



**ORH Limited  
and Controlled Entities**  
ABN 57 077 398 826

# Annual Report

**FOR THE YEAR ENDED 30 JUNE 2024**



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## Corporate Directory

### Directors

Domenic Martino	- Non-Executive Chairman
Boelio Muliadi	- Non-Executive Director
Jamie Detata	- Executive Director
Jackob Tsaban	- Executive Director

### Company Secretary

Louisa Youens

### Website

[www.orh.net.au](http://www.orh.net.au)

### Registered Office

Level 5  
56 Pitt Street  
Sydney NSW 2000  
T: +61 2 8823 3179  
F: +61 2 8823 3188

### Principal Place of Business

1 Central Avenue  
Hazelmere WA 6055  
T: +61 8 9250 2250

### Share Registry

Advanced Share Registry Services Pty Ltd  
110 Stirling Highway  
Nedlands Western Australia 6009  
Telephone: +618 9389 8033  
Facsimile: +618 9262 3723

### Auditors

DM Advisory Services  
3/35 Tamara Dr  
Cockburn Central WA 6164



## Directors' Report

The directors present their report, together with the financial statements on the consolidated entity consisting of ORH Limited (herein referred to as the "Company", "ORH" or "the parent entity") and the entities it controlled (the "Group") for the year ended 30 June 2024.

### Directors

The following persons were directors of the Company during the financial year and until the date of this report:

Name	Date of Appointment
Domenic Martino	7 May 2009
Jamie Detata	25 March 2010
Jackob Tsaban	19 December 2013
Boelio Muliadi	23 April 2015

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Meetings of Directors

The number of directors' meetings during the financial year and the number of meetings attended by each director during the financial year are:

Director	Board Meetings	
	Number eligible to attend	Number attended
Domenic Martino	3	3
Jamie Detata	3	3
Jackob Tsaban	3	3
Boelio Muliadi	3	3

### Information on Directors

Details of the qualifications and experience of the directors of the Company at the date of this report are set out below:

#### Mr Domenic Martino - Non-Executive Director

Mr Martino is a Chartered Accountant and an experienced director of ASX listed companies. Previously CEO of Deloitte Touch Tohmatsu in Australia, he has significant experience in the development of "micro-cap" companies.

Mr Martino is a key player in the re-birth of a broad Grouping of ASX companies including Cokal Limited, Pan Asia Corporation Limited, Clean Global Energy Limited (renamed Citation Resources Ltd) and NuEnergy Capital Limited. He has a strong reputation in China, with a lengthy track record of operating in Papua New Guinea (PNG) and Indonesia, where he has successfully closed key energy and resources deals with key local players. He has a proven track record in capital raisings across a range of markets.

Mr Martino was a recipient of the Centenary Medal 2003 for his service to Australian society through business and the arts.

During the past three years Mr Martino held the following directorships in other ASX listed companies: Cokal Ltd (24 December 2010-Current), PYX Resources Limited (formerly South Pacific Resources Limited) (3 August 2012-January 2020).

#### Mr Jamie Detata - Executive Director

Mr Detata has had extensive senior management experience in the earthmoving and mining sector over the past 25 years and is employed as the General Manager of ORH's operating subsidiaries ORH Trucks Solutions Pty Ltd and ORH Distribution Pty Ltd.



## Directors' Report

### Information on Directors (continued)

#### **Mr Jakob Tsaban - Executive Director**

Mr Tsaban is a qualified chartered accountant. He moved from Israel to Australia in 2007 and was appointed as the Chief Financial Officer for the ORH Group on 18 November 2011.

#### **Mr Boelio Muliadi - Non-Executive Director**

Mr. Muliadi is a resident of Indonesia and has a degree in Business Administration and Finance from the University of Washington, Seattle USA. Mr. Muliadi has had a diverse career, which has included businesses in the property development, retail chain, manufacturing, food and beverage, aircraft leasing, agricultural and healthcare industries.

Mr. Muliadi is a Director of Indonesia Stock Exchange listed Company PT. Cakra Mineral Tbk. PT Cakra Mineral Tbk is a manufacturer and exporter of iron ore and metal zircon sand. The Company has integrated mining business segments ranging from exploration, mining and processing to marketing.

Mr Muliadi has extensive experience and business contacts in China and has engineered a number of commercial joint ventures with Chinese enterprises on behalf of PT. Cakra Mineral Tbk. He will bring the benefit of these relationships to ORH and assist with ORH's expansion of its product line and customer base.

#### **Louisa Youens - Company Secretary**

Ms Youens provides Company secretarial and accounting services through Indian Ocean Corporate Pty Ltd. Prior to this she was the Chief Financial Officer of a private Company during its stage of seeking investor financing.

Ms Youens previously worked for a corporate finance Company, assisting with Company compliance (ASIC and ASX) and capital raisings. She also has experience working for a government organisation in its Business Development division where she performed reviews of business opportunities and prepared business case documents seeking Government funding.

Ms Youens previously worked for a major accounting firm in Perth, London and Sydney where she provided corporate advisory services, predominantly on IPOs and mergers and acquisitions and also performed due diligence reviews. She has a Bachelor of Commerce from the University of Western Australia, is a member of Chartered Accountants Australia and New Zealand, a Fellow of the Governance Institute of Australia (FGIA) and a member of the Financial Services Institute of Australasia (FINSIA).



## Directors' Report

### Directors' Equity Holdings

As at 30 June 2024, the interests of the Directors in the equity of the Company are as follows:

Name	Opening Balance 1 July 2023	Acquired during the period	Disposed of during the period	Closing Balance 30 June 2024
DV Martino <sup>1</sup>				
Ordinary Shares	37,620,385	-	-	37,620,385
JL Detata <sup>2</sup>				
Ordinary Shares	25,180,456	-	-	25,180,456
J Tsaban				
Ordinary Shares	-	-	-	-
B Muliadi <sup>3</sup>				
Ordinary Shares	87,500,000	-	-	87,500,000
<b>Total Ordinary Shares</b>	<b>150,300,841</b>	<b>-</b>	<b>-</b>	<b>150,300,841</b>

### Notes to Table

The information below reflects the indirect and direct holdings of the directors of ORH Limited as at 30 June 2024.

- Mr Martino holds 412,501 securities directly as at 30 June 2020. Mr Martino has indirect interests in shares of the Company via Indian West Pty Ltd, a Company of which Mr Martino is the sole director and shareholder, which holds 6,033,188 Fully Paid Ordinary Shares (3,016,594 of which are held on trust for the Sydney Investment Trust), Impact Nominees Pty Ltd, a Company controlled by Mr Martino, which holds 28,873,338 Fully Paid Ordinary Shares, Domenal Enterprises Pty Ltd, a Company controlled by Mr Martino, which holds 540,000 Fully Paid Ordinary Shares and Fanucci Pty Ltd as trustee for the Fanucci Trust, of which Mr Martino's wife is a beneficiary, which holds 1,761,358 Fully Paid Ordinary Shares.
- Mr Detata holds 24,186,667 Fully Paid Ordinary Shares in the Company. He is a director and shareholder of Blazeway Holdings which holds a total of 993,789 ordinary shares in the Company.
- Mr Muliadi was appointed on 23 April 2015 and consequently his opening balance of Fully Paid Ordinary Shares held is as at that date. Mr Muliadi holds 62,500,000 shares through his Company Lanesborough Investment Pte Ltd and 25,000,000 shares through Aspire Horizon Limited.

### Principal Activities

The Group includes an industrial services company that provides design and manufacturing of service trucks, water carts, tipper trucks, skip loaders, tilt trays, trailers and other trucks per customers' requirements for the mining, construction, transport and waste management industries and a dealership for used trucks sales.

No significant change in the nature of these activities occurred during the financial year.



## Directors' Report

### Review of Operations

The Group focuses on the design and manufacture of specialised vehicles, particularly for the mining and construction industries. The Group generates revenue from:

- Designing, manufacturing and selling trucks, carts and specialised vehicles;
- Selling spare parts.
- Servicing and refurbishment of vehicles; and
- Sale of used trucks.

The consolidated profit of the Group for the financial year, after providing for income tax, amounted to \$864,575 (2023: profit \$1,039,616).

The financial year EBITDA is a profit of \$1,593,035 compared to a profit of EBITDA \$1,797,161 in the prior year. Along with the increase in revenues, there is an increase in the gross margin value on the sale of products, due to product mix, which increased from \$9,404,063 in 2023 to \$10,369,584 in 2024. Yet, there is a decline in gross margin percentage is due to increased competition. The increase in the corporate administrative costs from to \$8,378,424 in 2023 to \$9,383,684 in 2024, is a result of the shortage in the employment market. During the year, there was a significant increase in employees benefit expenses do to significant shortage of skilled manufacturing staff which lead to salary increases and relying on labour hire companies.

The results from ongoing business, excluding the research and development incentive, are as follows:

	2024	2023
	\$	\$
Sales revenue	53,385,586	43,951,611
Gross margin	10,369,584	9,404,063
EBITDA	1,593,035	1,797,191
Profit before income tax	864,575	1,039,616

The Group's financial position was improved during the current financial year, with total net assets of \$460,871 (2023: net liabilities of \$403,704).

### Covid-19

As with other companies, COVID-19 has caused disruption to the Company's activities, mainly due to supply chain issues, however manufacturing activities continued with the Company remaining focused on delivering its products to its customers in the shortest possible timeframe. The Company has a focus on the welfare of its employees and has implemented measures to ensure their well-being including; health screening, change in rosters, spatial distancing protocols, as well as a allowing staff time off for vaccine.

To date, the Company and its staff and contractors based in Western Australia have been minimally impacted by the Covid-19 pandemic and continue to operate its programs as planned.

Management is actively monitoring the global situation and its impact on the Group's financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the Covid-19 outbreak and the global responses to curb its spread, the Group is not able to estimate the effects of the Covid-19 outbreak on its results of operations, financial condition, or liquidity for the 2024 financial year.

### Dividends

No dividends were paid or declared for payment during the financial year.

### Significant Changes in State of Affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in the Directors' Report or the accompanying financial statements.

There were no other significant changes in the state of affairs of the Group during the financial year.



## Directors' Report

### Events Subsequent to Reporting Date

On 27 September 2024 the Company distributed documentation to shareholders in respect of its non-renounceable pro-rata 4 for 1 entitlement offer at an issue price of \$0.0009 per share (**New Shares**) to raise up to approximately \$4.7 million (before costs) (**Entitlement Offer**). Under the Entitlement Offer, Eligible Shareholders are entitled to subscribe for 4 New Shares for every 1 existing Shares in the Company held on the Record Date, being 5.00pm (AEST) on 3 July 2024 (**Record Date**). The Entitlement Offer closes on 5 November 2024.

The Entitlement Offer, and associated conversion of existing debt facilities to equity, is the next step in the restructure of ORH Limited and will provide a platform to enable the Company to grow shareholder value going forward. Funds raised will enable the Company to advance its interests in the mining sector, to continue in its diversification and expansion into new sectors, as well as provide general working capital.

Apart from the above mentioned, no matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

### Likely Developments and Expected Results

Disclosure of information regarding likely developments in the operations of the Group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Therefore, this information should be treated as expectation only.

The Group constantly works to enhance its offering to its customers by launching new products into the market, which complies with changes in standards and demand by customers. The Group is also continually developing arrangements with suppliers or supplementing its product lines. Diversifying the Group's product line provides additional sources of revenue and profitability. In addition, sales of the Group's products result in follow-on sales opportunities, by servicing the trucks sold, refurbishing old trucks and replacing trucks.

During the next and coming financial years, the Group will be focusing on the following plans:

- Expanding its product portfolio offering to the existing industries it is working with, in order to increase its market share and penetration, relying on its high quality products.
- Expand its market to other industries that might have the need for the Group's products.
- Explore entering into new business niches that are related to its core activity of trucks manufacturing.
- Explore entering into distributing new product lines in Australia.
- Increase its market share in the used trucks sales segment.

### Environmental Regulation

The Group is not subject to any significant environmental registration under Australian Commonwealth or State law.

### Indemnifying Officers or Auditor

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

The Company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.





## Directors' Report

### Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

### Remuneration Report (audited)

This report details the nature and amount of remuneration for directors and executives of ORH Limited.

The remuneration report is set out under the following main headings:

- A. Principles used to determine the nature and amount of remuneration
- B. Share-based payments
- C. Details of remuneration
- D. Additional information

#### A. Principles Used to Determine the Nature and Amount of Remuneration

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel comprise the directors of the Company. The performance of the Group depends upon the quality of its key management personnel. To prosper the Group must attract, motivate and retain appropriately skilled directors and executives.

The Company's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

During the year the small size of the Company required that the Board determined and implemented the remuneration policy for directors and executives having regard to individual performance, relevant comparative information, and if thought appropriate, independent expert advice. A remuneration consultant has not been employed by the Company to provide recommendations in respect of remuneration, given the size of the Group and its structure.

As well as base salary, remuneration may include retirement and termination entitlements and fringe benefits. The Board sets quantitative and qualitative objectives to be achieved by the Executive Director. These objectives will be linked to and be consistent with the Company's strategic objectives and will be tied to the "at-risk" component of the executives' remuneration.

Remuneration of non-executive directors is recommended by the Board within the limits approved by the shareholders from time to time.

The Executive Director and Chief Financial Officer may be invited to attend meetings of the Board when discussing remuneration from time to time but neither may take part in any discussions regarding their own remuneration.

#### Remuneration Structure

In accordance with best practice Corporate Governance, the structure of non-executive director and executive remuneration is separate and distinct.

There are no formal agreements with Directors. Directors are paid on a month to month basis. Mr Detata and Mr Tsaban are paid via director-related entities. Mr Martino is paid directly and their remuneration includes superannuation.

#### Executive Director Remuneration

Remuneration of the executive directors consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).



## Directors' Report

### Remuneration Report (audited) (continued)

#### Executive Director Remuneration (continued)

##### Fixed remuneration

Fixed remuneration is reviewed annually by the Board. The process consists of a review of relevant comparative remuneration in the market and internally, individual performance and, where appropriate, external advice on policies and practices. The Board has access to external, independent advice where necessary.

##### Variable remuneration

##### *Short-Term Incentive*

The objective of the short-term incentives ('STI') is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. These targets are reviewed annually by the Board.

##### *Long-Term Incentive*

The long-term incentives ('LTI') include long service leave and equity-based payments. Options are awarded to executives over a period of three years based on long-term incentive measures. These include increase in the volume of products sold in the market and increase in profitability. No options have been issued since the 2014 financial year.

##### Executive director remuneration

Mr Detata's employment with the Company is on a month to month basis at a base salary of \$520,000 for the financial year (2023: \$460,000). In addition, Mr Detata receives a cash bonus based on performance criteria set by the Board, which are based on achieving EBIDTA targets, with a minimum bonus of \$120,000. For the financial year this cash bonus totalled \$nil (2023: \$nil).

Mr Tsaban is a director and Chief Financial Officer of the Company and accrues fees on a month to month basis through his personal Company at \$350,000 for the financial year (2022: \$320,833).

#### Non-Executive Director Remuneration

The Board seeks to set non-executive director aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The aggregate remuneration of non-executive directors is determined from time to time by a general meeting. The latest determination was at the Annual General Meeting held on 28 November 2013 when shareholder approved an aggregate remuneration of \$600,000 per year.

The Board has determined the fee structure for non-executive directors as set out below.

<b>Position</b>	<b>Fee</b>
Chairman of the Board	\$120,000
Non-Executive Director	\$60,000

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst the directors is reviewed annually. The Board considers advice from external advisors (if required) as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Mr Martino accrues fees on a month to month basis at \$120,000 plus superannuation for the financial year (2023: \$120,000).

Mr Muliadi was appointed on 23 April 2015. His director fees and their commencement has not been resolved by the board up to the date of this report.

There are currently no senior executives employed by the Company.



## Directors' Report

### B. Share-Based Payments

No shares were issued on the exercise of compensation options during the financial year (2023: Nil).

### Remuneration Report (audited) (continued)

#### C. Details of Remuneration

Details of Remuneration for the year ended 30 June 2024 (audited)

	Short-Term Cash Salary & Fees \$	Cash Bonus \$	Post- Employment Super- annuation \$	Share-Based Payments Equity- settled \$	Total \$
<i>Non-Executive Directors:</i>					
Domenic Martino	120,000	-	11,400	-	131,400
Boelio Muliadi	-	-	-	-	-
<i>Executive Directors:</i>					
Jamie Detata <sup>1</sup>	520,000	-	-	-	520,000
Kobi Tsaban <sup>1</sup>	350,000	-	-	-	350,000
	<b>990,000</b>	<b>-</b>	<b>11,400</b>	<b>-</b>	<b>1,001,400</b>

<sup>1</sup>Payments to Mr Detata and Mr Tsaban paid to their related entities, Blazeway Holdings Pty Ltd and Jackori Consulting respectively.

Details of Remuneration for the year ended 30 June 2023 (audited)

	Short-Term Cash Salary & Fees \$	Cash Bonus \$	Post- Employment Super- annuation \$	Share-Based Payments Equity- settled \$	Total \$
<i>Non-Executive Directors:</i>					
Domenic Martino	120,000	-	11,400	-	131,400
Boelio Muliadi	-	-	-	-	-
<i>Executive Directors:</i>					
Jamie Detata <sup>1</sup>	460,000	-	-	-	460,000
Kobi Tsaban <sup>1</sup>	320,833	-	-	-	320,833
	<b>900,833</b>	<b>-</b>	<b>11,400</b>	<b>-</b>	<b>912,233</b>

<sup>1</sup>Payments to Mr Detata and Mr Tsaban paid to their related entities, Blazeway Holdings Pty Ltd and Jackori Consulting respectively.



# Directors' Report

## Remuneration Report (audited) (continued)

### C. Details of Remuneration (continued)

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
	2024	2023	2024	2023	2024	2023
<i>Non-Executive Directors:</i>						
Domenic Martino	100%	100%	- %	- %	- %	- %
Boelio Muliadi	100%	100%	- %	- %	- %	n/a
Kevin Dundo	n/a	n/a'	n/a	n/a	n/a	- %
<i>Executive Directors:</i>						
Jamie Detata	69%	69%	31%	31%	-%	- %
Kobi Tsaban	100%	100%	-%	-%	-%	- %

The proportion of the cash bonus paid/payable or forfeited is as follows:

	Cash bonus paid/payable		Cash bonus forfeited	
	2024	2023	2024	2023
<i>Executive Directors:</i>				
Jamie Detata	-%	-%	100%	100%

### D. Additional Information

	2024	2023
	\$	\$
Sales revenue	53,385,586	43,951,611
EBITDA	1,593,035	1,797,161
Profit / (Loss) after income tax	864,575	1,039,616
	2024	2023
Total dividends declared (cents per share)	-	-
Basic earnings per share (cents per share)	0.07	0.08

*This concludes the remuneration report.*



## Directors' Report

### Non-Audit Services

Details for the amounts paid or payable to the auditor are outlined in note 19 to the financial statements. There were no non-audit services provided by auditor during the year ended 30 June 2024.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is included in the financial statements.

### Auditor

DM Advisory Services were appointed in office on 23 October 2019 in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors

**D Martino**  
Chairman

**Perth, Western Australia, 12 December 2024**



**AUDITOR'S INDEPENDENCE DECLARATION UNDER  
SECTION 307C OF THE CORPORATIONS ACT 2001**

TO THE DIRECTORS OF ORH LTD

As lead auditor for the audit of ORH Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief during the year ended 30 June 2024 there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of ORH Limited and its controlled entities during the period.

*DM Advisory Services*

DM Advisory Services

*David Makowa*

David Makowa  
Principal

Perth WA, 12 December 2024



## INDEPENDENT AUDITORS REPORT

### TO THE MEMBERS OF ORH LTD

In our opinion:

The accompanying financial report of ORH Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### ***What we have audited***

The Consolidated Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2024,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- the notes to the financial statements, which include a summary of significant accounting policies, and
- the directors' declaration.

#### ***Basis for opinion***

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Independence***

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### ***Other information***

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

***Responsibilities of the directors for the financial report***

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

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

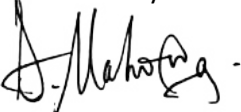
***Auditor's responsibilities for the audit of the financial report***

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.



DM Advisory Services



David Makowa  
Principal

Perth WA, 12 December 2024





## Directors' Declaration

In the directors' opinion:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year 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; and

Signed in accordance with a resolution of directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the directors

**Domenic Martino**  
Chairman

**12 December 2024**



# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Revenue and Other Income</b>			
Revenue from contracts with customers		53,385,586	43,951,611
Other income	2	26,610	13,977
<b>Expenses</b>			
Cost of sales		(42,984,143)	(34,547,548)
Employee benefits expense		(5,995,733)	(5,148,259)
Finance costs	3	(284,472)	(282,231)
Consulting fees		(890,000)	(780,833)
Rental expenses	3	(673,923)	(597,216)
Depreciation	3	(475,846)	(475,345)
Other administrative expenses		(1,243,504)	(1,094,540)
<b>Profit before income tax expense</b>		<b>864,575</b>	<b>1,039,616</b>
Income tax expense	4	-	-
<b>Profit after income tax expense for the year</b>		<b>864,575</b>	<b>1,039,616</b>
<b>Other comprehensive income</b>			
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income attributable to members of ORH Limited</b>		<b>864,575</b>	<b>1,039,616</b>
<b>Earnings per share for profit attributable to members of ORH Limited</b>			
Basic earnings per share (cents)	5	0.07	0.08
Diluted earnings per share (cents)	5	0.07	0.08

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

**+Consolidated Statement of Financial Position**

As at 30 June 2024

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	2,040,712	3,240,856
Trade and other receivables	7	1,376,451	967,625
Inventories	8	9,365,237	8,087,424
Other assets	9	287,098	268,015
<b>Total Current Assets</b>		<u>13,069,498</u>	<u>12,563,920</u>
<b>Non-Current Assets</b>			
Other assets	9	426,790	426,790
Plant and equipment	10	905,153	1,307,895
<b>Total Non-Current Assets</b>		<u>1,331,943</u>	<u>1,734,685</u>
<b>Total Assets</b>		<u>14,401,441</u>	<u>14,298,605</u>
<b>Current Liabilities</b>			
Trade and other payables	11	10,536,454	11,159,442
Lease liability	25	-	-
Borrowings	12	2,476,454	2,422,182
<b>Total Current Liabilities</b>		<u>13,012,908</u>	<u>13,581,624</u>
<b>Non Current Liabilities</b>			
Trade and other payables	11	119,392	86,629
Lease liability	25	808,270	1,034,056
<b>Total Non Current Liabilities</b>		<u>927,662</u>	<u>1,120,685</u>
<b>Total Liabilities</b>		<u>13,940,570</u>	<u>14,702,309</u>
<b>Net Assets/ (Liabilities)</b>		<u>460,871</u>	<u>(403,704)</u>
<b>Equity</b>			
Issued capital	13	44,096,158	44,096,158
Reserves	14	104,314	104,314
Accumulated losses		(43,739,601)	(44,604,176)
<b>Total Equity</b>		<u>460,871</u>	<u>(403,704)</u>

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



# Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
<b>Balance at 1 July 2022</b>	44,096,158	104,314	(45,643,792)	(1,443,320)
Profit after income tax expense for the year	-	-	1,039,616	1,039,616
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	1,039,616	1,039,616
<b>Balance at 30 June 2023</b>	44,096,158	104,314	(44,604,176)	(403,704)
<b>Balance at 1 July 2023</b>	44,096,158	104,314	(44,604,176)	(403,704)
Profit after income tax expense for the year	-	-	864,575	864,575
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	864,575	864,575
<b>Balance at 30 June 2024</b>	44,096,158	104,314	(43,739,601)	460,871

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

**Consolidated Statement of Cash Flows**

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		58,272,716	49,001,746
Payment to suppliers and employees (inclusive of GST)		(59,206,166)	(48,721,422)
		(923,450)	280,324
Interest received		26,610	13,977
Interest paid		(284,472)	(282,231)
<b>Net cash from operating activities</b>	24	<b>(1,181,312)</b>	<b>12,070</b>
<b>Cash flows from investing activities</b>			
Payment for purchase of plant and equipment		(73,104)	(75,510)
<b>Net cash flows used in investing activities</b>		<b>(73,104)</b>	<b>(75,510)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		54,272	49,845
Repayment of lease liability		-	-
Repayment of borrowings		-	-
<b>Net cash flows used in financing activities</b>		<b>24,272</b>	<b>49,845</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,200,144)</b>	<b>(13,595)</b>
Cash and cash equivalents at the beginning of the financial year	6	3,240,856	3,254,451
<b>Cash and cash equivalents at the end of the financial year</b>	6	<b>2,040,712</b>	<b>3,240,856</b>

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



## Notes to the Consolidated Financial Statements

### Note 1. Significant Accounting Policies

The Consolidated financial report covers the consolidated entity of ORH Limited ("the Company" or "ORH") and its controlled entities ("Consolidated Entity" or "Group"). ORH Limited is a non-listed public Company, incorporated and domiciled in Australia.

The separate financial statements of the parent entity, ORH Limited, have not been presented within this consolidated financial report as permitted by the Corporations Act 2001.

The consolidated financial report was authorised for issue on 12 December 2024 by the Board of Directors. The Directors have the power to amend and reissue the financial statements.

### Basis of Preparation

These general purpose consolidated financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for profit oriented entities. These consolidated financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

#### *Historical cost convention*

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

#### *Critical accounting estimates*

The preparation of the consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed below.

### Principles of Consolidation

A controlled entity is any entity that ORH Limited has the power to control the financial and operating policies so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 22 to the consolidated financial statements. All controlled entities have a June financial year-end.

All inter-Company balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where

necessary to ensure consistencies with those policies applied by the parent entity. Where controlled entities have entered or left the Consolidated Entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

### Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.



## Notes to the Consolidated Financial Statements

### Note 1. Significant Accounting Policies (continued)

#### Principles of Consolidation (continued)

#### Income Tax (continued)

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### *Tax Consolidation*

ORH Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation.

The head entity, ORH Limited, and the controlled entities in the tax consolidated Group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated Group continues to be a stand-alone taxpayer in its own right.

As the tax consolidated group has not entered into a tax funding agreement, no compensation has been received or paid for any current tax payable or deferred tax assets relating to tax losses assumed by the parent entity since implementation of the tax consolidation regime.

#### Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below.

Revenue is recognised for the major business activities as follows:

#### *(i) Sale of goods*

The group manufactures and sells water trucks and service trucks to the mining and construction industries. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full control over the products, and there is no unfulfilled obligation that could affect the customer's

acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

#### *(ii) Interest income*

Interest income is recognised on a time proportion basis using the effective interest method.

#### *(iii) Research and development incentive*

Research and development incentives are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the rebates will become receivable.

All revenue is stated net of the amount of goods and services tax (GST).



## Notes to the Consolidated Financial Statements

### Note 1. Significant Accounting Policies (continued)

#### Revenue and other income (continued)

##### Foreign currency translation

###### (i) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group consolidated financial statements are presented in Australian dollars, which is ORH Limited's functional and presentation currency.

###### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

##### Leases

The Group adopted AASB 16 *Leases* with a date of initial application of 31 July 2019. As a result, the Group has changed its accounting policy for lease contracts as detailed below. In accordance with the transitional provisions in AASB 16, the new rules have been adopted retrospectively with the cumulative effect of initially applying the new standard recognised on 1 July 2019. Comparatives for the 2018 financial year have not been restated. The details of the changes in accounting policies are disclosed below.

###### (i) Accounting policy change – lessee

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to the ownership of the underlying assets to the Group. Under AASB 16, the Group recognises right-of-use assets and lease liabilities for property leases.

###### (ii) Leases classified as operating leases under AASB 117

On adoption of AASB 16, the group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of AASB 117 *Leases*. These lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 July 2019. Right-of-use assets are measured at the same value as the lease liability on initial adoption but using the incremental borrowing rate as at 1 July 2019.

The Group used the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Used hindsight when determining the minimum lease payments, taking into account rent abatements applied after adoption during the year.

###### (iii) Impact on financial statements

On transition to AASB 16, the Group recognised \$2.6 million of right-of-use asset and lease liability. When measuring lease liability, lease payments are discounted using the incremental borrowing rate.

##### Consolidated

Operating lease commitments disclosed as at 30 June 2024

\$

506,974

##### Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the consolidated statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.





## Notes to the Consolidated Financial Statements

### Note 1. Significant Accounting Policies (continued)

#### Cash and cash equivalents

Cash include cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

#### Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

The group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2022 or 1 July 2021 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

#### Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials. Costs are assigned to individual items of inventory on basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to the Consolidated Entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the Consolidated Statement of Profit or Loss and Other Comprehensive Income during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. When revalued assets are sold, it is Group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

#### Depreciation

The depreciable amount of all fixed assets including capitalised leased assets, is depreciated on a straight line value basis over their useful lives to the Consolidated Entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.



## Notes to the Consolidated Financial Statements

### Note 1. Significant Accounting Policies (continued)

#### Plant and equipment (continued)

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10% - 33%
Motor vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial report date.

#### Trade and other payables

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year which are unpaid. The amounts are generally paid within 60 days of recognition of the liability.

#### Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

#### Provisions

Provisions are recognised when the Consolidated Entity has a present obligation, legal or constructive, as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

#### Employee benefits

##### (i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

##### (ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on Corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

##### (iii) Retirement benefit obligations

Contributions are made by the Group to employee nominated superannuation funds and are charged as expenses when incurred.

#### Financial instruments

##### Classification

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.



## Notes to the Consolidated Financial Statements

### Note 1. Significant Accounting Policies (continued)

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables (note 7) and other financial assets (note 9) in the statement of financial position.

#### *Impairment*

The Consolidated Entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or Group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2022 or 1 July 2021 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The loss is recognised in the statement of profit and loss.

#### **Contributed equity**

Ordinary shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received. Any transactions costs arising on the issue of ordinary shares are fully recognised directly in equity as a reduction of the proceeds received.

#### **Earnings per share**

##### *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Consolidated Entity, adjusted to exclude costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

##### *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

#### **New, revised or amending Accounting Standards and Interpretations adopted**

The group has applied AASB 16 *Leases* for the first time for their annual reporting period commencing 1 July 2019. No other interpretations had a significant effect on the financial statements of the Group. The changes in accounting policy resulting from the adoption are included in the accounting policy for leases above.

Other new and amended standards and Interpretations issued by the AASB have been determined by the Company to have no impact, material or otherwise, on its business and therefore no further changes, other than those mentioned above, are necessary to Company accounting policies. No retrospective change in accounting policy or material



## Notes to the Consolidated Financial Statements

reclassification has occurred requiring the inclusion of a third Statement of Financial Position as at the beginning of the comparative financial period, as required under AASB 101.

### Changes in accounting policies and impact of new accounting standards

The accounting policies of the Company are consistent with those disclosed in the previous financial statements except for the impact of the new or amended standards and interpretations effective 1 July 2019. The new accounting policies for these standards have been set out above.

The effects of initially applying the new standards on the Company's financial statements are as follows:  
The adoption of AASB 9 has resulted in changes in accounting policies but has had no significant impact on the financial statements.

### New Accounting Standards and Interpretations not yet adopted

At the date of authorisation of the financial statements, no new Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective.

### Critical accounting estimates and judgments

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the consolidated financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### *Provision for impairment of receivables*

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors financial position.

#### *Critical judgements in determining the lease term*

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of warehouses, retail stores and equipment, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the group is typically reasonably certain to extend (or not terminate)
- If any leasehold improvements are expected to have a significant remaining value, the group is typically reasonably certain to extend (or not terminate)
- Otherwise, the group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The extension options in office leases have not been included in the lease liability, because the group could replace the assets without significant cost or business disruption and there is a plan to move the larger premises at the end of the current lease.

The lease term is reassessed if an option is actually exercised or the group becomes obliged to exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

#### *Impairment*

The Consolidated Entity assesses impairment at each reporting date by evaluating conditions specific to the consolidated entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.



## Notes to the Consolidated Financial Statements

### Note 1. Significant Accounting Policies (continued)

#### Critical accounting estimates and judgments (continued)

##### *Inventory net realisable values and impairment assessments*

Inventory is valued at the lower of cost or net realisable value. Assessments are performed annually and are based on management's estimates of future market conditions. The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

##### *Income tax*

The Consolidated Entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Consolidated Entity recognises liabilities for anticipated tax audit issues based on the Consolidated Entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

##### *Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the Consolidated Entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

##### *Long service leave provision*

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

##### *Research and development incentive*

The income from Research and development incentive is recognised and measured at the present value of the Research and development incentive claim lodged with the Department of Industry Innovation and Science. In determining the present value of the income, estimates of costs related to research and development have been taken into account.



## Notes to the Consolidated Financial Statements

### Note 2 – Other income

	2024 \$	2023 \$
Interest income	26,610	13,977
Total Other income	26,610	13,977

### Note 3 – Expenses

	2024 \$	2023 \$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	65,548	58,868
Motor vehicles	4,718	10,898
Right of use asset	405,579	405,579
Total depreciation	475,846	475,345
<i>Rental expense relating to operating leases</i>		
Minimum lease payments	673,923	597,216
<i>Superannuation expense</i>		
Defined contribution superannuation expense	460,763	418,929
<i>Finance costs</i>		
Interest on borrowings and lease liability	284,742	282,231



# Notes to the Consolidated Financial Statements

## Note 4 - Income Tax

	2024 \$	2023 \$
(a) Income tax expenses		
Current tax	-	-
Deferred tax	-	-
Over provision for prior year	-	-
Aggregate income tax expense	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Tax at the Australian tax rate of 27.5% (2023: 27.5%)	237,758	200,396
Add: Tax effect of Non-deductible expenditure		
- Tax effect of research and development incentive		
- Sundry assessable /non-deductible amounts	5,974	4,944
Current tax losses not recognised	(237,784)	(205,340)
Income tax expense	-	-
(c) Tax losses		
Unused tax losses for which no deferred tax has been recognised	9,107,578	9,939,327
Potential tax benefit @ 27.5% (2023: 27.5%)	2,504,584	2,733,315

Unused tax losses for which no deferred tax asset has been recognised are estimated and subject to final submission of income tax returns for preceding financial years.

## Note 5 - Earnings Per Share

	2024 \$	2023 \$
Basic		
Profit/ (loss) per share for loss from continuing operations attributable to the ordinary holders of the Company	864,575	1,039,616
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and dilutive loss per share	1,318,934,612	1,318,934,612
Earnings/ (loss) per share for losses attributable to the ordinary holders of the Company (cents per share)	0.07	0.08

## Note 6 – Cash and Cash Equivalents

	2024 \$	2023 \$
Cash at bank and on hand	2,040,712	3,240,856



## Notes to the Consolidated Financial Statements

### Note 7 - Trade and Other Receivables

	2024 \$	2023 \$
<b>Current</b>		
Trade receivables	1,442,787	1,013,961
Less: Expected credit loss allowance	(46,336)	(46,336)
	<u>1,376,451</u>	<u>967,625</u>

#### *Impairment of receivables*

An expected credit loss allowance loss of \$31,363 has been recognised (2021: \$nil) in the profit or loss in respect of impairment of receivables for the year ended 30 June 2021. This impairment relates to balances past due greater than 90 days below.

The ageing of receivables is as follows:

	2024 \$	2023 \$
Current	1,104,814	844,831
31-60 days overdue	129,777	36,140
61-90 days overdue	20,809	43,765
Greater than 90 days overdue	167,386	89,225
	<u>1,422,787</u>	<u>1,013,961</u>

Movements in the provision for impairment of receivables are as follows:

	2024 \$	2023 \$
Balance at beginning of year	46,336	46,336
Amounts written off during the year	-	-
Provision created during the year	-	-
Balance at end of year	<u>46,336</u>	<u>46,336</u>

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables mentioned above. The consolidated entity does not hold any collateral as security. Refer to note 23 for more information on risk management, foreign currency risk and interest rate risk.

### Note 8 - Inventories

	2024 \$	2023 \$
Raw materials	4,789,677	3,089,703
Work in progress	4,575,560	4,990,470
Used trucks	-	7,250
	<u>9,365,237</u>	<u>8,087,423</u>





## Notes to the Consolidated Financial Statements

## Note 9 - Other Assets

	2024 \$	2023 \$
Current		
Prepayments	287,098	268,015
Deposits paid	-	-
Deposit for import of goods <sup>1</sup>	1,500,000	1,500,000
Provision for impairment <sup>1</sup>	(1,500,000)	(1,500,000)
	-	-
Total Other Assets - Current	287,098	268,015
Non-current		
Lease deposits	426,790	426,790

<sup>1</sup> On 24 October 2014 the Company signed a contract with Delli Alliance, an Indonesian Company, to import and distribute cement mixers and tanks, manufactured in Indonesia and paid a deposit of \$1,500,000. To the date of this report, the Company has not received the goods. While the Company believes the goods will be provided or funds will be repaid, a provision for impairment had been recognised for the deposit amount.

## Note 10 - Plant and Equipment

	Right of use asset \$	Plant and equipment \$	Motor vehicles \$	Total \$
<b>As at 30 June 2024</b>				
At cost	2,534,871	1,301,065	391,851	4,227,787
Accumulated depreciation	(2,027,895)	(858,550)	(183,338)	(3,069,783)
Impairment <sup>1</sup>	-	(144,475)	(108,375)	(252,850)
	506,976	298,039	100,138	(905,153)
<b>As at 30 June 2023</b>				
At cost	2,534,871	1,197,663	422,150	4,154,684
Accumulated depreciation	(1,622,316)	(793,003)	(178,620)	(2,593,939)
Impairment <sup>1</sup>	-	(144,475)	(108,375)	(252,850)
<b>Total</b>	912,555	260,185	135,155	1,307,895

<sup>1</sup> On 19 April 2016, the engineering business was sold to a new wholly owned subsidiary in the Group, ORH Trucks Solutions Pty Ltd, due to the need to restructure the Group to facilitate the substantial new investment being negotiated with Chinese parties. As part of the sale process, the business assets was assessed at fair value of \$260,650 and as a result, the carrying value of plant and equipment were impaired as at 30 June 2015, as noted above.



## Notes to the Consolidated Financial Statements

### Note 10 - Plant and Equipment (continued)

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the financial year are set out below:

	Right of use asset \$	Plant and equipment \$	Motor vehicles \$	Total \$
<b>As at 30 June 2024</b>				
Balance at beginning of the year	912,555	260,185	135,155	1,307,895
Additions	-	103,142	-	103,402
Disposals	-	-	(30,299)	(30,299)
Depreciation for year	(405,579)	(65,548)	(4,718)	(475,846)
Balance at end of the year	506,976	298,039	100,138	905,153
<b>As at 30 June 2023</b>				
Balance at beginning of the year	1,318,134	280,385	109,211	1,707,730
Additions	-	38,668	36,842	75,510
Disposals	-	-	-	-
Depreciation for year	(405,579)	(58,868)	(10,898)	(475,345)
Balance at end of the year	912,555	260,185	135,155	1,307,895

### Note 11 - Trade and Other Payables

	2024 \$	2023 \$
Trade payables	5,081,249	3,623,048
Other payables	742,498	568,999
Trade and other payables – related parties	2,715,304	2,345,982
Contract liabilities	1,789,984	4,447,863
Employee Benefits Provision - Current	207,420	173,550
Total current trade and other payables	10,536,454	11,159,442
Employee Benefits Provision – Non Current	119,392	86,629
	10,772,681	11,246,071

All amounts included in the current employee benefits provision are expected to be settled within the next 12 months. The contract liabilities of \$4,447,863 from prior year were recognised in profit or loss in the current financial year.



## Notes to the Consolidated Financial Statements

### Note 12 – Borrowings

	2024 \$	2023 \$
Current		
Loan – J Detata	592,737	529,840
Loan – K Tsaban	333,100	333,100
Loan – Orient Finance Australia Pty Limited	90,000	90,000
Total borrowings from related parties	1,015,837	952,940
Loan – Filmrim Pty Ltd	38,428	48,428
Loan - Graceview Pty Ltd	199,098	199,098
Loan - Chaleyer Holding Pty Ltd	118,184	188,184
Debtor factoring facility – AFC	1,104,908	1,033,532
	2,476,454	2,422,182

### Repayment terms and conditions

The loan from Chaleyer Holdings Pty Limited bears interest at 20% and is unsecured and repayable on demand. Interest for 2024 was waived. Details of related party loans (J Detata, K Tsaban, Orient Finance Australia Pty Limited) terms and conditions are contained in Note 20 – Related Parties. The debtor factoring facility with AFC attracts a debtor finance fee of 3.5% and is on end of month plus 60 days repayment terms. Remaining loans bear interest at market rates, are unsecured, and repayable on demand. Interest for remaining loans was waived in 2024.

### Note 13 - Issued Capital

	Parent Entity			
	2024		2023	
	Number of Shares	\$	Number of Shares	\$
<b>Ordinary Shares</b>				
At the beginning of the year	1,318,934,612	44,096,158	1,318,934,612	44,096,158
Issued to shareholders, net of transaction costs	-	-	-	-
At end of year	1,318,934,612	44,096,158	1,318,934,612	44,096,158

At the shareholders' meeting, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

### Note 14 - Reserves

The share based payment reserve arises through the recognition of expenses relating to the issue of share options.

	2024 \$	2023 \$
Share based payment reserve	104,314	104,314
	104,314	104,314



## Notes to the Consolidated Financial Statements

### Note 15 - Dividends

No dividends have been declared or paid during the year ended 30 June 2023, nor in the prior period, and the Directors do not recommend the payment of a dividend in respect of the year ended 30 June 2023.

### Note 16 - Commitments

#### Lease commitments

The Company has entered into operating lease agreements with:

- The property owners of the premises at 1 Central Avenue, Hazelmere ("Hazelmere lease"). The Hazelmere lease was extended on 19 February 2019 and expires on 30 September 2025.
- The property owners of the premises at 207 Bushmead Road, Hazelmere ("Bushmead lease") on 1 February 2022. The Bushmead lease expires on 31 January 2026.

	2024 \$	2023 \$
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	868,992	810,135
One to five years	366,048	1,111,550
	<u>1,235,041</u>	<u>1,921,685</u>

### Note 17 - Contingent Liabilities

To the date of the financial report, apart from what have been disclosed in the financial statements, there are no contingent liabilities to the consolidated entity.



## Notes to the Consolidated Financial Statements

### Note 18 - Segment Reporting

#### Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the management team (chief operating decision makers) in assessing performance and determining the allocation of resources. For management purposes, the Group is organised in two different businesses:

- Engineering services - provides design and manufacturing of service trucks, water carts, tipper trucks and other trucks per customers' requirements for the mining and construction and waste management industries.
- Distribution services - a dealership for used trucks sales.

According to AASB 8 *Segment reporting*, an operating segment is a component of an entity:

(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);

(b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and

(c) for which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues, for example, start-up operations may be operating segments before earning revenues."

While in previous year's, the Group reported each subsidiary as an operating segment, in current year, the Group reported only one business segment. which is the Engineering business.

#### Business segment

For management purposes the Group is organised into two major strategic units, being Engineering services and Distribution.

The operating segment analysis presented in these financial statements reflects the operation analysis by business. It best describes the way the Group is managed and provides a meaningful insight into the business activities of the Group. The following tables present details of revenue and operating profit by operating segment as well as a reconciliation between the information disclosed for reportable segments and the aggregated information in the financial statements. The information disclosed in the tables below is derived directly from the internal financial reporting system used by corporate management to monitor and evaluate the performance of its operating segments separately.

#### Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. Segment assets if clearly identifiable to a particular segment on the basis of their nature are allocated directly. Segment assets include trade receivables and intangible assets which are allocated based on segments' overall proportion of revenue generation within the Group.



## Notes to the Consolidated Financial Statements

### Note 18 - Segment Reporting (continued)

#### Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and provision of staff benefits which are allocated based on segments' overall proportion of revenue generation within the Group.

	Engineering \$	Distribution \$	Total \$
<b>2024</b>			
For the year ended 30 June 2024:			
Revenues from external customers	52,295,727	1,089,860	53,385,586
Reportable segment profit before income tax	1,122,518	(38,148)	1,084,371
Reportable segment assets at 30 June 2024	14,329,095	61,121	14,390,217
Reportable segment liabilities at 30 June 2024	11,207,187	19,297	11,226,484
<b>2023</b>			
For the year ended 30 June 2023:			
Revenues from external customers	42,192,381	1,759,229	43,951,611
Reportable segment profit before income tax	1,130,843	201,998	1,322,841
Reportable segment assets at 30 June 2023	14,041,246	249,602	14,290,847
Reportable segment liabilities at 30 June 2023	11,757,281	164,342	11,921,624
	<b>2024</b>	<b>2023</b>	
	\$	\$	
<b>Reconciliation of reportable segment profit or loss</b>			
Total profit for reportable segments	1,084,371	1,322,841	
Unallocated overheads	(219,796)	(283,225)	
<b>Profit from continuing operations before tax</b>	<b>864,575</b>	<b>1,039,616</b>	
<b>Reconciliation of reportable segment assets</b>			
Reportable segment assets	14,390,217	14,290,847	
Unallocated assets	11,224	7,757	
<b>Total assets</b>	<b>14,401,441</b>	<b>14,298,605</b>	
<b>Reconciliation of reportable segment liabilities</b>			
Reportable segment liabilities	11,226,484	11,921,624	
Unallocated borrowings	2,714,085	2,780,685	
<b>Total liabilities</b>	<b>13,940,570</b>	<b>14,702,309</b>	

#### Geographic Segment

The Consolidated Entity's operations are based solely in Australia.



## Notes to the Consolidated Financial Statements

### Note 19 – Auditor's Remuneration

During the financial year the following fees were paid or payable for services provided by DM Advisory Services - Audit, the auditor of the Company, its network firms and unrelated firms:

	2024 \$	2023 \$
<i>Audit services – DM Advisory Services - Audit</i>		
Audit or review of the financial statements	36,000	32,950
	<u>36,000</u>	<u>32,950</u>

### Note 20 - Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Transactions with related parties:

#### (a) Ultimate parent Company

ORH Limited is the ultimate Australian parent company.

#### (b) Controlled entities

Interests in controlled entities are set out in Note 22.

During the year, funds have been advanced between entities within the Consolidated Entity for the purposes of working capital requirements only. All loans between entities are interest free and have no fixed repayment date.

#### (c) Transactions with Director related parties

The following transactions occurred with related parties:

	2024 \$	2023 \$
Payment for goods and services:		
Payment for Company secretarial services - Indian Ocean Corporate Pty Limited, a Company related to Domenic Martino	60,000	60,000
Transactions with Blazeway Holdings, a Company controlled by Jamie Detata.		
- Consultancy fees including performance related payments	520,000	460,000
Transactions with Cooper Cove, a Company controlled by Jamie Detata.		
- Paint of trucks and trucks bodies	2,488,742	2,478,042
Transactions with Jackori Consulting, a Company controlled by Jakob Tsaban.		
- Consultancy fees	350,000	320,833



## Notes to the Consolidated Financial Statements

### Note 20 - Related Party Transactions (continued)

#### (d) Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2024 \$	2023 \$
Current payables:		
Blazeway Holdings	117,000	183,000
Jackori Consulting	83	13,383
Indian Ocean	240,000	245,500
Domenic Martino	847,000	847,000
Cooper Cove	1,399,771	956,449
DVM	112,050	100,650
	<u>2,715,304</u>	<u>2,345,982</u>

#### (e) Loans to/from related parties

The following loans from related parties exist at current and previous reporting date:

	2024 \$	2023 \$
Jamie Detata	592,737	383,736
Jackob Tsaban	333,100	333,100
Orient Finance Australia Pty Ltd	90,000	90,000
	<u>1,015,837</u>	<u>806,836</u>

Of the above liabilities, loans from J Detata, J Tsaban and Orient Finance Australia Pty Limited are related party loans and are unsecured, bear interest at 20% (loans from J Detata and J Tsaban) and 12% (loan from Orient Finance Australia Pty Limited) and are repayable on demand. No interest was charged for this financial year.

### Key management personnel

#### Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2024 \$	2023 \$
Short-term employee benefits	990,000	900,233
Post-employment benefits	11,400	11,400
Long-term benefits	-	-
Share-based payments	-	-
	<u>1,001,400</u>	<u>912,233</u>





## Notes to the Consolidated Financial Statements

### Note 21 - Parent Entity Information

	2024 \$	2023 \$
Current assets	10,497	7,030
Non-current assets	728	728
<b>Total assets</b>	<b>11,225</b>	<b>7,758</b>
Current liabilities	2,675,659	2,780,686
Non-current liabilities	-	-
<b>Total liabilities</b>	<b>2,675,659</b>	<b>2,780,686</b>
<b>Total Net Assets/ (liabilities)</b>	<b>(2,664,434)</b>	<b>(2,772,928)</b>
Contributed equity	44,096,158	44,096,158
Reserves	104,314	104,314
Accumulated losses	(46,864,906)	(46,973,400)
<b>Total equity</b>	<b>(2,664,434)</b>	<b>(2,772,928)</b>
Profit/ Loss for the year	(219,834)	41,579
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<b>(219,834)</b>	<b>41,579</b>

### Note 22 - Controlled Entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy in Note 1.

	Country of Incorporation	Percentage Owned (%)	
		2024	2023
<b>Parent entity:</b>			
ORH Limited	Australia		
<b>Subsidiaries of ORH Limited:</b>			
ORH Trucks Solutions Pty Ltd	Australia	100%	100%
ORH Distribution Pty Ltd	Australia	100%	100%

The parent and ultimate controlling party of the ORH Limited Group is ORH Limited.

The proportion of ownership interest is equal to the proportion of voting power held.

### Note 23 - Financial Risk Management

The Consolidated Entity's activities might expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk. The Consolidated Entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Consolidated Entity. To date, the Consolidated Entity has not used derivative financial instruments. The Consolidated Entity uses sensitivity analysis to measure interest rate and aging analysis for credit risk. Risk management is carried out by the Chief Financial Officer (CFO) under policies approved by the Board of Directors. The CFO identifies, evaluates and mitigates financial risks in close cooperation with senior management.



## Notes to the Consolidated Financial Statements

### Note 23 - Financial Risk Management (continued)

#### (a) Market risk

##### (i) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities that are denominated in a currency that is not the Consolidated Entity's functional currency. As at 30 June 2022, the Group had no exposure to foreign exchange risk.

##### (ii) Price risk

The Group's exposure to commodity and equity security price risk is minimal.

##### (iii) Cash flow and fair value interest rate risk

The Group's exposure to market interest rates relates primarily to the Group's short term deposits held. The effect of volatility of interest rates within expected reasonable possible movements would not be material. The Group's fixed rate borrowings are carried at amortised cost and are therefore not subject to interest rate risk as defined by AASB 7.

#### (b) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any allowance for doubtful debts, as disclosed in the balance sheet and notes to the financial report.

At 30 June 2024, the Group's exposure to material credit risk exposures to any single receivable or Group of receivables is minimal.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk.



## Notes to the Consolidated Financial Statements

### Note 23 - Financial Risk Management (continued)

#### (c) Liquidity risk

The Group manages liquidity risk by monitoring cash flow and maturity profiles of financial assets and liabilities.

	Consolidated Entity			
	<=6 months	6 - 12	1 – 5 years	Total
	\$	months		\$
		\$	\$	
<b>As at 30 June 2024</b>				
<b>Financial assets</b>				
Cash and cash equivalents	2,040,712	-	-	2,040,712
Trade and other receivables	1,376,451		-	1,376,451
Other financial assets	287,098	-	426,790	713,889
	3,704,262	-	426,790	4,131,052
<b>Financial liabilities</b>				
Trade and other payables <sup>1</sup>	7,821,150	2,715,304	-	10,536,454
Borrowings <sup>1</sup>	1,104,908	1,371,546	-	2,476,454
	8,926,058	4,086,850	-	13,012,908
Net maturity	(5,221,797)	4,086,850	426,790	(8,881,857)
<b>As at 30 June 2023</b>				
<b>Financial assets</b>				
Cash and cash equivalents	3,240,856	-	-	3,240,856
Trade and other receivables	967,625		-	967,625
Other financial assets	268,015	-	426,790	694,805
	4,476,496	-	426,790	4,903,286
<b>Financial liabilities</b>				
Trade and other payables	8,813,460	2,345,982	-	11,159,442
Borrowings <sup>1</sup>	1,489,242	952,950	-	2,422,192
	10,302,702	3,285,562	-	13,601,634
Net maturity	(5,826,206)	(3,298,922)	426,790	(8,698,348)

<sup>1</sup> The remaining balance of the borrowings, owed to related parties and related parties creditors and other payables, are repayable subject to the Consolidated entities cash flow availability.

#### (d) Fair value risk

The following methods and assumptions are used to determine the net fair values of financial assets and financial liabilities:

Cash and cash equivalents: The carrying amount approximates fair value because of the short term to maturity.

Trade receivables and payables: The carrying amount approximates fair value because of settlement terms.



## Notes to the Consolidated Financial Statements

### Note 23 - Financial Risk Management (continued)

Borrowings: The carrying amount approximates fair value because of the short term to maturity.

Terms, Conditions and Accounting Policies: The Company's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at the balance date.

Due to their nature, the carrying amounts of current receivables, current trade and other payables and borrowings, are assumed to approximate their fair values

#### (e) Capital risk management

The consolidated entity's objectives when managing capital are 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.

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

The consolidated entity would look to raise capital when an opportunity to invest in a business or Company was seen as value adding relative to the current parent entity's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these are given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

### Note 24 - Cash Flow Information

#### Reconciliation of Cash Flow from Operating Activities

	2024 \$	2023 \$
Profit/(loss) for the year after income tax	864,575	1,039,616
Adjusted for:		
Non-cash flows included in loss from ordinary activities		
Depreciation and amortisation	475,846	475,345
Exchange rate differences loss on loans		
Changes in assets and liabilities:		
Decrease/ (increase) in trade and other receivables and other assets	(427,813)	579,054
Decrease /(increase) in inventories	(1,277,813)	(2,829,622)
(Decrease)/Increase in trade and other payables	(816,011)	747,677
Net cash flow from operating activities	(1,181,312)	12,070



## Notes to the Consolidated Financial Statements

### Note 25 – Leases

#### Amounts recognised in the Consolidated Statements of Financial Position

The Consolidated Statement of Financial Position shows the following amounts relating to leases:

#### Right-of-use assets

##### Consolidated

	Property
	\$
Balance at 1 July 2023	912,555
Depreciation charge for the year	(405,579)
<b>Balance at 30 June 2024</b>	<b>506,976</b>

#### Lease liability

##### Consolidated

	\$
Balance at 1 July 2023	812,526
Interest incurred	33,798
Interest paid on lease liabilities	(33,798)
Payment of lease liabilities	(225,786)
<b>Balance at 30 June 2024</b>	<b>586,741</b>
- Current	-
- Non current	586,741

#### Right-of-use assets

##### Consolidated

	Property
	\$
Balance at 1 July 2022	1,318,134
Depreciation charge for the year	(405,579)
<b>Balance at 30 June 2023</b>	<b>912,555</b>

#### Lease liability

##### Consolidated

	\$
Balance at 1 July 2022	1,461,726
Interest incurred	36,451
Interest paid on lease liabilities	(36,451)
Payment of lease liabilities	(427,671)
<b>Balance at 30 June 2023</b>	<b>1,034,055</b>
- Current	-
- Non current	1,034,055

### 2024

#### Maturity analysis – contractual undiscounted cash flows

	1 year or less	>1 to 2 years	>2 to 5 years	Over 5 years	Remaining contractual maturities
	\$	\$	\$	\$	\$
Lease liabilities	476,972	119,615	-	-	596,587

### 2023

#### Maturity analysis – contractual undiscounted cash flows

	1 year or less	>1 to 2 years	>2 to 5 years	Over 5 years	Remaining contractual maturities
	\$	\$	\$	\$	\$
Lease liabilities	810,136	810,136	301,414	-	1,921,685



Notes to the Consolidated Financial Statements

Note 25 – Leases (continued)

Amounts recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income

The Consolidated Statement of Profit or Loss and Other Comprehensive Income shows the following amounts relating to leases:

Consolidated	2024
	\$
Interest on lease liabilities	(33,798)

Note 26 - Events Subsequent to Reporting Date

On 27 September 2024 the Company distributed documentation to shareholders in respect of its non-renounceable pro-rata 4 for 1 entitlement offer at an issue price of \$0.0009 per share (**New Shares**) to raise up to approximately \$4.7 million (before costs) (**Entitlement Offer**). Under the Entitlement Offer, Eligible Shareholders are entitled to subscribe for 4 New Shares for every 1 existing Shares in the Company held on the Record Date, being 5.00pm (AEST) on 3 July 2024 (**Record Date**). The Entitlement Offer closes on 5 November 2024.

The Entitlement Offer, and associated conversion of existing debt facilities to equity, is the next step in the restructure of ORH Limited and will provide a platform to enable the Company to grow shareholder value going forward. Funds raised will enable the Company to advance its interests in the mining sector, to continue in its diversification and expansion into new sectors, as well as provide general working capital.

Apart from the above mentioned, no matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.