



**Inframax Construction Limited**  
**Half Annual Report**  
**For the six months ended 31 December 2024**

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## **Report from the Chairman**

**For the six months ended 31 December 2024**

Revenue for the first half of the reporting year was down \$2.2M (being 9.6%) on the same period prior year, attributable to a reduction in maintenance revenue due to the conclusion of the Taupō District Council contract in June 2024. EBITDA for the same period was down \$319K (being down 18.3%) on prior year.

Key highlights in the first six months of the 2024-25 reporting year were:

- Commencing the newly secured long-term maintenance contract with Waitomo District Council. With a shorter than normal lead time from tender award to contract commencement, it was great to see the Inframax team rise to the challenge to ensure a smooth transition to the new contract. This transition included delivering on a capital investment programme to ensure our team have fit for purpose vehicles, plant and equipment to safely and efficiently deliver services and outcomes.
- Continuing to deliver, ahead of programme, the second stage of the SH43 Forgotten Highway, Tangarakau Gorge Seal Extension project (stage 2). On track for completion in March 2025, the significance of transforming New Zealand's last unsealed highway, into a high quality sealed pavement, has not been lost on our team and they can be proud of the work they have delivered.

The economic environment continues to be challenging for New Zealand businesses. Inframax has noticed the compounding impact of reduced pipelines of work, significant slowing of land development and the completion of large highway projects within the Waikato region. The cyclical contraction of work opportunities is fuelling heightened levels of competition and aggressive pricing as companies look to keep their people, plant and equipment utilised. Funding and budget constraints is one of the biggest challenges that local authorities and government agencies are facing and this, in turn, is impacting the flow and phasing of work across some of our customers and contracts. The business continues to monitor and work closely with our customers to navigate these challenges. A risk-based approach is being applied to all tendering to ensure work secured is of quality revenue ensuring the business achieves sustainable risk return outcomes.

## **Summary of Financial Results**

Dollars in Thousands	six months ended	six months ended
	31-Dec-24	31-Dec-23
Revenue	20,894	23,111
EBITDA	1,425	1,744
Net cash inflow / (outflow) from operating activities	140	2,798
Net cash inflow / (outflow) from investing activities	(4,037)	(1,065)
Net cash inflow / (outflow) from financing activities	3,917	(792)
<b>Net Cash Flow Movement</b>	<b>21</b>	<b>940</b>
Total Assets	26,944	25,421
Total Equity	13,542	13,000
Equity Percentage	50%	51%

Earl Rattray  
**Chairman**

## Statement of Performance Measures

### For the six months ended 31 December 2024

The Statement of Corporate Intent states the Company will endeavor to exceed the targets of the Projected Business Plan. The results achieved compare with performance criteria in the Statement of Corporate Intent as follows:

Statement of Intent 31 December 2024			Statement of Intent 31 December 2023	
	Achieved six months	Full Year Target	Achieved six months	Full Year Target
<b>Performance Measures</b>				
Equity Ratio	50%	51%	52%	50%
Current Ratio	Positive	Positive	Positive	Positive
Revenue (millions)	\$21	\$45	\$23	\$44
Bank Covenants	Met	Met	Satisfied	Satisfied
EBITDA (millions)	\$1.4	\$3.5	\$1.7	\$3.1
Statement of Intent 31 December 2024			Statement of Intent 31 December 2023	
	Achieved six months	Target	Achieved six months	Target
<b>Non-Financial Performance Measures</b>				
LTI Frequency Rate	32	Zero	24	Zero
Accident Weekly Compensation Days	Prior injuries - 510 New Injuries - 392	Prior injuries - 100 New Injuries - 0	Prior injuries - 0 New Injuries - 205	Prior injuries - 100 New Injuries - 0
ISO 9001 Accreditation	Standard Achieved	Standard Achieved	Standard Achieved	Standard Achieved
ISO 45001 Accreditation	Standard Achieved	Standard Achieved	Standard Achieved	Standard Achieved
<b>Environmental Consent Compliance</b>				
Non-compliant	-		-	
Partially compliant	2		3	
Highly compliant	-	All	-	All
Fully compliant	6		5	
Not Assessed	1		1	
Number of Broader Outcome Initiatives	9	15	9	15

#### Note

1. Accident compensation days – are measured on a 1 April to 31 March year.