SUPPLY NETWORK LIMITED
ABN 12 003 135 680
1 Turnbull Close Pemulwuy NSW 2145
PO Box 3405 Wetherill Park NSW 2164
Telephone: 02 8624 8077

ASX Release

28 February 2025

Appendix 4D and Half Year Report 31 December 2024.

The Director's are pleased to announce the results for the six months ended 31 December 2024 the details of which are included in the attached Appendix 4D and Half Year Report.

The half year results have been subject to an Independent Review and are in line with our announcement 24 January 2025.

Authorised by the Board of Supply Network Limited

Robert Coleman
Chief Financial Officer/Secretary
Telephone: + 61 2 8624 8077

Appendix 4D

Half Year Report
Period ended 31 December 2024

Name of entity	Supply Network Limited
ABN	12 003 135 680

1. Details of reporting period

Half year ended	31 December 2024
Previous corresponding period	31 December 2023

2. Results for announcement to the market

				$'000
Revenue from ordinary activities	up	18.3%	to	172,021
Profit from ordinary activities after income tax	up	31.6%	to	19,790
Net profit for the period attributable to members	up	31.6%	to	19,790

Dividends	**Amount per Security**	**Franked amount per security**
Interim dividend to be paid 4 April 2025	32.0¢	32.0¢
Record date for determining entitlements to dividend	21 March 2025	
Final dividend (2024) paid 3 October 2024	33.0¢	33.0¢

Brief explanation of any of the figures reported above

Please refer to Directors' Report on page 2 of the half-year financial report attached.

3. Net tangible asset backing

	Current period	**Previous corresponding period**
Net tangible asset backing per ordinary security	$2.80	$2.07

4. Details of entities over which control has been gained or lost during period

Nil

5. Details of Dividends

Refer to attached half year financial report.

6. Dividend Reinvestment Plans

The Supply Network Limited Dividend Reinvestment Plan (DRP) will operate in respect of the interim dividend payable 4 April 2025. The latest date for receipt of an election notice to participate in the DRP with respect to the interim dividend is 5.00 pm AEDT on 26 March 2025.

7. Details of associate and joint venture entities

Nil

8. Foreign Entities

Not applicable

9. Statement in relation to half year accounts is based on

This report is based on accounts that have been reviewed and are not subject to dispute or qualification.

This half-year report should be read in conjunction with the 2024 Annual Report.

Signature

Date **28 February 2025**
Name **Robert Coleman**
Position **Chief Financial Officer / Company Secretary**

Supply Network Limited
A.B.N. 12 003 135 680

Half-Year Financial Report for the Period Ended 31 December 2024

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Supply Network Limited

Corporate Information

Directors

Robert D Fraser (appointed as Independent Chairman - 27 November 2024)
Geoff D H Stewart (Managing Director)
Greg J Forsyth (resigned as Chairman - 27 November 2024)
Peter W Gill
Peter W McKenzie

Company Secretary

Robert A Coleman

Registered Office

1 Turnbull Close
Pemulwuy NSW 2145

Telephone 02 8624 8077

Email admin@supplynetwork.com.au

Corporate Governance Statement

The Corporate Governance Statement can be found at:
www.supplynetwork.com.au/governance.htm

Internet Address

www.supplynetwork.com.au

Auditor

HLB Mann Judd (NSW Partnership)

Bankers

ANZ Group Holdings Limited

Solicitors

Bartier Perry

Share Registry

Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street
Sydney NSW 2000

Enquiries (within Australia) 1300 850 505
Enquiries (outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2500

Stock Exchange Listing

Supply Network Limited (ASX code SNL) shares
are quoted on the Australian Securities Exchange.

Supply Network Limited

Directors' Report

Your Directors of Supply Network Limited ("the company") and its controlled entities ("the Group") submit their report for the half-year ended 31 December 2024.

Directors

The names of the company's Directors in office during the half-year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

R D Fraser	(appointed as Independent Chairman - 27 November 2024)
G D H Stewart	(Managing Director)
G J Forsyth	(resigned as Chairman - 27 November 2024)
P W Gill	
P W McKenzie	

Review of Operations

Group sales revenue for the half-year was $171.2m, which is an increase of 17.8% compared with the same period last year.

Sales revenue for the half-year in the Australian operation increased by 18.6% and by 15.2% in the New Zealand operation in NZ$ terms compared with the previous corresponding period.

Earnings before interest and tax for the half-year was $29.1m, an increase of 29.8% on the same period last year.

Profit after income tax for the half-year was $19.8m, an increase of 31.6% on the same period last year.

Basic earnings per share for the half-year was 46.21 cents compared with 36.00 cents for the corresponding period last year.

As at 31 December 2024, the net assets of the Group was $120.8m.

Group cash flows from operating activities for the half year was $20.4m compared with $7.8m for the same period last year.

Gearing (total interest bearing loans and borrowings / total assets) at 31 December 2024 was 6.1% (June 2024: 9.3%).

The Directors have declared an interim dividend of 32.0 cents per share, fully franked at a 30% corporate tax rate, payable on 4 April 2025 to shareholders registered on 21 March 2025.

The Dividend Reinvestment Plan will operate in respect of the interim dividend.

Rounding

The amounts contained in this report and in the half-year financial report have been rounded to the nearest $1,000 (unless otherwise stated) under the option available to the company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The company is an entity to which this Instrument applies.

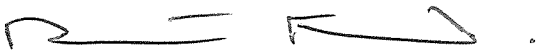
Supply Network Limited

Directors' Report (continued)

Auditor's Independence Declaration

A copy of the Auditor's Independence declaration as required under the Section 307C of the *Corporations Act 2001* is set out on page 4.

Signed in accordance with a resolution of directors.



R D Fraser
Chairman

Sydney
28 February 2025

Auditor's Independence Declaration

To the Directors of Supply Network Limited:

As lead auditor for the review of the financial report of Supply Network 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:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Supply Network Limited and the entities it controlled during the period.

Sydney, NSW
28 February 2025

K L Luong
Partner

Supply Network Limited

Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 31 December 2024	Note	Consolidated	
		31 Dec 2024 $'000	31 Dec 2023 $'000
Revenue	3	**171,173**	145,344
Finance revenue	3	**223**	114
Other income	3	**625**	6
Changes in inventories of finished goods		**(96,015)**	(84,820)
Employee benefits expense		**(29,402)**	(23,757)
Depreciation and amortisation	3	**(5,057)**	(4,456)
Other expenses	3	**(12,202)**	(9,888)
Finance costs	3	**(1,142)**	(1,105)
Profit before income tax		**28,203**	21,438
Income tax expense		**(8,413)**	(6,401)
Profit after income tax		**19,790**	15,037
Profit attributable to members of the parent		**19,790**	15,037
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Adjustment on translation of foreign controlled entity net of tax		**(236)**	189
Total other comprehensive income after income tax		**(236)**	189
Total comprehensive income for the half-year attributable to members of the parent		**19,554**	15,226
Basic earnings per share (cents per share)		**46.21**	36.00
Diluted earnings per share (cents per share)		**46.08**	35.85

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

Supply Network Limited

Statement of Financial Position

at 31 December 2024	Note	Consolidated	
		31 Dec 2024 $'000	30 Jun 2024 $'000
ASSETS			
Current assets			
Cash and cash equivalents	5	**19,287**	5,827
Trade and other receivables		**30,392**	33,965
Inventories		**115,356**	103,084
Other current assets		**1,771**	1,796
		166,806	144,672
Non-current assets classified as held for Sale		**-**	2,233
Total current assets		**166,806**	146,905
Non-current assets			
Property, plant and equipment		**12,938**	12,388
Right of use assets		**35,613**	36,733
Deferred tax assets		**6,158**	4,497
Total non-current assets		**54,709**	53,618
TOTAL ASSETS		**221,515**	200,523
LIABILITIES			
Current liabilities			
Trade and other payables		**46,496**	40,868
Interest bearing loans and borrowings		**1,297**	1,855
Income tax payable		**3,228**	3,124
Provisions		**1,748**	1,627
Lease liabilities		**6,624**	6,190
Total current liabilities		**59,393**	53,664
Non-current liabilities			
Interest bearing loans and borrowings		**6,068**	7,717
Provisions		**303**	279
Lease liabilities		**34,935**	35,629
Total non-current liabilities		**41,306**	43,625
TOTAL LIABILITIES		**100,699**	97,289
NET ASSETS		**120,816**	103,234
EQUITY			
Contributed equity	6	**54,051**	41,889
Reserves		**676**	1,001
Retained earnings		**66,089**	60,344
TOTAL EQUITY		**120,816**	103,234

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

Supply Network Limited

Statement of Changes in Equity

for the half-year ended 31 December 2024

	Note	Contributed Equity	Share-based Payment Reserve	Exchange Translation Reserve	Retained Earnings	Total
		$000	$000	$000	$000	$000
Consolidated						
Balance at 30 June 2024		**41,889**	**831**	**170**	**60,344**	**103,234**
Total comprehensive income for the half-year		**-**	**-**	**(236)**	**19,790**	**19,554**
		41,889	**831**	**(66)**	**80,134**	**122,788**
Transactions with owners in their capacity as owners						
Share-based payments	6	**458**	**(89)**	**-**	**-**	**369**
Dividends provided for or paid	4	**-**	**-**	**-**	**(14,045)**	**(14,045)**
Contributions of equity net of transaction costs	6	**11,704**	**-**	**-**	**-**	**11,704**
Balance at 31 December 2024	6	**54,051**	**742**	**(66)**	**66,089**	**120,816**
Balance at 30 June 2023		28,477	430	269	48,612	77,788
Total comprehensive income for the half-year		-	-	189	15,037	15,226
		28,477	430	458	63,649	93,014
Transactions with owners in their capacity as owners						
Share-based payments	6	174	(22)	-	-	152
Dividends provided for or paid	4	-	-	-	(11,636)	(11,636)
Contributions of equity net of transaction costs		5,510	-	-	-	5,510
Balance at 31 December 2023		34,161	408	458	52,013	87,040

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

Supply Network Limited

Statement of Cash Flows

for the half-year ended 31 December 2024	Note	Consolidated	
		31 Dec 2024 $'000	31 Dec 2023 $'000
Cash flows from operating activities			
Receipts from customers		**192,570**	161,753
Payments to suppliers and employees		**(161,256)**	(145,446)
Interest received		**187**	104
Interest paid		**(331)**	(345)
Interest paid lease liabilities		**(837)**	(751)
Income tax paid		**(9,980)**	(7,484)
Net cash flows from operating activities		**20,353**	7,831
Cash flows from investing activities			
Proceeds from sale of land and buildings		**3,248**	-
Purchase of property, plant and equipment		**(1,929)**	(2,090)
Net cash flows from (used in) investing activities		**1,319**	(2,090)
Cash flows from financing activities			
Repayment of borrowings		**(1,422)**	(354)
Repayment of lease liabilities		**(3,252)**	(2,800)
Proceeds from share Issue		**11,704**	5,510
Dividends paid	4	**(14,045)**	(11,636)
Net cash flows used in financing activities		**(7,015)**	(9,280)
Net increase (decrease) in cash and cash equivalents		**14,657**	(3,539)
Cash and cash equivalents at beginning of the half-year	5	**4,539**	6,664
Exchange rate adjustment to balances held in foreign currencies		**91**	162
Cash and cash equivalents at the end of the half-year	5	**19,287**	3,287

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

Supply Network Limited

Notes to the Financial Statements

for the half-year ended 31 December 2024

1. Corporate Information

The consolidated financial report of Supply Network Limited ("the company") and its controlled entities (collectively "the Group") for the half-year ended 31 December 2024 was authorised for issue in accordance with a resolution of the Directors on 28 February 2025.

Supply Network Limited is a company limited by shares, incorporated in Australia, whose shares are traded on the Australian Securities Exchange.

The principal activity of the Group during the period was the provision of after-market parts for the commercial vehicle market.

2. Summary of material accounting policies

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The half-year report should be read in conjunction with the annual report for the year ended 30 June 2024. It is also recommended that the half-year report be considered together with any public announcements made by Supply Network Limited during the half-year ended 31 December 2024 in accordance with the continuous disclosure obligations of the ASX Listing Rules.

(a) Basis of preparation

The half-year consolidated financial report is a general-purpose financial report, which has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

(b) Basis of consolidation

The half-year consolidated financial statements comprise the financial statements of Supply Network Limited and its subsidiaries as at 31 December 2024. The exchange differences arising on the translation of the financial statements of a foreign subsidiary are taken directly to a separate component of equity.

(c) Material accounting policies

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2024. The Group has considered the implications of new and amended Accounting Standards and determined that their application to the financial statements is either not relevant or not material.

	Consolidated	
	31 Dec 2024 $'000	31 Dec 2023 $'000
3. Revenue and expenses		
(a) Revenue and expenses		
(i) Revenue		
Revenue from contracts with customers		
Sale of goods	**171,173**	145,344
(ii) Finance revenue		
Interest received	**223**	114
(iii) Other income		
Bad debts recovered	**19**	4
Gain on sale of property at Christchurch, New Zealand	**598**	-
Other income	**8**	2
	625	6
(iv) Depreciation and amortisation		
Property, plant and equipment	**1,361**	1,137
Right-of-use assets	**3,696**	3,319
	5,057	4,456
(v) Other expenses		
Credit losses – trade receivables	**261**	157
Freight and cartage expenses	**2,017**	1,629
Lease expenses and outgoings	**877**	815
Other expenses	**9,047**	7,287
	12,202	9,888
(vi) Finance costs		
Bank loans and overdrafts	**278**	336
Interest expense on lease liabilities	**837**	751
Other finance costs	**27**	18
	1,142	1,105

(b) Seasonality of operations

The Group's operations are not subject to any seasonal or cyclical factors.

Notes to the Financial Statements (continued)

for the half-year ended 31 December 2024

	Consolidated	
	31 Dec 2024	**31 Dec 2023**
	$'000	**$'000**
4. Dividends paid and proposed on ordinary shares		
(a) Dividends declared and paid during the half-year		
Final fully franked dividend 2024 (33.0 cents per share) (2023: 28.0 cents per share)	**14,045**	11,636
(b) Dividends proposed subsequent to 31 December and not recognised as a liability		
Interim fully franked dividend 2024 (32.0 cents per share) (2023: 23.0 cents per share)	**13,807**	9,658

	Consolidated	
	31 Dec 2024	**30 June 2024**
	$'000	**$'000**
5. Cash and cash equivalents		
For the purpose of the statement of cash flows, cash and cash equivalents comprises:		
Cash at bank and in hand	**19,287**	4,539
6. Contributed equity		
(a) Issued and paid up capital		
43,146,428 ordinary shares fully paid (June 2024: 42,506,235)	**54,051**	41,889

(b) Movements in ordinary shares on issue

	31 Dec 2024		30 Jun 2024	
	No. of Shares	**$'000**	**No. of Shares**	**$'000**
Balance at beginning of period	**42,506,235**	**41,889**	41,555,422	28,477
Employee incentive plan shares issued	**55,000**	**458**	27,443	174
Shares issued under dividend reinvestment plan	**585,193**	**11,704**	923,370	13,238
Balance at end of period	**43,146,428**	**54,051**	42,506,235	41,889

7. Segment information

The Group operates in one business segment being the provision of after-market parts for the commercial vehicle market.

The Group's geographical segments are determined based on the location of the Group's assets. The geographical segments are unchanged from those identified and reported previously.

	Australia		New Zealand		Eliminations		Consolidated	
	31 Dec 2024 $'000	31 Dec 2023 $'000	**31 Dec 2024 $'000**	31 Dec 2023 $'000	**31 Dec 2024 $'000**	31 Dec 2023 $'000	**31 Dec 2024 $'000**	31 Dec 2023 $'000
Revenue								
Sales to customers outside the Group	**145,695**	122,833	**25,478**	22,511	**-**	-	**171,173**	145,344
Other revenues outside the Group	**248**	119	**600**	1	**-**	-	**848**	120
Inter-segment revenues	**2,131**	3,908	**27**	4	**(2,158)**	(3,912)	**-**	-
Total segment revenues	**148,074**	126,860	**26,105**	22,516	**(2,158)**	(3,912)	**172,021**	145,464
Results								
Segment results	**23,944**	20,062	**4,259**	3,108	**-**	(1,732)	**28,203**	21,438

Profit before income tax and finance revenue and costs	**29,122**	22,429
Finance revenue	**223**	114
Finance costs	**(1,142)**	(1,105)
Profit before income tax	**28,203**	21,438
Income tax expense	**(8,413)**	(6,401)
Profit after income tax	**19,790**	15,037

Segment accounting policies are the same as the Group's policies.

During the period, there were no changes in segment accounting policies that had a material effect on the segment information.

The sale of goods between segments is at cost of the item plus a commercial margin.

Revenue is attributed to geographical areas based on location of the assets producing the revenues.

8. Events after the reporting date

Other than the interim dividend declared as noted in Note 4 (b), no other matter or circumstance has arisen since the end of the half-year that has significantly affected or may significantly affect the operations of the Group, the result of those operations or the state of affairs of the Group.

9. Changes in composition of Group

There have been no changes in the composition of the Group since the financial year ended 30 June 2024.

Supply Network Limited

Directors' Declaration

In accordance with a resolution of the Directors of Supply Network Limited, I state that:

In the opinion of the Directors:

(a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:

(i) 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

(ii) complying with Accounting Standards (including AASB 134 *Interim Financial Reporting*) and the *Corporations Regulations 2001*; 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.

On behalf of the Board

R D Fraser
Chairman

Sydney
28 February 2025

Independent Auditor's Review Report to the Members of Supply Network Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Supply Network Limited ("the Company"), 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, including material accounting policy information and other explanatory information, and the directors' declaration, for 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 accompanying half-year financial report of Supply Network Limited does not comply 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 the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibility 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.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

HLB Mann Judd
Chartered Accountants

K L Luong
Partner

Sydney, NSW
28 February 2025