



**110 YEARS *of*
ENGINEERING
EXCELLENCE**
**HALF YEAR
REPORT**
2024



INDEX TO THE FINANCIAL STATEMENTS

For the Six Months Ended 29 February 2024

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Six Months Ended 29 February 2024

		6 mths 29 Feb 2024 (Unaudited) \$'000s	6 mths 28 Feb 2023 (Unaudited) \$'000s	12 mths 31 Aug 2023 (Audited) \$'000s
	Note			
Revenue	2	140,868	126,533	267,526
Other operating income		1,242	246	1,391
Share of joint ventures' net surplus		(48)	119	127
Raw materials, consumables used and other expenses		(83,324)	(75,061)	(158,967)
Employee benefits expense		(42,151)	(37,277)	(79,703)
OPERATING EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION, AND NON-RECURRING COSTS (OPERATING EBITDA)		16,587	14,560	30,374
Non-recurring costs	8	(2,448)	-	(683)
OPERATING EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		14,139	14,560	29,691
Interest revenue		38	80	558
Depreciation and amortisation		(5,889)	(3,920)	(8,809)
Finance costs		(2,226)	(1,025)	(2,241)
NET PROFIT BEFORE TAX		6,062	9,695	19,199
Taxation expense		(1,602)	(1,869)	(3,763)
NET PROFIT FOR THE PERIOD AFTER TAX		4,460	7,826	15,436
Other Comprehensive (Loss) / Income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Movement in Foreign Currency Translation Reserve		(2,508)	(576)	623
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD NET OF TAX		1,952	7,250	16,059
<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)		4,440	7,858	15,522
Non controlling interests		20	(32)	(86)
		4,460	7,826	15,436
<i>Total comprehensive income is attributable to:</i>				
Members of the parent entity		1,932	7,282	16,145
Non controlling interests		20	(32)	(86)
		1,952	7,250	16,059
<i>Total comprehensive income/(loss) attributable to members of the parent entity arises from:</i>				
Continuing operations		1,952	7,250	16,145
Discontinued operation		-	-	-
		1,952	7,250	16,145
Earnings per share to shareholders from continuing operations (weighted average shares on issue):		Cents Per Share	Cents Per Share	Cents Per Share
Basic		5.5	9.8	19.3
Diluted		5.5	9.8	19.3
Net Tangible assets per ordinary share (at period end)				
Basic		56.7	47.2	56.1
Diluted		56.7	47.2	56.1

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Six Months Ended 29 February 2024

	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 29 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 (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 2023 (Unaudited)					
Balance at 31 August 2022	86,315	13,316	1,061	(286)	100,406
Net profit for the period after tax	-	7,858	-	(32)	7,826
Other comprehensive income for the period net of tax	-	-	(576)	-	(576)
Dividends paid (4.0 cents per share)	-	(3,212)	-	-	(3,212)
Issue of shares under dividend reinvestment plan	1,752	-	-	-	1,752
Balance at 28 February 2023	88,067	17,962	485	(318)	106,196

	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 2023 (Audited)					
Balance at 31 August 2022	86,315	13,316	1,061	(286)	100,406
Net profit for the period after tax	-	15,522	-	(86)	15,436
Other comprehensive income for the period net of tax	-	-	623	-	623
Dividends paid (8.0 cents per share)	-	(6,413)	-	-	(6,413)
Issue of shares under dividend reinvestment plan	3,847	-	-	-	3,847
Balance at 31 August 2023	90,162	22,425	1,684	(372)	113,899

CONSOLIDATED BALANCE SHEET

As at 29 February 2024

		29 Feb 2024 (Unaudited) \$'000s	28 Feb 2023 (Unaudited) \$'000s	31 Aug 2023 (Audited) \$'000s
	Note			
Current assets	Cash and cash equivalents	13,489	29,960	21,432
	Trade debtors	35,938	35,803	43,639
	Other financial assets	5	521	1,366
	Sundry debtors	13,808	8,804	10,776
	Inventories	36,298	32,789	38,251
	Contract assets	38,425	29,979	34,241
	Receivable from joint ventures	7	-	431
	Tax Receivable	-	216	-
	TOTAL CURRENT ASSETS	138,479	139,348	150,047
Non-current assets	Property, plant and equipment	20,762	17,551	18,366
	Investment in joint ventures	756	796	804
	Other financial assets	5	62	143
	Sundry debtors	2,389	3,866	2,901
	Goodwill	50,968	50,688	52,016
	Deferred tax	3,457	3,062	2,912
	Intangible assets	4,399	6,193	5,586
	Development assets	7,720	8,246	7,807
	Right of use assets	26,839	11,731	12,473
	TOTAL NON-CURRENT ASSETS	117,352	102,276	103,007
	TOTAL ASSETS	255,831	241,624	253,054
Current liabilities	Bank overdraft	20,875	4,829	9,036
	Trade creditors and accruals	38,741	45,154	39,300
	Lease liabilities	4,337	3,114	3,773
	Other financial liabilities	5	540	1,359
	Contract liabilities	29,408	43,144	45,454
	Employee entitlements	9,242	9,128	12,943
	Provision for warranty	1,337	1,318	1,374
	Taxation payable	355	-	1,646
	Current portion of term loans	12,481	1,315	1,151
	Onerous contracts provision	447	4,454	1,061
	TOTAL CURRENT LIABILITIES	117,763	113,815	117,420
Non-current liabilities	Other financial liabilities	5	62	143
	Employee entitlements	786	838	667
	Lease liabilities	23,815	9,575	9,602
	Term loans	802	11,057	11,324
	TOTAL NON-CURRENT LIABILITIES	25,465	21,613	21,735
Equity	Share capital	90,162	88,067	90,162
	Retained earnings	23,617	17,962	22,425
	Foreign currency translation reserve	(824)	485	1,684
	Equity attributable to equity holders of the parent	112,955	106,514	114,271
	Non-controlling interests	(352)	(318)	(372)
	TOTAL EQUITY	112,603	106,196	113,899
	TOTAL LIABILITIES AND EQUITY	255,831	241,624	253,054

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Six Months Ended 29 February 2024

		29 Feb 2024 (Unaudited) \$'000s	28 Feb 2023 (Unaudited) \$'000s	31 Aug 2023 (Audited) \$'000s
	Note			
Cash Flows From Operating Activities				
<i>Cash was (applied to) / provided from:</i>				
Receipts from operations		129,081	133,169	267,110
Interest received		38	80	558
Payments to suppliers and employees		(133,400)	(106,326)	(246,887)
Taxation paid		(3,438)	(901)	(564)
Net cash (outflow) / inflow from operating activities	4	(7,719)	26,022	20,217
Cash Flows From Investing Activities				
<i>Cash was (applied to) / provided from:</i>				
Purchase of property, plant, equipment and intangible assets		(4,806)	(1,558)	(4,324)
Sale of property, plant and equipment		322	282	2,370
Purchase of development asset		(267)	(10)	(1,229)
Net cash (outflow) from investing activities		(4,751)	(1,286)	(3,183)
Cash Flows From Financing Activities				
<i>Cash was (applied to) / provided from:</i>				
Repayment of borrowings		(1,047)	(464)	(1,904)
Dividends paid (less amount reinvested the dividend reinvestment scheme)		(3,248)	(1,442)	(2,566)
Proceeds from borrowings		1,994	1,296	2,203
Lease payments		(2,102)	(1,897)	(4,040)
Interest paid		(2,909)	(1,033)	(2,266)
Net cash (outflow) from financing activities		(7,312)	(3,540)	(8,573)
Net (decrease) / increase in cash held		(19,782)	21,196	8,461
Add cash and cash equivalents at start of period		12,396	3,935	3,935
Balance at end of period		(7,386)	25,131	12,396
<i>Comprised of:</i>				
Cash and cash equivalents		13,489	29,960	21,432
Bank overdraft		(20,875)	(4,829)	(9,036)
		(7,386)	25,131	12,396

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the Six Months Ended 29 February 2024

1. SUMMARY OF ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

The unaudited interim financial 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 2023. 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.

CLIMATE-RELATED DISCLOSURE STANDARD

The New Zealand External Reporting Board (XRB) has published a suite of standards in line with the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD), the global best-practice benchmark for climate-related reporting. The final standards were published in December 2022.

Aotearoa New Zealand Climate Standards (NZ CS) are effective for annual periods beginning on or after 1 January 2023. The Group has applied the standard from 1 September 2023. Application of this standard by the Group has not materially affected any of the amounts recognised in these financial statements.

DISAGGREGATION OF REVENUE - SOURCES OF REVENUE BY INDUSTRY

The Group has redefined its categories of revenue from contracts with customers from Systems, Products and Services to revenue from customers by industry, namely Protein, Minerals, Materials Handling, and Rest of Business, which better reflect the specific nature and application of Group's systems technology, products and services across its geographic manufacturing segments and CGUs. The sources of revenue are also allocated between sales and service revenues across these industries.

Comparative figures for the six month period ended 28 February 2023 included under Note 2 Revenue from Contracts With Customers have been restated in order to report comparative figures under the new categories.

AUDIT

The Interim Financial Statements for the six months ended 29 February 2024 are unaudited. Comparative balances for the six months ended 28 February 2023 are also unaudited, whilst the comparative balances for the 12 months ended 31 August 2023 are audited.

AUTHORISATION

The Interim Financial Statements were authorised by the Board of Directors on 16 April 2024. The annual financial statements for the year ended 31 August 2023 were authorised by the Board of Directors on 18 October 2023.

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 29 February 2024 (Unaudited)		Protein \$'000s	Minerals \$'000s	Materials Handling \$'000s	Rest of Business \$'000s	Total \$'000s
New Zealand manufacturing	Sales	3,580	6,746	2,473	1	12,800
	Service	2,893	5,233	253	1,030	9,409
	Revenue from external customers	6,473	11,979	2,726	1,031	22,209
	<i>Timing of revenue recognition</i>					
	- Over time	3,283	-	2,473	1	5,757
- At a point in time	3,190	11,979	253	1,030	16,452	
		6,473	11,979	2,726	1,031	22,209
Australia manufacturing	Sales	4,354	9,179	-	1,100	14,633
	Service	5,296	856	-	870	7,022
	Revenue from external customers	9,650	10,035	-	1,970	21,655
	<i>Timing of revenue recognition</i>					
	- Over time	1,786	5,694	-	1,100	8,580
- At a point in time	7,864	4,341	-	870	13,075	
		9,650	10,035	-	1,970	21,655
Americas manufacturing	Sales	5,757	3,566	20,179	9,874	39,376
	Service	5,187	54	3,823	-	9,064
	Revenue from external customers	10,944	3,620	24,002	9,874	48,440
	<i>Timing of revenue recognition</i>					
	- Over time	2,789	3,566	20,179	9,874	36,408
- At a point in time	8,155	54	3,823	-	12,032	
		10,944	3,620	24,002	9,874	48,440
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	91,504
	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

Six months ended 28 February 2023 (Unaudited) (Restated)		Protein	Minerals	Materials Handling	Rest of Business	Total
		\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
New Zealand manufacturing	Sales	5,006	8,596	1,818	949	16,369
	Service	1,767	5,570	303	624	8,264
	Revenue from external customers	6,773	14,166	2,121	1,573	24,633
	<i>Timing of revenue recognition</i>					
	- Over time	4,551	-	1,818	949	7,318
- At a point in time	2,222	14,166	303	624	17,315	
		6,773	14,166	2,121	1,573	24,633
Australia manufacturing	Sales	1,526	1,117	-	7,936	10,579
	Service	2,831	775	-	1,932	5,538
	Revenue from external customers	4,357	1,892	-	9,868	16,117
	<i>Timing of revenue recognition</i>					
	- Over time	2,857	-	-	7,936	10,793
- At a point in time	1,500	1,892	-	1,932	5,324	
		4,357	1,892	-	9,868	16,117
Americas manufacturing	Sales	11,269	-	12,907	8,214	32,390
	Service	4,359	558	3,870	7	8,794
	Revenue from external customers	15,628	558	16,777	8,221	41,184
	<i>Timing of revenue recognition</i>					
	- Over time	2,395	-	12,907	7,875	23,177
- At a point in time	13,233	558	3,870	346	18,007	
		15,628	558	16,777	8,221	41,184
Europe manufacturing	Sales	5,669	-	19,360	4,728	29,757
	Service	1,716	-	8,256	330	10,302
	Revenue from external customers	7,385	-	27,616	5,058	40,059
	<i>Timing of revenue recognition</i>					
	- Over time	-	-	19,360	4,728	24,088
- At a point in time	7,385	-	8,256	330	15,971	
		7,385	-	27,616	5,058	40,059
China manufacturing	Sales	-	154	-	4,086	4,240
	Service	273	27	-	-	300
	Revenue from external customers	273	181	-	4,086	4,540
	<i>Timing of revenue recognition</i>					
	- Over time	-	-	-	4,086	4,086
- At a point in time	273	181	-	-	454	
		273	181	-	4,086	4,540
Total manufacturing	Sales	23,470	9,867	34,085	25,913	93,335
	Service	10,946	6,930	12,429	2,893	33,198
	Revenue from external customers	34,416	16,797	46,514	28,806	126,533
	<i>Timing of revenue recognition</i>					
	- Over time	9,803	-	34,085	25,574	69,462
- At a point in time	24,613	16,797	12,429	3,232	57,071	
		34,416	16,797	46,514	28,806	126,533

Notes to and forming part of the consolidated financial statements continued

For the Six Months Ended 29 February 2024

2. Revenue from contracts with customers continued

12 months ended 31 August 2023 (Audited)		Protein	Minerals	Materials Handling	Rest of Business	Total
		\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
New Zealand manufacturing	Sales	10,772	11,893	3,633	2,256	28,554
	Service	4,065	14,087	1,192	1,966	21,310
	Revenue from external customers	14,837	25,980	4,825	4,222	49,864
	<i>Timing of revenue recognition</i>					
	- Over time	9,955	-	3,633	2,257	15,845
- At a point in time	4,882	25,980	1,192	1,965	34,019	
		14,837	25,980	4,825	4,222	49,864
Australia manufacturing	Sales	5,028	12,720	-	13,088	30,836
	Service	7,627	276	-	2,794	10,697
	Revenue from external customers	12,655	12,996	-	15,882	41,533
	<i>Timing of revenue recognition</i>					
	- Over time	7,376	3,329	-	13,088	23,793
- At a point in time	5,279	9,667	-	2,794	17,740	
		12,655	12,996	-	15,882	41,533
Americas manufacturing	Sales	25,051	1,159	21,868	16,974	65,052
	Service	9,874	754	6,519	57	17,204
	Revenue from external customers	34,925	1,913	28,387	17,031	82,256
	<i>Timing of revenue recognition</i>					
	- Over time	7,714	1,157	21,868	16,636	47,375
- At a point in time	27,211	756	6,519	395	34,881	
		34,925	1,913	28,387	17,031	82,256
Europe manufacturing	Sales	9,823	-	42,368	13,741	65,932
	Service	3,627	-	18,793	645	23,065
	Revenue from external customers	13,450	-	61,161	14,386	88,997
	<i>Timing of revenue recognition</i>					
	- Over time	-	-	42,368	13,741	56,109
- At a point in time	13,450	-	18,793	645	32,888	
		13,450	-	61,161	14,386	88,997
China manufacturing	Sales	-	234	-	4,526	4,760
	Service	83	33	-	-	116
	Revenue from external customers	83	267	-	4,526	4,876
	<i>Timing of revenue recognition</i>					
	- Over time	-	-	-	4,526	4,526
- At a point in time	83	267	-	-	350	
		83	267	-	4,526	4,876
Total manufacturing	Sales	50,674	26,006	67,869	50,585	195,134
	Service	25,276	15,150	26,504	5,462	72,392
	Revenue from external customers	75,950	41,156	94,373	56,047	267,526
	<i>Timing of revenue recognition</i>					
	- Over time	25,045	4,486	67,869	50,248	147,648
- At a point in time	50,905	36,670	26,504	5,799	119,878	
		75,950	41,156	94,373	56,047	267,526

3. SEGMENT INFORMATION

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

- New Zealand 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 29 February 2024 (Unaudited)	Manufacturing							Total \$'000s
	New Zealand	Australia	Americas	Europe	China	Unallocated	Elimination	
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	
<i>Revenue from contracts with customers</i>								
Total revenue from contracts with customers	22,209	21,655	48,440	42,444	6,120	-	-	140,868
Inter-segment revenue	7,066	3,143	591	5,390	1,264	-	(17,454)	-
Segment Revenue	29,275	24,798	49,031	47,834	7,384	-	(17,454)	140,868
Segment profit	16,400	47	998	6,186	1,489	-	-	25,120
Depreciation and amortisation	(1,237)	(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	(778)	(58)	(44)	(252)	-	(1,094)	-	(2,226)
Net profit/(loss) before taxation	14,337	(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	12,964	(1,385)	782	3,269	1,295	(12,465)	-	4,460

3. Segment information continued

Six months Ended 28 February 2023 (Unaudited) (Restated)	Manufacturing							Total \$'000s
	New Zealand	Australia	Americas	Europe	China	Unallocated	Elimination	
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	
<i>Revenue from contracts with customers</i>								
Total revenue from contracts with customers	24,633	16,117	41,184	40,059	4,540	-	-	126,533
Inter-segment revenue	4,504	5,644	437	2,853	3,663	-	(17,101)	-
Segment Revenue	29,137	21,761	41,621	42,912	8,203	-	(17,101)	126,533
Segment profit	11,521	830	3,354	3,840	781	-	-	20,326
Depreciation and amortisation	(408)	(1,466)	(297)	(1,484)	(77)	(188)	-	(3,920)
Share of net surplus in joint ventures	119	-	-	-	-	-	-	119
Interest revenue	-	2	35	25	15	3	-	80
Central administration costs	-	-	-	-	-	(5,885)	-	(5,885)
Finance costs	(310)	(32)	(60)	(151)	-	(472)	-	(1,025)
Net profit/(loss) before taxation	10,922	(666)	3,032	2,230	719	(6,542)	-	9,695
Taxation (expense)/benefit	(975)	248	(671)	(465)	(6)	-	-	(1,869)
Net profit/(loss) after taxation	9,947	(418)	2,361	1,765	713	(6,542)	-	7,826

12 months ended 31 August 2023 (audited)	Manufacturing							Total \$'000s
	New Zealand	Australia	Americas	Europe	China	Unallocated	Elimination	
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	
<i>Revenue from contracts with customers</i>								
Total revenue from contracts with customers	49,864	41,533	82,256	88,997	4,876	-	-	267,526
Inter-segment revenue	6,738	9,276	701	3,643	6,043	-	(26,401)	-
Segment Revenue	56,602	50,809	82,957	92,640	10,919	-	(26,401)	267,526
Segment profit	23,650	5,087	4,024	8,514	2,017	-	-	43,292
Depreciation and amortisation	(1,611)	(2,986)	(599)	(3,221)	(154)	(238)	-	(8,809)
Share of net surplus in joint ventures	127	-	-	-	-	-	-	127
Interest revenue	176	280	-	42	38	22	-	558
Central administration costs	-	-	-	-	-	(13,728)	-	(13,728)
Finance costs	(708)	(60)	(228)	(354)	-	(891)	-	(2,241)
Net profit/(loss) before taxation	21,634	2,321	3,197	4,981	1,901	(14,835)	-	19,199
Taxation (expense)/benefit	(1,360)	(409)	(856)	(1,116)	(22)	-	-	(3,763)
Net profit/(loss) after taxation	20,274	1,912	2,341	3,865	1,879	(14,835)	-	15,436

Revenue reported above represents revenue generated from external customers. Inter-segment sales, which are eliminated on consolidation, were \$17.5 million for the six months ended 29 February 2024, (six months ended 28 February 2023: \$17.1 million; twelve months ended 31 August 2023: \$26.4 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

	29 Feb 2024 (Unaudited) \$'000s	28 Feb 2023 (Unaudited) \$'000s	31 Aug 2023 (Audited) \$'000s
Net profit for the period	4,460	7,826	15,436
Adjustments for non-cash items and non operating activities:			
Depreciation and amortisation	5,889	3,920	8,809
Net (gain) on sale of property, plant and equipment	(21)	(100)	(459)
Deferred tax	(545)	303	453
Share of net surplus of joint ventures and associates	48	(119)	(127)
Interest expense	2,196	1,025	2,266
	7,567	5,029	10,942
Add/(less) movement in working capital:			
Trade debtors	7,701	4,200	(3,636)
Other financial assets – derivatives	836	(472)	(382)
Sundry debtors	(2,520)	(2,812)	(3,818)
Inventories	1,953	(1,461)	(6,923)
Contract assets	(4,184)	(11,906)	(16,168)
Contract liabilities	(16,046)	16,837	19,147
Onerous contract provision	(614)	(787)	(4,180)
Taxation payable	(1,291)	665	2,527
Trade creditors and accruals	(559)	10,052	4,198
Other financial liabilities – derivatives	(1,222)	28	351
Employee entitlements	(3,582)	(121)	3,522
Provision for warranty	(37)	(5)	51
	(19,565)	14,218	(5,311)
Movements in working capital disclosed in investing/financing activities:			
Working capital relating to sale/(purchase) of business and non controlling interest	-	-	-
Movement in foreign exchange translation reserve relating to working capital	(181)	(1,051)	(850)
Net cash (outflow) / inflow from operating activities	(7,719)	26,022	20,217

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 29 Feb 2024 (Unaudited)	6 months 28 Feb 2023 (Unaudited)	12 months 31 Aug 2022 (Audited)
	\$'000s	\$'000s	\$'000s
Assets			
<i>At fair value:</i>			
Fair value hedge of open firm commitments	262	1,140	1,339
Foreign currency forward contracts held as effective fair value hedges	279	237	61
Foreign exchange derivatives	42	132	19
	583	1,509	1,419
<i>Represented by:</i>			
Current financial assets	521	1,366	1,277
Non current financial assets	62	143	142
	583	1,509	1,419
Liabilities			
<i>At fair value:</i>			
Fair value hedge of open firm commitments	279	237	61
Foreign currency forward contracts held as effective fair value hedges	262	1,140	1,339
Foreign exchange derivatives	61	125	424
	602	1,502	1,824
<i>Represented by:</i>			
Current financial liabilities	540	1,359	1,682
Non current financial liabilities	62	143	142
	602	1,502	1,824

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 29 Feb 2024 (Unaudited) \$'000s	6 months 28 Feb 2023 (Unaudited) \$'000s	12 months 31 Aug 2023 (Audited) \$'000s
Payment guarantees and performance bonds	17,011	16,193	18,695
Stock Exchange bond	75	75	75
Maximum contract penalty clause exposure	7,587	10,284	7,419

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 (28 February 2023: \$75,000; 31 August 2023: \$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 29 Feb 2024 (Unaudited) \$'000s	6 months 28 Feb 2023 (Unaudited) \$'000s	12 months 31 Aug 2022 (Audited) \$'000s
Joint Ventures			
Project work undertaken by the Group for RTL	294	503	133
Administration, sales and marketing fees charged by the Group to RTL	160	261	261
Sales revenue received by RTL from the Group	-	-	549
Advance from Scott Technology to RTL	-	431	431

Advances

Advances to joint ventures are unsecured, interest free and repayable on demand.

Substantial Shareholders

JBS Australia Pty Ltd owns a 53.05% shareholding in Scott Technology Limited (28 February 2023: 52.84%; 31 August 2023: 53.05%). The Group has recognised sales to JBS companies of \$8.2 million (28 February 2023: \$15.1 million; 31 August 2023: \$21.9 million) and has made purchases from JBS Companies of \$nil (28 February 2023: \$nil; 31 August 2023: \$nil). As at balance date the Group had \$1.9 million receivable from JBS Companies (28 February 2023: \$3.4 million; 31 August 2023: \$2.1 million).

Dividends paid to JBS amounted to \$1.7 million (28 February 2023: \$1.7 million; 31 August 2023: \$3.4 million).

Dividends paid during the periods 28 February 2023 and 31 August 2023 were reinvested in Scott Technology Limited under a dividend reinvestment plan.

8. NON-RECURRING COSTS

Scott advised the share market on the 15th of June 2023 that after discussions with the majority shareholder JBS, it intends 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 non-recurring in nature and do not represent the trading position of the Group.

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 29 February 2024 of 5 cents per share (28 February 2023: 4 cents per share; 31 August 2023: 4 cents per share).

STATUTORY INFORMATION

For the Six Months Ended 29 February 2024

SUBSIDIARIES

Name of Entity	Balance Date	Country of Incorporation	Ownership Interest & Voting Rights	
			2024 %	2023 %
<i>Parent Entity</i>				
Scott Technology Limited	31 August	New Zealand	n/a	n/a
<i>New Zealand Trading Subsidiaries</i>				
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
<i>New Zealand Non Trading Subsidiaries</i>				
Scott LED Limited	31 August	New Zealand	100	100
Rocklabs Limited	31 August	New Zealand	100	100
<i>Overseas Subsidiaries</i>				
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
FLS Systems NV	31 August	Belgium	100	100
Alvey do Brazil Comercio de Maquinas de Automacao	31 December (*)	Brazil	-	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 Kippenberger	Executive 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

John Kippenberger	Group Chief Executive Officer
Anthony Wesney	Co-Chief Financial Officer (Interim)
Mark O'Malley	Co-Chief Financial Officer (Interim)

DIRECTORY

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

Registered Office

630 Kaikorai Valley Road
Private Bag 1960
Dunedin 9054
New Zealand

Share Registry

Link Market Services Ltd
PO Box 91976
Auckland, 1142
t +64 9 375 5998
f +64 9 375 5990
enquiries@linkmarketservices.co.nz




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