

Appendix 4E

Preliminary Final Report to the Australian Securities Exchange

Name of Entity	Boom Logistics Limited
ABN	28 095 466 961
Financial Year Ended	30 June 2023
Previous Corresponding Reporting Period	30 June 2022

Results for Announcement to the Market

	FY2023 \$'000	FY2022 \$'000	Percentage increase /(decrease) over previous corresponding period
Revenue	205,872	215,844	(4.6%)
Profit from continuing operations after tax	(5,161)	3,791	(236%)
Net profit for the period attributable to members	(5,161)	3,791	(236%)
Dividends (distributions)	Amount per security		Franked amount per security
Final Dividend	n/a		n/a
Interim Dividend	n/a		n/a
Record date for determining entitlements to the dividends (if any)	n/a		
Date the dividend is payable	n/a		

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

Overview

The Company reported a net loss after tax of \$5.2 million for the year ended 30 June 2023 (FY22: net profit after tax (NPAT) of \$3.8 million). The underlying operating result for FY23 was an NPAT of \$0.7 million.

The FY23 reported result included an impairment non-cash charge of \$3.9 million and a loss on sale of assets of \$0.5 million following Boom's asset review and disposal of underperforming and obsolete assets. The Company also incurred a one-off restructuring charge of \$1.5 million pursuant to the approval of Boom's revised strategy.

The underlying performance in FY23 was affected by the timing impacts of several large projects, including commencement delays to a major wind farm project and a Queensland interconnector project which was delayed due to wet weather in Queensland in the second half of FY23. The results were further impacted by the postponement of key mining and resource maintenance works and shutdowns in Western Australia and Queensland.

These deferred works are now expected to commence in 1Q FY24 resulting in no major projects starting in FY23. By comparison, FY22 included the completion of three major projects (being, two wind farm projects and a large mine shutdown).

Income Statement

The FY23 operating NPAT of \$0.7 million before restructuring and impairment costs resulted in a reported net loss after tax of \$5.2 million

Revenue

Reported revenue was \$205.9 million, representing a \$9.9 million decline on the prior year primarily due to the deferred timing of major project commencements in FY23 versus FY22 which included three major projects.

EBITDA

Earnings before interest expense, tax, depreciation and amortisation (EBITDA) was \$39.3 million down by \$2.3 million on the prior year. Earnings before interest expense and tax (EBIT) was \$5.6 million down \$1.5 million on the prior year. This included higher borrowing costs of \$4.9 million as a result of higher interest rates and increased debt used to fund new crane acquisitions.

Taxation

Income tax expense in the year was zero give the reported net loss position. Boom is in a strong tax credit position, facilitating minimal tax liabilities for a number of years moving forward.

Balance Sheet

Net assets as at 30 June 2023 were \$105.5 million, down from \$110.2 million as at 30 June 2022. The key movement related to the restructuring and impairment (non-cash) costs incurred during FY23.

The current average fleet age is 10.4 years (FY22: 10.7 years). The Group's long-term target is to maintain a fleet with an average age of circa 9 years.

Return on capital employed (EBIT / Total Assets less Cash & Creditors) was 3.0%, compared with 4.1% in the prior year.

Capex

As part of the asset renewal strategy, net capital expenditure in FY23 was \$25.0 million (FY22 \$16.8 million), which was predominantly funded through finance leases which are held on the balance sheet.

Debt Facilities

The investment in new assets during the year were supported by the existing finance facilities with ScotPac and De Lage Landen Pty Limited. Current debt facilities available total \$123.2 million, of which \$45.8 million had been drawn as at 30 June 2023.

No new financing facilities were required during the year given available headroom. This headroom will facilitate required future growth requirements.

Gearing Ratio

To improve the average age of the equipment fleet, the approved gearing range for the Group during the reporting period was between 30% - 45%. Gearing is defined as group interest bearing loans and borrowings plus finance lease liabilities less cash divided by net assets.

On 30 June 2023, the gearing ratio was 41%. The increase to the approved gearing range compared to prior year was directly due to the increased Capex requirement for fleet optimisation, primarily funded through finance leases. The Group considers this increase appropriate given the availability of long-term committed debt facilities and the strong pipeline / growth opportunities over the coming years.

Cash Flow

Total Cash from Operating activities was \$31.1 million, with a further \$7.6 million in proceeds from the sale of property, plant and equipment. These funds were primarily used to pay down borrowing commitments.

Capital Management

Boom is committed to delivering consistent investor returns in an efficient manner to best service our shareholder base and to be clear in outlining our capital management strategy.

During the reporting period, the Board approved a capital management strategy that contemplates the return of 40% - 60% of the previous two years' rolling average Operating NPAT to shareholders. The Group expects to confirm the level of buy-back prior to the Annual General Meeting in November 2023.

Further commentary on the results for the reporting period are contained in the ASX Release and the Investor Presentation both dated 25th August 2023.

Dividends

Date the dividend is payable	n/a
Record date to determine entitlement to the dividend	n/a
Amount per security	n/a
Total dividend	n/a
Amount per security of foreign sourced dividend or distribution	n/a
Details of any dividend reinvestment plans in operation	n/a
The last date for receipt of an election notice for participation in any dividend reinvestment plans	n/a

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security (cents per share) ^a	\$0.25	\$0.26

^a The right-of-use asset of \$61.9 million (2022: \$36.2 million) has been treated as a tangible asset for the purpose of the NTA backing calculation.

Other Significant Information Needed by an Investor to Make an Informed Assessment of the Entity's Financial Performance and Financial Position

Refer to comments noted above.

Commentary on the Results for the Period

The earnings per security and the nature of any dilution aspects:

Basic and diluted EPS as at 30 June 2023 was negative 1.2 cents compared with a positive 0.9 cents at 30 June 2022.

Returns to shareholders including distributions and buy-backs:

There were no returns to shareholders during the financial year.

Discussion of trends in performance:


A commentary on the results for the year ended 30 June 2023 is contained within the attached Annual Financial Report.

Audit/Review Status

The accounts have been audited and a copy of the Auditor's Report is included within the Annual Financial Report which accompanies this report.

Attachments Forming Part of Appendix 4E

Attachment #	Details
1	2023 Annual Financial Report including a consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows and consolidated statement of changes in equity with accompanying notes. Additional Appendix 4E disclosure requirements can be found in the attached Annual Financial Report.
2	Independent Audit Report.

Signed By Director	
Print Name	Ben Pieyre
Date	25th August 2023