to a sign expansion of the business and the synergies realised. The fair value of the contingent consideration determined at 31 December 2023 reflected this development, amor other factors and a fair value adjustment was recognised through profit or loss. At xx xxx 20xx, a total of $x,xxx,xxx was paid out under this arrangement. A reconciliatio fair value of the contingent consideration liability is provided below:

	Cons
Initial fair value of the contingent consideration at acquisition date	
Unrealised fair value changes recognised in profit or loss during year ended 31 December 2023	
Financial liability for the contingent consideration as at 31 December 2023	
Fair value adjustment as at xx xxx 20xx	
Total consideration paid	

Adjustments to the contingent liability from acquisition on xx xxx 20xx to the date it was settled on xx xxx 20xx were recognised in the statement of profit or loss. The ini value of the consideration of $xxx,xxx was included in cash flows from investing activities, the remainder, $xxx,xxx, has been recognised in cash flows from operating a The fair value is determined using the discounted cash flow (DCF) method. The fair value of the contingent consideration liability increased due to improved performanc <Insert Company> compared to the initial forecast.

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

Risk management activities

Cash flow hedges for currency risks

During the period, the Group designated foreign currency forward contracts as hedges of highly probable purchases of property, plant and equipment in US dollars (USI British pounds sterling (GBP) from suppliers in the United States and the United Kingdom, respectively. The forecast purchases are expected to occur in XXXX and XX 2024.

x% debentures	3,274	3,374
x.xx% secured loan of USDx,xxx,xxx	2,146	2,246
Secured bank loan	4,379	3,479
Other non-current loans		
$x,xxx,xxx bank loan	2,386	2,486
$x,xxx,xxx bank loan	1,978	2,078
Loan from a third-party investor in Example Limited	2,900	3,000
Convertible preference shares	2,678	2,778
Current interest bearing loans and borrowings		
Lease liabilities	467	434
Bank overdrafts	900	966
Other current loans		
$x,xxx,xxx bank loan	1,392	1,411
Total	**50,661**	**45,517**
Total current	**27,378**	**23,037**
Total non-current	**23,283**	**22,480**

Contingent consideration

As part of the purchase agreement with the previous owner of <Insert Company Name>, dated xx xxx 20xx (see Note 5), a portion of the consideration was determined to be contingent, based on the performance of the acquired entity.

As at 31 December 2022, the key performance indicators of <insert company here> showed that it was highly probable that the target would be achieved due to a significant expansion of the business and the synergies realised. The fair value of the contingent consideration determined at 31 December 2022 reflected this development, amongst other factors and a fair value adjustment was recognised through profit or loss. At xx xxx 20xx, a total of $x,xxx,xxx was paid out under this arrangement. A reconciliation of the fair value of the contingent consideration liability is provided below:

	Consolidated entity $000
Initial fair value of the contingent consideration at acquisition date	714
Unrealised fair value changes recognised in profit or loss during year ended 31 December 2022	358
Financial liability for the contingent consideration as at 31 December 2022	1,072
Fair value adjustment as at xx xxx 20xx	53
Total consideration paid	**1,125**

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

Adjustments to the contingent liability from acquisition on xx xxx 20xx to the date it was settled on xx xxx 20xx were recognised in the statement of profit or loss. The initial fair value of the consideration of $xxx,xxx was included in cash flows from investing activities, the remainder, $xxx,xxx has been recognised in cash flows from operating activities. The fair value is determined using the discounted cash flow (DCF) method.

The fair value of the contingent consideration liability increased due to improved performance of < insert company here> compared to the initial forecast.

Risk management activities

Cash flow hedges for currency risks

During the period, the Group designated foreign currency forward contracts as hedges of highly probable purchases of fixed assets in US dollars (USD) and British pounds sterling (GBP) from suppliers in the United States and the United Kingdom, respectively. The forecast purchases are expected to occur in XXXX and XXXX 2023.

The terms of the foreign currency forward contracts have been negotiated to match the terms of the forecast transactions. Both parties to the contract have fully cash-collateralised the foreign currency forward contracts, and, therefore, effectively eliminated any credit risk associated with the contracts (both the counterparty's and the Group's own credit risk).

As at 30 June 2023, an unrealised gain of $xx,xxx relating to the USD forward contracts and an unrealised loss of $xx,xxx related to the GBP forward contracts are included in other comprehensive income.

Cash flow hedges for copper price risks

In XXXX 2022, the Group entered into a firm commitment to purchase copper in xxx 2023. In order to reduce the

The terms of the foreign currency forward contracts have been negotiated to match the terms of the forecast transactions. Both parties to the contract have fully cash-collateralised the foreign currency forward contracts, and, therefore, effectively eliminated any credit risk associated with the contracts (both the counterparty's anc Group's own credit risk).

As at 30 June 2024, an unrealised gain of $xx,xxx relating to the USD forward contracts and an unrealised loss of $xx,xxx related to the GBP forward contracts are inclu other comprehensive income.

Cash flow hedges for copper price risks

In XXXX 2023, the Group entered into a firm commitment to purchase copper in xxx 2024. In order to reduce the exposure to fluctuations in the copper price, the Group entered into an exchange-traded copper futures contract. The futures contract is designated in a cash flow hedge of the firm commitment.

The copper futures contract is based on the price of a copper benchmark quality that is different from the copper quality the Group is committed to purchase (i.e., there i risk). Consequently, ineffectiveness arises in this hedging relationship. As of 30 June 2024, the fair value of the copper futures contract was $xxx,xxx, while the cumulat change in the fair value of the firm commitment from inception amounted to $xxx,xxx. As the fair value of the copper futures contract exceeded the cumulative change ir fair value of the firm commitment, the Group recorded a loss for the period of $xxx,xxx in other comprehensive income while ineffectiveness of $xx,xxx remains unrecog The ineffectiveness is due to the basis risk between the copper futures contract and the firm commitment, as well as the change in the Group's own credit risk.

Hedge of net investments in foreign operations

Included in loans as at 30 June 2024 was a borrowing of US$x,xxx,xxx, which is designated as a hedge of the net investments in the United States subsidiaries, Examp and Example Inc., which have the USD as their functional currency. During the six months ended 30 June 2024, an after tax gain of $xxx,xxx on the translation of this borrowing was transferred to other comprehensive income to offset the losses on translation of the net investments in the subsidiaries. There is no ineffectiveness in the ended 30 June 2024.

Other risk management activities

As a result of its international activities, the Group is exposed to foreign currency risk on part of its sales and day-to-day purchases. In order to reduce this risk, the Grou regularly determines its net exposure to the primary currencies (USD, GBP and Canadian dollar (CAD)) based on its predicted sales and purchases over the next xx mc The Group then enters into foreign currency forward contracts to hedge those exposures.

For operational reasons, the Group decided not to designate these foreign currency forward contracts as hedge accounting relationships. Consequently, all changes in values of such foreign currency forward contracts are recognised in the statement of profit or loss.

exposure to fluctuations in the copper price, the Group also entered into an exchange-traded copper futures contract. The futures contract is designated in a cash flow hedge of the firm commitment.

The copper futures contract is based on the price of a copper benchmark quality that is different from the copper quality the Group is committed to purchase (i.e., there is basis risk). Consequently, ineffectiveness arises in this hedging relationship. As of 30 June 2023, the fair value of the copper futures contract was $xxx,xxx, while the cumulative change in the fair value of the firm commitment from inception amounted to $xxx,xxx. As the fair value of the copper futures contract exceeded the cumulative change in the fair value of the firm commitment, the Group recorded a loss for the period of $xxx,xxx in other comprehensive income while ineffectiveness of $xx,xxx remains unrecognised. The ineffectiveness is due to the basis risk between the copper futures contract and the firm commitment, as well as the change in the Group's own credit risk.

Hedge of net investments in foreign operations

Included in loans as at 30 June 2023 was a borrowing of US$x,xxx,xxx, which is designated as a hedge of the net investments in the United States subsidiaries, Example Inc. and Example Inc., which have the USD as their functional currency. During the six months ended 30 June 2023, an after tax gain of $xxx,xxx on the translation of this borrowing was transferred to other comprehensive income to offset the losses on translation of the net investments in the subsidiaries. There is no ineffectiveness in the period ended 30 June 2023.

Other risk management activities

As a result of its international activities, the Group is exposed to foreign currency risk on part of its sales and purchases. In order to reduce this risk, the Group regularly determines its net exposure to the primary currencies (USD, GBP and Canadian dollar (CAD)) based on its predicted sales and purchases over the next xx months. The Group then enters into foreign currency forward contracts to hedge those exposures.

For operational reasons, the Group decided not to designate the foreign currency forward contracts as hedge accounting relationships. Consequently, all changes in the fair values of such foreign currency forward contracts are recognised in the statement of profit or loss.

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

The six months ended 30 June 2024 experienced volatility in the euro exchange rates against the USD and the GBP, resulting in losses on related foreign currency forv contracts recorded in Finance costs. These losses are, to some extent, compensated by higher revenues and lower cost of sales.

Fair values

Set out below, is a comparison of the carrying amounts and fair values of financial assets and financial liabilities as at 30 June 2024 and 31 December 2023:

	30 June 2024		31 December 202	
	Carrying amount	Fair value	Carrying amount	Fai
Consolidated entity	**$000**	**$000**	**$000**	
Financial assets:				
Loans	263	252	213	
Non-listed equity investments	938	938	1,038	
Listed equity investments	524	524	337	
Quoted debt instruments	1,809	1,809	1,622	
Foreign exchange forward contracts in cash flow hedges	242	242	252	
Foreign exchange forward contracts	1,100	1,100	640	
Embedded derivatives	161	161	210	
Total	**5,037**	**5,026**	**4,312**	
Financial liabilities:				
Interest-bearing loans and borrowings				
Floating rate borrowings	13,181	13,131	12,666	
Fixed rate borrowings	6,174	5,924	6,374	
Convertible preference shares	2,678	2,568	2,778	
Contingent consideration	-	-	1,072	
Other long-term payable	96	94	-	
Derivatives in effective hedges	1,107	1,107	1,185	
Derivative not designated as hedges				
Embedded commodity derivatives	-	-	782	
Embedded foreign exchange derivatives	764	764	-	
Interest rate swaps	-	-	35	
Foreign exchange forward contracts	1,073	1,073	685	
Total	**25,073**	**24,661**	**25,577**	

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

The six months ended 30 June 2023 experienced volatility in the AUD exchange rates against the USD and the GBP, resulting in losses on related foreign currency forward contracts recorded in Finance costs. These losses are, to some extent, compensated by higher revenues and lower cost of sales.

Fair values

Set out below, is a comparison of the carrying amounts and fair values of the financial assets and financial liabilities as at 30 June 2023 and 31 December 2022:

	30 June 2023		31 December 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Consolidated entity	**$000**	**$000**	**$000**	**$000**
Financial assets:				
Loans	263	252	213	209
Non-quoted equity investments	938	938	1,038	1,038
Quoted equity investments	524	524	337	337
Quoted debt instruments	1,809	1,809	1,622	1,622
Foreign exchange forward contracts in cash flow hedges	242	242	252	252
Foreign exchange forward contracts	1,100	1,100	640	640
Embedded derivatives	161	161	210	210
Total	**5,037**	**5,026**	**4,312**	**4,308**
Financial liabilities:				
Interest-bearing loans and borrowings				
Floating rate borrowings	13,181	13,131	12,666	12,616
Fixed rate borrowings	6,174	5,924	6,374	6,371
Convertible preference shares	2,678	2,568	2,778	2,766
Contingent consideration	-	-	1,072	1,072
Other long-term payable	96	94	-	-
Derivatives in effective hedges	1,107	1,107	1,185	1,185
Derivative not designated as hedges				
Embedded commodity derivatives	-	-	782	782
Embedded foreign exchange derivatives	764	764	-	-
Interest rate swaps	-	-	35	35
Foreign exchange forward contracts	1,073	1,073	685	685
Total	**25,073**	**24,661**	**25,577**	**25,512**

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at 30 June 2024:

Consolidated Entity	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Sigr unobse inputs (L
	$000	$000	$000	
As at 30 June 2024:				
Financial assets measured at fair value:				
Derivatives financial assets				
Foreign exchange forward contracts <insert currency>	742	-	742	
Foreign exchange forward contracts <insert currency>	600	-	600	
Embedded foreign exchange derivatives <insert currency>	161	-	-	
Listed equity investments				
<insert sector>	474	474	-	
<insert sector>	50	50	-	
Financial assets at fair value through OCI				
Non-listed equity investments				
<insert sector>	625	-	-	
<insert sector>	313	-	-	
Quoted debt instruments				
<insert country> government bonds	1,554	1,554	-	
Corporate bonds <insert sector>	95	95	-	
Corporate bonds <insert sector>	160	160	-	
Financial liabilities measured at fair value:				
Derivative financial liabilities				
Foreign exchange forward contracts <insert currency>	1,267	-	1,267	
Foreign exchange forward contracts <insert currency>	764	-	-	
Commodity futures contract	913	913	-	

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

Reconciliation of fair value measurement of non-listed equity investments classified as equity instruments designated at fair value through OCI (Level 3):

Consolidated Entity	Non-listed equity investments: Power	Electronics	T
	$000	$000	
As at 1 January 2024	**675**	**363**	
Remeasurement recognised in OCI	(125)	(135)	
Purchases	95	130	
Sales	(20)	(45)	
As at 30 June 2024	**625**	**313**	

Consolidated Entity	Non-listed equity investments: Power	Electronics	T
	$000	$000	
As at 1 January 2023	**390**	**508**	
Remeasurement recognised in OCI	132	(147)	
Purchases	62	37	
Sales	(43)	(68)	
As at 30 June 2023	**541**	**330**	

Reconciliation of fair value measurement of embedded derivative assets and liabilities (Level 3):

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at 30 June 2023:

Consolidated Entity	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	$000	$000	$000	$000
As at 30 June 2023:				
Financial assets measured at fair value:				

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

Consolidated Entity	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	$000	$000	$000	$000
Derivatives financial assets				
Foreign exchange forward contracts <insert currency>	742	-	742	-
Foreign exchange forward contracts <insert currency>	600	-	600	-
Embedded foreign exchange derivatives <insert currency>	161	-	-	161
Quoted equity investments				
<insert sector>	474	474	-	-
<insert sector>	50	50	-	-
Financial assets at fair value through OCI				
Non-quoted equity investments				
<insert sector>	625	-	-	625
<insert sector>	313	-	-	313
Quoted debt instruments				
<insert country> government bonds	1,554	1,554	-	-
Corporate bonds <insert sector>	95	95	-	-
Corporate bonds <insert sector>	160	160	-	-
Financial liabilities measured at fair value:				
Derivative financial liabilities				
Foreign exchange forward contracts <insert currency>	1,267	-	1,267	-
Foreign exchange forward contracts <insert currency>	764	-	-	764
Commodity futures contract	913	913	-	-

Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy:

Consolidated Entity	Non-quoted equity investments: Power	Electronics	Total
	$000	$000	$000
As at 1 January 2023	**675**	**363**	**1,038**
Remeasurement recognised in OCI	(125)	(135)	(260)
Purchases	95	130	225
Sales	(20)	(45)	(65)
As at 30 June 2023	**625**	**313**	**938**

Reconciliation of fair value measurement of embedded derivative assets and liabilities (Level 3):

Consolidated Entity	Embedded foreign exchange derivative Asset CAD $000	Liability USD $000	Embedded commo derivative Liability Brass $000	C
As at 1 January 2024	**210**	**-**	**600**	
Purchases	-	55	-	
Sales	(166)	(83)	(57)	
Remeasurement recognised in statement of profit or loss	117	792	(543)	
As at 30 June 2024	**161**	**764**	**-**	

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

Consolidated Entity	Embedded foreign exchange derivative Asset CAD $000	Liability USD $000	Embedded commo derivative Liability Brass $000	C
As at 1 January 2023	-	-	-	
Purchases	20	-	127	
Sales	(6)	-	32	
Remeasurement recognised in statement of profit or loss	2	-	(18)	
As at 30 June 2023	**16**	**-**	**141**	

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during months ended 30 June 2024. The fair value decrease on financial instruments categorised within Level 3 of $xx,xxx (31 December 2023: $xx,xxx), was recorded in the statement of profit or loss.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant t fair value measurement as a whole, as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

Set out below are the significant unobservable inputs to valuation as at 30 June 2024:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the inpu fair value

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

Non-listed equity investments - power sector DCF method Long-term growth rate X.X% - X.X% X% increase/(decrease

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

Consolidated Entity	Embedded foreign exchange derivative Asset CAD $000	Liability USD $000	Embedded commodity derivative Liability Brass $000	Chrome $000
As at 1 January 2023	**210**	**-**	**600**	**182**
Purchases	-	55	-	-
Sales	(166)	(83)	(57)	(16)
Net unrealised loss recognised in statement of profit or loss	117	792	(543)	(166)
As at 30 June 2023	**161**	**764**	**-**	**-**

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the six months ended 30 June 2023.

The fair value decrease on financial instruments categorised within Level 3 of $xx,xxx (31 December 2022: $xx,xxx), was recorded in the statement of profit or loss.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

Set out below are the significant unobservable inputs to valuation as at 30 June 2023:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Non-quoted equity investments - power sector	DCF method	Long-term growth rate for cash flows for subsequent years	X.X% - X.X% (X.X%)	X% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by $XX,XXX
		Long-term operating margin	X.X% - XX.X% (X.X%)	XX% increase/(decrease) in the margin would result in increase/(decrease) in fair value by $XX,XXX

Non-listed equity investments - power sector	DCF method	Long-term growth rate for cash flows for subsequent years	X.X% - X.X% (X.X%)	X% increase/(decrease growth rate would resu increase/(decrease) in value by $XX,XXX
		Long-term operating margin	X.X% - XX.X% (X.X%)	XX% increase/(decrea the margin would resul increase/(decrease) in value by $XX,XXX
		WACC	XX.X% - XX.X% (XX.X%)	X% increase/(decrease WACC would result in decrease/(increase) in value by $XX,XXX
		Discount for lack of marketability	X.X% - XX.X% (XX.X%)	Increase/(decrease) in discount would decrease/(increase) th value.
Non-listed equity investments - electronics sector	DCF method	Long-term growth rate for cash flows for subsequent years	X.X% - X.X% (X.X%)	X% increase/(decrease growth rate would resu increase/(decrease) in value by $XX,XXX
		Long-term operating margin	XX.X% - XX.X% (XX.X%)	X% increase/(decrease margin would result in increase/(decrease) in value by $XX,XXX
		WACC	XX.X% - XX.X% (XX.X%)	X% increase/(decrease WACC would result in decrease/(increase) in value by $XX,XXX

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

		Discount for lack of marketability	X.X% - XX.X% (XX.X%)	Increase/(decrease) in discount would decrease/(increase) th value.
Embedded derivative assets	Forward pricing model	Discount on counterparty credit risk	X.XX% - X.XX% (X.XX%)	Increase/(decrease) in discount would decrease/(increase) th value.
Embedded derivative liabilities	Forward pricing model	Discount on non-performance risk	X.XX% - X.XX% (X.XX%)	Increase/(decrease) in discount would decrease/(increase) th value.

Discount for lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

13. Cash and short-term deposits

For the purpose of the interim Interim condensed consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

	Consolidated enti	
	30 June 2024	31 Dec
	$000	
Cash at bank and in hand	12,323	
Short-term deposits	3,496	
Total cash and short-term deposits	**15,819**	
Bank overdraft	(900)	
Cash at bank and in hand attributable to discontinued operations	-	(
Total cash and cash equivalents	**14,919**	

Notes to the interim condensed consolidated financial statements

12. Financial assets and financial liabilities *continued*

		WACC	XX.X% - XX.X% (XX.X%)	X% increase/(decrease) in the WACC would result in decrease/(increase) in fair value by $XX,XXX
		Discount for lack of marketability	X.X% - XX.X% (XX.X%)	Increase/(decrease) in the discount would decrease/(increase) the fair value.
Non-quoted equity investments - electronics sector	DCF method	Long-term growth rate for cash flows for subsequent years	X.X% - X.X% (X.X%)	X% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by $XX,XXX
		Long-term operating margin	XX.X% - XX.X% (XX.X%)	X% increase/(decrease) in the margin would result in increase/(decrease) in fair value by $XX,XXX
		WACC	XX.X% - XX.X% (XX.X%)	X% increase/(decrease) in the WACC would result in decrease/(increase) in fair value by $XX,XXX
		Discount for lack of marketability	X.X% - XX.X% (XX.X%)	Increase/(decrease) in the discount would decrease/(increase) the fair value.
Embedded derivative assets	Forward pricing model	Discount on counterparty credit risk	X.XX% - X.XX% (X.XX%)	Increase/(decrease) in the discount would decrease/(increase) the fair value.
Embedded derivative liabilities	Forward pricing model	Discount on non-performance risk	X.XX% - X.XX% (X.XX%)	Increase/(decrease) in the discount would decrease/(increase) the fair value.

Discount for lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

13. Cash and short-term deposits

For the purpose of the consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

Notes to the interim condensed consolidated financial statements

13. Cash and short-term deposits *continued*

	Consolidated entity	
	30 June 2023	31 December 2022
	$000	$000
Cash at bank and in hand	12,323	11,316
Short-term deposits	3,496	5,798
Total cash and short-term deposits	**15,819**	**17,114**

Notes to the interim condensed consolidated financial statements

14. Reversal of restructuring provision

As at 31 December 2023, a restructuring provision of $xxx,xxx had been recognised for the elimination of certain product lines of < Insert Company here>. Expenditures $xxx,xxx to complete the restructuring in xxx 20xx were charged against the provision and the remaining unused amount of $xxx,xxx was reversed and is included withi operating expenses in the statement of profit or loss where the creation of the provision was initially recorded. The reversal arises from contract termination costs being than expected.

15. Share-based payments

In xxx 20xx, xxx,xxx share options were granted to senior executives under the Senior Executive Plan (SEP). The exercise price of the options of $x.xx was equal to the price of the shares on the date of grant. The options vest if the Group's basic EPS increases by xx% within three years from the date of grant and the senior executive i employed on such date. If this increase is not met, the options lapse. The fair value at grant date is estimated using a binomial pricing model, taking into account the ter conditions upon which the options were granted. The contractual life of each option granted is five years. There is no cash settlement of the options. The fair value of op granted during the six months ended 30 June 2024 was estimated on the date of grant using the following assumptions:

Consolidated Entity

Dividend yield (%)
Expected volatility (%)
Risk-free interest rate (%)
Expected life of share options (years)
Weighted average share price ($)

The weighted average fair value of the options granted during the six months ended 30 June 2024 was $x.xx (year ended 31 December 2023: $x.xx).

For the six months ended 30 June 2024, the Group has recognised $xxx,xxx of share-based payment expense in the statement of profit or loss (30 June 2023: $xxx,xx

16. Commitments and contingencies

Legal claims contingency

In xxx 20xx, an overseas customer commenced a legal action against the Group in respect of equipment sold that is claimed to be defective. Should the action against t Group be successful, the estimated loss is $xxx,xxx. A trial date has been scheduled for xx xxx 20xx. The Group has been advised by its legal advisers that it is possibl not probable, that the customer will succeed. Accordingly, no provision for any liability has been made in these financial statements.

Commitments

At 30 June 2024, the Group had capital commitments of $x,xxx,xxx (31 December 2023: $x,xxx,xxx) relating to the completion of the operating facilities of <Insert Comp here> and commitments of $xxx,xxx (31 December 2023: $xxx,xxx) in relation to the trade purchase commitments by the joint venture in which the Group holds an inter

Notes to the interim condensed consolidated financial statements

17. Related party disclosures

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2024 and 2023, as w balances with related parties as at 30 June 2024 and 31 December 2023:

Consolidated Entity		Sales to related parties $000	Purchases from related parties $000	Amounts owed by related parties $000	A
Entity with significant influence over the Group:					
<insert Company name>	2024	3,382	-	412	
	2023	3,620	-	320	
Associate:					
<insert Company name>	2024	1,380	-	865	
	2023	1,458	-	980	
Joint venture in which the parent					

Bank overdraft	(900)	(966)
Cash at bank and in hand attributable to discontinued operations	-	(11,833)
Total cash and cash equivalents	**14,919**	**4,315**

14. Reversal of restructuring provision

As at 31 December 2022, a restructuring provision of $xxx,xxx had been recognised for the elimination of certain product lines of < Insert Company here>. Expenditures of $xxx,xxx to complete the restructuring in xxx 20xx were charged against the provision and the remaining unused amount of $xxx,xxx was reversed and is included within other operating expenses in the statement of profit or loss where the creation of the provision was initially recorded. The reversal arises from contract termination costs being lower than expected.

15. Share-based payments

In xxx 20xx, xxx,xxx share options were granted to senior executives under the Senior Executive Plan (SEP). The exercise price of the options of $x.xx was equal to the market price of the shares on the date of grant. The options vest if the Group's basic EPS increases by xx% within three years from the date of grant and the senior executive is still employed on such date. If this increase is not met, the options lapse. The fair value at grant date is estimated using a binomial pricing model, taking into account the terms and conditions upon which the options were granted. The contractual life of each option granted is five years. There is no cash settlement of the options. The fair value of options granted during the six months ended 30 June 2023 was estimated on the date of grant using the following assumptions:

Consolidated Entity	
Dividend yield (%)	3.55
Expected volatility (%)	15.50
Risk-free interest rate (%)	5.15
Expected life of share options (years)	3.75
Weighted average share price ($)	3.45

The weighted average fair value of the options granted during the six months ended 30 June 2023 was $x.xx (year ended 31 December 2022: $x.xx).

For the six months ended 30 June 2023, the Group has recognised $xxx,xxx of share-based payment expense in the statement of profit or loss (30 June 2022: $xxx,xxx).

16. Commitments and contingencies

Legal claims contingency

In xxx 20xx, an overseas customer commenced a legal action against the Group in respect of equipment sold that is claimed to be defective. Should the action against the Group be successful, the estimated loss is $xxx,xxx. A trial date has been scheduled for xx xxx 20xx. The Group has been advised by its legal advisers that it is possible, but not probable, that the customer will succeed. Accordingly, no provision for any liability has been made in these financial statements.

Notes to the interim condensed consolidated financial statements

16. Commitments and contingencies *continued*

Commitments

At 30 June 2023, the Group had capital commitments of $x,xxx,xxx (31 December 2022: $x,xxx,xxx) relating to the completion of the operating facilities of <Insert Company here> and commitments of $xxx,xxx (31 December 2022: $xxx,xxx) in relation to the trade purchase commitments by the joint venture in which the Group holds an interest.

17. Related party disclosures

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2023 and 2022, as well as balances with related parties as at 30 June 2023 and 31 December 2022:

Consolidated Entity		Sales to related parties $000	Purchases from related parties $000	Amounts owed by related parties $000	Amounts owed to related parties $000
Entity with significant influence over the Group:					
<insert Company name>	2021	3,382	-	412	-
	2020	3,620	-	320	-
Associate:					
<insert Company name>	2021	1,380	-	865	-
	2020	1,458	-	980	-
Joint venture in which the parent is a venturer:					
<insert Company name>	2021	-	327	-	75

Joint venture in which the parent is a venturer:					
<insert Company name>	2024	-	327	-	
	2023	-	285	-	
Key management personnel of the Group:					
Other directors' interests	2024	132	270	6	
	2023	-	220	15	

For loans to directors, see Note 12. The following table provides the interest received during the six months ended 30 June 2024 and 2023, as well as the loans outstan from related parties as at 30 June 2024 and 31 December 2023:

Consolidated Entity		Interest received $000	A c
Loans to related parties			

Notes to the interim condensed consolidated financial statements

17. Related party disclosures *continued*

Consolidated Entity		Interest received $000	A c
Associate:			
<insert Company name>	2024	27	
	2023	10	
Key management personnel of the Group			
Directors' loans	2024	1	
	2023	1	

<insert Company name>	2021	-	327	-	75
	2020	-	285	-	20
Key management personnel of the Group:					
Other directors' interests	2021	132	270	6	18
	2020	-	220	15	7

For loans to directors, see Note 12. The following table provides the interest received during the six months ended 30 June 2023 and 2022, as well as the loans outstanding from related parties as at 30 June 2023 and 31 December 2022:

Consolidated Entity		Interest received $000	Amounts owed by related parties $000
Loans to related parties			
Associate:			
<insert Company name>	2021	27	431
	2020	10	200
Key management personnel of the Group			
Directors' loans	2021	1	6
	2020	1	13

Notes to the interim condensed consolidated financial statements

17. Related party disclosures *continued*

18. Distributions made and proposed

	For the six months en… June
	2024
Cash dividends to the equity holders of the parent:	**$000**
Dividends on ordinary shares declared and paid:	
Final dividend for 20XX: X.XX cents per share (20XX: X.XX cents per share)	1,087
Proposed dividends on ordinary shares:	
First dividend for 20XX: X.XX cents per share (20XX: X.XX cents per share)	1,004

The proposed dividends on ordinary shares are subject to approval at the annual general meeting and are not recognised as a liability as at 30 June 2024. The 2024 pr… dividend was approved on xx xxx 20xx.

One of the Group's subsidiaries, <Insert Company here>, issued cash dividends during the six months ended 30 June 2024 and 2023. The amount paid/received within … Group was eliminated on consolidation and the amounts paid to non-controlling interests were $xx,xxx and $xx,xxx, respectively.

19. Events after the reporting period

On xx xxx 20xx, a customer commenced an action against the Group in respect of inventory that it claims to be defective. Should the action against the Group be succe… the estimated loss is $xxx,xxxx. However, a trial date has not yet been set. The Group has been advised by its legal counsel that, at the date of authorisation of these in… condensed financial statements, it is not practicable to determine the likelihood of the outcome of the action or state the timing of the payment, if any.

Notes to the interim condensed consolidated financial statements

18. Distributions made and proposed

	For the six months ended 30 June	
	2023	**2022**
Cash dividends to the equity holders of the parent:	**$000**	**$000**
Dividends on ordinary shares declared and paid:		
Final dividend for 20XX: X.XX cents per share (20XX: X.XX cents per share)	**1,087**	**1,082**
Proposed dividends on ordinary shares:		
First dividend for 20XX: X.XX cents per share (20XX: X.XX cents per share)	**1,004**	**890**

The proposed dividends on ordinary shares are subject to approval at the annual general meeting and are not recognised as a liability as at 30 June 2023. The 2023 proposed dividend was approved on xx xxx 20xx.

One of the Group's subsidiaries, <Insert Company here>, issued cash dividends during the six months ended 30 June 2023 and 2022. The amount paid/received within the Group was eliminated on consolidation and the amounts paid to non-controlling interests were $xx,xxx and $xx,xxx, respectively.

19. Events after the reporting period

On xx xxx 20xx, a customer commenced an action against the Group in respect of inventory that it claims to be defective. Should the action against the Group be successful, the estimated loss is $xxx,xxxx. However, a trial date has not yet been set. The Group has been advised by its legal counsel that, at the date of authorisation of these interim condensed financial statements, it is not practicable to determine the likelihood of the outcome of the action or state the timing of the payment, if any.