



# **LITIGATION CAPITAL MANAGEMENT LIMITED**

**(ABN: 13 608 667 509)**

**HALF YEAR FINANCIAL REPORT**

**31 DECEMBER 2024**

**Litigation Capital Management Limited** ABN 13 608 667 509

**Registered Office:** Level 12, The Chifley Tower, 2 Chifley Square Sydney NSW 2000 Australia

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# Directors' Report

The Directors of Litigation Capital Management Limited (LCM) present their report together with the half-year financial report of the consolidated entity consisting of LCM and its subsidiaries (collectively LCM Group or the Group) for the six month period ended 31 December 2024 and the auditors' review report thereon.

## 1. Directors

The Directors of LCM at any time during or since the end of the financial period are set out below:

Jonathan Moulds

Patrick Moloney

Dr David King

David Collins (appointed 6 December 2024)

Gerhard Seebacher (resigned 15 January 2025)

Mary Gangemi (resigned 5 September 2024)

## 2. Company Secretary

Anna Sandham was appointed Company Secretary of LCM in September 2016. Anna is an experienced company secretary and governance professional with over 20 years' experience in various large and small, public and private, listed and unlisted companies. Anna has previously worked for companies including AMP Financial Services, Westpac Banking Corporation, BT Financial Group and NRMA Limited. Anna holds a Bachelor of Economics (University of Sydney), Graduate Diploma of Applied Corporate Governance (Governance Institute of Australia) and is a Chartered Secretary.

## 3. Principal activities

LCM is a global provider of disputes finance and risk management services.

LCM has an unparalleled track record, driven by effective project selection, active project management and robust risk management. Headquartered in Sydney, with offices in London, Singapore, Brisbane and Melbourne, LCM listed on AIM in December 2018, trading under the ticker LIT.

## 4. Operating and financial review

### Overview of the LCM Group

LCM is a company limited by shares and was incorporated on 9 October 2015. LCM was admitted to trade on the Alternative Investment Market (AIM) of the London Stock Exchange on 19 December 2018 under the ticker LIT. LCM was formerly listed on the Australian Securities Exchange (ASX) between 13 December 2016 and 21 December 2018.

Its registered office and principal place of business is Level 12, The Chifley Tower, 2 Chifley Square, Sydney NSW 2000, Australia.

### Operations

LCM operates its business through a series of wholly owned subsidiaries. The principal activity of those subsidiaries is the provision of litigation finance and risk management associated with individual and portfolios of disputes. LCM currently operates two business models. The first is direct investments made from LCM's balance sheet capital. The second is funds and/or asset management. Under those two business models, LCM currently pursues three investment strategies. Those strategies are as follows:

**Single-case funding:** The first and currently largest strategy, is single-case funding. That is, the investment in a single dispute. This is a strategy that LCM has maintained since its inception (through its predecessor company) 25 years ago. Currently, a large proportion of LCM's investments are in single-case investments.

**Portfolio funding:** The second strategy pursued by LCM is portfolio funding. That is, the provision of a portfolio based funding solution to law firms, insolvency practitioners or corporates. It involves the provision of a financing solution and risk management tools for a bundle of separate disputes. LCM's particular focus with respect to that strategy is the provision of corporate portfolio financing.

## Directors' Report (continued)

Acquisitions of Claims: The third strategy, in its early stages of evolution, is the investment in smaller disputes (typically insolvency-based) through the acquisition or assignment of the underlying cause of action. LCM generates its revenue through acquiring a cause of action and pursuing a recovery or award as principal.

### Review of financial performance

The statutory loss for the Group after adjusting for income tax amounted to \$8,353,000 (31 December 2023: profit \$7,293,000). Operating loss before tax is \$7,952,000 (31 December 2023: profit \$14,057,000).

Cash on balance sheet was \$30,585,000 as at 31 December 2024 (30 June 2024: \$68,113,000). Of this, \$15,717,000 relates to third-party cash which is restricted cash as it relates to balances held within the fund investment vehicles which have been consolidated with the Group numbers (30 June 2024: \$15,089,000). Cash generated during the period from the resolution of investments was \$56,402,000 (31 December 2023: \$71,272,000).

The Directors do not recommend a dividend in respect of the period ended 31 December 2024.

### 5. Matters subsequent to the end of the financial period

On 21 February 2025, the Group announced that the Federal Court of Australia had ruled against its funded party, Quintis Limited. While the claim was unsuccessful, the Group is reviewing the judgment and considering an appeal, which must be filed within 28 days of final orders being made.

On 11 March 2025, the Group announced that an appeal has been filed in relation to the class action funded by the Group on behalf of Queensland electricity users against Stanwell Corporation Ltd and CS Energy Ltd. This follows the first instance judgment, which ruled against LCM's funded party, as announced on 4 December 2024.

### 6. Lead Auditor's independence declaration

The Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included in LCM's financial statements.

### 7. Rounding of amounts

LCM is of a kind referred to the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.



**Mr Jonathan Moulds**  
Chairman

18 March 2025

**DECLARATION OF INDEPENDENCE BY GEOFF ROONEY TO THE DIRECTORS OF LITIGATION CAPITAL MANAGEMENT LIMITED**

As lead auditor for the review of Litigation Capital Management Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Litigation Capital Management Limited and the entities it controlled during the period.

**BDO Audit Pty Ltd**



**Geoff Rooney**  
**Director**

Sydney, 18 March 2025

**Litigation Capital Management Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the period ended 31 December 2024**

	Note	Consolidated	
		31-Dec-24 \$'000	31-Dec-23 \$'000
<b>Income</b>			
Gain on financial assets at fair value through profit or loss	4	25,790	52,429
Movement in financial liabilities related to third-party interests in consolidated entities	4	(18,382)	(30,546)
<b>Total income</b>		<b>7,408</b>	<b>21,883</b>
<b>Expenses</b>			
Employee benefits expense	5	(6,688)	(5,938)
Depreciation expense	5	(47)	(80)
Corporate expenses		(2,577)	(1,960)
Fund administration expense	5	(1,313)	(1,474)
Foreign currency gains/(losses)		(4,735)	1,625
Total operating expenses		(15,360)	(7,826)
<b>Operating (loss)/profit</b>		<b>(7,952)</b>	<b>14,057</b>
Finance costs	5	(3,710)	(5,122)
<b>(Loss)/profit before income tax expense</b>		<b>(11,662)</b>	<b>8,935</b>
Income tax benefit/(expense)	6	3,309	(1,642)
<b>(Loss)/profit after income tax expense</b>		<b>(8,353)</b>	<b>7,293</b>
<b>Other comprehensive income</b>			
Items that may be subsequently reclassified to profit and loss:			
Movement in foreign currency translation reserve		8,620	(101)
<b>Total comprehensive income for the period</b>		<b>267</b>	<b>7,192</b>
(Loss)/profit for the period is attributable to:			
Owners of Litigation Capital Management Limited		(8,353)	7,293
		<b>(8,353)</b>	<b>7,293</b>
Total comprehensive income for the period is attributable to:			
Owners of Litigation Capital Management Limited		267	7,192
		<b>267</b>	<b>7,192</b>
		<b>Cents</b>	<b>Cents</b>
Basic (loss)/earnings per share	7	(8.09)	6.84
Diluted (loss)/earnings per share	7	(8.09)	6.37

*The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with accompanying Notes to the Financial Statements.*

**Litigation Capital Management Limited**  
**Consolidated statement of financial position**  
**As at 31 December 2024**

	Note	31-Dec-24 \$'000	30-Jun-24 \$'000
<b>Assets</b>			
Cash and cash equivalents	8	30,585	68,113
Trade receivables	9	1,786	10,986
Due from resolution of financial assets	10	105,198	3,980
Contract costs	11	47,396	42,072
Financial assets at fair value through profit or loss	12	420,264	465,213
Property, plant and equipment		144	157
Intangible assets		453	305
Other assets		839	977
<b>Total assets</b>		<b>606,665</b>	<b>591,803</b>
<b>Liabilities</b>			
Trade and other payables	13	11,755	30,376
Tax payable		5,833	883
Employee benefits		1,382	1,112
Borrowings	14	54,851	61,917
Financial liabilities related to third-party interests in consolidated entities	15	314,982	264,950
Deferred tax liability		36,062	43,624
<b>Total liabilities</b>		<b>424,865</b>	<b>402,862</b>
<b>Net assets</b>		<b>181,800</b>	<b>188,941</b>
<b>Equity</b>			
Issued capital	16	58,960	69,674
Treasury shares	16	-	(5,396)
Reserves		13,381	4,171
Retained earnings		109,459	120,492
Parent interest		181,800	188,941
<b>Total equity</b>		<b>181,800</b>	<b>188,941</b>

*The above Consolidated Statement of Financial Position should be read in conjunction with accompanying Notes to the Financial Statements.*

**Litigation Capital Management Limited**  
**Consolidated statement of changes in equity**  
**For the period ended 31 December 2024**

Consolidated	Issued capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Share based payments reserve \$'000	Foreign currency translation \$'000	Total equity \$'000
<b>Balance at 1 July 2023</b>	<b>69,674</b>	<b>-</b>	<b>112,753</b>	<b>2,440</b>	<b>(1,398)</b>	<b>183,468</b>
Profit after income tax expense for the period	-	-	7,293	-	-	7,293
Other comprehensive income for the period	-	-	-	-	(101)	(101)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>7,293</b>	<b>-</b>	<b>(101)</b>	<b>7,192</b>
<b>Equity Transactions:</b>						
Share-based payments (note 20)	-	-	-	463	-	463
Dividends paid (note 17)	-	-	(4,966)	-	-	(4,966)
Treasury shares acquired (note 16)	-	(796)	-	-	-	(796)
	-	(796)	(4,966)	463	-	(5,298)
<b>Balance at 31 December 2023</b>	<b>69,674</b>	<b>(796)</b>	<b>115,081</b>	<b>2,903</b>	<b>(1,499)</b>	<b>185,362</b>
Consolidated	Issued capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Share based payments reserve \$'000	Foreign currency translation \$'000	Total equity \$'000
<b>Balance at 1 July 2024</b>	<b>69,674</b>	<b>(5,396)</b>	<b>120,492</b>	<b>3,556</b>	<b>615</b>	<b>188,941</b>
Loss after income tax expense for the period	-	-	(8,353)	-	-	(8,353)
Other comprehensive income for the period	-	-	-	-	8,620	8,620
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(8,353)</b>	<b>-</b>	<b>8,620</b>	<b>267</b>
<b>Equity Transactions:</b>						
Share-based payments (note 20)	-	-	-	590	-	590
Dividends paid (note 17)	-	-	(2,680)	-	-	(2,680)
Treasury shares acquired (note 16)	-	(4,458)	-	-	-	(4,458)
Cancellation of treasury shares (note 16)	(9,854)	9,854	-	-	-	-
LSPs exercised and purchased by EBT (note 16)	(860)	-	-	-	-	(860)
	(10,714)	5,396	(2,680)	590	-	(7,407)
<b>Balance at 31 December 2024</b>	<b>58,960</b>	<b>-</b>	<b>109,459</b>	<b>4,146</b>	<b>9,235</b>	<b>181,800</b>

*The above Consolidated Statement of Changes in Equity should be read in conjunction with accompanying Notes to the Financial Statements.*

**Litigation Capital Management Limited**  
**Consolidated statement of cash flows**  
**For the period ended 31 December 2024**

	Note	Consolidated	
		31-Dec-24 \$'000	31-Dec-23 \$'000
<b>Cash flows from operating activities</b>			
Proceeds from litigation contracts		56,402	71,272
Payments for litigation contracts		(78,310)	(33,083)
Payments to suppliers and employees		(10,152)	(8,099)
Income tax paid		(28)	(723)
<b>Net cash (used in)/from operating activities</b>		<b>(32,088)</b>	<b>29,367</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(3)	(13)
Payments for intangibles		(179)	(15)
Refund/(payment) of security deposits		(1)	13
<b>Net cash (used in) investing activities</b>		<b>(182)</b>	<b>(15)</b>
<b>Cash flows from financing activities</b>			
Payments for treasury and loan shares	16	(5,318)	(796)
Dividends paid		(2,607)	(4,966)
Repayments of borrowings	14	(11,358)	(8,139)
Payments of finance costs		(3,186)	(5,426)
Payments of placement fees related to third-party interests		(835)	(991)
Contributions from third-party interests in consolidated entities	15	40,626	11,010
Distributions to third-party interests in consolidated entities	15	(24,572)	(35,717)
<b>Net cash (used in) financing activities</b>		<b>(7,250)</b>	<b>(45,026)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(39,519)</b>	<b>(15,673)</b>
Cash and cash equivalents at the beginning of the period		68,113	104,457
Effects of exchange rate changes on cash and cash equivalents		1,991	(1,084)
<b>Cash and cash equivalents at the end of the period</b>	<b>8</b>	<b>30,585</b>	<b>87,700</b>

*The above Consolidated Statement of Cash Flows should be read in conjunction with accompanying Notes to the Financial Statements.*



**Note 1 General Information**

The financial statements cover Litigation Capital Management Limited (the 'Company') as a Group consisting of Litigation Capital Management Limited and the entities it controlled at the end of, or during, the period (referred to as the 'Group'). The financial statements are presented in Australian dollars, which is Litigation Capital Management Limited's functional and presentation currency.

Litigation Capital Management Limited was admitted onto the Alternative Investment Market ('AIM') on 19 December 2018.

Litigation Capital Management Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 12, The Chifley Tower  
2 Chifley Square  
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 18 March 2025. The Directors have the power to amend and reissue the financial statements.

**Note 2 Material accounting policies**

These consolidated financial statements are general purpose financial statements for the interim reporting period ended 31 December 2024 and have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standard AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Company during the interim reporting period.

**Basis of preparation**

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

**New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issues by the Australian Accounting Standards Board ('AASB') that are mandatory for the current period.

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

**Historical cost convention**

The financial statements have been prepared under the historical cost convention.

**Critical accounting estimates**

The critical accounting judgements, estimates and assumptions that have been applied in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual report for the year ended 30 June 2024.

### Note 3 Segment information

For management purposes, the Group is organised into two operating segments comprising the operations of Litigation Capital Management Limited and its wholly owned subsidiaries ("LCM") and the Group's fund structures ("Fund").

#### LCM

The LCM column includes the 25% co-investment in the Funds, Balance Sheet investments (ie, 100% investment by LCM) and corporate operations.

#### Fund 1 & 2

This comprises LCM Global Alternative Returns Fund and LCM Global Alternative Returns Fund II and their entities as disclosed in note 25. AASB 10 Consolidated Financial Statements requires the Group to consolidate fund investment vehicles over which it has exposure to variable returns from the fund investment vehicles. As a result, third party interests in relation to the Funds have been consolidated in the financial statements. The Fund column includes the 75% co-investment in the litigation funding assets and costs of administering the funds.

#### Intersegment revenue

The third-party interests in the Funds carry an entitlement to receive an 8% soft return hurdle. Upon satisfaction of the third-party interests soft return hurdle, LCM is entitled to performance fees as fund manager on the basis of a deal by deal waterfall. The net residual cash flows are to be distributed 25% to LCM and 75% to the third-party interests until a IRR of 20% is achieved by the third-party interests, thereafter the net residual cash flows are distributed 35% to LCM and 65% to the third-party interests.

The following tables reflect the impact of consolidating the results of the Funds with the results for LCM to arrive at the totals reported in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and consolidated statement of cash flows.

Consolidated Statement of Comprehensive Income	31 December 2024			31 December 2023		
	Consolidated \$'000	Fund \$'000	LCM \$'000	Consolidated \$'000	Fund \$'000	LCM \$'000
<b>Income</b>						
Gain on financial assets at fair value through profit or loss	25,790	21,111	4,679	52,429	30,843	21,586
Movement in financial liabilities related to third-party interests in consolidated entities	(18,382)	(18,382)	-	(30,546)	(30,546)	-
<b>Total income from litigation assets</b>	<b>7,408</b>	<b>2,729</b>	<b>4,679</b>	<b>21,883</b>	<b>297</b>	<b>21,586</b>
<b>Expenses</b>						
Employee benefits expense	(6,688)	-	(6,688)	(5,938)	-	(5,938)
Depreciation expense	(47)	-	(47)	(80)	-	(80)
Corporate expenses	(2,577)	-	(2,577)	(1,960)	-	(1,960)
Fund administration expense	(1,313)	(478)	(835)	(1,474)	(483)	(991)
Foreign currency gains/(losses)	(4,735)	(2,251)	(2,484)	1,625	95	1,530
<b>Total operating expenses</b>	<b>(15,360)</b>	<b>(2,729)</b>	<b>(12,632)</b>	<b>(7,826)</b>	<b>(388)</b>	<b>(7,439)</b>
<b>Operating (loss)/profit</b>	<b>(7,952)</b>	<b>-</b>	<b>(7,952)</b>	<b>14,057</b>	<b>(91)</b>	<b>14,147</b>
Finance costs	(3,710)	-	(3,710)	(5,122)	91	(5,213)
<b>(Loss)/profit before income tax expense</b>	<b>(11,662)</b>	<b>-</b>	<b>(11,662)</b>	<b>8,935</b>	<b>-</b>	<b>8,934</b>
Income tax benefit/(expense)	3,309	-	3,309	(1,642)	-	(1,642)
<b>(Loss)/profit after income tax expense</b>	<b>(8,353)</b>	<b>-</b>	<b>(8,353)</b>	<b>7,293</b>	<b>-</b>	<b>7,293</b>
Other comprehensive income for the period, net of tax	8,620	-	8,620	(101)	-	(101)
<b>Total comprehensive income for the period</b>	<b>267</b>	<b>-</b>	<b>267</b>	<b>7,192</b>	<b>-</b>	<b>7,192</b>

Consolidated statement of financial position	31 December 2024			30 June 2024		
	Consolidated \$'000	Fund \$'000	LCM \$'000	Consolidated \$'000	Fund \$'000	LCM \$'000
<b>Assets</b>						
Cash and cash equivalents	30,585	15,717	14,868	68,113	15,089	53,024
Trade & other receivables	1,786	-	1,786	10,986	-	10,986
Due from resolution of financial assets	105,198	69,776	35,422	3,980	-	3,980
Contract costs	47,396	-	47,396	42,072	-	42,072
Financial assets at fair value through profit or loss	420,264	235,448	184,816	465,213	262,300	202,913
Property, plant and equipment	144	-	144	157	-	157
Intangible assets	453	-	453	305	-	305
Other assets	839	(859)	1,698	977	(22)	999
<b>Total assets</b>	<b>606,665</b>	<b>320,081</b>	<b>286,582</b>	<b>591,803</b>	<b>277,367</b>	<b>314,436</b>
<b>Liabilities</b>						
Trade and other payables	11,755	5,100	6,655	30,376	12,417	17,959
Tax payable	5,833	-	5,833	883	-	883
Employee Benefits	1,382	-	1,382	1,112	-	1,112
Borrowings	54,851	-	54,851	61,917	-	61,917
Third-party interests in consolidated entities	314,982	314,982	-	264,950	264,950	-
Deferred tax liability	36,062	-	36,062	43,624	-	43,624
<b>Total liabilities</b>	<b>424,865</b>	<b>320,081</b>	<b>104,783</b>	<b>402,862</b>	<b>277,367</b>	<b>125,494</b>
<b>Net assets</b>	<b>181,800</b>	<b>-</b>	<b>181,800</b>	<b>188,941</b>	<b>-</b>	<b>188,941</b>

**Note 3 Segment information (continued)**

Consolidated Statement of Cash Flows	31 December 2024			31 December 2023		
	Consolidated \$'000	Fund \$'000	LCM \$'000	Consolidated \$'000	Fund \$'000	LCM \$'000
Proceeds from litigation contracts	56,402	27,176	29,227	71,272	38,950	32,322
Payments for litigation contracts	(78,310)	(42,938)	(35,372)	(33,083)	(16,345)	(16,739)
Payments to suppliers and employees	(10,152)	(573)	(9,579)	(8,099)	(1,427)	(6,672)
Income tax paid	(28)	-	(28)	(723)	-	(723)
<b>Net cash from/(used in) operating activities</b>	<b>(32,088)</b>	<b>(16,335)</b>	<b>(15,752)</b>	<b>29,367</b>	<b>21,179</b>	<b>8,188</b>
<b>Cash flows from investing activities</b>						
Payments for property, plant and equipment	(3)	-	(3)	(13)	-	(13)
Payments for intangibles	(179)	-	(179)	(15)	-	(15)
Refund/(payment) of security deposits	(1)	-	(1)	13	-	13
<b>Net cash used in investing activities</b>	<b>(182)</b>	<b>-</b>	<b>(182)</b>	<b>(15)</b>	<b>-</b>	<b>(15)</b>
<b>Cash flows from financing activities</b>						
Payments for treasury shares	(5,318)	-	(5,318)	(796)	-	(796)
Dividends paid	(2,607)	-	(2,607)	(4,966)	-	(4,966)
Repayments of borrowings	(11,358)	-	(11,358)	(8,139)	-	(8,139)
Payments of finance costs	(3,186)	-	(3,186)	(5,426)	-	(5,426)
Payments of placement fees related to third-party interests	(835)	-	(835)	(991)	-	(991)
Contributions from third-party interests in consolidated entities	40,626	40,626	-	11,010	11,010	-
Distributions to third-party interests in consolidated entities	(24,572)	(24,572)	-	(35,717)	(35,717)	-
<b>Net cash (used in)/from financing activities</b>	<b>(7,250)</b>	<b>16,054</b>	<b>(23,304)</b>	<b>(45,026)</b>	<b>(24,707)</b>	<b>(20,318)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(39,519)</b>	<b>(281)</b>	<b>(39,238)</b>	<b>(15,673)</b>	<b>(3,528)</b>	<b>(12,145)</b>
Cash and cash equivalents at the beginning of the period	68,113	15,089	53,024	104,457	21,484	82,973
Effects of exchange rate changes on cash and cash equivalents	1,991	909	1,082	(1,084)	(506)	(578)
<b>Cash and cash equivalents at the end of the period</b>	<b>30,585</b>	<b>15,717</b>	<b>14,868</b>	<b>87,701</b>	<b>17,450</b>	<b>70,250</b>

**Note 4 Income**

	Consolidated	
	31-Dec-24 \$'000	31-Dec-23 \$'000
<b>Fair value through profit and loss</b>		
Realised gains on litigation assets	18,500	10,866
Realised performance fees	18,929	8,776
Fair value adjustment during the period, net of previously recognised unrealised gains transferred to realised gains	(33,534)	2,381
Foreign exchange gains	783	(437)
Total income from litigation assets attributable to LCM	4,679	21,586
Gain on financial assets related to third-party interests in consolidated entities	21,111	30,843
	25,789	52,429
Loss on financial liabilities related to third-party interests in consolidated entities	(18,382)	(30,546)
Total income from litigation assets	7,408	21,883

Total income from litigation assets attributable to LCM represents realised and unrealised gains that relate to LCM's funded proportion of litigation contracts. The gain and loss related to third party interests in consolidated entities represents realised and unrealised gains and losses that relate to third party funded proportions from LCM controlled entities. Realised gains relate to amounts where litigation risk has concluded and amounts are expected to be received by LCM. Unrealised gains or losses relate to the fair value movement of assets and liabilities associated with litigation contracts.

**Note 5 Profit before tax**

	Consolidated	
	31-Dec-24 \$'000	31-Dec-23 \$'000
Profit before income tax expense includes the following specific expenses:		
<i>Employee benefits expense</i>		
Salaries & wages	5,074	4,530
Non-Executive directors' fees	239	228
Superannuation and pension	156	147
Share based payments expense	495	463
Other employee benefits & costs	725	570
	6,688	5,938

**Note 5 Profit before tax (continued)***Depreciation*

Plant and equipment  
Intangible assets

16	42
31	38
47	80

Net interest on borrowings  
Other finance costs

3,257	4,919
453	202
3,710	5,122

*Fund administration expense*

General administration expenses  
Placement fees

478	483
835	991
1,313	1,474

*Leases*

Short-term lease payments

462	451
-----	-----

**Note 6 Income tax expense***Numerical reconciliation of income tax expense and tax at the statutory rate*

Profit before income tax expense

Consolidated	
31-Dec-24 \$'000	31-Dec-23 \$'000
(11,662)	8,935

At the Group's statutory income tax rate of 30% (2023: 25%)

(3,499)	2,234
---------	-------

Tax effect amounts which are not deductible/(taxable) in calculating taxable income:

Foreign tax rate adjustments

819 (24)

Share-based payments

76 116

Other non-deductible expenses

368 -

Change in tax rate

- (684)

Utilisation of carried forward tax losses

(1,073) -

Income tax expense / (benefit)

(3,309)	1,642
---------	-------

**Note 7 Earnings per share**

(Loss)/profit after income tax

31-Dec-24 \$'000	31-Dec-23 \$'000
(8,353)	7,293

(Loss)/profit after income tax attributable to the owners of Litigation Capital Management Limited

(8,353)	7,293
---------	-------

Weighted average number of ordinary shares used in calculating basic earnings per share<sup>1</sup>

Number	Number
103,190,317	106,606,481

Adjustments for calculation of diluted earnings per share:

Amounts uncalled on partly paid shares

- 1,309,066

Options over ordinary shares

- 6,597,884

Weighted average number of ordinary shares used in calculating diluted earnings per share

103,190,317	114,513,431
-------------	-------------

Cents

Cents

Basic (loss)/earnings per share

(8.09) 6.84

Diluted (loss)/earnings per share

(8.09) 6.37

Dilutive potential shares which are contingently issuable are only included in the calculation of diluted earnings per share where the conditions are met.

**Note 8 Cash and cash equivalents**

Cash at Bank

Consolidated	
31-Dec-24 \$'000	30-Jun-24 \$'000
14,868	22,963
-	30,061
15,717	15,089
30,585	68,113

Investment securities held for liquidity purposes

Cash of third-party interests in consolidated entities

Cash of third-party interests in consolidated entities is restricted as it is held within the fund investment vehicles on behalf of the third-party investors in these vehicles. The cash is restricted to use cashflows in the litigation funding assets made on their behalf and costs of administering the fund.

**Note 9 Trade receivables**

	Consolidated	
	31-Dec-24 \$'000	30-Jun-24 \$'000
Due from litigation service	1,786	10,986
	<b>1,786</b>	<b>10,986</b>

As at 31 December 2024, trade receivables are expected to be settled within 12 months after the Balance Sheet date.

Allowance for expected credit losses

The Group has recognised a loss of \$nil (2023: \$nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2024.

**Note 10 Due from resolution of financial assets**

	31-Dec-24 \$'000	30-Jun-24 \$'000
<b>At start of period (1 July)</b>	3,980	11,873
Transfer from realisation of litigation funding assets	149,243	101,943
Proceeds from litigation funding assets	(46,882)	(112,990)
Other income	-	697
Foreign Exchange (loss)/gain	(1,143)	2,457
<b>Balance as at end of period</b>	<b>105,198</b>	<b>3,980</b>

**Note 11 Contract costs - litigation contracts**

	31-Dec-24 \$'000	30-Jun-24 \$'000
Contract costs - litigation contracts	47,396	42,072

There are a small number of legacy investments which are still being recorded under AASB 15 Revenue from Contracts with Customers due to the timing the contracts were entered into. These are expected to resolve in the short to medium term.

*Reconciliation of litigation contract costs*

Reconciliation of the contract costs at the beginning and end of the current period and previous financial year are set out below:

	31-Dec-24 \$'000	30-Jun-24 \$'000
Balance at 1 July	42,072	37,277
Additions during the period	5,324	8,030
Realisations of contract assets	-	(3,236)
<b>Balance as at end of period</b>	<b>47,396</b>	<b>42,072</b>

The Group has recognised impairment losses of \$nil (June 2024: \$nil) in profit or loss on contract costs for the period ended 31 December 2024.

**Note 12 Litigation Funding assets at fair value through profit or loss**

	31-Dec-24 \$'000	30-Jun-24 \$'000
<b>At start of period (as at 1 July)</b>	465,213	391,410
Deployments	19,920	45,301
Deployments - third-party interests	35,537	47,818
Realisations of litigation funding assets	(149,243)	(101,943)
Income for the period	25,790	86,926
Foreign exchange gains/(losses)	23,046	(4,300)
<b>Balance as at end of period</b>	<b>420,264</b>	<b>465,213</b>
Litigation funding assets at fair value through income statement	184,816	202,913
Litigation funding assets at fair value through income statement - third-party interests	235,448	262,300
<b>Total litigation funding assets</b>	<b>420,264</b>	<b>465,213</b>

Litigation funding assets are financial instruments that relate to the provision of capital in connection with legal finance. The Group fund through both direct investments as well as using third party capital via a fund management model. The table above sets forth the changes in litigation funding assets at the beginning and end of the relevant reporting periods.

**Note 13 Trade and other payables**

	31-Dec-24 \$'000	30-Jun-24 \$'000
Trade payables	11,546	29,789
Other payables	209	587
	<u>11,755</u>	<u>30,376</u>

**Note 14 Borrowings**

	31-Dec-24 \$'000	30-Jun-24 \$'000
Borrowings	54,851	61,917
	<u>54,851</u>	<u>61,917</u>

## Reconciliation of borrowings of LCM:

	31-Dec-24 \$'000	30-Jun-24 \$'000
Balance 1 July	61,917	68,976
Repayment of borrowings	(12,864)	(8,139)
Payments for borrowing costs	(683)	(819)
Net accrued interest	743	648
Amortisation	453	1,221
Other non-cash items	5,285	29
Balance as at end of period	<u>54,851</u>	<u>61,917</u>

On 2 December 2024, LCM refinanced its credit facility with Northleaf Capital Partners for an initial amount of US\$75,000,000, AUD equivalent of \$120,157,069<sup>1</sup> (the "Facility"), with a potential to upsize by a further US\$75,000,000 (total US\$150,000,000, AUD equivalent \$240,314,000). The Facility carries interest set at the relevant bank rate plus 5.25%. The Facility has an overall term of four years and is secured against LCM's assets. As at 31 December 2024, LCM's outstanding utilisation amounted to US\$30,000,000 on the initial credit facility, an AUD equivalent of \$48,063,000<sup>1</sup>.

LCM agreed to various debt covenants including a minimum effective net tangible worth, borrowings as a percentage of effective net tangible worth, minimum liquidity, a minimum consolidated EBIT and a minimum multiple of invested capital on concluded contract assets over a specified period. There have been no defaults or breaches related to the Facility during the period ended 31 December 2024. Should LCM not satisfy any of these covenants, the outstanding balance of the Facility may become due and payable.

LCM incurred costs in relation to arranging the Facility of \$667,000 which were reflected transactions costs and will be amortised over the 4 year term of the borrowings. As at 31 December 2024, \$652,000 of these loan arrangement fees remained outstanding.

1 Converted at the functional currency spot rates of exchange at the reporting date

**Note 15 Financial liabilities related to third-party interests in consolidated entities**

	31-Dec-24 \$'000	30-Jun-24 \$'000
Balance 1 July	264,950	243,990
Proceeds - capital contributions from Limited Partners	40,626	30,505
Payments - distributions to Limited Partners	(24,572)	(56,407)
Movement on financial liabilities related to third-party interests in consolidated entities	18,382	48,382
Other non-cash items, including foreign exchange gain/(loss)	15,596	(1,521)
Balance as at end of period	<u>314,982</u>	<u>264,950</u>

## Note 16 Equity - issued capital

	31-Dec-24 Shares	30-Jun-24 Shares	31-Dec-24 \$'000	30-Jun-24 \$'000
Ordinary shares - fully paid	102,690,913	104,118,534	59,820	69,674
Ordinary shares - loan share plan and Employee Benefit Trust	11,590,384	12,331,148	(860)	-
	<u>114,281,297</u>	<u>116,449,682</u>	<u>58,960</u>	<u>69,674</u>

### Movements in ordinary share capital

	31-Dec-24 Shares	\$'000	30-Jun-24 Shares	\$'000
Balance at 1 July	104,118,534	69,674	106,613,927	69,674
Options exercised	740,764	-	255,257	-
Share Buy-Back Programme (treasury shares)	(2,168,385)	-	(2,750,650)	-
Treasury shares cancelled	-	(9,854)	-	-
Balance at period end	<u>102,690,913</u>	<u>59,820</u>	<u>104,118,534</u>	<u>69,674</u>

The Group's share buyback programme which commenced on 5 October 2023, completed on 8 November 2024.

### Movements in ordinary shares issued under loan share plan ('LSP') and held by Employee Benefit Trust:

	31-Dec-24 Shares	\$'000	30-Jun-24 Shares	\$'000
Balance 1 July	12,331,148	-	12,586,405	-
Options exercised	(740,764)	-	(255,257)	-
LSPs exercised	(784,519)	-	-	-
LSPs purchased by EBT	784,519	(860)	-	-
Balance at period end	<u>11,590,384</u>	<u>(860)</u>	<u>12,331,148</u>	<u>-</u>

### Reconciliation of ordinary shares issued under LSP:

	31-Dec-24	30-Jun-24
Total shares allocated under existing LSP arrangements with underlying LSP shares (note 20)	6,642,872	7,501,608
Less shares allocated under existing LSP arrangements without underlying LSP shares (note 20)	(221,467)	(221,467)
Shares held by LCM Employee Benefit Trust for future allocation under employee share and option plans	<u>5,168,979</u>	<u>5,051,007</u>
	<u>11,590,384</u>	<u>12,331,148</u>

### Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

### Ordinary shares - under loan share plan ('LSP')

The Company has an equity scheme pursuant to which certain employees may access a LSP. The acquisition of shares under this LSP is fully funded by the Company through the granting of a limited recourse loan. The shares under LSP are restricted until the loan is repaid. The underlying options within the LSP have been accounted for as a share-based payment. Refer to note 20 for further details. When the loans are settled the shares are reclassified as fully paid ordinary shares and the equity will increase by the amount of the loan repaid.

### Ordinary shares - held by Employee Benefit Trust

The Employee Benefit Trust ('EBT') holds performance related shareholdings awarded to former executive which did not vest. The Trust holds 5,168,979 shares which remain unallocated as at 31 December 2024 (June 2024: 5,051,007).

### Ordinary shares - partly paid

As at 31 December 2024, there are currently 1,433,022 partly paid shares issued at an issue price of \$0.17 per share. No amount has been paid up and the shares will become fully paid upon payment to the Company of \$0.17 per share. As per the terms of issue, the partly paid shares have no maturity date and the amount is payable at the option of the holder.

Partly paid shares entitle the holder to participate in dividends and the proceeds of the Company in proportion to the number of and amounts paid on the shares held. The partly paid shares do not carry the right to participate in new issues of securities. Partly paid shareholders are entitled to receive notice of any meetings of shareholders. The partly paid shareholders are entitled to vote in the same proportion as the amounts paid on the partly paid shares bears to the total amount paid and payable.

### Treasury shares

As at 31 December 2024, there were nil treasury shares (June 2024: 2,750,650) which has resulted in nil being deducted from equity (June 2024: \$5,396,000). Treasury shares comprised shares bought back from shareholders which were held by Canaccord on behalf of LCM and classified as treasury shares. All treasury shares were cancelled in November 2024.

### Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity as recognised in the statement of financial position.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital risk management policy remains unchanged from the 30 June 2024 Annual Report.

**Note 17 Equity - dividends**

	31-Dec-24 \$'000	30-Jun-24 \$'000
Ordinary dividend paid (December 2024: 1.25 cents, June 2024: 2.25 cents)	2,680	4,976

**Franking credits**

The franking credits available to the Group as at 31 December 2024 are \$5,000 (June 2024: \$338,000).

**Note 18 Fair value measurement**

The fair value measurements used for all assets and liabilities held by the Group listed below are level 3:

Assets	31-Dec-24 \$'000	30-Jun-24 \$'000
Litigation funding assets		
APAC	106,289	111,662
EMEA	313,974	353,551
<b>Total Level 3 assets</b>	<b>420,264</b>	<b>465,213</b>
<b>Liabilities</b>		
Financial liabilities related to third-party interests in consolidated entities	314,982	264,950
<b>Total Level 3 liabilities</b>	<b>314,982</b>	<b>264,950</b>

Refer note 12 for movements in level 3 assets and note 15 for movements in level 3 liabilities. There were no transfers into or out of level 3 during the period ended 31 December 2024.

As at 31 December 2024, the financial liability due to third-party interests is \$314,982,000 (June 2024: \$264,950,000), recorded at fair value as represented in note 15. Amounts included in the consolidated statement of financial position represent the fair value of the third-party interests in the related financial assets and the amounts included in the consolidated statement of profit or loss and other comprehensive income represent the third-party share of any gain or loss during the period.

**Sensitivity of Level 3 Valuations**

The Group's fair value policy provides for ranges of percentages to be applied against the risk adjustment factor to more than 159 discrete objective litigation events. The tables below set forth each of the key unobservable inputs used to value the Group's LFA assets and the applicable ranges and weighted average by relative fair value for such inputs.

31 December 2024					
Item	Valuation technique	Unobservable Input	Min	Max	Weighted average
Litigation funding asset	Discounted cash flow	Discount rate	9.80%	10.80%	10.40%
		Duration (years)	1.75	7.58	4.78
		Adjusted risk premium	0%	85%	17%
		Adjusted risk premium - case milestone:	Min	Max	Weighted average
		Pre-commencement & commenced	0%	20%	5%
		Pleadings	5%	35%	11%
		Discovery & evidence	20%	40%	36%
		Significant ruling or other objective event prior to trial court judgment	25%	80%	46%
		Settlement	70%	85%	0%
		Trial court judgment or tribunal award	0%	85%	21%
		Appeal judgment	0%	85%	0%
		Enforcement	75%	85%	84%
					% of portfolio <sup>1</sup>

<sup>1</sup> Percentage of portfolio represents the percentage of the book within the cohort

**Note 19 Contingent liabilities**

The majority of the Group's funding agreements contain a contractual indemnity from the Group to the funded party that the Group will pay adverse costs awarded to the successful party in respect of costs incurred during the period of funding, should the client's litigation be unsuccessful. The Group's position is that for the majority of litigation projects which are subject to funding, the Group enters into insurance arrangements which lessen or eliminate the impact of such awards and therefore any adverse costs order exposure.



## Note 20 Share-based payments

The share-based payment expense for the period was \$590,000 (December 2023: \$463,000).

### Loan Funded Share Plans ('LSP')

As detailed in note 16, the Group has an equity scheme pursuant to which certain employees may access a LSP. The shares under LSP are issued at the exercise price by granting a limited recourse loan. The LSP shares are restricted until the loan is repaid. Options under this scheme can be granted without an underlying LSP share until they have been exercised and on this basis, do not form part of the Group's issued share capital. The underlying options have been accounted for as a share-based payments. The options are issued over a 1-3 year vesting period. Vesting conditions include satisfaction of customary continuous employment with the Group and may include a share price hurdle.

During the period the Group granted nil (June 2024: nil) shares under the LSP.

Set out below are summaries of shares/options granted under the LSP:

#### 31 December 2024

Grant date	Expiry date	Exercise Price	Balance at the start of the period	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the period
4/12/2017	4/12/2027	\$0.60	2,000,000	-	-	-	2,000,000
31/08/2018	31/08/2028	\$0.77	411,972	-	(411,972)	-	-
19/11/2018	25/11/2028	\$0.47	1,595,058	-	-	-	1,595,058
3/12/2018	3/12/2028	\$0.89	100,000	-	-	-	100,000
1/11/2019	1/11/2029	£0.7394	1,043,953	-	(125,259)	-	918,694
13/10/2020	13/10/2030	£0.6655	616,520	-	(158,296)	-	458,224
27/10/2021	27/10/2031	£1.06	1,512,638	-	(163,209)	-	1,349,429
27/10/2021	27/10/2031	£1.06	99,037	-	-	-	99,037 <sup>1</sup>
27/10/2021	27/10/2031	£1.14	122,430	-	-	-	122,430 <sup>1</sup>
			7,501,608	-	(858,736)	-	6,642,872

1 Options granted without an underlying LSP share until exercised ie, do not form part of the Group's issued share capital

### Deferred Bonus Share Plan ('DBSP')

The Company has in place a DBSP. Options granted under the DBSP reflect past performance and are in the form of nil cost options and will vest in three equal tranches from the date of issue and are subject to continued employment over the three year period.

In addition, the Options granted under the DBSP are subject to malus and clawback provisions. In the event of a change of control of the Company, unvested awards will vest to the extent determined by the Board, taking into account the proportion of the period of time between grant and the normal vesting date that has elapsed at the date of the relevant event.

During the period the Group granted 532,235 (June 2024: 771,911) options under the DBSP.

Set out below are summaries of options granted under the DBSP:

#### 31 December 2024

Grant date	Expiry date	Exercise Price	Balance at the start of the period	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the period
7/10/2022	7/10/2032	\$0.00	877,435	-	(442,468)	-	434,967
4/10/2023	4/10/2033	\$0.00	771,911	-	(224,079)	-	547,832
4/10/2024	4/10/2034	\$0.00	-	532,235	-	-	532,235
			1,649,346	532,235	(666,547)	-	1,515,034

**Note 20 Share-based payments (continued)****Executive Long Term Incentive Plan ('LTIP')**

The Company has in place an Executive LTIP. Options over ordinary shares in the capital of the Company ("Ordinary Shares") are issued to recipients under the LTIP plan. The options set out above have been granted under the LTIP in the form of nil cost options and are subject to performance conditions which require the growth of Funds under Management ('FuM') over a five year performance period. The performance conditions associated with the options are set out below:

- (1) 50% vesting on reaching a minimum of FuM of US\$750m; and
- (2) 100% vesting on reaching FuM of US\$1bn.

The vesting date of options granted is the later of:

- (1) the third anniversary of the Grant Date;
- (2) the satisfaction of the Performance Condition; or
- (3) the date of any adjustment under the Plan rules of the Plan at the Boards discretion.

Any awards made to the participants are subject to a five year holding period from the grant date. In the event of a change of control of the Company, unvested awards will vest to the extent determined by the Board, taking into account the proportion of the period of time between grant and the normal vesting date that has elapsed at the date of the relevant event and the extent to which any performance condition has been satisfied at the date of the relevant event.

During the period the Group granted nil (June 2024: nil) options under the LTIP.

Set out below are summaries of shares/options granted under the LTIP:

**31 December 2024**

Grant date	Expiry date	Exercise Price	Balance at the start of the period	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the period
7/10/2022	7/10/2032	\$0.0000	5,671,516	-	-	-	5,671,516
			5,671,516	-	-	-	5,671,516

For the options under LSP granted during the current period, the valuation model inputs used in the Black-Scholes pricing model to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
4/10/2024	4/10/2034	£0.98	£0.00	35.00%	1.10%	4.30%	£0.9478

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

**Note 21 Events after the reporting period**

On 21 February 2025, the Group announced that the Federal Court of Australia had ruled against its funded party, Quintis Limited. While the claim was unsuccessful, the Group is reviewing the judgment and considering an appeal, which must be filed within 28 days of final orders being made.

On 11 March 2025, the Group announced that an appeal has been filed in relation to the class action funded by the Group on behalf of Queensland electricity users against Stanwell Corporation Ltd and CS Energy Ltd. This follows the first instance judgment, which ruled against LCM's funded party, as announced on 4 December 2024.

Litigation Capital Management Limited  
31 December 2024  
DIRECTORS DECLARATION

In the directors' opinion:

the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standards and other mandatory professional reporting requirements;

the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the period ended on that date;

there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors



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Director

Dated this 18 day of March 2025

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Litigation Capital Management Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Litigation Capital Management Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

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 the Group does not comply with the *Corporations Act 2001* including:

1. Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year ended on that date; and
2. 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 Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Entity in accordance with 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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### Responsibility of management for the financial report

Management of the Entity is responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the management determine is necessary to enable the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error.



#### Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the half-year financial report does not present fairly, in all material respects, the financial position of the Entity as at 31 December 2024 and of its financial performance and its cash flows for the half-year ended on that date, accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a 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.

**BDO Audit Pty Ltd**

*BDO*

*G Rooney*

Geoff Rooney

Director

Sydney, 18 March 2025