

Harris Technology Group Limited
ABN 93 085 545 973

Appendix 4D and Financial Report
For the half year ended 31 December 2024

Lodged with ASX under Listing Rule 4.2A

Harris Technology Group Limited

ABN 93 085 545 973

Current reporting period: 1 July 2024 to 31 December 2024
Previous corresponding period: 1 July 2023 to 31 December 2023

Results for Announcement to the Market

		% Change from previous corresponding period		Current reporting period \$A
Revenues from ordinary activities	Down	-20.91	to	6,980,782
Profit/(loss) from ordinary activities after tax attributable to members	Up	56.40	to	(310,935)
Profit/(Loss) for the period attributable to members	Up	56.4	To	(310,935)
Dividends (distributions)	Amount per share	Franked amount per share		
Final dividend				
Interim dividend	Nil ¢	Nil ¢		
Previous corresponding period	Nil ¢	Nil ¢		
Record date for determining entitlements to the dividends	N/A			

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

Revenue from continuing operations for the half year ended 31 December 2024 was \$6,980,782 a decrease of 20.91% from the previous corresponding period (2023: \$8,825,881).

Net Loss from continuing operations as \$310,935 an improvement of 56.4% from the previous corresponding period (2023: Loss of \$713,099).

The Company does not propose to pay a dividend. No dividend or distribution plans are in operation.

Net tangible assets	Dec 2024	June 2024
Net tangible assets per ordinary security	0.0047 cents	0.0058 cents

Review opinion

This report is based on accounts which have been independently reviewed by the Company's external auditors. A copy of the Directors' report and financial statements, together with the auditor's review report, is attached.

Other information required by Listing Rule 4.2A

Other information requiring disclosure to comply with Listing Rule 4.2A is contained in the accompanying half-yearly report for the period ended 31 December 2024.

This half-yearly reporting information should be read in conjunction with the most recent annual financial report of the Company.



Alan Sparks

Non-Executive Chairman
27 February 2025

HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2024

The Directors present their report together with the interim financial report of the consolidated entity of Harris Technology Group Limited and the entities it controlled for the half-year ended 31 December 2024 and independent auditor's review report thereon. This financial report has been prepared in accordance with AASB 134 *'Interim Financial Reporting'* and the *Corporations Act 2001*.

Directors

The following persons were Directors during the half-year and until the date of this report.

Alan Sparks	Non-Executive Chairman
Garrison Huang	Managing Director & Chief Executive Officer
Brett Crowley	Non-Executive Director & Company Secretary

Principal activities

The Group's principal activities during the course of the half-year was online retailing and distribution. There has been no significant change in the nature of these activities during the half-year.

Review and results of operations

Revenue from continuing operations for the half year ending 31 December 2024 was \$6,980,782 (2023: \$8,825,881). This revenue was attributable to the operations of the Group's subsidiaries, Harris Technology Pty Limited and APCA Trading Company Pty Ltd. The net loss for the half-year was (\$310,935) (2023: Loss of \$713,099).

The improvement in the Group's net operating loss in comparison to the prior corresponding period is as a result of eliminating low return products, a continued move in sales to higher margin categories and cost reduction.

The Group continues to reduce its level of stock holding with positive results in the maintenance of working capital.

HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2024

Events Occurring After the Reporting Period

No other matters or circumstances have arisen since the end of the reporting period which significantly affects the operations of the consolidated Group, results of these operations, or the state of affairs of the consolidated Group in future financial periods.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated Group during the financial half-year.

Auditor's Independence Declaration

The Auditor's Independence Declaration under section 307C of the Corporation Act 2001 is included on the following page and forms part of Harris Technology Group Limited's Directors' report for the period from 1 July 2024 to 31 December 2024.

This report is made in accordance with a resolution of Directors pursuant to section 306(3)(a) of the Corporation Act 2001.

On behalf of the Directors



Alan Sparks

Non-Executive Chairman
27 February 2025

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF HARRIS TECHNOLOGY
GROUP LIMITED**

As lead auditor, I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.



SW Audit
Chartered Accountants



Nick Michael
Partner

Melbourne, 27 February 2025

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HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Notes	Half Year to 31-Dec-24 \$	Half Year to 31-Dec-23 \$
Revenue			
Sales revenue	3	6,980,782	8,825,881
Direct costs		(4,334,235)	(6,435,425)
Gross profit		2,646,547	2,390,457
Other income		2,369	16,812
Distribution expenses		(294,985)	(233,370)
Marketing expenses		(13,221)	(22,361)
Transaction expenses		(1,095,495)	(1,383,734)
Employee contractor and director expenses		(1,220,026)	(985,958)
Occupancy costs		(28,503)	(42,908)
Technology expenses		(40,137)	(77,397)
Holding company expenses		(39,589)	(153,415)
Depreciation and amortisation expenses		(78,921)	(83,683)
Bad debts		(10,623)	(1,115)
Impairment expense		(2,748)	(3,788)
Other expenses		(39,825)	(36,837)
Finance costs		(95,778)	(95,802)
Loss before income tax		(310,935)	(713,099)
Loss for the period		(310,935)	(713,099)
Other comprehensive income		-	-
Total comprehensive income for the period		(310,935)	(713,099)
Earnings per share from continuing operations		Cents	Cents
- Basic earnings/(loss) per share	4	(0.10)	(0.24)
- Diluted earnings/(loss) per share	4	(0.10)	(0.24)

HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

	Notes	31-Dec-24 \$	30-Jun-24 \$
Current assets			
Cash and cash equivalents		1,061,377	974,318
Trade and other receivables		1,111,732	1,132,511
Inventories		3,402,081	3,281,219
Prepayments and deposits		301,253	552,574
Total current assets		5,876,443	5,940,622
Non-current assets			
Property, plant and equipment		68,837	79,851
Intangible assets - Trade mark		9,491	9,491
Right-of use assets	5	1,213,099	1,281,007
Total non-current assets		1,291,427	1,370,349
Total assets		7,167,870	7,310,971
Current liabilities			
Trade and other payables		2,144,007	2,330,523
Borrowings		363,600	333,300
Lease liabilities		192,277	132,789
Employee benefit liabilities		135,535	132,355
Total current liabilities		2,835,419	2,928,967
Non-current liabilities			
Borrowings		1,761,386	1,395,147
Lease Liability		1,184,753	1,296,290
Employee benefit liabilities		121,436	114,756
Total non-current Liabilities		3,067,575	2,806,193
Total liabilities		5,902,994	5,735,160
Net assets		1,264,876	1,575,811
Equity			
Share capital		17,590,784	17,590,784
Accumulated losses		(16,325,908)	(16,014,973)
Total equity		1,264,876	1,575,811

HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Share capital	Accumulated losses	Total equity
	\$	\$	\$
At 1 July 2024	17,590,784	(16,014,973)	1,575,811
Profit or Loss for the period	-	(310,935)	(310,935)
Total comprehensive income for the period	-	(310,935)	(310,935)
At 31 December 2024	17,590,784	(16,325,908)	1,264,876

	Share capital	Accumulated losses	Total equity
	\$	\$	\$
At 1 July 2023	17,590,784	(14,608,179)	2,982,605
Profit or Loss for the period	-	(713,099)	(713,099)
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	(713,099)	(713,099)
At 31 December 2023	17,590,784	(15,321,278)	2,269,506

HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Notes	Half Year to 31-Dec-24 \$	Half Year to 31-Dec-23 \$
Cash flows from operating activities			
Receipts from customers		7,216,246	8,875,637
Payments to suppliers and employees		(7,469,187)	(8,414,721)
Net cash flows (used in) / provided by operating activities		(252,941)	460,916
Net cash flows (used in) / provided by investing activities			
Cash flows from financing activities			
Proceeds from borrowings / share issues		400,000	-
Repayment of borrowings		(60,000)	(500,000)
Net cash flows (used in) / provided by financing activities		340,000	(500,000)
Net increase/(decrease) in cash and cash equivalents		87,059	(39,084)
Cash and cash equivalents at the beginning of the financial year		974,318	1,766,018
Cash and cash equivalents at the end of the financial year		1,061,377	1,726,933

HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

Note 1. Basis of preparation of the half-year financial report

Summary of significant accounting policies

Corporate information

The consolidated financial statements and notes represent those of the consolidated entity ('the Group') consisting of Harris Technology Group Limited, APCA Trading Company Pty Ltd, Harris Technology Pty Ltd and Lincd HQ Pty Ltd.

Harris Technology Group Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

Statement of compliance

The general purpose interim financial report for the half year ended 31 December 2024 has been prepared in accordance with AASB 134 Interim financial reporting and the Corporations Act 2001. The interim financial report has, except for the cash flow information, been prepared on an accruals basis and is based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are presented in Australian Dollars.

Basis of preparation

The condensed financial report complies with Australian Accounting Standards applicable to interim reporting as issued by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) applicable to interim reporting as issued by the International Accounting Standards Board.

The half year financial report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the most recent annual financial report of the Group.

The significant accounting policies adopted in the preparation of the half year financial report are consistent with those followed in the preparation of the Group's financial report for the year ended 30 June 2024.

(b) New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period, where applicable.

(c) Basis of consolidation

In accordance with AASB 10 Consolidated Financial Statements, the Group consists of Harris Technology Group Limited, APCA Trading Company Pty Ltd, Harris Technology Pty Ltd and Lincd HQ Pty Ltd.

Harris Technology Group Limited has been identified as the parent for preparing consolidated financial reports.

These interim financial statements were authorised for issue on 27 February 2025.

The accompanying notes form part of these financial statements.

HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

(d) Going concern

The consolidated financial statements have been prepared on the going concern basis, which, contemplates continuity of normal business activities and utilization of assets and discharge of liabilities in the normal course of business. As disclosed in the consolidated financial statements, the Group made a loss of (\$310,936) (31 December 2023: Loss of \$713,099).

The Group also has material borrowings expiring within 7 months of the date of signing the consolidated financial statements. These conditions indicate a significant or material uncertainty about the consolidated Group's ability to continue as a going concern

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- The Group has prepared budgets and cash flow forecasts for the next 6 months from the date of this report which indicate the Group will have a positive cash balance during this period.
- A significant portion of the Group's borrowings (\$2.1m) are due to related parties and have been extended to September 2025.

(e) Operating segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Markers) in assessing the performance of the consolidated Group and determining investment requirements. The operating segments are based on the manner in which services are provided to the market.

The consolidated Group consists of one business segment which operates in one geographical area, being Australia. International revenues derived during the period were not material.

Note 2. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the amounts disclosed in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

The significant accounting policies have been consistently applied in the current financial period and the comparative period, unless otherwise stated. Where necessary, comparative information has been re-presented to be consistent with current period disclosures.

The accompanying notes form part of these financial statements.

HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

Note 3. Disaggregation of revenue

The Group derives its revenue from the transfers of goods over time in the following major product lines:

	31-Dec-24	30-Dec-23
	\$	\$
Sales of goods	6,980,782	8,825,881
Timing of revenue recognition		
At a point in time	6,980,782	8,825,881
	6,980,782	8,825,881

Note 4. Earnings per share

	Half Year to 31-Dec-24	Half Year to 31-Dec-23
	\$	\$
Total comprehensive (loss)/profit for the period	(310,935)	(713,099)
Number of ordinary shares used in calculating diluted earnings per share	299,135,481	299,135,481
	Cents	Cents
Earnings per share from continuing operations		
- Basic (loss)/earnings per share	(0.10)	(0.24)
- Diluted (loss)/earnings per share	(0.10)	(0.24)

As at 31 December 2024 and 31 December 2023, the issue of potential ordinary shares was assessed to be non-dilutive and consequently diluted earnings per share is equal to basic earnings per share.

The accompanying notes form part of these financial statements.

HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

Note 5. Right of use asset

The Group leases land and buildings for its office and warehouse under an agreement of 10 years (Lease).

The Right of use asset represents capitalisation of the value of the remaining term of the Lease as required by AASB 16.

The lessor is an entity controlled by the Managing Director and the Lease has been entered into on arm's length terms which have been independently verified.

Note 6. Events after the reporting period

No other matters or circumstances have arisen since 31 December 2024 that has significantly affected or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 7. Contingent liabilities and contingent asset

The Group has no contingent liabilities or contingent assets which require disclosure.

HARRIS TECHNOLOGY GROUP LIMITED & CONTROLLED ENTITIES

DIRECTORS' DECLARATION FOR THE HALF YEAR ENDED 31 DECEMBER 2024

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 1'4 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements.

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

- and

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

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Alan Sparks

Non-Executive Chairman
27 February 2025

The accompanying notes form part of these financial statements.

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF HARRIS TECHNOLOGY GROUP LIMITED

Report on the Half-Year Financial Report

Conclusion

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

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Harris Technology Group Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors' for the Financial Report

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

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



SW Audit

Chartered Accountants



Nick Michael

Partner

Melbourne, 27 February 2025