



Oldfields Holdings Limited (ASX: OLH)
Quarterly Activity Report and Appendix 4C
For the Period Ending 30 September 2024

Oldfields Holdings Limited (ASX: OLH) provides its quarterly activity report and Appendix 4C for the first quarter of FY2025, covering the period ending 30 September 2024.

Operational Update

In Q1 FY2025, Oldfields continued its transformation, initiated in June 2024, to streamline operations by exiting the hire and service model on the East Coast and focusing on sales and distribution, while maintaining current operations of our South and Western Australian business.

The financial impact of this strategic shift was predominantly realised in Q1 FY2025, with some outflows also recorded in Q4 FY2024. We anticipate additional expenses in Q2 and Q3 FY2025 as the transition progresses; however, these are expected to be offset by projected cash inflows driven by strong sales momentum, increased scaffold system sales, and the disposal of remaining ex-hire assets.

The initial benefits of this transition began to materialise in Q1 FY2025, with an acceleration expected in Q2 FY2025. The December quarter and half-year results will reflect the full impact of these changes. A robust foundation for the revised structure is now in place, with an early focus on sales and distribution delivering promising outcomes.

The product recall, initiated in Q3 FY2024, proceeded as planned. The recall and product return process impacted Q4 FY2024 and Q1FY2025 cash flow considerably, with a reduced impact projected in Q2 and Q3 FY2025 as Oldfields anticipates increased cash inflows from transition activities and a strengthened sales and distribution framework.

Financial Update

Key Financial Metrics:

Net cash used in operating activities: (\$1,096K), with customer receipts totalling \$6.8 million, including \$326K related to transformation activities.

Oldfields Holdings Limited

ABN 92 000 307 988

25 Helles Avenue Moorebank NSW 2170

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Sales and Operating Costs: Sales in Q1 FY2025 and Q4 FY2024 were impacted by the product recall, which limited available scaffold inventory in Q1 and Q2 FY2025. Staff costs totalled \$3.5 million, including restructuring expenses, with leased asset costs of \$441K and administration costs of \$2.6 million. Additionally, \$147K from the sale of 19 vehicles contributed to lease and operational cost reductions expected to benefit the December quarter.

Capital Raise: Oldfields raised \$1.039 million through new share issuance in Q1 FY2025, securing a significant new shareholder. Proceeds were applied to tax obligations, supplier payments, and creditor management, easing working capital pressures resulting from the recall and transformation efforts.

Positive Outlook for Q2 FY2025: The December quarter is expected to show an improved cash position, with October inflows of \$624K from insurance claims, \$500K from ex-hire scaffold sales, and additional funding from our primary lender, enhancing Oldfields' financial stability for the second half of the fiscal year.

The sales pipeline, valued at over \$10 million, reflects strong demand for scaffold and paint products both locally and internationally, with a substantial portion comprising annuity revenue. Additional ex-hire system scaffold sales are expected, with payments anticipated across November, December, and January. This projected cash flow from operations and other sources is expected to comfortably support working capital and inventory needs through Q3 and Q4 FY2025.

A significant US order with deposit received in November is expected to complete in Q3 FY2025, providing an additional cash flow boost at the outset of Q3.

Financial Performance

Q1 FY2025 marked a milestone with Oldfields delivering a positive net profit after tax (NPAT) of \$157K, representing 2.4% of revenue—a year-over-year turnaround exceeding \$1 million. This momentum is expected to continue in Q2 FY2025, bolstered by strong international and local sales of paint and scaffold products, and consistent performance of our SA/WA operations.

For further details, please refer to the attached Appendix 4C.

This report underscores Oldfields' strategic transformation progress and the anticipated operational and financial benefits in the quarters ahead. We remain committed to strengthening our sales and distribution focus, enhancing profitability, and delivering long-term value to our stakeholders.

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Oldfields Holding Limited

ABN

92 000 307 988

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (.....months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	6,787.6	6,787.6
1.2 Payments for		
(a) research and development	0	0
(b) product manufacturing and operating costs	(934.4)	(934.4)
(c) advertising and marketing	(24.8)	(24.8)
(d) leased assets	(441.0)	(441.0)
(e) staff costs	(3,489.7)	(3,489.7)
(f) administration and corporate costs	(2,606.2)	(2,606.2)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	0	0
1.5 Interest and other costs of finance paid	(2.9)	(2.9)
1.6 Income taxes & GST paid	(385)	(385)
1.7 Government grants and tax incentives	0	0
1.8 Other (provide details if material)	0	0
1.9 Net cash from / (used in) operating activities	(1,096.4)	(1,096.4)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	0	0
(d) investments	0	0
(e) intellectual property	0	0
(f) other non-current assets	0	0

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	0	0
	(b) businesses	0	0
	(c) property, plant and equipment	147.0	147.0
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
2.6	Net cash from / (used in) investing activities	147	147

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1039.9	1039.9
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	0	0
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	0
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	(234.6)	(234.6)
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	(60)	(60)
3.9	Other (provide details if material)	0	0
3.10	Net cash from / (used in) financing activities	745.3	745.3

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	759.3	759.3
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1096.4)	(1096.4)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	147	147

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	745.3	745.3
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	555.2	555.2

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	144.1	144.1
5.2	Call deposits	411.1	411.1
5.3	Bank overdrafts	0	0
5.4	Other (provide details)	0	0
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	555.2	555.2

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	0
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	5,731.1	5,731.1
7.2 Credit standby arrangements	0	0
7.3 Other (please specify)	0	0
7.4 Total financing facilities	0	0
7.5 Unused financing facilities available at quarter end		0
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,096.4)
8.2 Cash and cash equivalents at quarter end (item 4.6)	555.2
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	555.2
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
Answer: The entity expects to have improved liquidity with the increased revenue from further asset sales including ex-hire equipment being sold at solid margins and other one-off cash inflows that have materialised post 30 September 2024.	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
Answer: The entity has taken steps by mitigating and exiting a loss-making enterprise and liquidating the inventory from that enterprise. There were also two long-standing insurance claims that were pending which have been approved for payment in October.	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Based on the future expected cash flow projections of the current sales pipeline, which consider the new domestic and international sales markets with new distributors and confirmed support by the enterprises primary lender it is expected that the operations will have sufficient funds to meet current and future obligations when they materialise.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 15 November 2024

Authorised by: 
Michael Micallef - Chief Executive Officer & Director

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.