

Lycopodium



Interim Financial Report

31 December 2024



Corporate Directory

Board of Directors

Rodney Lloyd Leonard
Independent Non-Executive Chairman

Peter De Leo
Managing Director

Bruno Ruggiero
Executive Director

Karl Anthony Cicanese
Executive Director

Michael John Caratti
Non-Executive Director

Louise Bower
Non-Executive, Independent Director

Steven John Micheil Chadwick
*Non-Executive, Independent Director
(Resigned 12 November 2024)*

Audit Committee

Louise Bower
Peter De Leo
Rodney Leonard

Remuneration Committee

Louise Bower
Michael Caratti
Rodney Leonard

Risk Committee

Rodney Leonard
Peter De Leo
Bruno Ruggiero

Company Secretary

Justine Campbell

Registered and Principal Office

Level 5, 1 Adelaide Terrace
East Perth, Western Australia 6004
+61 8 6210 5222

Share Registry

Computershare Investor Services Pty Limited
Level 17, 221 St Georges Terrace
Perth, Western Australia 6000
+61 8 9323 2000

Lawyers to the Company

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth, Western Australia 6000
+61 8 9321 4000

Auditors

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
Perth, Western Australia 6000
+61 8 9261 9100

Principal Banker

Australia and New Zealand Bank
Level 10, 77 St Georges Terrace
Perth, Western Australia 6000

Website

www.lycopodium.com

Lycopodium Limited ABN 83 098 556 159

Interim Financial Report

31 December 2024

Lodged with the ASX under listing Rule 4.2A.
This information should be read in conjunction
with the 30 June 2024 Annual Report.



Ahafo North team in Ghana celebrating four million workhours LTI free

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FINANCIAL REPORT		
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Directors' Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Lycopodium Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

The following persons were Directors of Lycopodium Limited during the financial half-year and up to the date of this report:

- Rodney Lloyd Leonard
- Peter De Leo
- Bruno Ruggiero
- Karl Anthony Cicanese
- Michael John Caratti
- Louise Bower
- Steven John Micheil Chadwick (resigned 12 November 2024)

Review of operations

A summary of consolidated revenues and results for the financial period by reportable operating segment is set out below:

	Segment revenues		Segment results	
	2024 \$	2023 \$	2024 \$	2023 \$
Resources	172,310,598	190,976,242	33,466,138	38,925,251
Rail Infrastructure	5,630,548	5,706,362	579,575	497,222
Industrial Processes	4,674,903	5,282,642	202,680	1,075,514
Other	4,103,071	4,408,458	473,301	583,018
Intersegment eliminations	(20,839,321)	(31,554,388)	-	-
Unallocated	1,499,918	2,985,347	1,092,994	(1,276,255)
Total revenue/profit before income tax expense	167,379,717	177,804,663	35,814,688	39,804,750
Income tax expense			(10,488,479)	(10,097,784)
Profit for the half-year			25,326,209	29,706,966
Less loss/(profit) attributable to non-controlling interests			(77,095)	258,980
Profit attributable to owners of Lycopodium Ltd			25,249,114	29,965,946

(a) Resources

The Resources segment consists of engineering and project delivery services provided to the extractive mining industry. The clients, ranging from junior exploration companies to major multinational producers, are developing projects for a wide range of commodities. These projects range in scope from large greenfield projects involving process plant and equipment, civil, building works, control systems, services and infrastructure to small skid-mounted pilot plants.

(b) Rail Infrastructure

The rail infrastructure segment consists of asset management, engineering and project delivery services provided to a range of private and public sector clients across Australia.

(c) Industrial Processes

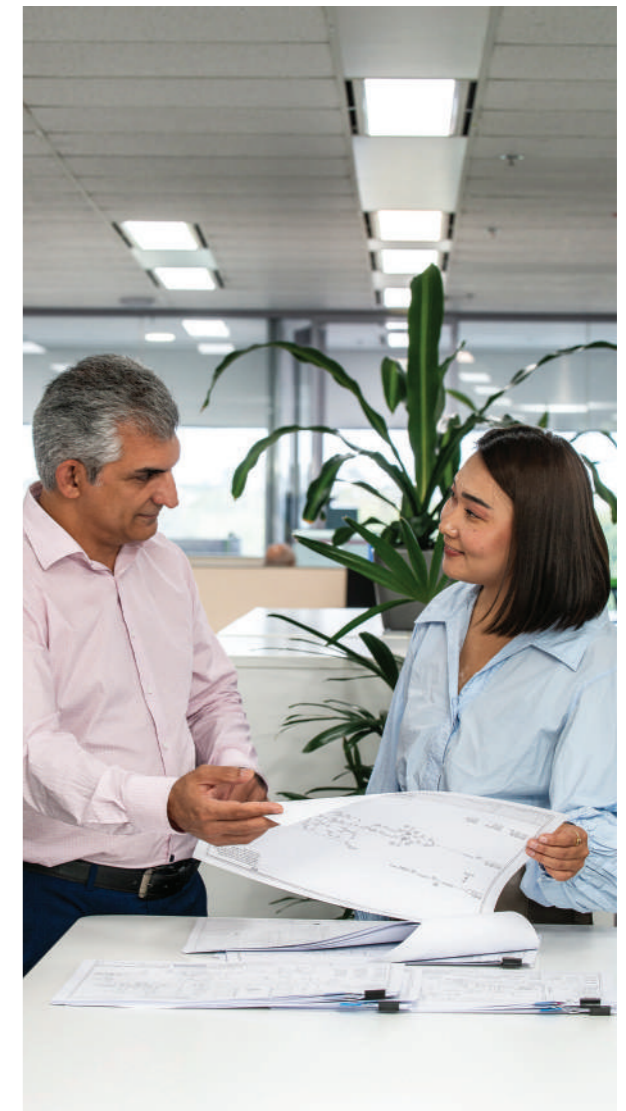
The Industrial Processes segment consists of engineering and project delivery services provided to manufacturing and renewable energy facilities throughout Australia and Southeast Asia.

(d) Other

All other operating segments of the consolidated entity are aggregated on the basis of them being individually immaterial for the purpose of reporting.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the consolidated entity during the period.



Directors' Report

Matters subsequent to the end of the financial period

Dividends

Since half-year end the directors have recommended the payment of an interim dividend on ordinary shares in respect of the 2025 financial year. The total amount of dividend is \$3,974,023 which represents a fully franked dividend of 10.0 cents per fully paid ordinary share.

SAXUM acquisition

Subsequent to the end of the reporting period, Lycopodium Limited completed its acquisition of a majority interest in SAXUM Ingenieria S.A., SAXUM Consultoria e Engenharia Ltda, SAXUM Engineering Pty Ltd, and SAXUM Engineering LLC (collectively, 'SAXUM'), an Argentinian-headquartered engineering group.

This acquisition represents Lycopodium Limited's key strategic growth initiative to further geographically expand its global presence in the Americas and diversify our services into the cement industry. SAXUM operates with no debt, has demonstrated consistent growth, and maintains strong profit margins, enabling it to contribute immediately to the Consolidated Entity's revenue and profitability.

The acquisition was executed through the signing of a head of agreement under which Lycopodium Limited acquired 60% of the issued ordinary shares in SAXUM for a total cash consideration of US\$7,085,326. In addition, Lycopodium Limited holds options to acquire the remaining shares in two tranches:

- 25% on the fifth anniversary of the completion date.
- 15% on the seventh anniversary of the completion date.

The purchase consideration for the subsequent tranches will be within a capped range of valuation multiples and determined based on the normalised average EBITDA over the three years preceding each purchase.

Consideration transferred to SAXUM's shareholders

- Cash consideration: US\$7,085,326

The acquisition has been funded from cash reserves.

Due to the proximity of the acquisition date of 17 February 2025 to the release of these financial statements, Lycopodium Limited is not in a position to present information related to fair value of the assets acquired, liabilities assumed, or any goodwill that may arise from the acquisition of SAXUM

With the exceptions of the above, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect:

- (a) the consolidated entity's operations in future financial periods, or
- (b) the results of those operations in future financial periods, or
- (c) the consolidated entity's state of affairs in future financial periods.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6.

This report is made in accordance with a resolution of Directors



Peter De Leo
Managing Director
Perth

18 February 2025

Liontown Resources' Kathleen Valley Lithium Operation, Western Australia



Auditor's Independence Declaration

Auditor

RSM Australia Partners has been appointed in office in accordance with section 327 of the *Corporations Act 2001*.



RSM Australia Partners

Level 32 Exchange Tower, 2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 92619100

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Lycopodium Limited for the half year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) Any applicable code of professional conduct in relation to the review.

RSM

RSM AUSTRALIA

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 18 February 2025

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Financial Report

Consolidated Statement of Profit or Loss
and Other Comprehensive Income

For the half-year ended 31 December 2024

	Notes	31 December 2024 \$	31 December 2023 \$
Revenue from contract with customers	3	165,879,799	174,819,316
Interest income		1,488,979	1,725,490
Other income		10,939	1,259,857
Total income		167,379,717	177,804,663
Employee benefits expense		(68,253,085)	(61,114,047)
Depreciation and amortisation expense		(3,307,212)	(3,388,356)
Project expenses		(7,913,658)	(8,499,257)
Equipment and materials		(11,572,772)	(15,291,909)
Contractors		(27,173,655)	(41,879,214)
Occupancy expense		(1,724,364)	(970,824)
Other expenses		(11,571,003)	(11,373,654)
Warranty (provision)/reversal	9	(909,803)	4,061,229
Finance costs		(377,164)	(416,765)
Share of net profit of associates and joint ventures accounted for using the equity method		1,237,687	872,884
Profit before income tax		35,814,688	39,804,750
Income tax expense	4	(10,488,479)	(10,097,784)
Profit for the half-year		25,326,209	29,706,966
Profit for the half-year is attributable to:			
Owners of Lycopodium Limited		25,249,114	29,965,946
Non-controlling interests		77,095	(258,980)
Profit for the half-year		25,326,209	29,706,966
Other comprehensive loss:			
<i>Item that may be reclassified to profit or loss</i>			
Foreign currency translation	10(b)	269,174	(1,642,115)
Total comprehensive income for the half-year		25,595,383	28,064,851
Total comprehensive income for the half-year is attributable to:			
Owners of Lycopodium Limited		25,518,288	28,323,831
Non-controlling interests		77,095	(258,980)
Total comprehensive income for the half-year		25,595,383	28,064,851
Earnings per share for profit attributable to the owners of Lycopodium Limited:			
		Cents	Cents
Basic earnings per share		63.5	75.4
Diluted earnings per share		63.5	75.4

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Financial Report

Consolidated Statement of Financial Position

As at 31 December 2024

	Notes	31 December 2024 \$	30 June 2024 \$
ASSETS			
Current assets			
Cash and cash equivalents		77,051,052	67,563,528
Trade and other receivables		117,292,123	107,377,645
Inventories		-	319,856
Other current assets		10,207,718	5,165,576
Total current assets		204,550,893	180,426,605
Non-current assets			
Property, plant and equipment		5,934,211	6,903,806
Right-of-use assets		11,207,667	10,470,802
Intangible assets		6,285,693	6,328,060
Deferred tax assets		5,800,877	6,103,967
Financial assets measured at fair value through profit or loss	6	2,762,015	2,781,415
Investments accounted for using the equity method	5	4,558,138	4,029,886
Total non-current assets		36,548,601	36,617,936
Total assets		241,099,494	217,044,541
LIABILITIES			
Current liabilities			
Trade and other payables		54,680,191	47,627,350
Contract and other liabilities	3(a)	9,547,657	10,553,859
Borrowings	7	9,255,635	289,624
Lease liabilities	8	5,482,783	3,540,429
Current tax liabilities		5,524,889	5,344,648
Employee benefits		9,939,855	7,973,442
Provisions	9	2,653,060	1,730,284
Total current liabilities		97,084,070	77,059,636
Non-current liabilities			
Employee benefits		2,160,382	3,758,773
Lease liabilities	8	7,516,307	8,785,946
Total non-current liabilities		9,676,689	12,544,719
Total liabilities		106,760,759	89,604,355
Net assets		134,338,735	127,440,186
EQUITY			
Issued capital	10(a)	14,030,062	15,887,091
Reserves	10(b)	(5,258,738)	(5,613,236)
Retained earnings	10(c)	127,144,118	117,791,094
Equity attributable to the owners of Lycopodium Limited		135,915,442	128,064,949
Non-controlling interests	11	(1,576,707)	(624,763)
Total equity		134,338,735	127,440,186

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Financial Report

Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2024

Notes	Share capital \$	Retained earnings \$	Foreign currency translation reserve \$	Performance rights reserve \$	Non-controlling interests \$	Total equity \$
Balance at 1 July 2023	18,551,357	99,663,882	(5,367,407)	1,794,716	(1,677,641)	112,964,907
Profit after income tax expense for the half-year	-	29,965,946	-	-	(258,980)	29,706,966
Other comprehensive income for the half-year, net of tax	-	-	(1,642,115)	-	-	(1,642,115)
Total comprehensive income for the half-year	-	29,965,946	(1,642,115)	-	(258,980)	28,064,851
<i>Transactions with owners in their capacity as owners:</i>						
Foreign currency translation with non-controlling interest	-	-	-	-	845,073	845,073
Dividends provided for or paid 12	-	(17,883,102)	-	-	-	(17,883,102)
Purchase of share under employee share trust	(2,794,549)	-	-	-	-	(2,794,549)
Loan shares to senior management (net of dividend received back)	131,700	-	-	-	-	131,700
Performance rights - value of rights 10(b)	-	-	-	340,802	-	340,802
Exercise of performance rights 10(b)	408,936	-	-	(408,936)	-	-
	(2,253,913)	(17,883,102)	-	(68,134)	845,073	(19,360,076)
Balance at 31 December 2023	16,297,444	111,746,726	(7,009,522)	1,726,582	(1,091,548)	121,669,682
Balance at 1 July 2024	15,887,091	117,791,094	(8,472,000)	2,858,764	(624,763)	127,440,186
Profit after income tax expense for the half-year	-	25,249,114	-	-	77,095	25,326,209
Other comprehensive income for the half-year, net of tax	-	-	269,174	-	-	269,174
Total comprehensive income for the half-year	-	25,249,114	269,174	-	77,095	25,595,383
<i>Transactions with owners in their capacity as owners:</i>						
Foreign currency translation with non-controlling interest	-	-	-	-	(1,029,039)	(1,029,039)
Dividends provided for or paid 12	-	(15,896,090)	-	-	-	(15,896,090)
Purchase of share under employee share trust	(2,164,170)	-	-	-	-	(2,164,170)
Loan shares to senior management (net of dividend received back)	-	-	-	-	-	(153,340)
Performance rights - value of rights 10(b)	-	-	-	545,804	-	545,804
Exercise of performance rights 9(b)	460,481	-	-	(460,481)	-	-
	(1,857,029)	(15,896,090)	-	85,324	(1,029,039)	(18,696,834)
Balance at 31 December 2024	14,030,062	127,144,118	(8,202,826)	2,944,088	(1,576,707)	134,338,735

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Financial Report

Consolidated Statement of Cash Flows

For the half-year ended 31 December 2024

	31 December 2024 \$	31 December 2023 \$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	159,345,571	162,531,647
Payments to suppliers and employees (inclusive of GST)	(132,014,118)	(139,924,607)
	27,331,453	22,607,040
Interest paid	(377,164)	(45,151)
Income taxes paid	(7,607,910)	(16,382,027)
Interest received	1,488,979	1,725,490
Net cash inflow from operating activities	20,835,358	7,905,352
Cash flows from investing activities		
Dividends received from joint ventures and associates	709,435	587,063
Repayment of loans from Joint ventures and associates	-	249,011
Payments for property, plant and equipment	(679,737)	(359,109)
Net cash inflow from investing activities	29,698	476,965
Cash flows from financing activities		
Proceeds from borrowings	10,166,390	1,979,779
Repayments of borrowings	(1,200,379)	(12,053)
Dividends paid to Company shareholders	(15,896,090)	(17,883,102)
Reduction of lease liability	(2,013,901)	(2,210,823)
Purchase of shares by employee share trust	(1,857,029)	(2,794,545)
Net cash outflow from financing activities	(10,801,008)	(20,920,744)
Net increase/(decrease) in cash and cash equivalents	10,064,048	(12,538,427)
Cash and cash equivalents at the beginning of the financial year	67,563,528	82,412,067
Effects of exchange rate changes on cash and cash equivalents	(576,524)	(865,630)
Cash and cash equivalents at the end of the period	77,051,052	69,008,010

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Financial Report

Notes to the Consolidated Financial Statements

31 December 2024

1. Summary of significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001, as appropriate for profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

This general purpose financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Lycopodium Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

New or amended Accounting Standards and interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The critical accounting estimates and judgements are consistent with those applied and disclosed in the 30 June 2024 annual report.

2. Segment information

Management has determined the operating segments based on the reports reviewed by the Board (who are identified as the Chief Operating Decision Makers ('CODM')) that are used to make strategic decisions.

The Board reviews Profit before tax and the accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

(a) Description of segments

The Board considers the business from both a product and geographic perspective and has identified four operating segments of which three are reportable in accordance with the requirements of AASB 8.

The Resources segment consists of engineering and project delivery services provided to the extractive mining industry. The clients, ranging from junior exploration companies to major multinational producers, are developing projects for a wide range of commodities. These projects range in scope from large greenfield projects involving processing plant and equipment, civil building works, control systems, services and infrastructure to small skid-mounted pilot plants.

The Rail Infrastructure segment consists of asset management, engineering and project delivery services to a wide range of private and public clients across Australia.

The Industrial Processes segment consists of engineering and project delivery services provided to manufacturing and renewable energy facilities throughout Australia and Southeast Asia

All other operating segments are not reportable operating segments, as they fall under the quantitative thresholds of AASB 8. The results of these operations are included in the 'Other' column.

The remaining operating segment that is not reportable consists of:

Metallurgical: Metallurgical consulting provides a range of services to the mineral processing community, primarily in the field of comminution, hydrometallurgy and mineral processing design.

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

Financial Report

Notes to the Consolidated Financial Statements

31 December 2024

2. Segment information(continued)

(b) Other segment information

The segment information provided to the Board of Directors for the reportable segments for the half-year ended 31 December 2024 and 2023 are as follows:

	Resources \$	Rail Infrastructure \$	Industrial processes \$	Other \$	Total \$
31 December 2024					
Total segment revenue	172,310,598	5,630,548	4,674,903	4,103,071	186,719,120
Inter-segment revenue	(19,956,255)	(19,324)	(340,596)	(523,146)	(20,839,321)
Revenue from external customers	152,354,343	5,611,224	4,334,307	3,579,925	165,879,799
Interest income	1,082,443	-	513	406,023	1,488,979
Other income	(121,414)	8,939	-	123,414	10,939
Total revenue	-	-	-	-	167,379,717
Segment profit before tax	33,466,138	579,575	202,680	473,301	34,721,694
Unallocated:					
Depreciation and amortisation	-	-	-	-	(2,058,524)
Share of net profit of associates and joint ventures accounted for using the equity method	-	-	-	-	1,237,687
Other unallocated	-	-	-	-	1,913,831
Profit before tax	-	-	-	-	35,814,688
Income tax expense	-	-	-	-	(10,488,479)
Profit after tax	-	-	-	-	25,326,209
Total segment assets	176,050,306	3,926,089	4,164,023	6,839,437	190,979,855
Intersegment eliminations	-	-	-	-	(11,391,773)
Intangibles arising on consolidation	-	-	-	-	6,126,228
Unallocated segment assets:					
Cash and cash equivalents	-	-	-	-	17,662,813
Trade and other receivables	-	-	-	-	11,172,031
Right-of-use assets	-	-	-	-	7,145,191
Other non-current assets	-	-	-	-	6,570,333
Other unallocated segment assets	-	-	-	-	12,834,816
Total assets	-	-	-	-	241,099,494
Total assets includes:					
Additions to non-current assets (other than financial assets and deferred tax)	225,133	-	-	454,604	679,737
Total segment liabilities	88,055,213	1,300,685	1,979,053	(853,976)	90,480,975
Intersegment eliminations	-	-	-	-	3,470,772
Unallocated segment liabilities:					
Trade and other payables	-	-	-	-	2,215,790
Provision for income tax	-	-	-	-	(15,631,715)
Lease liabilities	-	-	-	-	8,535,508
Borrowings	-	-	-	-	9,255,635
Other unallocated segment liabilities	-	-	-	-	8,433,794
Total liabilities as per the consolidated balance sheet	-	-	-	-	106,760,759

Financial Report

Notes to the Consolidated Financial Statements

31 December 2024

2. Segment information(continued)

(b) Other segment information (continued)

The segment information provided to the Board of Directors for the reportable segments for the half-year ended 31 December 2024 and 2023 are as follows:

31 December 2023	Resources \$	Rail Infrastructure \$	Industrial processes \$	Other \$	Total \$
Total segment revenue	190,976,242	5,706,362	5,282,642	4,408,458	206,373,704
Inter-segment revenue	(30,246,097)	(44,551)	-	(1,263,740)	(31,554,388)
Revenue from external customers	160,730,145	5,661,811	5,282,642	3,144,718	174,819,316
Interest income	1,145,627	-	1,099	578,764	1,725,490
Other income	704,486	53,634	3,279	498,458	1,259,857
Total revenue	-	-	-	-	177,804,663
Segment profit before tax	38,925,251	497,222	1,075,514	583,018	41,081,005
Unallocated:					
Depreciation and amortisation	-	-	-	-	(2,057,682)
Share of net profit of associates and joint ventures accounted for using the equity method	-	-	-	-	872,884
Other unallocated	-	-	-	-	(91,457)
Profit before tax	-	-	-	-	39,804,750
Income tax expense	-	-	-	-	(10,097,784)
Profit after tax	-	-	-	-	29,706,966
Total segment assets	157,739,799	4,025,838	7,097,194	5,346,346	174,209,177
Intersegment eliminations	-	-	-	-	(17,292,483)
Intangibles arising on consolidation	-	-	-	-	6,126,228
Unallocated Segment Assets:					
Cash and cash equivalents	-	-	-	-	4,087,128
Trade and other receivables	-	-	-	-	2,803,005
Right-of-use assets	-	-	-	-	8,383,258
Other unallocated segment assets	-	-	-	-	29,916,081
Total assets	-	-	-	-	208,232,394
Total assets includes:					
Additions to non-current assets (other than financial assets and deferred tax)	132,512	-	(3,017)	229,614	359,109
Total segment liabilities	86,095,178	1,241,069	3,569,790	(5,446,236)	85,459,801
Intersegment eliminations	-	-	-	-	644,818
Unallocated Segment Liabilities:					
Trade and other payables	-	-	-	-	2,706,205
Provision for income tax	-	-	-	-	(15,838,804)
Lease liabilities	-	-	-	-	9,814,557
Other unallocated segment liabilities	-	-	-	-	3,776,135
Total liabilities as per the consolidated balance sheet	-	-	-	-	86,562,712

Financial Report

Notes to the Consolidated Financial Statements

31 December 2024

3. Revenue from contracts with customers

Revenue from contracts with customers for the half-year ended 31 December 2024 and 2023 are as follows:

	2024			2023		
	Engineering & related services \$	Construction contracts \$	Total \$	Engineering & related services \$	Construction contracts \$	Total \$
Resources	142,449,298	9,905,045	152,354,343	138,226,867	22,503,277	160,730,145
Rail Infrastructure	5,611,224	-	5,611,224	5,661,811	-	5,661,811
Industrial Processes	4,334,307	-	4,334,307	5,282,642	-	5,282,642
Other	3,579,925	-	3,579,925	3,144,719	-	3,144,718
Total revenue	155,974,754	9,905,045	165,879,799	152,316,039	22,503,277	174,819,316

(a) Assets and liabilities related to contracts with customers

The segment information provided to the Board of Directors for the reportable segments for the half-year ended 31 December

	31 December 2024 \$	30 June 2024 \$
Total contract assets	-	-
Advances received for construction contract work	4,592,054	-
Deferred services income	4,955,603	10,553,859
Total contract liabilities	9,547,657	10,553,859

Advances received for construction contract work and deferred services income represent customer payments received in advance of performance (contract liabilities) that are expected to be recognised as revenue in the financial years ending 30 June 2025 and 30 June 2026.

4. Income tax expense

(a) Income tax expense

	31 December 2024 \$	31 December 2023 \$
Current tax on profits for the year	10,857,246	11,204,342
Deferred tax on profits for the year	(356,283)	(1,044,039)
Adjustments for tax of prior periods	(12,484)	(62,519)
	10,488,479	10,097,784

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Notes to the Consolidated Financial Statements

31 December 2024

5. Non-current assets - Investments accounted for using the equity method

(a) Investments in joint ventures and associates

	Consolidated entity	
	31 December 2024 \$	30 June 2024 \$
Investments in joint ventures	489,943	193,247
Investments in associates	4,068,195	3,836,639
Carrying amount at the end of the period	4,558,138	4,029,886

(b) Investment in Joint Ventures

Name of Joint Venture	Country of Incorporation & Principal Place of Business	Principal Activities	Proportion of Ownership Interest Held by the Consolidated Entity	
			31 December 2024	31 December 2023
Mondium Pty Ltd ('Mondium')	Australia	Engineering and construction services	40%	40%
Orway IQ Pty Ltd ('OIQ') Incorporated in May 2019	Australia	Remote optimisation consulting services	50%	50%

The consolidated entity's share of the results of its principal joint ventures:

	31 December 2024 \$	31 December 2023 \$
Profit/(Loss) from continuing operations	296,696	(82,799)
Other comprehensive income	-	-
Total comprehensive income/(loss)	296,696	(82,799)

(c) Investment in Associates

Name of Associate	Country of Incorporation & Principal Place of Business	Principal Activities	Proportion of Ownership Interest Held by the Consolidated Entity	
			31 December 2024	31 December 2023
ECG Engineering Pty Ltd	Australia	Electrical engineering services	31%	31%
Kholo Marine & Minerals (Pty) Ltd Incorporated July 2019	South Africa	Engineering and consulting services	49%	49%

The consolidated entity's share of the results of its principal associates:

	31 December 2024 \$	31 December 2023 \$
Profit from continuing operations	940,991*	955,683
Other comprehensive income	-	-
Total comprehensive income	940,991	955,683

* From the profit from continuing operations, \$709,435 (2023: \$587,063) was received as dividends during the period ended 31 December 2024.

Financial Report

Notes to the Consolidated Financial Statements

31 December 2024

6. Fair value measurement of financial instruments

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

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices), and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The consolidated entity considers all investments to be Level 1 investments.

31 December 2024	Level 1	Level 2	Level 3	Total \$
Financial assets				
Listed securities	2,762,015	-	-	2,762,015
Net fair value	2,762,015	-	-	2,762,015

30 June 2024	Level 1	Level 2	Level 3	Total \$
Financial assets				
Listed securities	2,781,415	-	-	2,781,415
Net fair value	2,781,415	-	-	2,781,415

There were no transfers between Level 1 and Level 2 during the financial half-year.

7. Borrowings

	31 December 2024 \$	30 June 2024 \$
Loan from Joint Venture	4,800,000 *	-
Other borrowings	4,455,635 **	289,624
	9,255,635	289,624

* During the period ended 31 December 2024, the company received a loan of \$4,800,000 from Mondium Pty Ltd (2023: nil). The loan is expected to be settled through a dividend from Mondium Pty Ltd before the end of FY 2025.

** Other borrowings relates to insurance premium funding and software.

8. Lease Liabilities

	31 December 2024 \$	30 June 2024 \$
Lease liabilities pertaining to leased properties		
Current	5,482,783	3,540,429
Non-current	7,516,307	8,785,946

Financial Report

Notes to the Consolidated Financial Statements

31 December 2024

9. Current liabilities - Provisions

	31 December 2024 \$	30 June 2024 \$
Service and equipment warranties	2,653,060	1,730,284

(a) Movements in provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	Service and equipment warranties \$	Total \$
Consolidated entity		
Carrying amount at 1 July 2024	1,730,284	1,730,284
Provisions reversed during the period	-	-
Provisions recognised during the period	909,803	909,803
Foreign exchanges difference	12,973	12,973
Carrying amount at 31 December 2024	2,653,060	2,653,060

The consolidated entity recognises service and equipment warranty provisions in accordance with its current policy. The amount provided takes into account the percentage completion of the project, forecast to complete costs plus any close-out obligations and potential contractual liabilities during the warranty period.

10. Contributed equity

(a) Share capital

	31 December 2024 Shares	30 June 2024 Shares	31 December 2024 \$	30 June 2024 \$
Ordinary shares				
Fully paid	39,740,226	39,740,226	20,854,574	20,854,574
Less: Treasury shares (Employee Share Trust)	(869,467)	(626,070)	(6,508,155)*	(4,343,985)
Add: Exercise of shares through Employee Share Trust	400,811	287,848	1,743,610	1,283,129
Less: Loan funded shares to senior management	(375,000)	(350,000)	(2,059,966)**	(1,906,627)
Balance at the end of the period	38,896,570	39,052,004	14,030,062	15,887,091

*Movement in treasury shares held by Employee Share Trust during the period ended 31 December 2024 amounted to \$2,164,170 (2023: \$2,794,549).

**Movement in Loan Funded Shares to Senior management during the period ended 31 December 2024 amounted to \$ 153,339 (2023: \$131,700).

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Notes to the Consolidated Financial Statements

31 December 2024

10. Contributed equity (continued)

(b) Reserves

	31 December 2024 \$	30 June 2024 \$
Share based payments reserve	2,944,088	2,858,764
Foreign currency translation reserve	(8,202,826)	(8,472,000)
	(5,258,738)	(5,613,236)

Movements:

	31 December 2024 \$	30 June 2024 \$
Share based payments reserve		
Opening Balance	2,858,764	1,794,716
Performance rights plan expense	431,631	741,239
Loan funded shares	114,173	-
Transfer to share capital - exercise of rights	(460,481)	(408,936)
Tax effect of transfer to cash to employee share trust	-	731,745
Balance at the end of the period	2,944,088	2,858,764
Foreign currency translation reserve		
Opening Balance	(8,472,000)	(5,367,407)
Currency translation differences arising during the year	269,174	(3,104,593)
Balance at the end of the period	(8,202,826)	(8,472,000)

(c) Retained earnings

	31 December 2024 \$	30 June 2024 \$
Balance 1 July	117,791,094	99,663,882
Net profit for the period	25,249,114	50,714,197
Dividends paid or payable	(15,896,090)	(32,586,985)
Balance at the end of the period	127,144,118	117,791,094

11. Non-controlling interests

	31 December 2024 \$	30 June 2024 \$
Interest in:		
Share capital	13,263	13,264
Reserves	4,003	4,003
Non-controlling interest on acquisition	(230,870)	(288,240)
Retained earnings	(1,363,103)	(353,790)
	(1,576,707)	(624,763)

Financial Report

Notes to the Consolidated Financial Statements

31 December 2024

12. Dividends

(a) Ordinary shares

	31 December 2024 \$	31 December 2023 \$
Final dividend for the year ended 30 June 2024 of 40.0 cents (2023: 45.0 cents) per fully paid share paid on 6 October 2024 (2023: 6 October 2023)		
Fully franked based on tax paid at 30% (2023: 30%)	15,896,090	17,883,102

(b) Dividends not recognised at the end of the reporting period

	31 December 2024 \$	31 December 2023 \$
Since half-year end the Directors have recommended the payment of an interim dividend of 10.0 cents per fully paid ordinary share (2023: 37.0 cents), fully franked based on tax paid at 30% (2023: 30%). The aggregate amount of the proposed dividend expected to be paid on 3 April 2025 (2023: 4 April 2024) out of retained earnings of the consolidated entity at 31 December 2024, but not recognised as a liability at period end, is	3,974,023	14,703,883

13. Events occurring after the reporting period

Dividends

Since half-year end the directors have recommended the payment of an interim dividend on ordinary shares in respect of the 2025 financial year. The total amount of dividend is \$3,974,023 which represents a fully franked dividend of 10.0 cents per fully paid ordinary share.

SAXUM acquisition

Subsequent to the end of the reporting period, Lycopodium Limited completed its acquisition of a majority interest in SAXUM Ingenieria S.A., SAXUM Consultoria e Engenharia Ltda, SAXUM Engineering Pty Ltd, and SAXUM Engineering LLC (collectively, 'SAXUM'), an Argentinian-headquartered engineering group.

This acquisition represents Lycopodium Limited's key strategic growth initiative to further geographically expand its global presence in the Americas and diversify our services into the cement industry. SAXUM operates with no debt, has demonstrated consistent growth, and maintains strong profit margins, enabling it to contribute immediately to the Consolidated Entity's revenue and profitability.

The acquisition was executed through the signing of a head of agreement under which Lycopodium Limited acquired 60% of the issued ordinary shares in SAXUM for a total cash consideration of US\$7,085,326. In addition, Lycopodium Limited holds options to acquire the remaining shares in two tranches:

- 25% on the fifth anniversary of the completion date.
- 15% on the seventh anniversary of the completion date.

The purchase consideration for the subsequent tranches will be within a capped range of valuation multiples and determined based on the normalised average EBITDA over the three years preceding each purchase.

Consideration transferred to SAXUM's shareholders

- Cash consideration: US\$7,085,326

The acquisition has been funded from cash reserves.

Due to the proximity of the acquisition date of 17 February 2025 to the release of these financial statements, Lycopodium Limited is not in a position to present information related to fair value of the assets acquired, liabilities assumed, or any goodwill that may arise from the acquisition of SAXUM.

With the exceptions of the above, no other matter or circumstance that has arisen since 31 December 2024 that has significantly affected or may significantly affect:

- (a) the consolidated entity's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the consolidated entity's state of affairs in the future financial periods.



Newmont's Ahafo North Project, in construction in Ghana



Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 8 to 20 are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Peter De Leo
Managing Director
Perth

18 February 2025



Talison's CGP3 Project, in construction in Western Australia

Independent Auditor's Review Report



RSM Australia Partners
Level 32, Exchange Tower, 2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +618 9261 9100

www.rsm.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of LYCOPODIUM LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Lycopodium Limited which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the consolidated financial statements comprising a summary of material accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Independent Auditor's Review Report



We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Lycopodium Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

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

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

RSM
RSM AUSTRALIA

Alasdair Whyte
ALASDAIR WHYTE
Partner

Perth, WA
Dated: 18 February 2025



Lycopodium Limited

ABN 83 098 556 159

Level 5, 1 Adelaide Terrace
East Perth, Western Australia 6004
Australia

T: +61 8 6210 5222

E: limited@lycopodium.com

lycopodium.com