2022 ANNUAL REPORT

AGM

Annual General Meeting

Boom Logistics will hold its 2022 Annual General Meeting at 11.00am on Friday, 25th November 2022. Details will be provided in the Notice of Meeting.

boomlogistics.com.au

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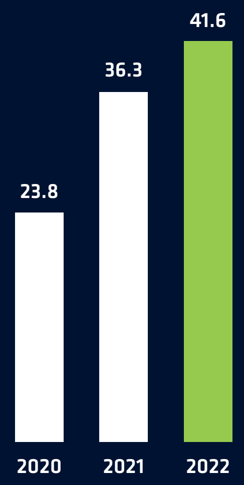
AT BOOM, we deliver safe lifting solutions, with scale and precision, every time. Managing risk and complexity with confidence – that's the promise we make to our customers.

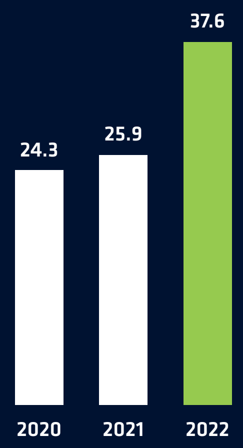
2022 HIGHLIGHTS

Revenue $m

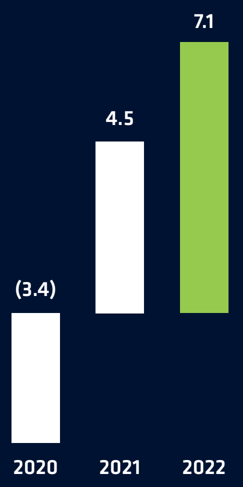
EBITDA $m



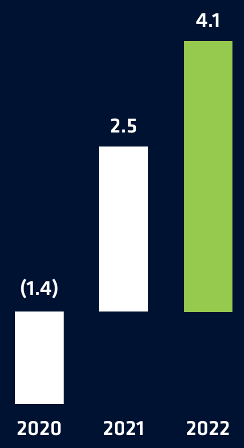
Operating Cash Flow before Tax $m



EBIT $m



Return on Capital Employed %



NPAT $m

CHAIR'S REPORT

Melanie Allibon
Chair

It is a pleasure to report to shareholders a solid result in this, my first year as chair of Boom Logistics.

Our people and operations delivered high-quality revenue growth as we expanded our market positions across the renewables, mining maintenance, energy and infrastructure sectors. I would like to thank our people, who have persevered despite the necessary health constraints, delays and border closures associated with the COVID-19 pandemic.

Net profit increased to $3.8 million from $1.2 million in the previous year, the most significant profit in the past decade and continuing the positive trend of growth. This demonstrated the continued strength of the company's strategy, which is focused on developing revenue streams with acceptable margins in growth sectors and investing in assets to capitalise on new business opportunities.

Some of the company's successful projects during the year included providing lifting assets and engineering solutions for the SCM21 BHP Olympic Dam shutdown, the

$3.8m

NET PROFIT

UP FROM $1.2m LAST YEAR

Bango wind farm project and the Snowy 2.0 nation-building renewable energy project.

Although we cannot with certainty predict the effects of global inflation and geopolitical challenges on the Australian economy, the opportunities in the markets that we serve are significant.

The renewables sector is a key growth area for the company and we have proven expertise in wind farm installation. Growth in renewables is expected to accelerate as concerns for climate change and cleaner energy drive market segments and Boom intends to leverage this.

The company has continued to invest in assets to rejuvenate its fleet and support growth, taking advantage of its capital recycling program to manage investment in new assets to service existing contracts and new projects. A strong pipeline of tender opportunities across our most significant markets provides optimism for the continued expansion of the business.

We also recognise the importance of sound environmental, social and governance (ESG) practices as part of our responsibility to shareholders and clients and have commenced the process of transitioning toward an overarching ESG framework.

Capital management

To take advantage of the opportunities and create enduring value for our shareholders we are balancing investment in existing and new business with profit and dividend growth.

In FY22, the company paid $6.4 million in dividends. While we understand that investors appreciate receiving income from dividends, we have consistently received feedback from our shareholders that the Board should focus on maximising returns for shareholders while prioritising growth opportunities that strengthen the business.

We have taken the decision not to pay a final dividend this year as we perceive that the company is at an inflexion point of growth and needs to invest in assets and maintain sufficient capital in order to seize the opportunities that are ahead. The Board will continue to consider all capital management initiatives including future dividends.

The company has delivered a good result and now requires assets to consolidate its growth opportunities and strengthen its position. We have focused on investing in new assets and capabilities to generate medium- to long-term shareholder value. As well as organic growth, we may consider selective acquisitions where they complement our growth strategy.

Gearing continues to be in the range approved by the Board and the company has a sound balance sheet which allows flexibility.

Board composition

During the year, there have been significant changes to the composition of the Board. I succeeded Max Findlay as independent, non-executive chair immediately following the 2021 Annual General Meeting, and I would like to acknowledge and thank him for his years of service. I would also like to thank Jack Hebiton, who retired from the Board in November 2021. He was the first chief executive officer of Boom Logistics and served as a director for more than twenty years.

We have continued to deepen the sector and experience skill sets of the Board and in November 2021 welcomed Damian Banks and James Scott as non-executive directors.

Mr Banks brings to the Board substantial financial services, health and employment sector expertise. He is a non-executive director of ASX-listed IMEXHS Limited and ICS Global Limited. Prior, he was managing director and CEO of Konekt Limited and his previous experience includes a 15-year career and several leadership positions with Westpac Banking Corporation. His experience includes the development and profitable expansion of business, a strong track record in customer-focused culture development and M&A experience.

Mr Scott joins the Board with over 26 years' media, telecommunications and technology sector experience. He is a non-executive director of ASX-listed Integrated Research Limited, chairman of MerchantWise Group, chairman of Seisma Pty Ltd and non-executive director of Orbx. His prior roles include managing director of Accenture Digital, partner in KPMG's Advisory division and Chief Operating Officer of Seven Group Holdings Limited. He was a founder and director of Imagine Broadband Limited and was a director of WesTrac and Coates Hire during his time with Seven Group.

In closing

I thank our shareholders for their continued support. We have worked hard to improve the company, building on the successful delivery of projects and services in existing contracts and actively developing a strong pipeline of new growth opportunities.

It has been a good year for Boom Logistics under the leadership of Tony Spassopoulos and his committed management team. Our operations are in good shape, performance has been strong with significant revenue growth and we have a sound balance sheet. The company is diversifying, securing market share, harnessing benefits from more effective allocation of assets, disposing of older assets and focusing on streams of profitable business growth. The company is poised to make the most of the opportunities before it and we look forward to creating future value for our shareholders.

Melanie Allibon
Chair

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I would like to thank our people, who have persevered despite the necessary health constraints, delays and border closures associated with the COVID-19 pandemic.

BUSINESS OVERVIEW

Delivering lifting solutions, with scale and precision.

CRANE SERVICES

Key Operations

- Mining maintenance services
- Engineered specialised lifts
- Shutdown, industrial and programmed maintenance services
- Major clients are in the mining sector

Achievements

- 37% revenue growth
- BHP Olympic Dam Smelter Campaign Maintenance (SCM21) project completed
- Strong growth in central Queensland and Western Australia

TRAVEL TOWERS

Key Operations

- High-voltage transmission line maintenance
- Telecommunications – 5G and data network upgrades and connections
- Transmission 'string-line' installation works on wind farms
- Interconnector and energy infrastructure projects

Achievements

- High-voltage transmission line work in Pilbara extended with installation of 285 high-voltage towers
- Continued activity on mining and maintenance, telecommunications and wind farm work

PROJECTS

Key Operations

- Wind farm installation
- Bridge installations, rail and infrastructure installation
- Energy and high-voltage powerline installation
- Wind farm maintenance programs

Achievements

- Coopers Gap wind farm installation completed and Bango wind farm installation commenced
- Extended Snowy 2.0 heavy lift services scope of work
- Completed infrastructure projects including Martinus Rail and Armadale Road Bridge

$215.8m REVENUE

UP FROM $173.3 pcp

Outlook

- Expansion opportunities in central Queensland and WA
- New South Australian energy project to commence
- Strong demand for mining and industrial maintenance

Revenue not including readi labour hire of $16.5m.

Revenue $m

Outlook

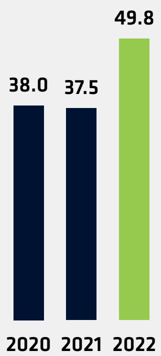
- New wind farm and interconnector projects secured
- Telecommunications work consistent at current levels
- New travel towers delivered to work on energy projects in FY23

Revenue $m

Outlook

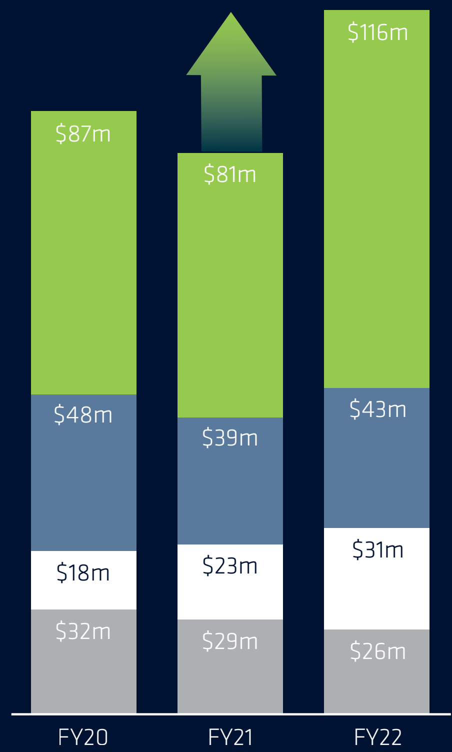
- Snowy 2.0 project to continue in FY23
- Significant new infrastructure projects secured including Sydney Gateway, Waterloo Station, Parkes project (NSW), Cross River Rail (QLD) and Western Australia
- Ongoing wind farm maintenance work with opportunities for new value-added maintenance services in pipeline

Revenue $m



DIVERSIFIED REVENUE STREAM

REVENUE UP FROM pcp **25%**



MINING & RESOURCES

WIND, ENERGY, UTILITIES

INFRASTRUCTURE

INDUSTRIAL MAINTENANCE & TELECOMMUNICATIONS

MANAGING DIRECTOR'S REPORT

Tony Spassopoulos
Managing Director

FY22 was a year in which our strategy to grow in diverse market sectors with our crane services, project work, travel towers and engineering solutions delivered a stronger result.

Developing a strong Environmental, Social and Governance culture

Boom is committed to building a proactive safety culture across the business. We maintain our focus on safety by ensuring everyone understands and builds risk awareness into their everyday work activity and by encouraging the active involvement of our managers and supervisors with employees on site. Our Safe Act Observations Frequency Rate (SAOFR), which measures the number of safety-related interactions in the field, increased to 10,039 in FY22, up from 8,242 in the previous year, an increase of 22%. This highlights the health, safety and wellbeing culture within Boom is evolving.

This year the total recordable injury frequency rate (TRIFR) was 8.7 per million hours worked, above the record of 5.1 per million hours worked set in the previous year. We consider safety to be a

$41.6m

EBITDA

15% INCREASE ON LAST YEAR

Snowy 2.0 Renewables Infrastructure project

key performance indicator for the company and remain committed to our ultimate goal of zero injuries. COVID Safe practices are implemented across our business.

Environmental, Social and Governance (ESG) is a significant focus going forward and we are transitioning to an overarching ESG framework in order to drive meaningful progress as part of Boom's ESG strategy. We have developed an ESG Charter and we are formalising our commitment to climate change and emission reduction targets.

Financial overview

This was a stronger result, tripling the net profit of the previous year while delivering improvements in service quality for our customers. Earnings before interest and tax (EBIT) was $7.1 million, an increase of 58% on $4.5 million in the previous year. We performed well despite the constraints of the COVID-19 pandemic including labour shortages, increased supply chain costs and fluctuating project start times which led to higher costs. Earnings before interest, tax, amortisation and depreciation (EBITDA) was $41.6 million, up 15% in the previous year.

Revenue increased to $215.8 million, an increase of 25% on the previous year, as we benefited from several large shutdowns including the Smelter Campaign Maintenance 2021 Project (SCM21) BHP Olympic Dam shutdown, and major wind farm and infrastructure projects. Importantly, we were successful in winning new projects and gained incremental work from existing customers, and operational cash flow before tax increased to $37.6 million from $25.9 million in the previous year.

Return on capital employed improved to 4.1% from 2.5% in the previous year.

Capital recycling

We have focused on reinvesting capital to rejuvenate our fleet as well as using a flexible asset rental model to fund growth. This is a key component of our growth strategy.

We implemented rental agreements to service short-term projects, with leased assets to support contracted work and can sustain a high rate of utilisation. The flow of project work does not occur evenly through the year and our rental model provides flexibility and reduces significant capital employed on major projects.

Net capital expenditure was $16.8 million, up from $14.7 million in the previous year, continuing the company's investment in new assets to facilitate new growth opportunities and build a portfolio of sustainable work. The new large travel towers ordered in late FY21 were delayed in transit and will commence being deployed in early FY23. Total asset utilisation was 81%, continuing our track record of improvement, up from 77% in the previous year.

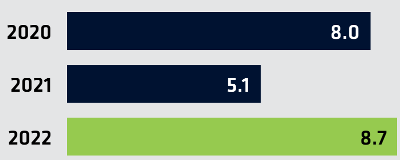
Our newer fleet also provides a range of benefits such as higher operational efficiency, lower maintenance costs,

The Boom values are an uncompromising foundation of our organisation, guiding our decisions, our behaviours and the way we do business.

22%
IMPROVEMENT IN
SAOFR

Safe Act Observation Frequency Rate (SAOFR)

Total Recordable Injury Frequency Rate (TRIFR)



MANAGING DIRECTOR'S REPORT (CONTINUED)

lower carbon emissions and improved safety systems associated with new technology.

Diversification

Our strategy to broaden services is focused on strong, diversified and growing markets that provide opportunities for our installation, engineering services and project management expertise. Diversification enables us to capitalise on growth opportunities in the renewable energy and infrastructure markets while building recurring revenue streams with our mining maintenance programs.

During the year, we experienced strong revenue growth in the energy and renewables sectors ($43 million, up 10%), mining sector ($116 million, up 43%) and infrastructure sector ($31 million, up 34%). Industrial maintenance work was steady and telecommunications activity declined due to pandemic and weather-related constraints.

Crane services

We have developed significant engineering expertise providing lifting solutions, cranes and crews, and management on mine sites supporting recurring revenue streams including maintenance and shutdowns.

In FY22 this included the SCM21 shutdown in South Australia, a major project which contributed $17.9 million in revenue, and maintenance works and shutdowns for various contracted customers.

Our portfolio increased with contract renewals and growing demand from mining clients, particularly in Queensland and Western Australia.

Projects

Another sector where we have gained expertise is renewable energy, where we completed the Coopers Gap wind farm installation and are well advanced on the Bango wind farm project. At Bango we have carried out the lifting to construct 46 wind turbine generators. This included a hub height of 121 metres. The height of wind turbines is increasing with the amount of power that they generate, requiring the specialised assets and skills that we provide. We are also experiencing growth in wind farm maintenance works such as replacing blades, gearboxes and pitch bearings.

Infrastructure services work increased significantly, with works continuing at Snowy 2.0 where we increased our scope of work, and bridge installations and rail construction at Parramatta Light Rail, Martinus Rail, Armadale Road Bridge were completed. New and high-quality projects secured included sections of the Sydney Gateway project, Waterloo station, Parkes Special Activation Precinct, Cross River Rail and Western Australian works.

Travel Towers

Our travel towers business supports the power transmission, telecommunications and wind energy sectors. We have improved the performance and capability of these operations with the divestment of older assets and the acquisition of new large-scale assets.

Our travel towers undertook the installation of the 220kv transmission line in the Western Australia Pilbara region which will integrate port and mining operations across a single network. Our work has been extended to include installation of 285 high-voltage towers. We also secured lifting work associated with South Australian high-voltage interconnector project which will link with the New South Wales power grid.

Telecommunications sector work slowed with state government lockdowns, east coast wet weather and rescheduling of works. While some constraints have lifted, work is expected to ramp up in early 2023.

Management systems

Ongoing COVID restrictions such as site and state border closures which restricted travel, required thorough planning to maintain productivity and meet our customer needs. We continued to use cloud-based technologies to manage projects and maintain workplace flexibility.

The company was targeted in a cyber security incident which involved unauthorised access to its IT systems. Immediate action was taken, activating business continuity plans and processes. Our systems proved resilient and were restored safely as we acted to ensure the safety and security of our people, customers and supply partners. Total incident-related support costs of $320,000 were incurred in this year's result.

People

Our people are our strength, and throughout the year we prioritised and ensured our teams were safe despite pandemic-related business disruptions and restrictions, which increased costs. Boom Logistics' employees include dedicated and skilled people with substantial field and industry experience. We are focused on employee retention and initiatives include leadership training programs, apprenticeships and development of Indigenous programs.

We are committed to retaining and recruiting the best talent to ensure business growth and performance and to advance diversity across our business.

Outlook

We operate in diversified and growing markets. We have a strong tender pipeline of opportunities across the renewables, mining maintenance, energy and infrastructure sectors over the next three years.

While the mining maintenance shutdowns we expect in FY23 are smaller than those we serviced in FY22 (which included the SCM21 project), we are well positioned to win new contracted maintenance work. We have a number of wind farm projects and maintenance services tenders underway, and demand for mining sector services remains strong, particularly in Queensland and Western Australia. Work from the interconnector and energy infrastructure sectors is continuing and we remain positive that our growth supporting civil engineering road and rail bridge projects will continue. Telecommunications sector work is expected to remain steady.

As the SCM21 major shutdown serviced in the first half of FY22 will not repeat in FY23, and due to deferred project start dates and supply chain challenges, we expect that 1H FY23 revenue and earnings will be below 1H FY22.

The markets in which we operate are expected to continue long-term sustained growth. We anticipate new projects to ramp up resulting in a stronger 2H FY23, with the delivery of new assets and improvement in skilled labour availability. On this basis, the group expects continued profit growth in FY23.

We are reinvesting in the business to increase our competitive advantage, tender for significant projects and grow our pipeline of new work. We are confident this will drive long-term value creation for our shareholders.

I take this opportunity to welcome Melanie Allibon as the new Chair of Boom Logistics Limited and thank the Board for their ongoing support during FY22.

In closing, I would like to thank our customers in trusting Boom in providing safe lifting solutions and services, and finally, our valued employees for their hard work, dedicated customer service, responsiveness and resilience over the past year.

Tony Spassopoulos
Managing Director

$7.1m
EBIT
58% INCREASE ON LAST YEAR

> **"The markets in which we operate are expected to continue long-term sustained growth.**

OUR VALUE PROPOSITION

As a large-scale lifting project specialist, we seek to deliver innovation for our customers, build shareholder value and ensure safety excellence. We continue to build our leading reputation in the market as a trusted lifting, specialised labour services and maintenance solutions partner.

EQUIPMENT

- A comprehensive and diverse fleet aligned to customer requirements in mining and resources, wind, energy, utilities, infrastructure, industrial maintenance and telecommunications.
- Well maintained fleet with maintenance records and Key Performance Indicator reporting for customers.

OPERATIONAL CAPABILITY

- Highly experienced and trained workforce of supervisors, crane operators, riggers and travel tower operators.
- Operational resources and infrastructure to support customers in our core markets.
- Planned and configured services involving operators, cranes, transport, travel towers and other assets to meet complex customer requirements.

ENGINEERING EXPERTISE

- Pre-lift customer site survey and analysis.
- Detailed engineering lift studies to drive safety, efficiency and cost effectiveness.
- Project planning and project management.
- Wind farm construction including lifting, mechanical and electrical installation and maintenance.

SAFETY & QUALITY SYSTEMS

- Cultural alignment with our customer base, with an uncompromising safety focus.
- Transition to new international safety standard ISO 45,001:2018 achieved.
- Confirmed certification to AS/NZS ISO 9001:2015.
- Investment to drive continuous improvement in our safety systems, processes and organisation.

"Boom's customer value proposition is based on total lifting solutions and specialised labour service and provides a solid platform for future growth to maximise returns to shareholders.

BANGO WIND FARM PROJECT

121m
HUB HEIGHT
IS THE TALLEST BOOM HAS LIFTED

The Bango Wind Farm is located in Ngunnawal Country, 30km north of Yass in NSW and will operate 46 x GE 5.3 MW turbines.

Boom provides all lifting required to build each wind turbine generator. The 121 metre hub height is the tallest turbine Boom has lifted to date and the 5.3 MW platform is also the largest wind turbine lifted by Boom. The work required using two Liebherr LG 1750 (SX) model cranes, including lifts of up to 133-tonne components to a height of 121 metres.

OPERATING AND FINANCIAL REVIEW

$37.6m

OPERATING CASH FLOW

UP 45%

FROM LAST YEAR

Overview

The Group reported a net profit after tax of $3.8 million for the year ended 30 June 2022 (FY21: net profit after tax of $1.2 million). The result builds on last year's return to profitability for the Group despite the ongoing headwinds caused by COVID-19. The ability to transit labour across state borders was significantly disrupted, along with delays to mining maintenance shutdown work and infrastructure projects.

Delivering an improved net profit further confirms that the Group's strategy of focusing on its key markets with robust pipelines and revenue opportunities is effective. The Group continues to have access to debt funding and utilises its flexible rental model to deliver improved returns on capital and target further profitably in the coming years.

Income Statement

The FY22 result of a net profit after tax of $3.8 million represents the Group's strongest profit result since FY12.

	30 June 22 $'m	30 June 21 $'m	Change $'m
Revenue	215.8	173.3	42.5
Operating Costs	(174.2)	(137.0)	(37.2)
Earnings Before Interest, Tax, Depreciation and Amortisation	**41.6**	**36.3**	**5.3**
Depreciation and Amortisation	(34.5)	(31.8)	(2.7)
Earnings Before Interest and Tax	**7.1**	**4.5**	**2.6**
Net Borrowing Costs	(3.3)	(3.3)	0.0
Net Profit Before Tax	**3.8**	**1.2**	**2.6**
Net Profit After Tax	**3.8**	**1.2**	**2.6**

Revenue

Reported revenue was $215.8 million (FY21: $173.3 million), representing a 25% improvement on the prior year. Multiple wind farm installation projects, mining maintenance shutdowns, and continued Snowy 2.0 infrastructure work contributed to revenues during the period. The SCM21 BHP Olympic Dam major shutdown project also occurred during FY22, which delivered strong sales of $17.9 million.

Earnings

On the back of the improved revenue, earnings before interest expense, tax, depreciation and amortisation (EBITDA) of $41.6 million (FY21: $36.3 million) was a 15% improvement. Earnings before interest expense and tax (EBIT) improved 58% to $7.1 million (FY21: $4.5 million).

All up borrowing costs were held constant at $3.3 million despite higher average net debt levels. This allowed all the EBIT upside to translate into a profit after tax of $3.8 million (FY21: $1.2 million).

The Group maintains a positive outlook and expects continued successful execution of its strategy to increase profitability further and generate improved returns on capital based on:

- Building on the recurring revenue in mining maintenance by continuing to secure market share in the Central Queensland and Western Australian markets.
- Participating in the growing opportunity in high-voltage and energy projects associated with improvements and upgrades to the electricity grid.
- Winning installation contracts of new wind farms being planned to start in the 2H FY23.
- Capitalising on the major infrastructure pipeline which has been somewhat delayed due to COVID-19 impacts but is now likely to ramp up over the coming years.
- The return of travel tower work in the metropolitan cities to pre-COVID-19 levels.

The business has continued to invest in new capital equipment to deliver the organic growth we have enjoyed during FY22 with the expectation this will continue. The Group will also continue to seek opportunities to diversify its earnings through aligned services that will complement the capital-intensive nature of its core operations.

Taxation

Income tax expense in the year was zero as the Group utilised franking deficit tax paid to offset income tax payable. In FY20, a tax expense of $4.45 million was incurred related to a historic franking deficit tax liability.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Only the final instalment of $0.185 million due in July 22 was outstanding at the reporting date.

Twelve payments under this plan were made this year, with repayments being available to offset against future taxable profits, in addition to the $31.2 million (net), $104 million (gross) of tax losses that are also available to offset against future taxable profits.

Cash Flow

Cash flow provided by operating activities before tax and rental costs was $37.6 million (FY21: $25.9 million). This was a solid cash flow result.

Given the improving profitability of the Group and the strong outlook in key markets, the Group applied operating cash primarily to fund increased investment in new crane assets to support growth.

The Group also funded one and half cents of dividend payments during the year. The first payment, made in November 2021, was the FY21 final dividend of one cent. The second payment, the FY22 interim dividend of a half a cent was paid in April 2022. Dividend payments of $6.4 million were paid to shareholders during FY22.

In light of various growth opportunities before the company, the Board has resolved to reinvest in the company to support its strategy for growth and creation of shareholder value.

Balance Sheet

Net assets at 30 June 2022 were $110.2 million, down from $112.7 million at 30 June 2021. The movement reflects the profit generated in the period offset by $6.4 million of dividends paid to shareholders in the year.

Return on capital employed was 4.1%, compared with 2.5% in the prior year. The return has improved as the Group has strictly allowed reinvestment in capital only where there is enhanced payback.

Returns are forecast to further improve in FY23 as the capital investment in assets made towards the end of FY22 delivers a full-year impact.

The increased net capital expenditure in FY22 of $16.8 million has raised the balance sheet gearing net debt (interest bearing borrowings plus finance lease liabilities less cash)/ total equity] to 29% (30 June 2021: 26%), allowing capacity for further growth.

Capital Management

Boom is committed to delivering efficient capital management outcomes that provide value to our shareholders, support our customers, bring innovation to our service offering and maintain the highest levels of safety performance.

Our strategy of diversifying revenue streams and increasing our portion of recurring revenue in maintenance work is producing enhanced profits. To continue improving results, Boom is reinvesting in its fleet of operating assets to meet the highest customer service standards. Investment in the fleet is essential to maintain existing contracts and importantly to deliver growth in our key markets:

- Mining Maintenance – Boom continues to win market share with mining and resources customers in key geographies, being both major resource companies and other mining services suppliers. These customers often have specific requirements for assets deployed on contracts, being equipment age or particular safety systems. Boom must continue to invest in its fleet, upholding the highest standards of safety for our people and our customers.
- Energy Sector – The opportunities available in the energy sector is a significant growth market for Boom. Access to new equipment and additional capacity will allow Boom to grow revenue in the energy market as significant electricity grid upgrade projects are required over the coming years.
- Renewables – Boom utilises its low capital rental model to access large cranes suitable for the wind farm installation and maintenance markets. The wind farm installation pipeline remains strong over the next three years with the maintenance market providing a growing opportunity as more turbines are commissioned. The Group is also expanding its service offering in the maintenance market by adding low capital value-added maintenance services.
- Infrastructure – The Group's asset rental model plays a central role in capturing growth in this market with rented assets supported by smaller assets and people sourced from Boom's national depot footprint.

The increase in capital expenditure during the year was targeted to deliver growth and improve returns on capital in Boom's key markets. Capital was invested during the year in assets to support Olympic Dam's SCM21 FY22 program of works and to deliver growth in Western Australia and Central Queensland, where new revenue and contracts are being targeted. New large Bronto travel tower assets were ordered and arrived in June 22. The delivery of these assets was impacted by international shipping delays. These travel towers will help underpin growth in the high-voltage energy sector in FY23.

Debt Facilities

The investments in new equipment during the year were supported by a combination of the finance arrangements that the Group entered into with ScotPac in December 2020, combined with long-standing facilities with Equipment Financer De Lage Landen Pty Limited.

Balance Sheet Gearing

To maintain the equipment fleet, the Group considered the gearing range of between 20-35% to be appropriate for the reporting period. Gearing is defined as group interest-bearing loans and borrowings plus finance lease liabilities divided by total equity. At 30 June 2022, the gearing ratio was 29% (30 June 2021: 26%). The increase to gearing was appropriate given the availability of long-term committed debt facilities and the strong pipeline of work in FY22 (including the SCM21 major shutdown contract award) and growth opportunities in FY23.

The Group will target gearing within the existing Board approved range, although it may seek approval for deviation from this having consideration to:

- Outlook for the Group's key markets and wider economic circumstances;
- Customer requirements and opportunities to invest in new equipment for growth that will provide an appropriate return on capital invested;
- Acquisition opportunities that will complement and grow the Group's core activities in key markets;
- On-going requirement to replace and maintain the core fleet. The current average fleet age is 10.7 years. The Group's long-term target is to maintain a fleet with an average age below 10 years;
- Proceeds realised from ongoing capital recycling of older, less productive equipment to reinvest in new assets with enhanced technology and safety systems, reduce fleet maintenance costs, improve fuel efficiency and increase overall fleet utilisation;
- Operating free cash flow[1] generated by the Group in any period; and

The Group may deviate from the guidelines above to capitalise on opportunities that deliver strong returns on capital. Over the short and medium term this approach will ensure that Boom is well positioned to deliver sound risk adjusted returns to investors through capital appreciation, maintain a fleet of equipment to service our customers through market cycles and contribute to a safe working environment for our people and customers.

1 Operating free cash flow is defined as net cash provided by operating activities less net repayment of lease liabilities (included in cash flows from financing activities).

FY22 Review of Operations

The Group had a solid year in an environment that continues to be impeded by the ongoing impacts of COVID-19. State border and site restrictions hampered operations across the customer base. Major impacts felt in the mining and infrastructure sectors, with telecommunications work in the metro areas also affected during periods of lockdown and recent wet weather events on the east coast.

Mining and Resources

Revenue in mining and resources was up $34.8 million in the year. The occurrence of the SCM21 major smelter shutdown project at Olympic Dam contributed $17.9 million of revenue in addition to the Group's on-going long-term maintenance contract for the site. Despite the significant headwinds created by COVID-19 delays, site restrictions and labour shortages caused by border closures, the project was successfully completed.

Regular maintenance work in Central Queensland was strong, with Boom building on its excellent relationship with customers in the region. Extending and expanding our relationship with Anglo American, a major project was undertaken in 1H FY22 at Anglo's Aquila mine site to partner with Fenner Dunlop in constructing a new stacker conveyor.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

The Group also won a significant shutdown project for BMA that was undertaken in the first half. Upon successfully completing this project, Boom was then able to secure ongoing recurring revenue with this customer. The Group continued to support Glencore with maintenance works during the year.

In the Western Australian region, the Group benefited from a full year of revenue under the maintenance contract signed with FQM Australia (Nickel) in FY21, Alcoa and the Boddington Gold Mine. The Group continues its expansion in the North West from the Port Hedland branch, working on mining maintenance and new infrastructure projects.

Work on contracts in the Hunter Valley region of NSW remained relatively consistent. New work was won at the BHP Mt Arthur site. Multiple events of unusually large rainfalls in the region impacted our ability to get onto customer's sites to perform the normal operating maintenance cycle. However, the market in the Hunter Valley remains challenging with low margins as customers seek to reduce costs notwithstanding the region's high labour costs.

The Group remains confident that the market share gains made in Central Queensland and Western Australia are sustainable and will continue in FY23.

Wind, Energy and Utilities

Revenue in the Wind, Energy and Utilities segment was up $3.5m on the prior year.

The Group supplied lifting services to undertake an installation project at Bango wind farm. The timing of this project was extended and is planned to be completed in Q1 FY23. The pipeline of wind farm installation remains strong, albeit the commencement of some new projects have been deferred to 2H FY23 due to global supply chain issues impacting materials access.

In addition to the installation work, Boom continued to grow its revenue in the wind farm maintenance sector. Boom completed significant maintenance work in the year that involved supplying large mobile assets and specialist crews to replace blades, gearboxes, and pitch bearings. Our large mobile heavy crane fleet is well placed to service the growing number of wind farms requiring regular maintenance activities. The maintenance sector is a growing opportunity for the Group, with an expanding range of services offered to clients to complement the core services that utilise Boom's skilled wind farm crews, large cranes, and travel towers.

There is also a strong pipeline of work in energy projects that typically utilise Boom's fleet of large travel towers. During the year, Boom continued to work with Powerlines Plus to install a 220kv transmission line in the Pilbara region of Western Australia. Boom is well placed to secure additional work in FY23 and similar major projects on the east coast.

The energy market is a growing opportunity, and the Group purchased large-scale Bronto travel towers through FY22 to enhance its capabilities to service this market. Due to international shipping delays, some of these travel towers only arrived in June 2022. Several projects are planned for FY23 and beyond as work to upgrade the electricity grid progresses nationally, and new renewable energy projects are completed, which require works to connect them into substations and the grid.

Infrastructure

Revenue in the infrastructure segment was up $7.9 million.

The Group continued to work on different elements of the Snowy 2.0 project assisting with both general craneage and the build and positioning of the major tunnel boring machines used to construct 27 kilometres of tunnels that will link the Tantangara and Talbingo dams.

Projects were also completed during the year on rail works in Queensland for Martinus Rail and bridge works on the Armadale Road project in WA.

Delays were experienced in the infrastructure sector across the eastern seaboard, particularly in metropolitan areas where COVID-19 related site closures were frequent. Boom has a pipeline of opportunities in FY23 and is well placed to capitalise on the growing infrastructure segment as new major projects commence. Boom's flexible rental model provides access to new equipment to deploy on infrastructure projects as these opportunities arise.

Industrial Maintenance

Revenue in the industrial maintenance segment was down $1.3m on the prior year. Revenue was impacted by a reduction of activity in the Group's contracts in the Latrobe Valley in Victoria, somewhat offset by the offshore maintenance contract with Esso in the Bass Strait that remained strong through most of the year.

Telecommunications

Revenue in the telecommunications segment was down $2.4m on the prior year. Works in this area were again significantly impacted by state government COVID-19 lockdowns and restrictions. Heavy rainfall events in Sydney and Brisbane throughout the year also negatively impacted this sector, comprised of transactional and discrete work packages that can be cancelled or rescheduled on short notice.

120 BOOM

WORKFORCE ON SITE

BHP OLYMPIC DAM SMELTER SHUTDOWN (SCM21)

The SCM21 (Smelter Campaign Maintenance shut down) was undertaken at BHP's Olympic Dam site. Shutdowns are an essential part of mining maintenance, contributing to safe and effective production and productivity improvements.

Boom Logistics provided all lifting services across site for SCM21. This included over 23 assets, 120 personnel, 142,000 actual worked hours and 150 detailed engineering lift studies to drive safety, efficiency and cost-effectiveness for the project.

HEALTH, SAFETY & WELLBEING

TRANSITIONING HSEQ INTO AN OVERARCHING ESG FRAMEWORK

OUR HSEQ GOALS

Boom's three-year HSEQ strategic plan was reviewed in FY22 and sets out the following goals for the company:

- To exceed client and other stakeholders' HSEQ expectations by consistently providing benchmarked high quality and incident-free services.
- To establish a positive and proactive safety culture with well-trained and competent people who demonstrate Boom's values and exceptional safety leadership.
- To continue to develop and use excellent HSEQ processes and systems.
- To uphold best practice environmental standards.

Safety

Boom's safety performance continues to be a key operational focus, with emphasis on risk management, leadership and assurance. Our goal is to ensure employees, customers and the general public are free from harm when delivering lifting solutions in complex and diverse operating environments.

The company's ongoing emphasis on safety leadership, best practice safety systems and "Safety Always" culture builds confidence and trust with our customers and employees around the predictable, reliable and consistent delivery of high value lifting solutions.

The focus of the three-year HSEQ Strategic Plans (2021-2023) is on leadership, safe operation of plant and equipment to ensure safety of our people and avoid damage to our plant and employee wellbeing. The "One BOOM" HSEQ Management System continues to be developed and enhanced.

The HSEQ Strategic Plan actions include:

- System improvements in the areas of lifting operations, verification of competency, training, and contractor management.
- Improve systems / procedures in line with actions taken during the COVID-19 pandemic.
- A cultural improvement and leadership program consistent with Boom's belief that excellent leadership improves all aspects of our business including HSEQ performance.
- A wellbeing program aimed at improving and maintaining the health of employees.
- Review of the life-saving rules program and the Boom approach to risk management.
- Develop tools for the management of ground conditions risks.
- Seek opportunities to introduce digital transformation technology.
- Improved use of the hazard module in the myosh incident management software.
- Review overall approach to sustainability.

Environment

- Boom continues to meet its legal and community obligations in environmental management.
- Boom's environmental impact is managed through procedures mostly directed at waste management. Disposal of waste oil, batteries and tyres is undertaken by licensed disposal agents.
- Boom has procedures and equipment to manage runoff and spills. Onsite work is conducted in accordance with client procedures and regulations.
- Energy usage minimisation initiatives are in place.

Quality

- The Company has continued Certification to AS/NZS ISO 9001:2015.

SAFETY LEADERSHIP STRUCTURE

The company takes a four-tiered approach to safety leadership:

HEALTH, SAFETY, ENVIRONMENT & QUALITY (HSEQ) COMMITTEE

The HSEQ Committee, a sub-committee of the Board, meets quarterly and considers all aspects of Boom's safety environment. A summary of the committee's responsibilities is set out in the Corporate Governance Statement.

The Board has commenced the process of transitioning towards an overarching ESG framework and is committed to establishing a standalone ESG Committee which will encompass the existing HSEQ Committee.

SAFETY LEADERSHIP TEAM

The Safety Leadership Team is chaired by Boom's chief executive officer and includes the general managers from each business unit, senior management and the HSEQ leadership team.

The SLT prioritises and monitors the safety environment and safety improvement activities. The SLT is supported by the Safety Management Team of safety professionals who operate nationally.

TRAINING

Boom's operational training program contains a significant safety leadership element for frontline supervisory personnel and management which works to embed good workplace safety as an operational discipline. The training emphasises the importance of sustained and visible leadership through employee engagement and safety interactions.

Key metrics are measured and recorded in the corporate HSEQ management database and included in the monthly HSEQ Report to the Board.

Measurable activities include:

- Safe Act Observations and Safety Interactions which are an informal risk management and assurance activity which generates positive safety related discussions with employees in the field.
- HSEQ Internal Audits, which include consultation and discussion with employees.
- Involvement in consultative meetings (such as safety committees), delivering toolbox talks and pre-start meetings.

PERSONAL COMMITMENT

All operational managers commit to a range of consultative and interactive activities which reinforce their personal commitment and our corporate commitment to Health and Safety.

OVERVIEW

- Boom reported a Lost Time Injury Frequency Rate (LTIFR) of 0.8 at the end of FY22.
- Boom reported a Total Recordable Injury Frequency Rate (TRIFR) of 8.7 at the end of FY22.
- Boom has continued a strong focus on Safety Leadership and increased the Safe Act Observation Frequency Rate (SAOFR) performance to 10,039 from 8,242 in the prior year.
- The company has continued Certification to ISO 45001:2018.
- BOOM has developed a platform for the deck of Bronto Travel Towers in conjunction with the OEM and an engineering firm to reduce the potential for a fall from heights.
- BOOM has installed telematics monitoring devices in parts of the fleet for live capture of information (speed, hook loading etc.) direct from assets in operation.
- Compliance with environmental management obligations continues.

OUR PEOPLE

Boom's total workforce exceeded 800 people during FY22. A vital element of our company culture and drive for responsible growth is ensuring that Boom is a safe place to work.

We have 400 full-time employees, 80% of whom provide in-field services to customers – including operators, supervisors, safety professionals, engineers and sales personnel, while the remainder comprise management and functional support to the business.

Our flexible workforce of over 400 employees enabled the company to support projects and maintenance shutdowns.

We recognise and reward performance, create opportunities for our people to develop and provide support so they continue to thrive.

Training and development

Boom recognises that people are critical to its success and continues to invest to deliver efficiencies and develop leadership capability across the organisation through internal and external training and development activities. Our workforce is well-trained so all employees work in a safe and professional manner to the standard and expectations of Boom and its customers.

The company invests in the development of its business leaders to maximise their management potential. Training and development of operational staff ensures operating tickets are maintained, safety standards are upheld, customer site inductions are current and verification of competency is undertaken to meet the needs of our customers.

Indigenous commitment

We recognise the traditional rights of Indigenous peoples and acknowledge their right to maintain their cultures, identities, traditions and customs.

Boom will continue to support communities and its customers in developing Indigenous programs in remote locations of Australia. Our National Indigenous Employment Framework provides a basis for localised strategies to generate work opportunities and support Indigenous communities and is currently being complemented by the creation of a Reconciliation Action Plan which will further define our commitment to reconciliation.

Apprenticeship programs

Boom has strengthened its commitment to training of employees through offering traineeships and apprenticeships within operational roles.

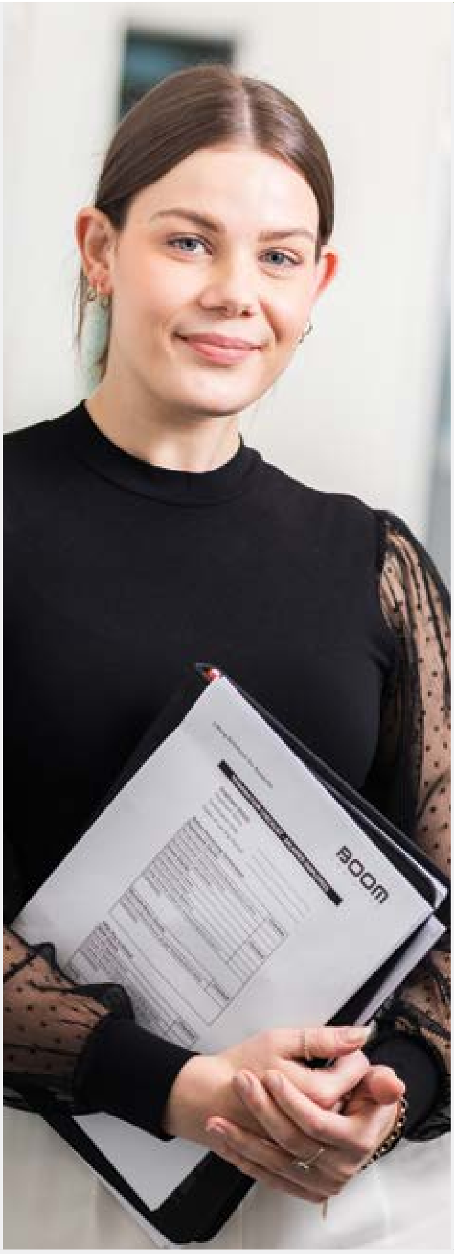
Boom's e-Learning Centre provides online induction and on-boarding through its life saving rules and compliance training.

Gender equality

Boom is dedicated to growing a rich culture, diverse workforce and a work environment in which every employee is treated fairly and respectfully and given the opportunity to contribute to business success.

As part of our ongoing commitment, Boom reviewed its gender equality plan this year and continues to promote gender equality throughout the business.

800
EMPLOYEES
ACROSS AUSTRALIA



“We are committed to retaining and recruiting the best talent to ensure business growth and performance and to advance diversity across our business.

BOARD OF DIRECTORS AND EXECUTIVE TEAM

Melanie Allibon

MAICD

Independent, Non-executive Chair (appointed 19 June 2019)

Ms. Allibon has an extensive background in human resources and operating risk, primarily in the manufacturing, FMCG, mining and industrial services sectors. Ms. Allibon has held non-executive director positions with the Australian Mines and Metals Association, and Melbourne Water Corporation. She is currently a member of World Vision's Business Advisory Council, Chief Executive Women and the International Women's Forum. During the past three years, Ms. Allibon has held ASX listed public company Directorships with Acrow Formwork and Construction Services (current). Ms. Allibon was appointed Chair of the Board on 27 November 2021.

Tony Spassopoulos

BBus, MBA, MAICD

Managing Director (appointed 20 September 2018)

Mr. Spassopoulos has over 30 years experience in the equipment hire, industrial services, and the pallet/container pooling industries. Prior to joining the Company, Mr. Spassopoulos was Director/General Manager of CHEP Asia Pacific – Reusable Plastics Containers business and held other senior management positions during his 19 years in the Brambles Group. He joined the Company in 2008 and served as Chief Operating Officer prior to his appointment as Managing Director. During the past four years, Mr. Spassopoulos has not held any other ASX listed public company Directorships.

Stephen Grove

Non-independent, Non-executive Director (appointed 6 November 2020)

Mr. Grove is Executive Chairman of the Grove Group of companies which, among other activities, manufactures and hires more than 2,300 portable and relocatable buildings and other assets to clients across Australia, primarily in the construction and educational classroom facilities sectors. He founded the group in 1997 and owns 100% through related entities. Mr. Grove brings considerable experience in the plant hire sector, together with general business, strategy and management expertise to the Board. Since the date of appointment, Mr. Grove has not held any other ASX listed public company Directorships.

Kieran Pryke

BCom, FCPA

Independent, Non-executive Director (appointed 8 February 2021)

Mr. Pryke has over 25 years' experience in the property industry. He has been Chief Financial Officer of General Property Trust, following nine years in Lendlease Corporation's construction, development and investment management divisions, and of Australand Property Group and Grocon Group. Currently he is chair of Aura Medical Group Pty Limited, and a director of GFM Investment Management Limited. He is also a director of Ozharvest Limited, the not-for-profit organisation which distributes surplus food to the needy. Since the date of appointment, Mr. Pryke has held ASX listed public company Directorships with Aventus Holdings Limited (to March 2022). Mr. Pryke is Chair of the Boom Logistics Audit and Risk Committees.

Damian Banks

BEc., MAICD

Independent, Non-executive Director (appointed 29 November 2021)

Mr. Banks has extensive experience in the financial services, health and employment sectors. He has proven experience in the development and profitable expansion of businesses with a focus on financial management, technology and people. He has a strong track record in customer-focused culture development, and considerable M&A experience. Mr. Banks' most recent executive role was as Managing Director and CEO of Konekt Limited, a technology focused health and employment company. Mr. Banks previously had a 15-year career, including several leadership positions with Westpac Banking Corporation. Since the date of appointment, Mr. Banks has held ASX listed public company Directorships with ICSGlobal Limited (current), IMEXHS Limited (current), RPM Automotive Group Limited (to June 2022) and Konekt Limited (2019). Mr. Banks is Chair of the Boom Logistics Nomination and Remuneration Committee.

James Scott

BEng Hons, GAICD, FIEAust, CPEng EngExec

Independent, Non-executive Director (appointed 29 November 2021)

Mr. Scott is a seasoned professional with over 26 years' experience in the media, telecommunications and technology sector with industry and advisory businesses at a local and international level. Mr. Scott is currently a non-executive director of ASX-listed Integrated Research Limited, an operational advisor to private equity firm, Liverpool Partners, is Chair of MerchantWise Group, Chair of technology services business Seisma Pty Ltd, and a non-executive director of software business Orbx Pty Ltd. He was previously Managing Director of Accenture Digital, a Partner in KPMG's Advisory division and was the Chief Operating Officer of Seven Group Holdings. Mr. Scott was a founder and director of Imagine Broadband Limited and was a director of WesTrac and Coates Hire during his time with Seven Group Holdings. Since the date of appointment, Mr. Scott has held ASX listed public company Directorships with Integrated Research Limited (current) and Skyfii Limited (2019). Mr. Scott is Chair of the Boom Logistics Health, Safety, Environment & Quality Committee.

BOARD OF DIRECTORS AND EXECUTIVE TEAM (CONTINUED)

Maxwell John Findlay

BEcon, FAICD

Independent, Non-executive Chair (appointed 18 July 2016; retired 26 November 2021)

Mr. Findlay was Managing Director and Chief Executive of industrial services company Programmed Group from 1990 until his retirement from executive life in 2008. Since retiring as an executive, Mr. Findlay has engaged in various non-executive roles in industrial services, engineering and government. He is currently Chairman of the Snowy Mountains Engineering Corporation and was previously Director of EVZ Limited and The Royal Children's Hospital. During the past three years, Mr. Findlay has held ASX listed public company Directorship with EVZ Limited (2008 to 2017). Mr. Findlay was Chair of the Boom Logistics Risk Committee.

Terence Alexander Hebiton

Independent, Non-executive Director (appointed 22 December 2000; retired 26 November 2021)

Mr. Hebiton commenced his commercial career in the rural sector. In 1989, he acquired various business interests associated with land and property rental developments. He is currently a Director of a number of private companies. He was a principal of Alpha Crane Hire, one of the founding entities of Boom Logistics. Mr. Hebiton was the CEO of Boom Logistics at its formation and ceased being an Executive Director in 2004. During the past three years, Mr. Hebiton has not held any other ASX listed public company Directorships. Mr. Hebiton was Chair of the Health, Safety, Environment & Quality Committee.

Ben Pieyre

Chief Operating Officer (appointed 4 January 2021)

Mr. Pieyre joined Boom in September 2019. He has worked in the crane hire industry since 2006 commencing his career as a fleet controller before promotions into senior management. He has extensive operational experience specializing in Civil Construction, Industrial Services and Maintenance Sectors, as well as HR/IR and Engineering. Mr. Pieyre is currently the Vice president of the CICA board and Vice Chair for the WA committee. Mr. Pieyre holds an Advance Diploma in Leadership and Management and French qualifications in Business Management, Human Resources, Commerce and Marketing.

Andrew Bendall

B.Comm. (Melb.), CPA, GAICD

Chief Financial Officer (appointed 30 August 2021)

Mr. Bendall has extensive CFO experience at Orora Limited (Fibre Packaging Group) and ITC Limited. He has also led numerous finance functions across a range of industries, including within businesses of Whirlpool Australia, Incitec and Orica Limited. Mr. Bendall is a Certified Practicing Accountant, and he holds a Bachelor of Commerce degree (Melbourne) and is a member of the Australian Institute of Company Directors.

Reuben David

B.Comm, LLB(Hons) (Melb), FGIA

Company Secretary (appointed 10 January 2022)

Mr. David joins Boom Logistics from Orica Limited where he most recently served as Acting General Counsel and Company Secretary for Orica's West Australian Joint Ventures. Previously, Mr. David served as Senior Legal Counsel at Bluescope Steel Limited, and before that he worked as a commercial lawyer with Minter Ellison and K&L Gates. He holds a Bachelor of Commerce and Bachelor of Law (Honours) degree from the University of Melbourne and is a Fellow of the Governance Institute of Australia.

FINANCIAL REPORT

DIRECTORS' REPORT

for the year ended 30 June 2022

Your Directors present their report on the consolidated entity (referred to hereafter as "the Group") consisting of Boom Logistics Limited ("Boom Logistics" or "the Company") and the entities it controlled for the financial year ended 30 June 2022.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Melanie Allibon

Qualifications and biographies (see previous page)

Tony Spassopoulos

Qualifications and biographies (see previous page)

Stephen Grove

Qualifications and biographies (see previous page)

Kieran Pryke

Qualifications and biographies (see previous page)

Damian Banks

Qualifications and biographies (see previous page)

James Scott

Qualifications and biographies (see previous page)

Maxwell John Findlay

Qualifications and biographies (see previous page)

Terence Alexander Hebiton

Qualifications and biographies (see previous page)

Company Secretary

Reuben David

Qualifications and biographies (see previous page)

Directors' Interests in the Shares and Options of the Company

As at the date of this report, the interests of the Directors in the shares, rights and options of Boom Logistics Limited were:

Name	Shares	Rights	Options
M.J. Allibon	300,000	–	–
T. Spassopoulos	1,500,000	3,920,319	16,891,667
S.A. Grove	59,322,639	–	–
K. Pryke	200,000	–	–
D. Banks	600,000	–	–
J. Scott	–	–	–

Directors Meetings

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director was as follows:

	Board of Directors[c]		Audit Committee		Nomination and Remuneration Committee		Health, Safety, Environment & Quality Committee		Risk Committee	
Name of Director	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
M.J. Allibon	13	13	5	5	2	2	4	4	2	2
T. Spassopoulos[a]	13	13	5	5	2	2	4	4	2	2
S.A. Grove[b]	13	12	5	5	2	2	4	3	2	1
K. Pryke	13	13	5	5	2	2	4	4	2	2
D. Banks[c]	7	7	2	2	1	1	3	3	1	1
J. Scott[c]	7	7	2	2	1	1	3	3	1	1
M.J. Findlay[d]	6	6	3	3	1	1	1	1	1	1
T.A. Hebiton[d]	6	6	3	1	1	1	1	1	1	1

a Mr Spassopoulos attended Audit Committee meetings by invitation.

b Mr Grove attended Audit Committee and Risk Committee meetings by invitation.

c Attended meetings eligible to attend from date of appointment.

d Attended meetings eligible to attend prior to retirement.

Corporate Structure

Boom Logistics is a company limited by shares that is incorporated and domiciled in Australia. Boom Logistics Limited has prepared a consolidated financial report incorporating the entities that it controlled during the financial year, which are listed in note 15 to the financial statements.

Indemnification and Insurance

The Company has entered into Deeds of Access, Indemnity and Insurance with each of the Directors and the Company Secretary, under which the Company indemnifies, to the extent not precluded by law from doing so, those persons against any liability they incur in or arising out of discharging their duties. No indemnity has been granted to an auditor of the Group in their capacity as auditor.

During the financial year, the Company has paid an insurance premium for the benefit of the Directors and officers of the Company in accordance with common commercial practice. The insurance policy prohibits disclosure of the liability insured and the amount of the premium.

Nature of Operations and Principal Activities

During the year, the principal activity of the Group was the provision of lifting solutions and specialised labour services.

Operating and Financial Review

A review of Group operations and results for the financial year ended 30 June 2022 is set out in the operating and financial review section of the Annual Report and in the accompanying financial statements.

Corporate Governance

The Group recognises the need for the highest standards of corporate behaviour and accountability. The Directors of Boom Logistics have accordingly followed the recommendations set by the ASX Corporate Governance Council. For further information on corporate governance policies adopted by Boom Logistics Limited, refer to our website: www.boomlogistics.com.au/about-us/corporate-governance and annual reports.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs other than that reported in the Operating and Financial Review section disclosed above.

Significant Events After the Balance Date

The Directors are not aware of any other matter or circumstance that has arisen since 30 June 2022 that has significantly affected or may significantly affect the operations of the Group in subsequent financial years, the results of those operations or the state of affairs of the Group in future financial years.

Likely Developments and Expected Results

The Directors expect performance to continue to improve as a result of building new revenue and expanding services in key geographies and markets. Maintaining control of costs will ensure revenue is delivered at improved margins and increase profit and return on capital.

The Directors are cognisant of the requirement to continuously disclose material matters to the market. At this time, other than the matters addressed in this financial report there are no matters sufficiently advanced or at a level of certainty that would require disclosure.

Environmental Regulation and Performance

The Board confirms that the Group has adequate systems and processes in place to manage and comply with environmental regulations as they apply to the Group. This includes the National Greenhouse and Energy Reporting Act 2007 which requires the Group to report energy consumption and greenhouse gas emissions for the 12 months ended 30 June 2022 and future periods. There have been no significant known breaches of any environmental regulations to which the Group is subject.

Remuneration Report – Audited

The Directors of Boom Logistics Limited present the Remuneration Report for the Company and the Group for financial year ended 30 June 2022 ("FY22"). This report outlines the remuneration arrangements in place for non-executive directors ("NEDs") and the Managing Director and Senior Executives ("Executive KMP").

Key management personnel ("KMP") are those persons who, directly or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Company and Group.

Principles of Remuneration Practices

The Group's remuneration practices are designed to maintain alignment with business strategy, shareholder interests and business performance whilst ensuring remuneration is appropriate. The Executive KMP remuneration framework and KMP remuneration is reviewed annually by the Board with the assistance of the Nomination & Remuneration Committee.

In conducting the Executive KMP remuneration review, the following principles are applied:

- Monitoring against external competitiveness, as appropriate using independent market survey data comparing the Group's remuneration levels against industry peers in terms of comparable job size and responsibility;
- Internal equity, ensuring Executive KMP remuneration across the Group is based upon a clear view of the scope of individual positions and the respective responsibilities;
- A meaningful "at risk" component with entitlement dependent on achieving Group and individual performance targets set by the Board of Directors and aligned to the Group's strategy; and
- Reward for performance represents a balance of annual and longer term targets.

Nomination and Remuneration Committee

The Group is committed to ensuring remuneration is informed by market data and linked to the Group's strategy and performance. In doing so, the Board of Directors rely on the advice provided by the Nomination and Remuneration Committee including their review and making recommendations:

- With regard to remuneration policies applicable to the Directors, Executive KMP and employees generally;
- In relation to the remuneration of Directors and Executive KMP;
- Of general remuneration principles, including incentive schemes, bonuses and share plans that reward individual and team performance;
- With regard to termination policies and procedures for Directors and Executive KMP;
- In relation to the Group's superannuation arrangements; and
- To the Board of Directors for the inclusion of the Remuneration Report in the Group's annual report.

The Nomination and Remuneration Committee comprises a majority of independent directors. From time to time, the Nomination and Remuneration Committee also draws upon advice and market survey data from external consultants in discharging its responsibilities.

Details of Key Management Personnel

The tables below set out the KMP and their movements during FY22.

Key Management Personnel (Executive)

Name	Title	Period as a KMP
Tony Spassopoulos	Chief Executive Officer & Managing Director	All of FY22
Andrew Bendall	Chief Financial Officer	From 30 August 2021
Ben Pieyre	Chief Operating Officer	All of FY22
Tim Rogers[a]	Former Chief Financial Officer	To 27 August 2021
Malcolm Ross[b]	Former General Counsel & Company Secretary	To 29 October 2021

a Tim Rogers resigned as Chief Financial Officer on 27 August 2021.

b Malcolm Ross resigned as General Counsel and Company Secretary on 29 October 2021.

Key Management Personnel (Non-executive Directors)

Name	Position[a]	Audit	Nomination & Remuneration	Health, Safety, Environment & Quality	Risk
Melanie Allibon[a]	Chair	Member	Member	Member	Member
Stephen Grove[b]	Non-executive Director	–	Member	Member	–
Kieran Pryke	Non-executive Director	Chair	Member	Member	Chair
Damian Banks	Non-executive Director	Member	Chair	Member	Member
James Scott	Non-executive Director	Member	Member	Chair	Member
Maxwell Findlay[c]	Chair	Member	Member	Member	Chair
Terence Hebiton[c]	Non-executive Director	Member	Member	Chair	Member

a Melanie Allibon was appointed Chair of the Board on 27 November 2021.

b All non-executive directors are independent, except for Stephen Grove who is not independent.

c Maxwell Findlay and Terence Hebiton retired from the Board and all Committees on 26 November 2021.

Remuneration Arrangements of Executive Key Management Personnel

In the normal course of business, remuneration comprises fixed remuneration (fixed annual reward) and variable or "at risk" remuneration incentives. The Group's remuneration structure for the Executive KMP comprises two main components:

Fixed annual reward

This element comprises base salary, any fringe benefits (e.g. motor vehicle allowance) and employer contributed superannuation. Executive KMP have scope to vary the components that make up their FAR and can tailor their salary package to suit individual requirements.

a) Salary sacrifice rights plan

Eligible executives will be permitted to salary sacrifice a portion of their pre-tax fixed annual remuneration to acquire equity in the form of rights to fully paid ordinary shares in the Company.

Each right is a right to acquire one ordinary share in the Company. The exact number of rights to be granted is based on the amount of salary sacrificed and the 5 day volume weighted average price prior each month. Rights do not carry any dividend or voting rights. Rights will be granted twice a year following the announcement of the half-year and full-year results or in any event, within twelve months of the Annual General Meeting ("AGM").

Rights will have a twelve month exercise restriction commencing from the relevant grant dates. The rights to ordinary shares equivalent to the amount salary sacrificed in the period from the most recent grant date will be granted following the announcement of the full-year results.

Variable remuneration

The Group has a number of variable remuneration arrangements as follows:

b) Short term incentive plan

Eligible executives will have the opportunity to receive short term incentives subject to meeting performance hurdles over the financial year. 50% of the STIP outcome achieved for the financial year will be delivered in cash and 50% will be delivered in equity in the form of rights to ordinary shares in the Company.

Each right is a right to acquire one ordinary share in the Company. The exact number of rights to be granted is based on 50% of the STIP outcome divided by the 5 day volume weighted average price after the release of full year results. Rights do not carry any dividend or voting rights. Rights will be granted following the announcement of the full-year results or in any event, within twelve months of the AGM. Rights will have a six month exercise restriction commencing from the grant date.

The objectives of this plan are to:

- Focus Executive KMP on key annual business goals and reinforce the link between performance and reward;
- Allow scope to recognise exceptional performance through a sliding scale of reward;
- Reward individual performance in meeting annual goals; and
- Align reward with the Group's values, safety and financial target.

c) Long term incentive plan

Eligible executives will be granted options to acquire ordinary shares in the Company, subject to performance hurdles and some or all may vest at the end of the three year period if the performance hurdles are met.

Each option is a right to acquire one ordinary share in the Company (or an equivalent cash amount) subject to payment of the exercise price. The exact number of options to be granted will be the LTIP award divided by the option valuation using a Binomial valuation methodology prior to grant date. The option exercise price is calculated based on the 5 day volume weighted average price prior to the grant date. Options do not carry any dividend or voting rights. Options will be granted within twelve months of the Annual General Meeting.

Options are subject to performance hurdles based on four independent measures comprising absolute earnings per share ("EPS"), return on capital employed, sales revenue growth and key safety performance metrics, which are measured at the end of the three year performance period. The Board of Directors retains a discretion to adjust the performance hurdles as required to ensure plan participants are neither advantaged nor disadvantaged by matters outside management's control that materially affect the performance hurdles (for example, by excluding one-off non-recurrent items or the impact of significant acquisitions or disposals).

The following table shows the potential annual remuneration packages for Executive KMP during the financial year.

		Fixed	Variable	
Name	Title	FAR	STIP % of FAR	LTIP % of FAR
Tony Spassopoulos	Chief Executive Officer & Managing Director	618,000	40%	50%
Andrew Bendall	Chief Financial Officer	350,000	30%	20%
Ben Pieyre	Chief Operating Officer	360,500	40%	20%

Consequences of Performance on Shareholder Wealth

In considering the Group's performance and benefits for shareholder wealth, the Nomination and Remuneration Committee have regard to the following indices in respect of the current and previous financial years.

	2022 $'000	2021 $'000	2020 $'000	2019 $'000	2018 $'000
Net profit/(loss) attributable to members of Boom Logistics Limited	**$3,791**	$1,230	($16,959)	($5,330)	($1,547)
Dividends paid	**$6,417**	$4,278	$–	$–	$–
Share price at financial year end	**$0.15**	$0.14	$0.11	$0.15	$0.24
Earnings per share	**$0.01**	$0.00	($0.04)	($0.01)	($0.00)
Return on capital employed (Trading EBIT/ Capital Employed	**4.1%**	2.5%	(1.4%)	1.5%	1.6%

Remuneration Review

The review of KMP and general staff remuneration is conducted annually through a formal process.

KMP remuneration is reviewed by the Nomination and Remuneration Committee of the Board of Directors with input from the Chief Executive Officer ("CEO"). Market survey data combined with individual performance appraisals determine recommendations that go to the Board of Directors for approval. This process occurs in September of each year and remuneration adjustments take effect from October of that year.

The Nomination and Remuneration Committee has direct responsibility for reviewing CEO performance against targets set by the Board of Directors and recommending to the Board of Directors appropriate adjustments to his remuneration package.

Staff reviews are similarly conducted by the relevant Executives and General Managers, with overview from the CEO.

CEO & Managing Director Remuneration

Mr. Spassopoulos has an employment contract that has no fixed term. Both the Company and Mr. Spassopoulos are entitled to terminate the employment contract on six month's written notice, except in the case of serious misconduct or neglect of duty. Contractual arrangements relating to a redundancy event are set out below.

Mr. Spassopoulos' remuneration package as at 30 June 2022 comprised the following components:

- FAR of $618,000 per annum, inclusive of allowances and superannuation contributions in line with the Superannuation Guarantee legislation. Mr. Spassopoulos' FAR is reviewed annually effective 1 October each year taking into account the Group's performance, industry and economic conditions and personal performance.
    - Mr. Spassopoulos has elected to salary sacrifice for rights to ordinary shares in the Company equating to an annual value of $120,000;
- STIP equivalent to 40% of his FAR upon achievement of performance conditions set by the Board of Directors on an annual basis. 50% of the STIP outcome achieved for the financial year will be delivered in cash and 50% will be delivered in equity in the form of rights to ordinary shares in the Company. The cash payment of any bonus under the STIP will take place after the annual audit of the Group's financial report which typically occurs in the first half of the following financial year. No STIP is awarded if performance conditions are not met; and
- LTIP equivalent to 50% of his FAR is allocated in options of the Company with a performance hurdle based on absolute EPS, return on capital employed, sales revenue growth and key safety performance metrics measured at the end of the three year performance period subject to shareholder approval at the Company's Annual General Meeting.

If his employment is terminated on the grounds of redundancy or where a diminution in responsibility occurs, Mr. Spassopoulos will be entitled to receive:

- The lesser of the maximum amount permitted by the Corporations Act and 12 months pay calculated in accordance with his FAR at the date of redundancy or diminution;
- Vested employee entitlements;
- STIP rights that have vested and if not exercised the exercise restrictions will be lifted. Where employment ceased prior to the STIP outcome being determined, the Board of Directors may at its discretion determine a pro-rated STIP based on the proportion of the performance period that has elapsed at the time of cessation. To the extent the relevant performance conditions are satisfied, the STIP award will be paid in cash and no rights will be allocated;

- LTIP options that have vested. Where employment ceased before the options vest, unvested options will continue "on-foot" and will be tested following the end of the original vesting date, and vesting to the extent that the relevant conditions have been satisfied (ignoring any service related conditions);
- In the event a termination payment is made, no payment in lieu of notice will be made.

The Board of Directors also have a broader discretion to apply any other treatment that it deems appropriate in the circumstances.

In the event that Mr. Spassopoulos was to be summarily dismissed, he would be paid for the period served prior to dismissal and any accrued leave entitlements. Mr. Spassopoulos would not be entitled to the payment of any bonus under the STIP or LTIP. Mr. Spassopoulos is subject to restrictive covenants upon cessation of his employment for a maximum period of one year.

Other Executive KMP (standard contracts)

All other Executive KMP have contracts with no fixed term. Either the Company or the Executive KMP may terminate the Executive KMP employment agreement by providing three months written notice or providing payment in lieu of the notice period (based upon the fixed component of the Executive KMP remuneration). If employment is terminated on the grounds of redundancy, in addition to the notice period, all other Executive KMP will be entitled to receive up to six months pay calculated in accordance with their FAR.

On termination by notice of the Company or the Executive KMP, any STIP and LTIP that have vested will be awarded. Where employment ceased prior to the STIP outcome being determined or LTIP options vest, the treatment will be the same as that disclosed in the CEO & Managing Director Remuneration section above.

The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Executive KMP is only entitled to that proportion of remuneration that is fixed, and only up to the date of termination. On termination with cause, any unvested STIP rights and LTIP shares or options will lapse.

Total Remuneration of Executive KMP

Details of the cost to the Group relating to Executive KMP remuneration for the year ended 30 June 2022 are set out below.

	Short Term			Post Employment	Share-based Payments[b]			Long Term		
	Cash Salary	Cash bonus	Other[a]	Super-annuation	Salary sacrificed rights	STIP rights[c]	LTIP options	Annual & long service leave[d]	Total	Performance related
Executives										
Tony Spassopoulos (Chief Executive Officer and Managing Director)										
2022	**448,377**	**74,036**	**18,248**	**27,500**	**120,000**	**74,037**	**66,917**	**47,983**	**877,098**	**24.5%**
2021	432,508	37,500	22,492	25,000	120,000	37,500	36,774	65,424	777,198	14.4%
Andrew Bendall (Chief Financial Officer)										
2022	**246,695**	**30,581**	**-**	**22,917**	**24,500**	**30,582**	**22,105**	**7,255**	**384,635**	**21.6%**
Ben Pieyre (Chief Operating Officer)										
2022	**331,000**	**65,639**	**-**	**27,500**	**-**	**45,640**	**37,407**	**7,099**	**514,285**	**28.9%**
2021	149,865	10,500	12,500	12,500	-	10,500	21,677	4,015	221,557	19.3%
Tim Rogers (former Chief Financial Officer)[e]										
2022	**59,445**	**-**	**1,699**	**5,892**	**5,657**	**-**	**-**	**(16,795)**	**55,898**	**-**
2021	273,302	36,913	8,737	25,000	33,943	-	(35,142)	(9,218)	333,535	0.5%
Malcolm Ross (former General Counsel and Company Secretary)[f]										
2022	**103,576**	**-**	**6,001**	**9,879**	**-**	**-**	**(37,125)**	**(24,546)**	**57,785**	**-**
2021	239,875	12,500	18,003	25,000	-	12,500	7,456	682	316,016	10.3%
Total Remuneration: Executive KMP										
2022	**1,189,093**	**170,256**	**25,948**	**93,688**	**150,157**	**150,259**	**89,304**	**20,996**	**1,889,701**	**-**
2021	1,095,550	97,413	61,732	87,500	153,943	60,500	30,765	60,903	1,648,306	-

a Other represents motor vehicle allowance and novated lease payments.

b Share-based payments represent a combination of rights, shares and options in Boom Logistics Limited granted under the remuneration structures. Only the expense relating to the period has been recognised in accordance with the accounting policy disclosed in note 19.

c Rights awarded as part of the STIP are expected to be granted after the announcement of the full year results and not later than 31 August.

d Long term annual leave and long service leave amounts represent the net movement in balance sheet leave provisions recognised in the statement of comprehensive income during the financial year.

e Tim Rogers resigned as Chief Financial Officer on 27 August 2021.

f Malcolm Ross resigned as General Counsel and Company Secretary on 29 October 2021.

Non-executive Director Fees

Non-executive Director fees are determined by reference to external survey data, taking account of the Group's relative size and business complexity. In addition, non-executive Directors have no entitlement to STIP, no equity incentives are offered and no retirement benefits are payable. The maximum aggregate sum for non-executive Director remuneration of $750,000 (2021: $400,000) was approved by shareholders at the 2021 Annual General Meeting.

Details of non-executive Directors' remuneration for the year ended 30 June 2022 are as follows:

	Short Term			Post Employment	Share-based Payments	Long Term	
	Salary & fees	Cash bonus	Other	Super-annuation	All	Annual & long service leave	Total
Non-Executive Directors							
Melanie Allibon							
2022	**108,356**	**–**	**–**	**10,836**	**–**	**–**	**119,192**
2021	65,000	–	–	6,175	–	–	71,175
Stephen Grove							
2022	**70,284**	**–**	**–**	**7,028**	**–**	**–**	**77,312**
2021	42,302	–	–	4,019	–	–	46,321
Kieran Pryke							
2022	**75,587**	**–**	**–**	**7,559**	**–**	**–**	**83,146**
2021	25,729	–	–	2,444	–	–	28,173
Damian Banks							
2022	**46,253**	**–**	**–**	**4,625**	**–**	**–**	**50,878**
James Scott							
2022	**46,253**	**–**	**–**	**4,625**	**–**	**–**	**50,878**
Maxwell Findlay							
2022	**52,722**	**–**	**–**	**5,272**	**–**	**–**	**57,994**
2021	130,000	–	–	12,350	–	–	142,350
Terence Hebiton							
2022	**26,361**	**–**	**–**	**2,636**	**–**	**–**	**28,997**
2021	65,000	–	–	6,175	–	–	71,175
Total Remuneration: Non-Executive Directors							
2022	**425,816**	**–**	**–**	**42,581**	**–**	**–**	**468,397**
2021	328,031	–	–	31,163	–	–	359,194
Total Remuneration: Non-Executive Directors and Executive KMP – Group							
2022	**1,614,909**	**170,256**	**25,948**	**136,269**	**389,720**	**20,996**	**2,358,098**
2021	1,423,581	97,413	61,732	118,663	245,208	60,903	2,007,500

Equity Instruments Held by KMP

Summary of equity instruments held by KMP at reporting date are as follows:

Name	Shares	SSRP Rights	STIP Rights	LTIP Options
Melanie Allibon	300,000	–	–	–
Tony Spassopoulos	1,500,000	2,995,020	925,299	16,891,667
Stephen Grove	59,322,639	–	–	–
Kieran Pryke	200,000	–	–	–
Damian Banks	600,000	–	–	–
James Scott	–	–	–	–
Andrew Bendall	–	55,612	–	1,750,000
Ben Pieyre	–	–	282,316	3,885,833

Shareholdings of Directors and Executive KMP

Ordinary shares held in Boom Logistics Limited (number) 30 June 2022	Balance at start of year	Net change other[(i)]	Balance at end of year
Non-executive & Executive Directors			
Melanie Allibon	100,000	200,000	300,000
Tony Spassopoulos	1,500,000	–	1,500,000
Stephen Grove[(ii)]	23,942,297	35,380,342	59,322,639
Kieran Pryke	150,000	50,000	200,000
Damian Banks[(ii)]	–	600,000	600,000
James Scott	–	–	–
Maxwell Findlay	250,000	n/a	n/a
Terence Hebiton	547,995	n/a	n/a
Executives			
Andrew Bendall	–	–	–
Ben Pieyre	–	–	–
Total	**26,490,292**	**36,230,342**	**61,922,639**

(i) These amounts represent ordinary shares purchased or sold directly or indirectly by the directors and executives during the financial year. These transactions have no connection with their roles and responsibilities as employees of the Group.

(ii) Includes shares held under a nominee or a related party.

SSRP Outcomes of the Executive KMP

The following table shows the rights to ordinary shares granted to Executive KMP during the financial year under the salary sacrifice rights plan.

Name	Year	Grant date	Grant number	Fair value per right at grant date	Exercise date	Expiry date	Value of rights granted during the year
Tony Spassopoulos	**2022**	**28 Feb 22**	**328,774**	**$0.1825**	**28 Feb 23**	**28 Feb 32**	**$60,000**
	2021	25 Aug 21	390,986	$0.1535	25 Aug 22	25 Aug 31	$60,000
Andrew Bendall	**2022**	**28 Feb 22**	**55,612**	**$0.1888**	**28 Feb 23**	**28 Feb 32**	**$10,500**
Tim Rogers	2021	25 Aug 21	110,594	$0.1535	25 Aug 22	25 Aug 31	$16,972

SSRP rights are granted twice per annum during the trading window following the release of the half-year and full year results. Amounts are salary sacrificed monthly and are held until granting of rights during a trading window.

Rights to ordinary shares (number) **30 June 2022**	Grant date	Tony Spassopoulos	Andrew Bendall	Tim Rogers	Total
Salary Sacrifice Rights					
Balance at start of year		2,275,260	–	903,787	**3,179,047**
Granted during year:	25 Aug 21	390,986	–	110,594	**501,580**
	28 Feb 22	328,774	55,612	–	**384,386**
Exercised during year		–	–	(1,014,381)	**(1,014,381)**
Balance at end of year		2,995,020	55,612	–	**3,050,632**
Number of rights not yet granted		227,734	79,707	–	**307,441**

Number of rights not yet granted shows the potential rights to ordinary shares equivalent to the amount of salary sacrificed to 30 June 2022 since the most recent granting of rights under the salary sacrifice rights plan on 28 February 2022.

Determining the STIP Outcomes of the Executive KMP

For the FY2021 STIP, the following table shows the rights to ordinary shares granted to Executive KMP during the year.

Name	Year	Grant date	Grant number	Fair value per right at grant date	Exercise date	Expiry date	Value of rights granted during the year
Tony Spassopoulos	2021	8 Sep 21	205,670	$0.1823	8 Mar 22	8 Sep 31	$37,500
Ben Pieyre	2021	8 Sep 21	57,588	$0.1823	8 Mar 22	8 Sep 31	$10,500
Malcolm Ross	2021	8 Sep 21	68,557	$0.1823	8 Mar 22	8 Sep 31	$12,500

For the FY2022 STIP, the Nomination and Remuneration Committee conducted a review of the Executive KMP performance against their set targets which resulted in the following potential maximum STIP being awarded to the Executive KMP. The STIP will be settled 50% in cash and 50% in rights to ordinary shares in the Company. The STIP will be paid after the announcement of the full year results and approval by the Board of Directors.

Name	Title	Maximum STIP $	Weighting[a] %	Settled in Cash $	Settled in Rights $	Total Cost $
Tony Spassopoulos	Chief Executive Officer & Managing Director	247,200	59.9%	74,036	74,037	148,073
Andrew Bendall	Chief Financial Officer	105,000	58.3%	30,581	30,582	61,163
Ben Pieyre	Chief Operating Officer	144,150	77.2%	65,639	46,640	111,279

a Weighting represents the percentage of total STIP entitlement awarded to Executive KMPs based on their financial, safety and individual performance targets.

Rights to ordinary shares (number) 30 June 2022	Grant date	Tony Spassopoulos	Ben Pieyre	Tim Rogers	Malcolm Ross	Total
STIP Rights						
Balance at start of year		719,629	224,728	367,967	354,903	1,667,227
Granted during year:	8 Sep 21	205,670	57,588	–	68,557	331,815
Exercised during year		–	–	(367,967)	(423,460)	(791,427)
Balance at end of year		**925,299**	**282,316**	**–**	**–**	**1,207,615**

Determining the LTIP Outcomes of the Executive KMP

Set out below are options granted to the Executive KMP under the LTIP during the year including those granted in previous years that have not yet vested.

Name	Year	Grant date	Grant number	Vesting date	Fair value per option at grant date	Exercise price	Expiry date	Vesting bench-mark	Value of options granted during the year
Tony Spassopoulos	**2022**	**6 Dec 21**	**7,725,000**	**31 Aug 24**	**$0.0400**	**$0.179**	**30 Sep 24**	**(i)**	**$309,000**
	2021	4 Dec 20	7,500,000	31 Aug 23	$0.0400	$0.159	30 Sep 23	(i)	$300,000
Andrew Bendall	**2022**	**6 Dec 21**	**1,750,000**	**31 Aug 24**	**$0.0400**	**$0.179**	**30 Sep 24**	**(i)**	**$70,000**
Ben Pieyre	**2022**	**6 Dec 21**	**1,802,500**	**31 Aug 24**	**$0.0400**	**$0.179**	**30 Sep 24**	**(i)**	**$72,100**
	2021	4 Dec 20	1,750,000	31 Aug 23	$0.0400	$0.159	30 Sep 23	(i)	$70,000

(i) The 2022 LTIP vesting benchmark consists of four independent vesting hurdles, each of which is measured at the end of the three year performance period. The four performance hurdles are Earnings per Share of $0.04 or more (25% of eligible options), Return on Capital Employed of 10% (25% of eligible options), Sales Revenue Growth of 10% (25% of eligible options), and Safety Performance: LTIFR < 1 and SAOFR > 8,500 (25% of eligible options) (2021 LTIP: Earnings per Share of $0.04 or more (50% of eligible options), Return on Capital Employed of 10% (25% of eligible options), Safety Performance: LTIFR < 1 and SAOFR > 6,500 (25% of eligible options)).

Of the FY2020 options allocated to the Executive KMP, only the safety performance hurdle was achieved and vested at 25%. The remaining vesting conditions were not met. In accordance with the LTIP rules, 75% of the FY2020 options were treated as lapsed at the reporting date.

Options held in Boom Logistics Limited (number) 30 June 2022	Grant date	Balance at start of year Unvested	Granted	Lapsed	Forfeited	Balance at end of year Unvested	Balance at end of year Vested
Tony Spassopoulos	6 Dec 21	–	7,725,000	–	–	7,725,000	–
	4 Dec 20	7,500,000	–	–	–	7,500,000	–
	29 Nov 19	6,666,667	–	(5,000,000)	–	–	1,666,667
		14,166,667	**7,725,000**	**(5,000,000)**	**–**	**15,225,000**	**1,666,667**
Andrew Bendall	6 Dec 21	–	1,750,000	–	–	1,750,000	–
Ben Pieyre	6 Dec 21	–	1,802,500	–	–	1,802,500	–
	4 Dec 20	1,750,000	–	–	–	1,750,000	–
	29 Nov 19	1,333,333	–	(1,000,000)	–	–	333,333
		3,083,333	**1,802,500**	**(1,000,000)**	**–**	**3,552,500**	**333,333**
Malcolm Ross	4 Dec 20	1,417,335	–	–	(1,417,335)	–	–
	29 Nov 19	1,259,853	–	–	(1,259,853)	–	–
		2,677,188	**–**	**–**	**(2,677,188)**	**–**	**–**
Total		**19,927,188**	**11,277,500**	**(6,000,000)**	**(2,677,188)**	**20,527,500**	**2,000,000**

Share Trading Policy

The Group Securities Trading Policy applies to all NEDs and Executive KMP. The policy prohibits KMP from dealing in the Company securities while in possession of material non-public information relevant to the Group.

Lead Auditor's Independence Declaration to the Directors

The auditor's independence declaration is set out on page 41 and forms part of the directors' report for the financial year ended 30 June 2022.

Non-audit Services

The following non-audit services were provided by KPMG Australia, the Company's auditor. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

KPMG Australia received or are due to receive the following amounts for the provision of non-audit services:

Other assurance services	$36,225
Taxation services	$17,336
Other services	$0
Total remuneration for non-audit services	**$53,561**

Proceedings on the 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.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Rounding

The amounts contained in this report and in the financial report are presented in Australian dollars and have been rounded to the nearest $1,000 (where rounding is applicable) under the option available under ASIC Corporations Instrument 2016/191. The Group is of a kind to which the Corporations Instrument applies.

Signed in accordance with a resolution of the Directors.

Melanie Allibon
Chair

Tony Spassopoulos
Managing Director

Melbourne, 16 September 2022

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Boom Logistics Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Boom Logistics Limited for the financial year ended 30 June 2022 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Andrew Hounsell

Partner

Melbourne

16 September 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2022

	Note	2022 $'000	2021 $'000
Revenue	2	**215,844**	173,255
Other income	3(a)	**228**	714
Salaries and employee benefits expense		**(96,592)**	(87,731)
Equipment service and supplies expense	3(b)	**(63,492)**	(37,890)
Operating lease expense		**(187)**	(436)
Other expenses	3(b)	**(14,245)**	(11,536)
Depreciation and amortisation expense	7	**(16,597)**	(16,189)
Depreciation expense – Right-of-use assets	14	**(17,876)**	(15,667)
Profit before financing expense and income tax		**7,083**	4,520
Financing expense	11(d)	**(1,922)**	(2,055)
Financing expense – Lease liabilities	14	**(1,370)**	(1,235)
Profit before income tax		**3,791**	1,230
Income tax	4(a)	**–**	–
Net profit attributable to members of Boom Logistics Limited		**3,791**	1,230
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges recognised in equity, net of tax		**33**	130
Other comprehensive income for the year, net of tax		**33**	130
Total comprehensive income for the year attributable to members of Boom Logistics Limited		**3,824**	1,360
Basic earnings per share (cents per share)	5	**0.9**	0.3
Diluted earnings per share (cents per share)	5	**0.9**	0.3

The accompanying notes form an integral part of the Consolidated Statement of Comprehensive Income.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2022

	Note	2022 $'000	2021 $'000
CURRENT ASSETS			
Cash and cash equivalents		**2,414**	2,347
Trade receivables, contract assets and other receivables	2(b)	**41,469**	42,915
Inventories, prepayments and other current assets		**2,994**	2,639
Lease receivables	14	**–**	437
TOTAL CURRENT ASSETS		**46,877**	48,338
NON-CURRENT ASSETS			
Property, plant and equipment	7	**107,693**	122,654
Right-of-use assets	14	**36,214**	25,619
Deferred tax asset	4(b)	**–**	11
TOTAL NON-CURRENT ASSETS		**143,907**	148,284
TOTAL ASSETS		**190,784**	196,622
CURRENT LIABILITIES			
Trade and other payables		**14,912**	15,570
Interest bearing loans and borrowings	11	**17,375**	23,609
Lease liabilities	14	**14,920**	15,733
Employee provisions		**9,929**	9,122
Other provisions and liabilities	10	**4,709**	5,762
Derivative financial instruments		**–**	93
Income tax payable	4(c)	**185**	2,224
TOTAL CURRENT LIABILITIES		**62,030**	72,113
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings	11	**–**	361
Lease liabilities	14	**15,112**	8,483
Employee provisions		**368**	497
Other provisions and liabilities	10	**3,043**	2,248
Income tax payable	4(c)	**–**	185
Deferred tax liabilities	4(b)	**3**	–
TOTAL NON-CURRENT LIABILITIES		**18,526**	11,774
TOTAL LIABILITIES		**80,556**	83,887
NET ASSETS		**110,228**	112,735
EQUITY			
Contributed equity	13(a)	**310,327**	310,327
Retained losses		**(203,234)**	(200,608)
Reserves		**3,135**	3,016
TOTAL EQUITY		**110,228**	112,735

The accompanying notes form an integral part of the Consolidated Statement of Financial Position.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2022

	Note	2022 $'000	2021 $'000
Cash flows from operating activities			
Receipts from customers		**239,995**	184,349
Payments to suppliers and employees		**(199,321)**	(155,471)
Interest paid		**(1,682)**	(1,763)
Interest paid – Lease liabilities	14	**(1,370)**	(1,235)
Interest received		**8**	8
Interest received – Lease receivables	14	**9**	59
Income tax (paid)		**(2,224)**	(2,038)
Net cash provided by operating activities	9	**35,415**	23,909
Cash flows from investing activities			
Purchase of property, plant and equipment		**(5,160)**	(14,711)
Proceeds from the sale of property, plant and equipment		**2,913**	4,820
Net cash (used in) investing activities		**(2,247)**	(9,891)
Cash flows from financing activities			
Payment of dividends	6	**(6,417)**	(4,278)
Proceeds from borrowings		**–**	11,821
Repayment of borrowings		**(6,836)**	(5,964)
Repayment of borrowings – Lease liabilities		**(20,725)**	(16,114)
Receipts from finance leases as lessor	14	**877**	1,176
Payment of transaction costs related to share buy-back and borrowings		**–**	(443)
Net cash (used in) financing activities		**(33,101)**	(13,802)
Net increase in cash and cash equivalents		**67**	216
Cash and cash equivalents at the beginning of the period		**2,347**	2,131
Cash and cash equivalents at the end of the period		**2,414**	2,347

The accompanying notes form an integral part of the Consolidated Statement of Cash Flows.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2022

	Notes	Contributed Equity $'000	Retained Losses $'000	Retained Profits $'000	Cash Flow Hedge Reserve $'000	Employee Equity Benefits Reserve $'000	Total Equity $'000
At 1 July 2020		**310,327**	**(197,560)**	**–**	**(163)**	**2,670**	**115,274**
Profit for the year		–	–	1,230	–	–	1,230
Other comprehensive income		–	–	–	130	–	130
Total comprehensive income		**–**	**–**	**1,230**	**130**	**–**	**1,360**
Transactions with owners in their capacity as owners:							
Cost of share based payments	19(b)	–	–	–	–	379	379
Dividends paid		–	(4,278)	–	–	–	(4,278)
At 30 June 2021		**310,327**	**(201,838)**	**1,230**	**(33)**	**3,049**	**112,735**
Profit for the year		–	–	3,791	–	–	3,791
Other comprehensive income		–	–	–	33	–	33
Total comprehensive income		**–**	**–**	**3,791**	**33**	**–**	**3,824**
Transactions with owners in their capacity as owners:							
Cost of share based payments	19(b)	–	–	–	–	86	86
Dividends paid		–	(6,417)	–	–	–	(6,417)
At 30 June 2022		**310,327**	**(208,255)**	**5,021**	**–**	**3,135**	**110,228**

The accompanying notes form an integral part of the Consolidated Statement of Changes in Equity.

About This Report

The financial report of Boom Logistics Limited and its subsidiaries ("the Group") for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the Board of Directors on 25 August 2022.

Boom Logistics Limited is a company domiciled in Australia and limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

The Group is a for-profit entity and the nature of its operations and principal activities are described in note 1.

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial report complies with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial report has been prepared in accordance with the historical cost convention rounded to the nearest thousand dollars ($'000) in accordance with ASIC Corporations Instrument 2016/191 unless otherwise stated, except for derivative financial instruments which are measured at fair value. The financial report is presented in Australian dollars which is the Company's functional currency.

Boom's Directors have included information in this report that they deem to be material and relevant to the understanding of the financial report. Disclosure may be considered material and relevant if the dollar amount is significant due to size or nature, or the information is important to understand the:

- Group's current year results;
- impact of significant changes in Boom's business; or
- aspects of the Group's operations that are important to future performance.

Disclosure of information that is not material may undermine the usefulness of the financial report by obscuring important information.

COVID-19 Impact on the Group

Since the onset of the COVID-19 global pandemic, which was declared by the World Health Organisation on 11 March 2020, the Group has been able to effectively manage its operations to minimise disruption to the business.

The Group derives the majority of its revenue from the following sectors: mining and resources; infrastructure and construction; wind, energy and utilities; industrial maintenance; and telecommunications which are designated as essential services and have continued to operate throughout the year.

During FY2022, the Group has continued to work with customers to ensure that all health requirements are met including restrictions on staff travel, maintaining cleaning processes for equipment, maintaining social distancing protocols and observing state government work from home orders for non-essential staff.

Whilst the pandemic and ongoing uncertainty has created challenges during the year, the Group's financial performance improved significantly in the period.

The pandemic has also had continued impact on international shipping. Significant delays from Europe impacted the arrival of a number of new large travel tower assets that were ordered during the FY2021 year to service growth opportunities in the energy sector. These assets arrived in June 2022.

Whilst the uncertainty created by the pandemic has fluctuated through FY2022, it has not materially impacted the Group nor its assessment of going concern. The Group has long term debt facilities committed to December 2023 with significant undrawn capacity. Further growth in cash flow and earnings are forecast for FY2023.

The directors believe that it remains appropriate to prepare the accounts on a going concern basis.

Section A: Financial Performance

This section provides the information that is most relevant to understanding the financial performance of the Group during the financial year.

1. Segment Reporting

Description of operating segments

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Maker ("CODM") to make decisions about resource allocation and to assess performance. The CODM who is responsible for allocating resources and assessing performance of the operating segments is the Managing Director and CEO.

The business is considered from a product perspective and has two reportable segments:

- "Lifting Solutions", which consists of all lifting activities including the provision of cranes, travel towers, access equipment and all associated services; and
- "Labour Hire", which includes the provision of skilled labour with a wide range of trades, such as, electricians, boiler makers, mechanics, plus the traditional crane and travel tower operators, riggers, truck drivers.

The segment information provided to the CODM is measured in a manner consistent with that of the financial statements.

All inter-segment sales are carried out at arm's length prices.

Segment information

Year ended 30 June 2022	Lifting Solutions $'000	Labour Services $'000	Other* $'000	Elimination $'000	Consolidated $'000
Segment revenue					
Total external revenue	215,577	267	–	–	215,844
Inter-segment revenue	–	13,224	–	(13,224)	–
Total segment revenue	215,577	13,491	–	(13,224)	215,844
Other income					228
Total revenue and other income					**216,072**
Segment result					
Operating result	47,109	125	(5,906)	–	41,328
Net profit on disposal of property, plant and equipment	211	–	–	–	211
Depreciation and amortisation	(34,010)	(51)	(412)	–	(34,473)
Profit before net interest and tax	**13,310**	**74**	**(6,318)**	**–**	**7,066**
Net interest	(3,261)	(1)	(13)	–	(3,275)
Income tax					–
Profit from continuing operations					**3,791**
Segment assets and liabilities					
Segment assets	193,934	408	962	(4,520)	190,784
Segment liabilities	77,113	332	3,111	–	80,556
Additions to non-current assets	33,231	–	–	–	**33,231**

* Other represents centralised costs including national office and shared services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 June 2022

Section A: Financial Performance (continued)

1. Segment Report (continued)

Year ended 30 June 2021	Lifting Solutions $'000	Labour Services $'000	Other* $'000	Elimination $'000	Consolidated $'000
Segment revenue					
Total external revenue	172,445	810	–	–	173,255
Inter-segment revenue	–	15,457	–	(15,457)	–
Total segment revenue	172,445	16,267	–	(15,457)	173,255
Other income					714
Total revenue and other income					**173,969**
Segment result					
Operating result	38,914	1,314	(4,566)	–	35,662
Net profit on disposal of property, plant and equipment	647	–	–	–	647
Depreciation and amortisation	(31,178)	(53)	(625)	–	(31,856)
Profit before net interest and tax	**8,383**	**1,261**	**(5,191)**	**–**	**4,453**
Net interest	(3,190)	(5)	(28)	–	(3,223)
Income tax					–
Profit from continuing operations					**1,230**
Segment assets and liabilities					
Segment assets	196,833	416	1,033	(1,660)	196,622
Segment liabilities	77,937	864	5,086	–	83,887
Additions to non-current assets	33,440	–	–	–	**33,440**

* Other represents centralised costs including national office and shared services.

2. Revenue from Contracts with Customers

(a) Disaggregation of revenue from contracts with customers

Boom Logistics Limited is domiciled in Australia and all core revenue is derived from customers within Australia. The Group derives revenue from the transfer of services over time in the following industry segments:

Industry segment	Lifting Solutions $'000	Labour Services $'000	Consolidated $'000
Year ended 30 June 2022			
Mining & resources	116,279	–	116,279
Wind, energy, & utilities	42,904	–	42,904
Infrastructure & construction	31,012	124	31,136
Industrial maintenance	16,720	57	16,777
Telecommunications	7,465	25	7,490
Other	1,197	61	1,258
Total revenue from contracts with customers	**215,577**	**267**	**215,844**
Timing of revenue recognition			
Services transferred over time	215,577	267	215,844
Year ended 30 June 2021			
Mining & resources	81,480	–	81,480
Wind, energy, & utilities	39,403	26	39,429
Infrastructure & construction	23,105	106	23,211
Industrial maintenance	17,984	331	18,315
Telecommunications	9,894	–	9,894
Other	579	347	926
Total revenue from contracts with customers	**172,445**	**810**	**173,255**
Timing of revenue recognition			
Services transferred over time	172,445	810	173,255

(b) Contract balances

	Note	2022 $'000	2021 $'000
Trade and other receivables		**38,450**	35,595
Contract assets	(i)	**3,019**	7,320
Total trade receivables, contract assets and other receivables		**41,469**	42,915

(i) Contract assets relate to the Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group issues the invoices to the customers.

Recognition and measurement

Revenue from the hire of lifting/access equipment, labour and other services provided is recognised when the performance obligation is satisfied. This typically occurs when the job dockets or timecards are approved by the customers. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated on a relative fair value basis.

Revenue from the installation of wind towers is recognised by using either the equipment hire and labour rate models (schedule of rates) or the stage of completion of the contract, as specified in the contracts. The stage of completion is

Section A: Financial Performance (continued)

2. Revenue from Contracts with Customers (continued)

measured by reference to work completed on each stage of a wind tower unit calculated as a percentage of the total wind towers included under the contract.

The total consideration in the services above is allocated based on their standalone selling prices. The stand-alone selling prices are determined based on the list prices at which the Group sells the services in separate transactions. The fair value and the stand-alone selling prices of both types of services are considered broadly similar.

Key estimate and judgement

Determining the stage of completion requires an estimate of the wind tower units completed to date as a percentage of the total wind tower units under the contract. Where variations and claims are made to the contract, assumptions are made regarding the probability that the customer will approve the variations and claims and the amount of revenue that will arise. Changes in these estimation methods could have a material impact on the financial statements.

3. Other Income and Expenses

	2022 $'000	2021 $'000
(a) Other income		
Profit on disposal of plant and equipment	**235**	583
(Loss)/profit on disposal of plant and equipment – Right-of-use assets	**(24)**	64
Interest income	**8**	8
Interest income – Lease receivables	**9**	59
Total other income	**228**	714
(b) Expenses		
External equipment hire	**16,867**	10,376
External labour hire	**17,722**	2,855
Maintenance	**11,706**	9,383
Fuel	**3,234**	2,176
External transport	**5,982**	6,336
Employee travel and housing	**1,942**	1,949
Other reimbursable costs (on-charged to customers)	**1,169**	1,440
Other equipment services and supplies	**4,870**	3,375
Total equipment services and supplies expense	**63,492**	37,890
Employee related	**2,772**	1,876
Insurance and compliance	**4,646**	3,501
IT and communications	**2,864**	2,367
Occupancy	**1,211**	1,057
Other overheads	**2,752**	2,735
Total other expense	**14,245**	11,536

4. Income Tax

	2022 $'000	2021 $'000
(a) Income tax expense		
A reconciliation between tax expense and accounting profit before income tax is as follows:		
Accounting profit before tax from continuing operations	**3,791**	1,230
At the Group's statutory income tax rate of 30% (2021: 30%)	**1,137**	369
Expenditure not allowable for income tax purposes	**71**	52
Previously unrecognised tax credits now recouped to reduce current tax expense	**(2,309)**	(421)
Derecognition of tax losses recognised in previous years	**1,101**	–
Income tax	**-**	–

	Opening Balance $'000	Recognised in Income Statement $'000	Recognised in Equity $'000	Closing Balance $'000
(b) Deferred income tax				
Year ended 30 June 2022				
– Employee leave provisions	**2,886**	**203**	**-**	**3,089**
– Allowance for impairment on financial assets	**285**	**27**	**-**	**312**
– Liability accruals	**1,006**	**161**	**-**	**1,167**
– Restructuring provisions	**17**	**(17)**	**-**	**-**
– Tax losses	**3,900**	**(1,101)**	**-**	**2,799**
– Plant and equipment	**(8,097)**	**727**	**-**	**(7,370)**
– Derivative financial instruments	**14**	**-**	**(14)**	**-**
Net deferred tax asset / (liabilities)	**11**	**-**	**(14)**	**(3)**
Year ended 30 June 2021				
– Employee leave provisions	2,657	229	–	2,886
– Allowance for impairment on financial assets	334	(49)	–	285
– Liability accruals	1,606	(600)	–	1,006
– Restructuring provisions	12	5	–	17
– Tax losses	4,272	(372)	–	3,900
– Plant and equipment	(8,884)	787	–	(8,097)
– Derivative financial instruments	70	–	(56)	14
Net deferred tax asset / (liabilities)	**67**	**-**	**(56)**	**11**

Section A: Financial Performance (continued)

4. Income tax (continued)

(c) Income tax payable

Income tax payable represents the remaining franking deficit tax that is being paid in twenty four interest-free equal monthly instalments from August 2020 to July 2022. As at 30 June 2022, of the $4.262 million of income tax instalments paid to date, $3.166 million was utilised to offset the income tax payable arising from the financial year results.

(d) Tax losses

The Group has total tax losses of $31.165 million tax effected (2021: $31.165 million). $2.799 million of these losses have been recognised on balance sheet and $28.366 million has not been recognised as a deferred tax asset based on an assessment of the probability that sufficient taxable profit will be available to allow the tax losses to be utilised in the near future. The unused tax losses remain available indefinitely and are in addition to the franking deficit tax payments that can also be used to offset future tax payable.

Recognition and measurement

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are recognised for all deductible / taxable temporary differences except where they arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Income tax is recognised as an expense or income in the consolidated income statement unless it relates to other items recognised directly in other comprehensive income in which case the tax is also recognised directly in other comprehensive income.

Tax consolidation legislation

Boom Logistics Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. The head entity, Boom Logistics Limited, and the controlled entities in the tax consolidated group have entered into tax funding and sharing agreements such that each entity in the tax consolidated group recognises the assets, liabilities, revenues and expenses in relation to its own transactions, events and balances only.

Key estimate and judgement

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable profits will be available to utilise those temporary differences and losses, and the losses continue to be available having regard to their nature and timing of origination. Judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and the level of future taxable profits. Utilisation of tax losses also depends on the ability of the Group to satisfy certain tests at the time the losses are recouped.

5. Earnings Per Share

Basic earnings per share amounts are calculated by dividing net profit or loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit or loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the calculation of basic and diluted earnings per share:

	Note	2022 $'000	2021 $'000
Net profit after tax		**3,791**	1,230

		No. of shares	
Weighted average number of ordinary shares used in calculating basic earnings per share		**427,774,207**	427,774,207
Effect of dilutive securities:			
– employee share awards	(i)	**2,220,457**	–
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share		**429,994,664**	427,774,207
Number of ordinary shares at financial year end		**427,774,207**	427,774,207

(i) Dilutive securities are options granted to employees under the long term incentive plan and included in the calculation of diluted earnings per share assuming all vesting conditions are met.

6. Dividends

The Company paid unfranked dividends of 1.0 cent per share on 5 November 2021 and 0.5 cents per share on 6 April 2022 totalling $6.417 million.

Section B: Operating Assets and Liabilities

This section provides information relating to the key operating assets used and liabilities incurred to support delivering the financial performance of the Group.

7. Property, Plant and Equipment

	Rental Equipment $'000	Motor Vehicles $'000	Machinery, Furniture, Fittings & Equipment $'000	Freehold Land & Buildings $'000	Total $'000
Year ended 30 June 2022					
Opening carrying amount	**118,863**	**1,926**	**422**	**1,443**	**122,654**
Additions	**3,636**	**186**	**10**	**–**	**3,832**
Disposals	**(2,175)**	**(15)**	**(6)**	**–**	**(2,196)**
Transfers	**9**	**(15)**	**6**	**–**	**–**
Depreciation charge for the year	**(15,520)**	**(660)**	**(298)**	**(119)**	**(16,597)**
Closing carrying amount	**104,813**	**1,422**	**134**	**1,324**	**107,693**
At cost	**284,469**	**18,590**	**6,148**	**3,120**	**312,327**
Accumulated depreciation	**(179,656)**	**(17,168)**	**(6,014)**	**(1,796)**	**(204,634)**
Closing carrying amount	**104,813**	**1,422**	**134**	**1,324**	**107,693**
Year ended 30 June 2021					
Opening carrying amount	119,031	2,648	955	1,562	124,196
Additions	14,695	7	9	–	14,711
Disposals	(744)	(34)	(3)	–	(781)
Transfers	715	1	1	–	717
Depreciation charge for the year	(14,834)	(696)	(540)	(119)	(16,189)
Closing carrying amount	**118,863**	**1,926**	**422**	**1,443**	**122,654**
At cost	294,871	19,113	6,203	3,120	323,307
Accumulated depreciation	(176,008)	(17,187)	(5,781)	(1,677)	(200,653)
Closing carrying amount	**118,863**	**1,926**	**422**	**1,443**	**122,654**

Property, plant and equipment with a carrying amount of $107.693 million (2021: $122.654 million) is pledged as securities for current and non-current interest bearing loans and borrowings as disclosed in note 11.

Assets classified as held for sale

There were no assets classified as held for sale at 30 June 2022.

Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Land is measured at cost less any accumulated impairment losses.

When a major overhaul is performed on an asset, the cost is recognised in the carrying amount of property, plant and equipment only if the major overhaul extends the expected useful life of the asset or if the continuing operation of the asset is conditional upon incurring the expenditure. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of property, plant and equipment as a replacement only if it is eligible for capitalisation. The cost of the day-to-day servicing or the replacement of consumable parts of property, plant and equipment is recognised in profit or loss as incurred.

Depreciation is recognised in the statement of comprehensive income on a straight line basis over the estimated useful life of each part of an item of property, plant and equipment as follows:

Buildings	20 Years
Mobile Cranes	10 to 15 Years
Travel Towers	10 to 20 Years
Access and Ancillary Equipment	10 Years
Vehicles	5 to 10 Years
Office and Workshop Equipment	3 to 10 Years
Leasehold Improvements	Lease term
Computer Equipment	3 to 5 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and at more regular intervals when there is an indicator of impairment or when deemed appropriate.

Gains or losses on sale of property, plant and equipment are included in the statement of comprehensive income in the year the asset is disposed of.

Key estimate and judgement

The Group determines the estimated useful lives of assets and related depreciation charges for its property, plant and equipment based on the accounting policy stated above. These estimates are based on projected capital equipment lifecycles for periods up to twenty years based on useful life assumptions.

Residual values are determined based on the value the Group would derive upon ultimate disposal of the individual piece of property, plant and equipment at the end of its useful life. The achievement of these residual values is dependent upon the second hand equipment market at any given point in the economic cycle.

Management will increase the depreciation charge where useful lives are less than previously estimated lives or there is indication that residual values cannot be achieved.

8. Impairment Testing of Non-Financial Assets

Recognition and measurement

The carrying amounts of the Group's non-financial assets, other than deferred tax assets and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets (the "cash-generating unit").

The recoverable amount of an asset or cash-generating unit or a group of cash-generating units is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset, cash-generating unit or a group of cash-generating units exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Key estimate and judgement

The carrying values of the CGU's fixed assets were tested at 30 June 2022 by reference to management's assessment of their fair value less costs of disposal. Fair value was determined after considering information from a variety of sources including a valuation of all cranes and travel tower assets obtained from an independent valuer dated 21 June 2022. The independent valuer concluded a fair value of $137.033 million (2021: $125.265 million) for the Group's cranes and travel tower assets. The Group did not make any allowance for costs to sell as they were deemed immaterial given the Group's in house expertise and track record of successful asset sales. The Group has classified the assessment as Level 2 in the fair value hierarchy (as per AASB 13) where "inputs other than quoted prices in active markets that are observable for the asset either directly or indirectly".

The independent valuation supported the carrying value of the CGU's crane and travel tower assets as stated in the consolidated statement of financial position. The evaluation is consistent with the Group's assessment of the economic environment, lengthening lead times for new equipment and second hand asset values. Consequently, no impairment adjustment to the carrying value of operating fleet was considered necessary at 30 June 2022.

Section B: Operating Assets and Liabilities (continued)

9. Reconciliation of the Net Cash Flows from Operations with Net Profit/(Loss) After Tax

	Note	2022 $'000	2021 $'000
Net profit after tax		**3,791**	1,230
Non cash items			
Depreciation and amortisation of non-current assets		**34,473**	31,856
Borrowing costs – amortisation	11(d)	**240**	292
Net profit on disposal of non-current assets	3	**(211)**	(647)
Share based payments	19(b)	**86**	379
Changes in assets and liabilities			
Decease/(increase) in trade receivables, contract assets and other receivables		**1,446**	(8,363)
(Increase) in inventories, prepayments and other assets		**(837)**	(75)
(Increase) in current and deferred tax balances		**(2,213)**	(1,982)
(Decrease)/increase in trade and other payables		**(658)**	3,618
(Decrease) in provisions and other liabilities		**(702)**	(2,399)
Net cash flow from operating activities		**35,415**	23,909

10. Other Provisions and Liabilities

Other provisions and liabilities include accruals for PAYG, GST, wages, superannuation and payroll tax. The balance also includes provision for make good costs on leases of $0.793 million (2021: $1.145 million) which principally relates to shipment costs of returning leased equipment, including onshore transportation costs.

Section C: Funding Structures

This section provides information relating to the Group's funding structure and its exposure to financial risk, how they affect the Group's financial position and performance and how the risks are managed.

11. Interest Bearing Loans and Borrowings

	Note	2022 $'000	2021 $'000
Current			
Other loans	(i)	**17,493**	23,967
Prepaid borrowing costs		**(118)**	(358)
Total current interest bearing loans and borrowings		**17,375**	23,609
Non current			
Other loans	(i)	**-**	361
Total non-current interest bearing loans and borrowings		**-**	361
Total interest bearing loans and borrowings		**17,375**	23,970

(i) Other loans include an amortising loan of $0.361 million disclosed as current. The loan expires in July 2022.

Other current loans also include the receivables finance facility that has a committed facility limit to December 2023. The drawings made under the committed facility limit are however revolving in nature and accordingly, the debt of $17.132 million outstanding under the facility at year end has been disclosed as a current liability. Amounts outstanding under the facility are not required to be repaid until December 2023 at the end of the facility term.

(a) Covenant position

The Group is not subject to any financial covenants under existing facilities.

(b) Assets pledged as security

Fixed and floating charges are held over all of the Group's assets, including cash at bank, trade receivables, contract assets and other receivables, and property, plant and equipment.

(c) Terms and debt repayment schedule

				Carrying Amount	
	Currency	Weighted average interest rate	Year of maturity	2022 $'000	2021 $'000
Trade receivables loan	AUD	7.17%	December 2023	**17,132**	19,349
Finance arrangement	AUD	5.92%	July 2022*	**361**	4,979
Prepaid borrowing costs				**(118)**	(358)
Total interest bearing liabilities				**17,375**	23,970

*Extended to February 2024 subsequent to reporting date.

Section C: Funding Structures (continued)

11. Interest Bearing Loans and Borrowings (continued)

(d) Financing expense	2022 $'000	2021 $'000
Interest expense	**1,278**	1,178
Borrowing costs – amortisation (non-cash)	**240**	292
Borrowing costs – other	**404**	585
Total financing expense	**1,922**	2,055

(e) Financing facilities available

At reporting date, the following financing facilities had been negotiated and were available:

Total facilities:		
– bank loans and borrowings	**113,000**	113,000
	113,000	113,000
Facilities drawn at reporting date:		
– bank loans and borrowings	**35,116**	31,759
	35,116	31,759
Facilities undrawn at reporting date:		
– bank loans and borrowings	**67,221**	67,907
	67,221	67,907

Total facilities consist of $56 million receivables finance facility, $22 million chattel mortgage facility, and $35 million asset finance facility.

Of the $56 million receivables finance facility, $17.1 million was drawn with a further $1.3 million utilised by bank guarantees. $37.6 million of the undrawn facility was available subject to the availability of eligible debtors which was $2.0 million at the reporting date.

The $22 million chattel mortgage facility was undrawn at the reporting date.

Of the $35 million asset finance facility, $18.0 million was drawn including $17.6 million of finance leases. A further $9.4 million was utilised by operating leases. $7.6 million was undrawn at the reporting date.

Recognition and measurement

All loans and borrowings are initially recognised at fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method which is way of allocating interest expense evenly and consistently over the life of loans and borrowings.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised.

The fair value of all borrowings approximates their carrying amount at the reporting date as the impact of any market discounting is not significant.

12. Financial Risk Management

The Board of Directors has overall responsibility for the oversight of the Company's risk management framework including the identification and management of material business, financial and regulatory risks. Management reports regularly to the Risk Committee and the Board of Directors on relevant activities.

Risk management guidelines have been further developed to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management guidelines are regularly reviewed to reflect changes in market conditions and the Group's activities.

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

(a) Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade receivables, contract assets and other receivables, and derivative instruments. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at reporting date is addressed in each applicable note.

The Group's policy is to trade with recognised, creditworthy third parties. It is the Group's practice that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Trade receivables and contract assets

The Group applies the simplified approach to measuring expected credit losses ("ECL") 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 Group established a provision matrix based on the historical credit loss experience and adjusted for forward looking factors specific to the debtors and the economic environment. The Group considers trade receivables and contract assets are at risk when contractual payments are 120 days past invoice date, subject to other internal or external information that indicate otherwise.

Collectability is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance for impairment is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

At the reporting date, the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix is as follows:

	ECL Rate	Trade Receivables* $'000	Contract Assets* $'000	Total $'000	Loss Allowance $'000
Year ended 30 June 2022					
0 – 30 days	**0.20%**	**20,325**	**3,019**	**23,344**	**43**
31 – 60 days	**0.25%**	**7,029**	**-**	**7,029**	**16**
61 – 90 days	**0.75%**	**7,299**	**-**	**7,299**	**50**
91 – 120 days	**7.50%**	**2,024**	**-**	**2,024**	**138**
+120 days	**20.00%**	**2,143**	**-**	**2,143**	**390**
		38,820	**3,019**	**41,839**	**637**
Year ended 30 June 2021					
0 – 30 days	0.20%	22,323	7,320	29,643	56
31 – 60 days	0.25%	6,663	-	6,663	15
61 – 90 days	0.75%	4,960	-	4,960	34
91 – 120 days	7.50%	1,840	-	1,840	125
+120 days	20.00%	470	-	470	85
		36,256	**7,320**	**43,576**	**315**

* Trade receivables and contact assets are net of specific transactions totalling $0.285 million (2021: $0.234 million) that have been fully provided and excluded from above general provision calculation.

Section C: Funding Structures (continued)

12. Financial Risk Management (continued)

The movement in the allowance for impairment in respect of trade receivables and contract assets during the financial year is as follows:

	Note	2022 $'000	2021 $'000
Balance at 1 July		**949**	1,114
Impairment loss recognised		**101**	378
Amounts written-off and/or written back		**(10)**	(543)
Balance at 30 June	(i)	**1,040**	949

(i) The allowance for impairment of $1.040 million comprises a specific provision of $0.285 million (2021: $0.234 million), $0.637 million calculated from the provision matrix (2021: $0.315 million), and an additional allowance of $0.118 million in excess (2021: $0.400 million in excess) of the allowance calculated using the provision matrix above. The additional amount is to allow for a perceived temporary increase in the risk profile as a result of the uncertain economic environment at 30 June 2022.

Recognition and measurement

Trade receivables and contract assets are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for impairment. Trade receivables are generally due for settlement within 30 – 90 days.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable or contract asset for which an allowance for impairment had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its financial obligations as they fall due under both normal and stressed conditions without incurring unacceptable losses or damage to the Group's reputation. In order to meet these requirements management estimates the cash flows of the Group on a weekly, monthly and three-year rolling basis.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of operating leases, finance leases and trade receivables loan. At 30 June 2022, the Group's balance sheet gearing ratio was 29% (interest bearing loans and borrowing plus finance lease liabilities less cash / total equity) (2021: 26%). Allowing for the additional operating lease liabilities recognised in accordance with AASB 16, the Group's balance sheet gearing ratio was 41% (2021: 41%).

The table below represents the undiscounted contractual settlement terms for financial liabilities based on the remaining period at the reporting date to the contractual maturity date.

	Carrying amount $'000	Contractual cash flows $'000	6 mths or less $'000	6-12 mths $'000	1-2 years $'000	2-5 years $'000
Year ended 30 June 2022						
Trade and other payables	**14,912**	**(14,912)**	**(14,912)**	**-**	**-**	**-**
Income tax payable	**185**	**(185)**	**(185)**	**-**	**-**	**-**
Other loans	**17,493**	**(18,870)**	**(9,393)**	**(9,030)**	**(447)**	**-**
Lease liabilities	**30,032**	**(31,718)**	**(6,487)**	**(6,487)**	**(11,917)**	**(6,827)**
	62,622	**(65,685)**	**(30,977)**	**(15,517)**	**(12,364)**	**(6,827)**
Year ended 30 June 2021						
Trade and other payables	15,570	(15,570)	(15,570)	–	–	–
Derivatives	93	(93)	(73)	(20)	–	–
Income tax payable	2,409	(2,409)	(1,112)	(1,112)	(185)	–
Other loans	24,328	(26,914)	(12,555)	(12,555)	(1,335)	(469)
Lease liabilities	24,216	(25,455)	(7,734)	(7,734)	(5,752)	(4,235)
	66,616	**(70,441)**	**(37,044)**	**(21,421)**	**(7,272)**	**(4,704)**

Recognition and measurement

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually payable within 60 days of recognition.

(c) Market risk

Market risk is the risk that changes in interest rates and foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments.

Interest rate risk

At the reporting date, the interest rate profiles of the Group's interest bearing financial instruments were:

	Carrying amount 2022 $'000	Carrying amount 2021 $'000
Fixed rate instruments		
Financial liabilities	**(17,984)**	(12,410)
	(17,984)	(12,410)
Variable rate instruments		
Financial assets – cash at bank and on hand	**2,414**	2,347
Financial liabilities	**(17,132)**	(19,349)
	(14,718)	(17,002)

The Group's main interest rate risk arises from short and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. This risk is managed by taking into consideration the current and expected future debt profile, expectations regarding future interest rate movements, the mix between variable and fixed rate borrowings and the potential to hedge against negative outcomes by entering into interest rate swaps.

Section C: Funding Structures (continued)

12. Financial Risk Management (continued)

Foreign exchange rate risk
Foreign exchange risk arises when future commercial transactions and recognised liabilities are denominated in a currency that is not the entity's functional currency. The Group has transactional currency exposures arising from operating lease of plant and equipment denominated in Euros.

In order to protect against exchange rate movements, the Group has entered into forward exchange contracts to purchase Euros. These contracts are hedging highly probable forecasted transactions and are timed to mature when payments are scheduled to be made. The forward exchange contracts are considered to be fully effective cash flow hedges and any gain or loss on the contracts is taken directly to equity.

The Group's exposure to foreign exchange rate risk at the reporting date, expressed in Australian dollars, was $0.440 million (2021: $0.596 million) and the forward exchange contracts had a fair value of $nil payable at 30 June 2022 (2021: $0.047 million payable).

Sensitivity
Movements in the Australian dollar against the Euro would not result in a material difference to the balances stated in the consolidated statements of changes in equity and comprehensive income.

Recognition and measurement
Derivatives designated as hedging instruments are classified as cash flow hedges.

At the inception of each hedging transaction, the Group documents the relationship between the hedging instruments and hedged items, its risk management objectives and its strategy for undertaking the hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair value or cash flows of hedged items.

The effective portion of changes in the fair value of the derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in the cash flow hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

The Group does not speculate in the trading of derivative instruments.

Derivatives are carried at fair value and categorised as level 2 in the fair value hierarchy under AASB 13 where "inputs other than quoted prices in active markets that are observable for the asset either directly or indirectly".

13. Contributed Equity

	2022		2021	
	No. of shares	**$'000**	**No. of shares**	**$'000**
(a) Issued and paid up capital				
Beginning and end of the financial year	**427,774,207**	**310,327**	427,774,207	310,327

All issued shares are fully paid. Fully paid ordinary shares carry one vote per share and carry the right to dividends.

(b) Capital management

For the purposes of capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management policy is to maximise shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and impacts on the Group's budgets and forecasts. The Group monitors capital on the basis of the balance sheet gearing ratio. This ratio is calculated as net debt divided by total equity as disclosed in note 12(b).

Section D: Other Disclosures

This section provides additional financial information that is required by the Australian Accounting Standards and management considers relevant for shareholders.

14. Leases

Group as a lessee

The Group has commercial leases on certain plant and equipment, motor vehicles and property. These lease contracts have typically fixed terms of 1 to 5 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The impact of leases on the financial statements for the period is as follows:

	2022 $'000	2021 $'000
Statement of Comprehensive Income		
Depreciation expense of right-of-use assets	**(17,876)**	(15,667)
Interest expense on lease liabilities	**(1,370)**	(1,235)
Interest income on sublease of right-of-use assets	**9**	59
Gains or (losses) on termination of leases	**(24)**	64
Rent expense – short-term leases and leases of low value assets	**(187)**	(436)
Total amounts recognised in profit or loss	**(19,448)**	(17,215)
Statement of Cash Flows		
Net cash flows from operating activities	**19,848**	14,938
Net cash flows from financing activities	**(19,848)**	(14,938)

	Right-of-use Assets						
Statement of Financial Position	**Rental Equipment $'000**	**Motor Vehicles $'000**	**Other Equipment $'000**	**Land & Buildings $'000**	**Total $'000**	**Lease Receivables $'000**	**Lease Liabilities $'000**
Year ended 30 June 2022							
Opening carrying amount	18,015	4,747	12	2,845	**25,619**	437	24,216
Additions	22,156	1,236	37	5,970	**29,399**	440	27,444
Terminations	(711)	(46)	–	(171)	**(928)**	–	(903)
Depreciation expense	(11,311)	(2,425)	(37)	(4,103)	**(17,876)**	–	–
Impairment expense	–	–	–	–	**–**	–	–
Receipts / payments	–	–	–	–	**–**	(877)	(20,725)
Closed carrying amount	**28,149**	**3,512**	**12**	**4,541**	**36,214**	**–**	**30,032**
Year ended 30 June 2021							
Opening carrying amount	10,436	5,637	70	6,645	**22,788**	1,613	23,123
Additions	16,063	1,649	–	1,017	**18,729**	–	17,503
Terminations	–	(39)	(5)	(187)	**(231)**	–	(295)
Depreciation expense	(8,484)	(2,500)	(53)	(4,630)	**(15,667)**	–	–
Impairment expense	–	–	–	–	**–**	–	–
Receipts / payments	–	–	–	–	**–**	(1,176)	(16,114)
Closed carrying amount	**18,015**	**4,747**	**12**	**2,845**	**25,619**	**437**	**24,216**

Section D: Other Disclosures (continued)

14. Leases (continued)

Recognition and measurement
Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use. The right-of-use asset is depreciated over the lease term on a straight-line basis. The lease payment is allocated between the lease liability and interest expense. The interest expense is charged to profit or loss over the lease term.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any initial direct costs; and
- restoration costs.

Lease liabilities are measured at the present value of lease payments to be made over the lease term discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The present value of lease payments include:

- fixed payments;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option if reasonably certain to exercise the option; and
- payments of penalties for terminating the lease.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Group as a lessor
The Group has several property, plant and equipment leases that were sub-let and classified as finance leases and recognised as Lease receivables. The sub-leases have terms of between 2 to 3 years.

The maturity analysis of lease receivables showing the undiscounted lease payments to be received after the reporting date is a follows:

	2022 $'000	2021 $'000
– within one year	–	443
– after one year but not more than five years	–	–
Total undiscounted lease receivable	–	443
– future finance income	–	(6)
Net lease receivable	–	437

15. Subsidiaries

	Country of incorporation	Equity interest 2022 %	Equity interest 2021 %
AKN Pty Ltd	Australia	**100**	100
Boom Logistics Constructions Pty Ltd*	Australia	**100**	100
Shutdown Staffing Pty Ltd	Australia	**100**	100
Boom Logistics (VIC) Pty Ltd	Australia	**100**	100
Boom Logistics Projects Pty Ltd	Australia	**100**	100
Boom Renewables Pty Ltd	Australia	**100**	100

*Boom Logistics Constructions Pty Ltd changed its name from Sherrin Hire Pty Ltd on 4 November 2021.

Boom Logistics Limited is the ultimate parent company.

Recognition and measurement

The consolidated financial statements comprise the financial statements of Boom Logistics Limited and its subsidiaries as at 30 June each year.

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

In the parent company financial statements, investments in subsidiaries are carried at cost less impairments.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

16. Deed of Cross Guarantee

Pursuant to ASIC Corporations Instrument 2016/785 ("Corporations Instrument"), the wholly owned subsidiaries listed below are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports and Directors' report.

It is a condition of the Corporations Instrument that Boom Logistics Limited and each of the subsidiaries enter into a Deed of Cross Guarantee. The effect of the Deed is that Boom Logistics Limited guarantees to each creditor payment in full of any debt in the event of winding up of any of the subsidiaries under certain provisions of the Corporations Act 2001. The subsidiaries have also given similar guarantees in the event that Boom Logistics Limited is wound up.

The subsidiaries subject to the Deed are:

- Boom Logistics Constructions Pty Ltd (party to the Deed on 6 December 2005);
- AKN Pty Ltd (party to the Deed on 3 November 2006 by virtue of a Deed of Assumption);
- Shutdown Staffing Pty Ltd (party to the Deed on 23 November 2007 by virtue of a Deed of Assumption);

and together with Boom Logistics Limited, represent a "Closed Group" for the purposes of the Corporations Instrument.

Section D: Other Disclosures (continued)

16. Deed of Cross Guarantee (continued)

The consolidated statements of comprehensive income and financial position of the entities that are members of the "Closed Group" are as follows:

	Closed Group	
	2022 $'000	**2021 $'000**
Consolidated Statement of Comprehensive Income		
Revenue	**204,167**	163,790
Other income	**228**	406
Salaries and employee benefits expense	**(87,915)**	(78,220)
Equipment service and supplies expense	**(62,238)**	(38,737)
Operating lease expense	**(176)**	(401)
Other expenses	**(13,903)**	(11,527)
Depreciation and amortisation expense	**(15,971)**	(15,507)
Depreciation expense – Right-of-use assets	**(17,733)**	(15,518)
Financing expense	**(1,922)**	(2,146)
Financing expense – Lease liabilities	**(1,364)**	(1,226)
Profit before income tax	**3,173**	914
Income tax benefit	**41**	27
Net profit for the year	**3,214**	941
Retained losses at the beginning of the year	**(207,164)**	(203,827)
Dividends provided for or paid	**(6,417)**	(4,278)
Retained losses at the end of the year	**(210,367)**	(207,164)
Net profit for the year	**3,214**	941
Other comprehensive income / (loss)		
Cash flow hedges recognised in equity	**33**	130
Other comprehensive income for the year, net of tax	**33**	130
Total comprehensive income for the year	**3,247**	1,071

	Closed Group 2022 $'000	Closed Group 2021 $'000
Consolidated Statement of Financial Position		
Current assets		
Cash and cash equivalents	**2,402**	2,329
Trade receivables, contract assets and other receivables	**39,506**	40,896
Inventories, prepayments and other current assets	**2,970**	2,430
Lease receivables	**-**	437
Total current assets	**44,878**	46,092
Non-current assets		
Investments	**599**	599
Deferred tax asset	**509**	523
Property, plant and equipment	**103,030**	117,851
Right-of-use assets	**36,126**	25,540
Total non-current assets	**140,264**	144,513
Total assets	**185,142**	190,605
Current liabilities		
Trade and other payables	**13,993**	14,934
Interest bearing loans and borrowings	**17,375**	23,609
Lease liabilities	**14,920**	15,733
Employee provisions	**9,453**	8,628
Other provisions and liabilities	**4,487**	5,647
Derivative financial instruments	**-**	93
Income tax payable	**185**	2,224
Total current liabilities	**60,413**	70,868
Non-current liabilities		
Payables	**3,212**	1,899
Interest bearing loans and borrowings	**-**	361
Lease liabilities	**15,031**	8,407
Employee provisions	**368**	492
Other provisions and liabilities	**3,023**	2,214
Income tax payable	**-**	185
Total non-current liabilities	**21,634**	13,558
Total liabilities	**82,047**	84,426
Net assets	**103,095**	106,179
Equity		
Contributed equity	**310,327**	310,327
Retained losses	**(210,367)**	(207,164)
Reserves	**3,135**	3,016
Total equity	**103,095**	106,179

Section D: Other Disclosures (continued)

17. Parent Entity

The individual financial statements for the parent entity show the following aggregate amounts:

	2022 $'000	2021 $'000
Statement of financial position		
Current assets	**42,505**	43,842
Total assets	**229,681**	234,581
Current liabilities	**64,737**	72,611
Total liabilities	**115,746**	116,475
Equity		
Contributed equity	**310,327**	310,327
Reserves	**3,135**	3,016
Retained losses	**(199,527)**	(195,237)
Total equity	**113,935**	118,106
Net profit / (loss) after tax for the year	**2,127**	(1,911)
Dividends provided for or paid	**(6,417)**	(4,278)
Total comprehensive income / (loss) for the year	**2,160**	(1,781)

18. Key Management Personnel

Summary of key management personnel compensation in the following categories is as follows:

	2022 $	2021 $
Short-term employee benefits	**1,811,113**	1,609,809
Post employment benefits	**136,269**	121,751
Other long term benefits	**20,996**	60,903
Share based payments	**389,720**	245,208
Total compensation	**2,358,098**	2,037,671

Refer to the Remuneration Report in the Directors' Report for detailed compensation disclosure on key management personnel.

Related party transactions

During the year, the Group entered into hire contracts with Grove (Aust) Pty Ltd and Grove Capital Pty Ltd for the provision of mobile cranes, transport and labour services. Mr. Stephen Grove is Executive Chairman and owner of Grove (Aust) Pty Ltd and Grove Capital Pty Ltd. The services performed totalled $709,763 (2021: $112,368) and were made on terms equivalent to those that prevailed in arm's length transactions.

19. Share-based Payments

Three employee incentive schemes are in place to assist in attracting, retaining and motivating key employees as follows:

- Salary sacrifice rights plan;
- Short term incentive plan; and
- Long term incentive plan.

Information with respect to the number of rights and options allocated under the employee incentive schemes are as follows:

	Salary Sacrifice Rights Plan		Short Term Incentive Plan		Long Term Incentive Plan	
	Average fair value per right	**No. of rights**	**Average fair value per right**	**No. of rights**	**Average exercise price per option**	**No. of options**
At start of period	$0.1309	3,179,047	$0.1631	2,483,970	$0.1522	29,229,782
Granted during the period	$0.1665	885,966	$0.1823	730,843	$0.1790	16,572,510
Exercised during the period	$0.18	(1,014,381)	$0.1808	(1,034,198)	–	–
Lapsed during the period	–	–	–	–	$0.1450	(9,714,640)
Forfeited during the period	–	–	–	–	$0.1537	(3,520,938)
At end of period	**$0.1237**	**3,050,632**	**$0.1611**	**2,180,615**	**$0.1678**	**32,566,714**

Salary sacrifice rights plan

Eligible executives will be permitted to salary sacrifice a portion of their pre-tax fixed annual remuneration to acquire equity in the form of rights to fully paid ordinary shares in the Company.

Each right is a right to acquire one ordinary share in the Company. The exact number of rights to be granted is based on the amount of salary sacrificed and the 5 day volume weighted average price prior each month. Rights do not carry any dividend or voting rights. Rights will be granted twice a year following the announcement of the half-year and full-year results or in any event, within twelve months of the Annual General Meeting ("AGM"). Rights will have a twelve month exercise restriction commencing from the relevant grant dates. The rights to ordinary shares equivalent to the amount salary sacrificed in the period from the most recent grant date will be granted following the announcement of the full-year results.

Short term incentive plan

Eligible executives will have the opportunity to receive short term incentives subject to meeting performance hurdles over the financial year. 50% of the STIP outcome achieved for the financial year will be delivered in cash and 50% will be delivered in equity in the form of rights to ordinary shares in the Company.

Each right is a right to acquire one ordinary share in the Company. The exact number of rights to be granted is based on 50% of the STIP outcome divided by the 5 day volume weighted average price after the release of full year results. Rights do not carry any dividend or voting rights. Rights will be granted following the announcement of the full-year results or in any event, within twelve months of the AGM. Rights will have a six month exercise restriction commencing from the grant date.

Long term incentive plan

Eligible executives will be granted options to acquire ordinary shares in the Company, subject to performance hurdles and some or all may vest at the end of the three year period if the performance hurdles are met.

Each option is a right to acquire one ordinary share in the Company (or an equivalent cash amount) subject to payment of the exercise price. The exact number of options to be granted will be the LTIP award divided by the option valuation using a Binomial valuation methodology prior to grant date. The option exercise price is calculated based on the 5 day volume weighted average price prior to the grant date. Options do not carry any dividend or voting rights. Options will be granted within twelve months of the Annual General Meeting.

Options are subject to performance hurdles based on four independent measures comprising absolute earnings per share ("EPS"), return on capital employed, sales revenue growth and key safety performance metrics, which are measured at the end of the three-year performance period. The Board of Directors retains a discretion to adjust the performance hurdles as required to ensure plan participants are neither advantaged nor disadvantaged by matters outside management's control that materially affect the performance hurdles (for example, by excluding one-off non-recurrent items or the impact of significant acquisitions or disposals).

Section D: Other Disclosures (continued)

19. Share-based Payments (continued)

Options granted have the following details and assumptions:

	2022	2021	2020
Grant date	**6 December 2021**	4 December 2020	29 November 2019
Vesting date	**31 August 2024**	31 August 2023	31 August 2022
Expiry date	**30 September 2024**	30 September 2023	30 September 2022
Share price at grant date	**$0.180**	$0.155	$0.145
Fair value at grant date	**$0.040**	$0.040	$0.045
Exercise price	**$0.179**	$0.159	$0.145
Expected life	**2.8 years**	2.8 years	2.8 years
Expected price volatility of Boom's shares	**47%**	47%	47%
Risk-free interest rate	**0.85%**	0.12%	0.65%
Expected dividend yield	**5.40%**	3.20%	0%

(a) Carrying values

	2022 $'000	2021 $'000
Salary Sacrifice Rights Plan	**1,003**	907
Short Term Incentive Plan	**989**	856
Long Term Incentive Plan	**1,143**	1,286
Total employee equity benefits reserve	**3,135**	3,049

(b) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the financial year are as follows:

	Note	2022 $'000	2021 $'000
Rights issued under employee rights plans		**229**	212
Options issued under employee option plan		**(143)**	167
	9	**86**	379

(c) Legacy employee incentive schemes

Two existing legacy employee incentive schemes were wound up on 31 August 2021 and proceeds from the sale of shares were remitted to the beneficiaries.

(d) Employee share plan share holdings

Information with respect to the number of ordinary shares issued and allocated under the employee share plans is as follows:

	2022 Number of shares	2021 Number of shares
At start of period	**1,717,953**	1,480,089
– issued for nil consideration (including unallocated shares in the employee share schemes allocated during the year)	**–**	960,321
– sold / transferred during the year	**(1,717,953)**	(722,457)
At end of period	**–**	1,717,953

At 30 June 2022, the employee share plans also hold 4,645,198 ordinary shares (2021: 6,693,777) that are un-allocated to employees.

Recognition and measurement

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted using an appropriate valuation model.

In valuing equity settled transactions, the performance conditions are all non-market measures and as such, are not taken into account in determining the fair values of the options.

The cost of equity settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

No expense is recognised for awards that do not ultimately vest.

20. Commitments

(a) Capital commitments

Capital expenditure contracted for at reporting date but not recognised in the financial statements are as follows:

	2022 $'000	2021 $'000
Property, plant and equipment		
– within one year	**4,158**	12,304

The assets will be delivered progressively over the next 12 months.

21. Contingencies

Contingent liabilities

Bank guarantees totalling $1.343 million (2021: $2.532 million) have been provided to landlords and work cover authority. There are no other contingent liabilities identified at the reporting date.

Section D: Other Disclosures (continued)

22. Auditor's Remuneration

During the year the following fees were paid or payable for services provided by KPMG Australia:

	2022 $	2021 $
Audit and review services		
– audit and review of financial statements	**345,690**	306,878
Assurance services		
– other assurance services	**36,225**	–
Other services		
– taxation services	**17,336**	21,602
– other services	**–**	2,484
Total other services	**17,336**	24,086
Total remuneration of KPMG Australia	**399,251**	330,964

23. Subsequent Events

The Directors are not aware of any other matter or circumstance that has arisen since 30 June 2022 that has significantly affected or may significantly affect the operations of the Group in subsequent financial years, the results of those operations or the state of affairs of the Group in future financial years.

24. New Accounting Policies and Standards

(a) Changes in accounting policies

The principal accounting policies adopted in the preparation of the financial report are consistent with those of the previous financial year, with no new accounting standards impacting the Group during the period.

(b) New accounting standards and interpretations not yet adopted

There were no new standards, amendments to standards and interpretations not yet adopted that impacted the Group in the period of initial application.

DIRECTORS' DECLARATION

for the year ended 30 June 2022

1. In the opinion of the Directors of Boom Logistics Limited ("the Company"):
   (a) the Consolidated Financial Statements and notes that are set out on pages 42 to 72, and the Remuneration Report in the Directors' Report, set out on pages 29 to 39, are in accordance with the Corporations Act 2001, including:
      (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
      (ii) complying with Accounting Standards, (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and
   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The Directors draw attention to page 46 to the Consolidated Financial Statements which includes a statement of compliance with International Financial Reporting Standards.
3. There are reasonable grounds to believe that the Company and the group entities identified in note 15 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those group entities pursuant to ASIC Corporations Instrument 2016/785.
4. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2022.

Signed in accordance with a resolution of the Directors.

Melanie Allibon
Chair

Melbourne, 16 September 2022

Tony Spassopoulos
Managing Director

Independent Auditor's Report

To the shareholders of Boom Logistics Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Boom Logistics Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group's*** financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated Statement of financial position as at 30 June 2022
- Consolidated Statement of comprehensive income, Consolidated Statement of changes in equity, and Consolidated Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Valuation of property, plant and equipment
- Revenue recognition

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of property, plant and equipment (AU$107.7m)

Refer to Note 8 *Impairment Testing of Non-Financial Assets* to the Financial Report

The key audit matter	How the matter was addressed in our audit
A key audit matter for us is the Group's valuation of its property, plant and equipment assets due to the: • Net assets of the Group exceeding the Group's market capitalisation at the year end, which is an indicator of impairment; • Size of the balance (being 56.4% of total assets). The Group's policy is to measure the recoverable amount of its cash generating units (CGUs) using a fair value less costs of disposal model, primarily based on an assessment of fair value of operating assets (cranes and travel towers) received from their external expert. We have focused on the valuation methodology used by the Group's external expert, and the resulting assessment of fair value of operating assets (operating asset valuations) determined by the Group. We involved valuation specialists to supplement our senior audit team members is assessing this key audit matter.	Our procedures included: • Considering the appropriateness of the fair value less costs of disposal method applied by the Group to measure the recoverable amount of its CGUs against the requirements of the accounting standards; • Assessing the Group's determination of the CGUs, based on our understanding of the operating structure of the Group's business, how independent cash inflows were generated and the criteria in the accounting standards; • Assessing the scope, competence and objectivity of the Group's external expert involved in the assessment of fair value of the operating assets; • Working with our valuation specialists; - Assessing the valuation methodology utilised by the Group's external expert against the requirements of the accounting standards and industry practice; - Comparing a sample of the operating asset valuations across make, model and ageing categories within the Group's external expert report to recent comparable market transactions; - Comparing a sample of individual operating asset valuations within the external expert report to the proceeds from sales of assets during the year; - Inquiring with the Group's external expert in relation to the condition of the operating asset fleet and general crane and travel tower market conditions;

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	- Comparing the implied EBITDA multiples from available market data, including share market valuations, for comparable companies, to the implied EBITDA valuation multiple for the Group; • Assessing the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standards.

Revenue recognition (AU$215.8 million)	
Refer to Note 2 *Revenue from Contracts with Customers* to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
Revenue recognition is a key audit matter due to: The significant audit effort to test the high volume of individual revenue transactions recorded by the Group. The Group has a number of different contract types, with different sources of evidence for the achievement of the performance obligation. The Group generates revenue from the provision of services to customers. The Group's policy is to recognise revenue when the performance obligation is satisfied, which usually occurs when job dockets or timecards are approved by the customers. The Group has manual processes, which may increase the risk of potential bias in the recognition of revenue, in particular in the last two weeks of the reporting period. This increased our audit effort to test higher samples of revenue transactions in the last two weeks of the reporting period, including testing a sample of accrued revenue transactions at year end.	Our procedures included: • Assessing the appropriateness of the Group's accounting policies against the requirements of AASB 15 Revenue from Contracts with Customers and our understanding of the business. • Selecting samples of revenue transactions during the year. For each sample selected, we: o checked the amount of revenue recorded by the Group to the amount of the sales invoice to the customer, agreed rates typically per customer approved contract/quote, and cash receipts obtained from the Group's bank statements; and o checked the date the revenue was recognised to underlying evidence, such as, customer approved job dockets, timecards or payment certificates. • Performed a procedure comparing cash receipts from customers, to revenue recognised by the Group. • Selected a sample of accrued revenue transactions. For each sample selected, we: o checked the amount and date of revenue recorded by the Group to underlying evidence, such as, approved contract/quote, customer approved job dockets, timecards or payment certificates. • Selected a sample of revenue transactions for the period of two weeks before and two weeks after year end due to the increased risk of potential bias in this period. For each sample selected we:

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	◦ checked the amount of revenue recorded by the Group to the amount of the sales invoice to the customer and agreed rates to underlying evidence, such as, customer approved contract/quote; and ◦ checked the date the revenue was recognised to underlying evidence, such as, customer approved job dockets, timecards or payment certificates, assessing the date at which the performance obligation was satisfied. • We assessed the disclosures in the Financial Report using our understanding obtained from our testing and against the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in Boom Logistics Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and 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 objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Boom Logistics Limited for the year ended 30 June 2022 complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 29 to 39 of the Directors' report for the year ended 30 June 2022.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Andrew Hounsell

Partner

Melbourne

16 September 2022

ASX ADDITIONAL INFORMATION

for the year ended 30 June 2022

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 8 August 2022.

(a) Distribution of Equity Securities

The number of shareholders, by size of holding, in each class of share are:

	Ordinary shares	
	Number of holders	**Number of shares**
1 – 1,000	252	39,365
1,001 – 5,000	661	2,297,356
5,001 – 10,000	535	4,194,116
10,001 – 100,000	1,198	43,266,254
100,001 and over	350	377,977,116
	2,996	**427,774,207**
The number of shareholders holding less than a marketable parcel of shares are:	562	506,813

(b) Substantial Holders

Substantial holders in the Company are set out below:

	Listed ordinary shares	
	Number of shares	**Percentage of ordinary shares**
Grove Investment Group Pty Ltd	59,322,639	13.9%
Collins St Asset Management	51,557,123	12.1%
Castle Point Funds Management	40,217,191	9.4%

ASX ADDITIONAL INFORMATION

for the year ended 30 June 2022

(c) Twenty Largest Shareholders

The names of the twenty largest holders of quoted shares are:

		Listed ordinary shares	
		Number of shares	**Percentage of ordinary shares**
1	SANDHURST TRUSTEES LTD <COLLINS ST VALUE FUND A/C>	51,557,123	12.1%
2	NATIONAL NOMINEES LIMITED	39,562,221	9.2%
3	GROVE INVESTMENT GROUP PTY LTD	35,380,342	8.3%
4	GROVE INVESTMENT GROUP PTY LTD	23,942,297	5.6%
5	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	10,518,086	2.5%
6	BNP PARIBAS NOMS PTY LTD <DRP>	9,821,185	2.3%
7	TAVERNERS NO 11 PTY LTD <STONEYVILLE INVEST UNIT A/C>	7,823,821	1.8%
8	HORRIE PTY LTD <HORRIE SUPERANNUATION A/C>	7,028,000	1.6%
9	STANBOX NO 2 PTY LTD	5,300,000	1.2%
10	HILLMORTON CUSTODIANS PTY LTD <THE LENNOX UNIT A/C>	5,143,000	1.2%
11	HORRIE PTY LTD <HORRIE SUPERANNUATION A/C>	5,000,000	1.2%
12	WALLBAY PTY LTD <THE MICHAEL ABELL S/F A/C>	4,890,000	1.1%
13	LUTON PTY LTD	4,496,327	1.1%
14	ACE PROPERTY HOLDINGS PTY LTD	4,200,000	1.0%
15	MR TROY BENJAMIN INCE + MRS NADINE JULIE MILLER <INCE FAMILY SUPERFUND A/C>	3,600,000	0.8%
16	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	3,585,380	0.8%
17	GRANTULLY INVESTMENTS PTY LIMITED	3,364,388	0.8%
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,203,061	0.7%
19	IRAL PTY LTD <IRAL A/C>	3,125,806	0.7%
20	NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	3,035,669	0.7%
Top twenty shareholders		234,576,706	54.8%
Remainder		193,197,501	45.2%
Total		**427,774,207**	**100.0%**

(d) Voting Rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) Unquoted Securities

There are 5,231,247 rights granted under the Executive Remuneration Plan outstanding held by 20 holders.

There are 32,566,714 options granted under the Executive Remuneration Plan outstanding held by 8 holders.

CORPORATE DIRECTORY

for the year ended 30 June 2022

Directors

Melanie Allibon (Chair)
Tony Spassopoulos
Stephen Grove
Kieran Pryke
Damian Banks
James Scott

Company Secretary

Reuben David

Registered Office

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Email: info@boomlogistics.com.au

Internet

www.boomlogistics.com.au

Share Registry

Computershare Investor Services Pty Ltd
452 Johnston Street
Abbotsford, Victoria, 3067
Investor Enquiries 1300 850 505

Annual General Meeting

Boom Logistics will hold its 2022 Annual General Meeting at 11.00am on Friday, 25 November 2022. Details will be provided in the Notice of Meeting.

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