

SCOTT TECHNOLOGY LIMITED

Half Year Report 2025

INDEX TO THE FINANCIAL STATEMENTS

For the six months ended 28 February 2025

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 28 February 2025

		6 months 28 Feb 2025 (Unaudited) \$'000s	6 months 29 Feb 2024 (Unaudited) \$'000s	12 months 31 Aug 2024 (Audited) \$'000s
	Note			
Revenue	2	121,747	140,868	276,125
Other operating income		651	1,242	2,541
Share of joint ventures' net (loss) / surplus		(81)	(48)	63
Raw materials, consumables used and other expenses		(67,731)	(83,324)	(163,799)
Employee benefits expense		(42,405)	(42,151)	(84,705)
OPERATING EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION, AND NON-RECURRING COSTS (OPERATING EBITDA)		12,181	16,587	30,225
Non-recurring costs	8	-	(2,448)	(3,795)
OPERATING EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		12,181	14,139	26,430
Interest revenue		216	38	373
Depreciation and amortisation		(5,254)	(5,889)	(11,280)
Finance costs		(2,192)	(2,226)	(4,557)
NET PROFIT BEFORE TAX		4,951	6,062	10,966
Taxation expense		(638)	(1,602)	(3,249)
NET PROFIT FOR THE PERIOD AFTER TAX		4,313	4,460	7,717
Other Comprehensive Income/ (Loss)				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Movement in Foreign Currency Translation Reserve		5,580	(2,508)	(2,803)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD NET OF TAX		9,893	1,952	4,914
<i>Net profit for the period after tax is attributable to:</i>				
Members of the parent entity (used in the calculation of earnings per share)		4,359	4,440	7,853
Non controlling interests		(46)	20	(136)
		4,313	4,460	7,717
<i>Total comprehensive income is attributable to:</i>				
Members of the parent entity		9,939	1,932	5,050
Non controlling interests		(46)	20	(136)
		9,893	1,952	4,914
Earnings per share to shareholders from continuing operations (weighted average shares on issue):		Cents Per Share	Cents Per Share	Cents Per Share
Basic		5.4	5.5	9.7
Diluted		5.4	5.5	9.7
Net Tangible assets per ordinary share (at period end)				
Basic		62.8	56.7	56.4
Diluted		62.8	56.7	56.4

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 28 February 2025

	Fully Paid Ordinary Shares (Unaudited) \$'000s	Retained Earnings (Unaudited) \$'000s	Foreign Currency Translation Reserve (Unaudited) \$'000s	Non- Controlling Interests (Unaudited) \$'000s	Total (Unaudited) \$'000s
Six Months Ended 28 February 2025 (Unaudited)					
Balance at 31 August 2024	90,516	22,832	(1,119)	(508)	111,721
Net profit for the period after tax	-	4,359	-	(46)	4,313
Other comprehensive income for the period net of tax	-	-	5,580	-	5,580
Dividends paid (3.0 cents per share)	-	(2,558)	-	-	(2,558)
Issue of shares under dividend reinvestment plan	1,761	-	-	-	1,761
Balance at 28 February 2025	92,277	24,633	4,461	(554)	120,817

	Fully Paid Ordinary Shares (Unaudited) \$'000s	Retained Earnings (Unaudited) \$'000s	Foreign Currency Translation Reserve (Unaudited) \$'000s	Non- Controlling Interests (Unaudited) \$'000s	Total (Unaudited) \$'000s
Six Months Ended 28 February 2024 (Unaudited)					
Balance at 31 August 2023	90,162	22,425	1,684	(372)	113,899
Net profit for the period after tax	-	4,440	-	20	4,460
Other comprehensive income for the period net of tax	-	-	(2,508)	-	(2,508)
Dividends paid (4.0 cents per share)	-	(3,248)	-	-	(3,248)
Issue of shares under dividend reinvestment plan	-	-	-	-	-
Balance at 29 February 2024	90,162	23,617	(824)	(352)	112,603

	Fully Paid Ordinary Shares (Audited) \$'000s	Retained Earnings (Audited) \$'000s	Foreign Currency Translation Reserve (Audited) \$'000s	Non- Controlling Interests (Audited) \$'000s	Total (Audited) \$'000s
Twelve Months Ended 31 August 2024 (Audited)					
Balance at 31 August 2023	90,162	22,425	1,684	(372)	113,899
Net profit for the period after tax	-	7,853	-	(136)	7,717
Other comprehensive income for the period net of tax	-	-	(2,803)	-	(2,803)
Dividends paid (9.0 cents per share)	-	(7,446)	-	-	(7,446)
Issue of shares under dividend reinvestment plan	354	-	-	-	354
Balance at 31 August 2024	90,516	22,832	(1,119)	(508)	111,721

CONSOLIDATED BALANCE SHEET

As at 28 February 2025

	Note	28 Feb 2025 (Unaudited) \$'000s	29 Feb 2024 (Unaudited) \$'000s	31 Aug 2024 (Audited) \$'000s
Current assets				
Cash and cash equivalents		12,315	13,489	11,674
Trade debtors		40,293	35,938	40,201
Other financial assets	5	1,168	521	560
Sundry debtors		7,143	13,808	5,663
Inventories		37,055	36,298	36,869
Contract assets		27,973	38,425	30,634
TOTAL CURRENT ASSETS		125,947	138,479	125,601
Non-current assets				
Property, plant and equipment		23,288	20,762	23,560
Investment in joint ventures		786	756	867
Other financial assets	5	63	62	5
Sundry debtors		2,503	2,389	3,237
Goodwill		52,905	50,968	50,832
Deferred tax		3,607	3,457	2,761
Intangible assets		3,050	4,399	3,400
Development assets		9,628	7,720	8,855
Right of use assets		22,574	26,839	24,862
TOTAL NON-CURRENT ASSETS		118,404	117,352	118,379
TOTAL ASSETS		244,351	255,831	243,980
Current liabilities				
Bank overdraft		12,066	20,875	18,999
Trade creditors and accruals		31,318	38,741	29,712
Lease liabilities		4,465	4,337	4,660
Other financial liabilities	5	1,600	540	245
Contract liabilities		28,522	29,408	29,762
Employee entitlements		8,070	9,242	10,591
Provision for warranty		1,283	1,337	1,541
Taxation payable		1,523	355	1,194
Current portion of term loans		1,612	12,481	1,200
Onerous contracts provision		27	447	34
TOTAL CURRENT LIABILITIES		90,486	117,763	97,938
Non-current liabilities				
Other financial liabilities	5	63	62	5
Employee entitlements		948	786	790
Lease liabilities		20,234	23,815	21,987
Term loans		11,803	802	11,539
TOTAL NON-CURRENT LIABILITIES		33,048	25,465	34,321
Equity				
Share capital		92,277	90,162	90,516
Retained earnings		24,633	23,617	22,832
Foreign currency translation reserve		4,461	(824)	(1,119)
Equity attributable to equity holders of the parent		121,371	112,955	112,229
Non-controlling interests		(554)	(352)	(508)
TOTAL EQUITY		120,817	112,603	111,721
TOTAL LIABILITIES AND EQUITY		244,351	255,831	243,980

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 28 February 2025

		28 Feb 2025 (Unaudited) \$'000s	29 Feb 2024 (Unaudited) \$'000s	31 Aug 2024 (Audited) \$'000s
	Note			
Cash Flows From Operating Activities				
<i>Cash was provided from / (applied to):</i>				
Receipts from operations		123,507	129,081	270,680
Interest received		216	38	374
Payments to suppliers and employees		(108,038)	(133,400)	(261,586)
Taxation paid		(1,155)	(3,438)	(3,496)
Net cash inflow / (outflow) from operating activities	4	14,530	(7,719)	5,972
Cash Flows From Investing Activities				
<i>Cash was (applied to) / provided from:</i>				
Purchase of property, plant, equipment and intangible assets		(1,120)	(4,806)	(8,953)
Sale of property, plant and equipment		87	322	440
Purchase of development asset		(753)	(267)	(1,384)
Net cash outflow from investing activities		(1,786)	(4,751)	(9,897)
Cash Flows From Financing Activities				
<i>Cash was (applied to) / provided from:</i>				
Repayment of borrowings		(2,029)	(1,047)	(3,710)
Dividends paid (less amount reinvested the dividend reinvestment scheme)		(798)	(3,248)	(7,093)
Proceeds from borrowings		2,282	1,994	4,202
Lease payments		(2,451)	(2,102)	(4,556)
Interest paid		(2,174)	(2,909)	(4,639)
Net cash outflow from financing activities		(5,170)	(7,312)	(15,796)
Net increase / (decrease) in cash held		7,574	(19,782)	(19,721)
Add cash and cash equivalents at start of period		(7,325)	12,396	12,396
Balance at end of period		249	(7,386)	(7,325)
<i>Comprised of:</i>				
Cash and cash equivalents		12,315	13,489	11,674
Bank overdraft		(12,066)	(20,875)	(18,999)
		249	(7,386)	(7,325)

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 28 February 2025

1. SUMMARY OF ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

The unaudited interim consolidated financial statements (Interim Financial Statements) presented are those of Scott Technology Limited ("Company") and its subsidiaries ("Group").

The Company is profit oriented entity, registered in New Zealand under the Companies Act 1993 and is a reporting entity for the purposes of the Financial Markets Conduct Act 2013 and its annual financial statements comply with these Acts. The Company is listed with NZX Limited and its ordinary shares are quoted on the NZX Main Board.

The Group's principal activities are the design, manufacture, sales and servicing of automated and robotic production lines and processes for a wide variety of industries in New Zealand and abroad.

BASIS OF PREPARATION

The Interim Financial Statements have been prepared in accordance with the requirements of the NZX Listing Rules.

The Interim Financial Statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). The Interim Financial Statements also comply with IAS 34 "Interim Financial Reporting" and other applicable financial reporting standards as appropriate for profit orientated entities. They also comply with International Financial Reporting Standards ("IFRS").

The Interim Financial Statements have been prepared on the basis of historical cost, except where otherwise identified. The presentation currency used in the preparation of the financial statements is New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

NON-GAAP FINANCIAL INFORMATION

The Group uses earnings / (loss) before interest, tax, depreciation and amortisation, and one-off costs (Operating EBITDA), earnings / (loss) before interest, tax, depreciation and amortisation (EBITDA), and Net Tangible Assets per ordinary shares, to describe financial performance as it considers these line items provide a better measure of underlying business performance.

These non-GAAP measures do not have a standard meaning prescribed by GAAP and therefore may not be compatible to similarly titled amounts reported by other entities.

ACCOUNTING POLICIES

All accounting policies have been applied on a basis consistent with those used in the audited financial statements of Scott Technology Limited for the year ended 31 August 2024. These

Interim Financial Statements should be read in conjunction with the policies disclosed in the annual financial statements.

The Group has adopted all mandatory new and amended standards and interpretations. None had a material impact on these financial statements.

There are no new or amended standards that are issued but not yet effective that are expected to have a material impact on the Group.

RECLASSIFICATIONS

Segments and Cash Generating Units (CGU's)

The previously reported segments and CGUs of New Zealand and Australia have been split in the second half the 2024 financial year, into the new segments and CGUs of New Zealand, Australia and Rocklabs.

As a result of a number of changes in the Executive and Leadership Teams in 2024, the responsibilities of the global team were updated to align with the revised Group structure and associated responsibilities. Regional Directors have oversight and responsibility for the redefined segments and CGUs of New Zealand, Rocklabs, Australia, Europe, USA and China. All internal reporting has been aligned to these revised segments and CGUs. The monitoring of cash inflows has also been aligned due to changes in the grouping of assets resulting in a new Rocklabs asset group that is independent of the other CGU's.

As a result of the split of New Zealand and Australia into New Zealand, Rocklabs and Australia, the 2024 reported segments and CGUs of New Zealand and Australia have been split out in Notes 2 Revenue and 3 Segment information in order to report comparative figures for the new segments and CGUs of New Zealand, Australia and Rocklabs.

AUDIT

The Interim Financial Statements for the six months ended 28 February 2025 are unaudited. Comparative balances for the six months ended 29 February 2024 are also unaudited, whilst the comparative balances for the 12 months ended 31 August 2024 are audited.

AUTHORISATION

The Interim Financial Statements were authorised by the Board of Directors on 16 April 2025. The annual financial statements for the year ended 31 August 2024 were authorised by the Board of Directors on 17 October 2024.

2. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue from contracts with customers from the transfer of goods and services over time and at a point in time in the following major geographic manufacturing regions (segments) and revenue streams.

Six months ended 28 February 2025 (Unaudited)		Protein \$'000s	Minerals \$'000s	Materials Handling \$'000s	Rest of Business \$'000s	Total \$'000s
New Zealand manufacturing	Sales	2,288	-	-	-	2,288
	Service	1,222	-	394	402	2,018
	Revenue from external customers	3,510	-	394	402	4,306
	<i>Timing of revenue recognition</i>					
	- Over time	2,162	-	-	-	2,162
	- At a point in time	1,348	-	394	402	2,144
		3,510	-	394	402	4,306
Rocklabs manufacturing	Sales	-	16,727	-	-	16,727
	Service	-	5,976	-	-	5,976
	Revenue from external customers	-	22,703	-	-	22,703
	<i>Timing of revenue recognition</i>					
	- Over time	-	3,445	-	-	3,445
	- At a point in time	-	19,258	-	-	19,258
		-	22,703	-	-	22,703
Australia manufacturing	Sales	4,792	-	-	296	5,088
	Service	5,378	-	719	-	6,097
	Revenue from external customers	10,170	-	719	296	11,185
	<i>Timing of revenue recognition</i>					
	- Over time	2,996	-	-	296	3,292
	- At a point in time	7,174	-	719	-	7,893
		10,170	-	719	296	11,185
Americas manufacturing	Sales	3,939	667	10,669	4,564	19,839
	Service	6,401	70	3,401	-	9,872
	Revenue from external customers	10,340	737	14,070	4,564	29,711
	<i>Timing of revenue recognition</i>					
	- Over time	760	667	10,669	4,564	16,660
	- At a point in time	9,580	70	3,401	-	13,051
		10,340	737	14,070	4,564	29,711
Europe manufacturing	Sales	4,303	-	27,469	918	32,690
	Service	2,090	-	10,641	627	13,358
	Revenue from external customers	6,393	-	38,110	1,545	46,048
	<i>Timing of revenue recognition</i>					
	- Over time	-	-	27,469	918	28,387
	- At a point in time	6,393	-	10,641	627	17,661
		6,393	-	38,110	1,545	46,048
China manufacturing	Sales	-	-	-	7,794	7,794
	Service	-	-	-	-	-
	Revenue from external customers	-	-	-	7,794	7,794
	<i>Timing of revenue recognition</i>					
	- Over time	-	-	-	7,794	7,794
	- At a point in time	-	-	-	-	-
		-	-	-	7,794	7,794
Total manufacturing	Sales	15,322	17,394	38,138	13,572	84,426
	Service	15,091	6,046	15,155	1,029	37,321
	Revenue from external customers	30,413	23,440	53,293	14,601	121,747
	<i>Timing of revenue recognition</i>					
	- Over time	5,918	4,112	38,138	13,572	61,740
	- At a point in time	24,495	19,328	15,155	1,029	60,007
		30,413	23,440	53,293	14,601	121,747

2. Revenue from contracts with customers continued

Six months ended 29 February 2024 (Unaudited) (Restated)		Protein \$'000s	Minerals \$'000s	Materials Handling \$'000s	Rest of Business \$'000s	Total \$'000s
New Zealand manufacturing	Sales	3,580	-	2,473	1	6,054
	Service	2,893	-	253	1,030	4,176
	Revenue from external customers	6,473	-	2,726	1,031	10,230
	<i>Timing of revenue recognition</i>					
	- Over time	3,283	-	2,473	1	5,757
	- At a point in time	3,190	-	253	1,030	4,473
		6,473	-	2,726	1,031	10,230
Rocklabs manufacturing	Sales	-	16,347	-	-	16,347
	Service	-	6,089	-	-	6,089
	Revenue from external customers	-	22,436	-	-	22,436
	<i>Timing of revenue recognition</i>					
	- Over time	-	6,116	-	-	6,116
	- At a point in time	-	16,320	-	-	16,320
		-	22,436	-	-	22,436
Australia manufacturing	Sales	4,354	-	-	1,100	5,454
	Service	5,296	-	-	870	6,166
	Revenue from external customers	9,650	-	-	1,970	11,620
	<i>Timing of revenue recognition</i>					
	- Over time	1,786	-	-	1,100	2,886
	- At a point in time	7,864	-	-	870	8,734
		9,650	-	-	1,970	11,620
Americas manufacturing	Sales	5,757	3,144	20,179	9,874	38,954
	Service	5,187	54	3,823	-	9,064
	Revenue from external customers	10,944	3,198	24,002	9,874	48,018
	<i>Timing of revenue recognition</i>					
	- Over time	2,789	3,144	20,179	9,874	35,986
	- At a point in time	8,155	54	3,823	-	12,032
		10,944	3,198	24,002	9,874	48,018
Europe manufacturing	Sales	2,423	-	27,239	1,713	31,375
	Service	1,846	-	8,740	483	11,069
	Revenue from external customers	4,269	-	35,979	2,196	42,444
	<i>Timing of revenue recognition</i>					
	- Over time	-	-	27,239	1,713	28,952
	- At a point in time	4,269	-	8,740	483	13,492
		4,269	-	35,979	2,196	42,444
China manufacturing	Sales	-	-	-	6,120	6,120
	Service	-	-	-	-	-
	Revenue from external customers	-	-	-	6,120	6,120
	<i>Timing of revenue recognition</i>					
	- Over time	-	-	-	6,120	6,120
	- At a point in time	-	-	-	-	-
		-	-	-	6,120	6,120
Total manufacturing	Sales	16,114	19,491	49,891	18,808	104,304
	Service	15,222	6,143	12,816	2,383	36,564
	Revenue from external customers	31,336	25,634	62,707	21,191	140,868
	<i>Timing of revenue recognition</i>					
	- Over time	7,858	9,260	49,891	18,808	85,817
	- At a point in time	23,478	16,374	12,816	2,383	55,051
		31,336	25,634	62,707	21,191	140,868

2. Revenue from contracts with customers continued

Year Ended 31 August 2024 (audited)		Protein \$'000s	Minerals \$'000s	Materials Handling \$'000s	Rest of Business \$'000s	Total \$'000s
New Zealand manufacturing	Sales	5,712	-	2,473	1	8,186
	Service	6,428	8	836	2,805	10,077
	Revenue from external customers	12,140	8	3,309	2,806	18,263
	<i>Timing of revenue recognition</i>					
	- Over time	5,166	-	2,473	1	7,640
	- At a point in time	6,974	8	836	2,805	10,623
		12,140	8	3,309	2,806	18,263
Rocklabs manufacturing	Sales	-	30,833	-	-	30,833
	Service	-	12,544	-	-	12,544
	Revenue from external customers	-	43,377	-	-	43,377
	<i>Timing of revenue recognition</i>					
	- Over time	-	8,409	-	-	8,409
	- At a point in time	-	34,968	-	-	34,968
		-	43,377	-	-	43,377
Australia manufacturing	Sales	7,395	-	-	1,652	9,047
	Service	9,493	-	-	2,306	11,799
	Revenue from external customers	16,888	-	-	3,958	20,846
	<i>Timing of revenue recognition</i>					
	- Over time	2,872	-	-	1,652	4,524
	- At a point in time	14,016	-	-	2,306	16,322
		16,888	-	-	3,958	20,846
Americas manufacturing	Sales	10,391	5,221	42,367	16,537	74,516
	Service	10,656	235	7,710	4	18,605
	Revenue from external customers	21,047	5,456	50,077	16,541	93,121
	<i>Timing of revenue recognition</i>					
	- Over time	4,482	5,221	42,367	16,537	68,607
	- At a point in time	16,565	235	7,710	4	24,514
		21,047	5,456	50,077	16,541	93,121
Europe manufacturing	Sales	6,094	-	54,583	3,193	63,870
	Service	3,727	-	19,375	1,258	24,360
	Revenue from external customers	9,821	-	73,958	4,451	88,230
	<i>Timing of revenue recognition</i>					
	- Over time	-	-	54,583	3,193	57,776
	- At a point in time	9,821	-	19,375	1,258	30,454
		9,821	-	73,958	4,451	88,230
China manufacturing	Sales	-	-	-	12,288	12,288
	Service	-	-	-	-	-
	Revenue from external customers	-	-	-	12,288	12,288
	<i>Timing of revenue recognition</i>					
	- Over time	-	-	-	12,288	12,288
	- At a point in time	-	-	-	-	-
		-	-	-	12,288	12,288
Total manufacturing	Sales	29,592	36,054	99,423	33,671	198,740
	Service	30,304	12,787	27,921	6,373	77,385
	Revenue from external customers	59,896	48,841	127,344	40,044	276,125
	<i>Timing of revenue recognition</i>					
	- Over time	12,520	13,630	99,423	33,671	159,244
	- At a point in time	47,376	35,211	27,921	6,373	116,881
		59,896	48,841	127,344	40,044	276,125

3. SEGMENT INFORMATION

The Group's reportable segments under NZ IFRS 8 are:

- New Zealand Manufacturing
- Rocklabs Manufacturing
- Australia Manufacturing
- Americas Manufacturing
- Europe Manufacturing
- China Manufacturing

Information regarding the Group's reporting segments is presented below.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment. For the purposes of NZ IFRS 8, allocations are based on the operating results by segment. The Group does not allocate certain resources (such as senior executive management time) and central administration costs by segment for internal reporting purposes as these allocations would not result in a meaningful and comparable measure of profitability by segment.

Six months Ended 28 February 2025 (Unaudited)	Manufacturing						Unallocated	Elimination	Total
	New Zealand	Rocklabs	Australia	Americas	Europe	China			
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s			
Revenue from contracts with customers									
Total revenue from contracts with customers	4,305	22,703	11,185	29,712	46,048	7,794	-	-	121,747
Inter-segment revenue	1,925	1,155	3,846	35	5,988	686	-	(13,635)	-
Segment Revenue	6,230	23,858	15,031	29,747	52,036	8,480	-	(13,635)	121,747
Segment profit / (loss)	2,351	6,059	1,112	776	6,854	1,008	-	-	18,160
Depreciation and amortisation	(423)	(917)	(1,226)	(393)	(1,823)	(81)	(391)	-	(5,254)
Share of net surplus in joint ventures	(81)	-	-	-	-	-	-	-	(81)
Interest revenue	178	-	8	-	8	22	-	-	216
Central administration costs	-	-	-	-	-	-	(5,898)	-	(5,898)
Finance costs	(411)	(472)	(97)	(127)	(252)	-	(833)	-	(2,192)
Net profit / (loss) before taxation	1,614	4,670	(203)	256	4,787	949	(7,122)	-	4,951
Taxation (expense) / benefit	671	-	64	(9)	(1,124)	(240)	-	-	(638)
Net profit / (loss) after taxation	2,285	4,670	(139)	247	3,663	709	(7,122)	-	4,313

3. Segment information continued

Six months Ended 29 February 2024 (Unaudited)	Manufacturing						Unallocated	Elimination	Total
	New Zealand	Rocklabs	Australia	Americas	Europe	China			
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s			
Revenue from contracts with customers									
Total revenue from contracts with customers	10,229	22,437	11,619	48,019	42,444	6,120	-	-	140,868
Inter-segment revenue	5,837	1,230	3,143	591	5,390	1,264	-	(17,455)	-
Segment Revenue	16,066	23,667	14,762	48,610	47,834	7,384	-	(17,455)	140,868
Segment profit / (loss)	10,607	5,793	47	998	6,186	1,489	-	-	25,120
Depreciation and amortisation	(414)	(823)	(1,966)	(305)	(1,852)	(79)	(450)	-	(5,889)
Share of net surplus in joint ventures	(48)	-	-	-	-	-	-	-	(48)
Interest revenue	-	-	4	-	-	22	12	-	38
Central administration costs	-	-	-	-	-	-	(10,933)	-	(10,933)
Finance costs	(435)	(343)	(58)	(44)	(252)	-	(1,094)	-	(2,226)
Net profit/(loss) before taxation	9,710	4,627	(1,973)	649	4,082	1,432	(12,465)	-	6,062
Taxation (expense)/benefit	(1,373)	-	588	133	(813)	(137)	-	-	(1,602)
Net profit / (loss) after taxation	8,337	4,627	(1,385)	782	3,269	1,295	(12,465)	-	4,460

12 months ended 31 August 2024 (audited)	Manufacturing						Unallocated	Elimination	Total
	New Zealand	Rocklabs	Australia	Americas	Europe	China			
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s			
Revenue from contracts with customers									
Total revenue from contracts with customers	18,263	43,377	20,846	93,121	88,230	12,288	-	-	276,125
Inter-segment revenue	12,229	2,480	7,273	783	12,552	2,372	-	(37,689)	-
Segment Revenue	30,492	45,857	28,119	93,904	100,782	14,660	-	(37,689)	276,125
Segment profit	18,197	10,315	65	1,934	13,073	3,216	-	-	46,800
Depreciation and amortisation	(840)	(1,686)	(3,791)	(790)	(3,814)	(145)	(214)	-	(11,280)
Share of net surplus in joint ventures	63	-	-	-	-	-	-	-	63
Interest revenue	-	-	215	156	(91)	156	(63)	-	373
Central administration costs	-	-	-	-	-	-	(20,433)	-	(20,433)
Finance costs	(926)	(834)	(165)	(196)	(516)	-	(1,920)	-	(4,557)
Net profit/(loss) before taxation	16,494	7,795	(3,676)	1,104	8,652	3,227	(22,630)	-	10,966
Taxation (expense)/benefit	(869)	76	535	(752)	(1,949)	(290)	-	-	(3,249)
Net profit / (loss) after taxation	15,625	7,871	(3,141)	352	6,703	2,937	(22,630)	-	7,717

Revenue reported above represents revenue generated from external customers. Inter-segment sales, which are eliminated on consolidation, were \$13.6 million for the six months ended 28 February 2025, (six months ended 29 February 2024: \$17.5 million; twelve months ended 31 August 2024: \$37.7 million).

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 1. Segment profit represents the profit earned by each segment without allocation of central administration costs and investment revenue.

4. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT

	28 Feb 2025 (Unaudited) \$'000s	29 Feb 2024 (Unaudited) \$'000s	31 Aug 2024 (Audited) \$'000s
Net profit for the period	4,313	4,460	7,717
Adjustments for non-cash items and non operating activities:			
Depreciation and amortisation	5,254	5,889	11,280
Net gain on sale of property, plant and equipment	(31)	(21)	(124)
Deferred tax	(846)	(545)	151
Share of net surplus of joint ventures and associates	81	48	(63)
Finance Costs	2,192	2,196	4,638
	6,650	7,567	15,882
(Less) / add movement in working capital:			
Trade debtors	(92)	7,701	3,438
Other financial assets – derivatives	(666)	836	854
Sundry debtors	(746)	(2,520)	4,777
Receivable from JV	-	-	431
Inventories	(186)	1,953	1,382
Contract assets	2,661	(4,184)	3,607
Contract liabilities	(1,240)	(16,046)	(15,692)
Onerous contract provision	(7)	(614)	(1,027)
Taxation payable	329	(1,291)	(452)
Trade creditors and accruals	1,606	(559)	(9,588)
Other financial liabilities – derivatives	1,413	(1,222)	(1,574)
Employee entitlements	(2,363)	(3,582)	(2,229)
Provision for warranty	(258)	(37)	167
	451	(19,565)	(15,906)
Movements in working capital disclosed in investing/financing activities:			
Movement in foreign exchange translation reserve relating to working capital	3,116	(181)	(1,721)
Net cash inflow / (outflow) from operating activities	14,530	(7,719)	5,972

5. FINANCIAL INSTRUMENTS

The Group enters into foreign currency forward exchange contracts to hedge trading transactions, including anticipated transactions, denominated in foreign currencies.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition depends on the nature of the hedge relationship.

The Group designates certain derivatives as hedges of the fair value of firm commitments (fair value hedge) or as hedges of forecast future sales (cash flow hedge). Open firm commitments reflect contractual agreements to provide goods to customers at an agreed price denominated in a foreign currency on specified future dates.

	6 months 28 Feb 2025 (Unaudited) \$'000s	6 months 29 Feb 2024 (Unaudited) \$'000s	12 months 31 Aug 2024 (Audited) \$'000s
Assets			
<i>At fair value:</i>			
Fair value hedge of open firm commitments	1,231	262	6
Foreign currency forward contracts held as effective fair value hedges	-	279	244
Foreign exchange derivatives	-	42	315
	1,231	583	565
<i>Represented by:</i>			
Current financial assets	1,168	521	560
Non current financial assets	63	62	5
	1,231	583	565
Liabilities			
<i>At fair value:</i>			
Fair value hedge of open firm commitments	-	279	244
Foreign currency forward contracts held as effective fair value hedges	1,231	262	6
Foreign exchange derivatives	432	61	-
	1,663	602	250
<i>Represented by:</i>			
Current financial liabilities	1,600	540	245
Non current financial liabilities	63	62	5
	1,663	602	250

The Group has categorised these derivatives, both financial assets and financial liabilities, as Level 2 under the fair value hierarchy contained within NZ IFRS-13.

The fair value of foreign currency forward exchange contracts is determined using a discounted cashflow valuation. Key inputs include observable forward exchange rates, at the measurement date, with the resulting value discounted back to present values.

There have been no changes in valuation techniques used for foreign currency forward exchange contracts during the current reporting period.

There were no transfers between fair value hierarchy levels during either the current or prior periods.

The fair value of financial instruments not already measured at fair value approximates their carrying value.

The fair value of foreign exchange contracts outstanding is recognised as other financial assets/liabilities.

6. CONTINGENT LIABILITIES

	6 months 28 Feb 2025 (Unaudited) \$'000s	6 months 29 Feb 2024 (Unaudited) \$'000s	12 months 31 Aug 2024 (Audited) \$'000s
Payment guarantees and performance bonds	13,116	17,011	15,165
Stock Exchange bond	75	75	75
Maximum contract penalty clause exposure	4,197	7,587	3,942

Payment guarantees are provided to customers in respect of advance payments received by the Group for contract work in progress, while performance bonds are provided to some customers for a period of up to one year from final acceptance of the equipment.

Scott Technology Limited has a payment bond to the value of \$75,000 (29 February 2024: \$75,000; 31 August 2024: \$75,000) in place with ANZ Bank New Zealand Limited in favour of the New Zealand Stock Exchange.

The Group has exposure to penalty clauses on its projects. These clauses relate to delivery criteria and are becoming increasingly common in international contractual agreements. There is a clearly defined sequence of events that needs to occur before penalty clauses are imposed.

7. RELATED PARTY TRANSACTIONS

	6 months 28 Feb 2025 (Unaudited) \$'000s	6 months 29 Feb 2024 (Unaudited) \$'000s	12 months 31 Aug 2024 (Audited) \$'000s
Joint Ventures			
Project work undertaken by the Group for RTL	328	294	671
Administration, sales and marketing fees charged by the Group to RTL	184	160	239
Sales revenue received by RTL from the Group	83	-	798

Substantial Shareholders

JBS Australia Pty Ltd owns a 53.20% shareholding in Scott Technology Limited (29 February 2024: 53.05%; 31 August 2024: 52.95%). The Group has recognised sales to JBS companies of \$11.6 million (29 February 2024: \$8.2 million; 31 August 2024: \$24 million) and has made purchases from JBS Companies of \$nil (29 February 2024: \$nil; 31 August 2024: \$nil). As at balance date the Group had \$2.9 million receivable from JBS Companies (29 February 2023: \$1.9 million; 31 August 2024: \$2.2 million).

Dividends paid to JBS amounted to \$1.3 million (29 February 2024: \$1.7 million; 31 August 2024: \$3.9 million). Dividends paid 28 February 2025 were reinvested in Scott Technology Limited under a dividend reinvestment plan. Dividends paid 29 February 2024 and 31 August 2024 were paid in cash.

8. NON-RECURRING COSTS

On 15 June 2023 Scott advised the share market that after discussions with the majority shareholder JBS, it intended to undertake a strategic review of its ownership structure, with the view to exploring options to maximise value for all shareholders. Scott engaged Macquarie Capital as financial advisor to assist with the strategic review. As Scott advised the market on the 13th of November 2023, the strategic review would not continue further at this time. The costs associated with the strategic review have been included on a separate line as they are one off in nature and do not represent the trading position of the Group. In 2025, no further cost were incurred (six months ended 29 February 2024: \$2.5 million; twelve months ended 31 August 2024: \$2.5 million).

Review of Appliance Market

During July 2024, a consultation was undertaken on the future of Scott's Appliance market. The outcome of this consultation was commenced in July, with Scott refocusing appliance manufacturing into its China operations. This resulted in job losses in the Christchurch facility.

This process resulted costs redundancy costs of \$1.0m in 2024. The process was concluded in August 2024 and all of the costs associated with this process being included in 2024.

Review of Industrial Automation Market

During July 2024, a consultation was undertaken on the future of Scott supplying the Industrial Automation market in Australia. The outcome of this consultation was completed in July, with Scott withdrawing from this market. This resulted in job losses in the Australian business.

This process resulted in redundancy costs of \$0.3m in 2024. The process was concluded in August 2024 and all of the costs associated with this process being included in 2024.

9. SUBSEQUENT EVENTS

No other matters or circumstances have arisen since the end of the period which have significantly affected or may significantly affect the operations, the results of operations or the state of affairs of the Group in subsequent periods.

The Board has resolved to pay an interim dividend for the six months ended 28 February 2025 of 3 cents per share (29 February 2024: 5 cents per share; 31 August 2024: 3 cents per share).

STATUTORY INFORMATION

For the six months ended 28 February 2025

SUBSIDIARIES

Name of Entity	Balance Date	Country of Incorporation	Ownership Interest & Voting Rights	
			2025 %	2024 %
Parent Entity				
Scott Technology Limited	31 August	New Zealand	n/a	n/a
New Zealand Trading Subsidiaries				
Scott Technology NZ Limited	31 August	New Zealand	100	100
Scott Automation Limited	31 August	New Zealand	100	100
Scott Technology USA Limited	31 August	New Zealand	100	100
QMT General Partner Limited	31 August	New Zealand	93	93
QMT New Zealand Limited Partnership	31 August	New Zealand	92	92
Scott Technology Americas Limited	31 August	New Zealand	100	100
Scott Technology Europe Limited	31 August	New Zealand	100	100
New Zealand Non Trading Subsidiaries				
Scott LED Limited	31 August	New Zealand	100	100
Rocklabs Limited	31 August	New Zealand	100	100
Overseas Subsidiaries				
Scott Technology Australia Pty Ltd	31 August	Australia	100	100
Scott Automation & Robotics Pty Ltd	31 August	Australia	100	100
Scott Systems International Incorporated	31 August	USA	100	100
Scott Systems (Qingdao) Co Limited	31 December (*)	China	95	95
Scott Technology GmbH	31 August	Germany	100	100
Scott Technology Belgium bvba	31 August	Belgium	100	100
Scott Automation NV	31 August	Belgium	100	100
Scott Automation a.s.	31 August	Czech Republic	100	100
Scott Automation SAS	31 August	France	100	100
Scott Automation Limited	31 August	United Kingdom	100	100
Normaclass	31 August	France	100	100
Rivercan S.A.	31 December (*)	Uruguay	100	100

(*) Determined by local regulatory requirements.

DIRECTORS

Stuart McLauchlan	Chairman and Independent Director
John Thorman	Independent Director and Audit Committee Chair
Derek Charge	Independent Director
Alan Byers	Director
Brent Eastwood	Director
John Berry	Director
Penny Ford	Emerging Director

EXECUTIVES' DETAILS

Mike Christman	Chief Executive Officer
Mark O'Malley	Chief Financial Officer

DIRECTORY

The details of the company's principal administrative and registered office in New Zealand is:

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