



# Half-Year Financial Report

31 December 2023

Boral Limited  
ABN 13 008 421 761

# APPENDIX 4D

## HALF-YEAR REPORT

9 February 2024

Name of Entity: **Boral Limited**

ABN: **13 008 421 761**

For the half year ended: **31 December 2023**

### Results for announcement to the market

#### Financial performance

				Dec 2023 \$m	Dec 2022 \$m
Revenue from ordinary activities	up	9.4%	to	<b>1,839.9</b>	1,681.1
Profit from continuing operations before net interest expense, income tax and significant items	up	110.9%	to	<b>201.0</b>	95.3
Profit from discontinued operations before net interest expense, income tax and significant items	up	-	to	-	-
Profit before net interest expense, income tax and significant items	up	110.9%	to	<b>201.0</b>	95.3
Net profit before significant items from continuing operations <sup>1</sup>	up	143.9%	to	<b>138.6</b>	56.8
Net profit before significant items from discontinued operations <sup>1</sup>	up	-	to	-	-
Net profit before significant items <sup>1</sup>	up	143.9%	to	<b>138.6</b>	56.8
Significant items net of tax <sup>2</sup>	down	(150.8%)	to	<b>(16.6)</b>	32.7
Net profit	up	36.3%	to	<b>122.0</b>	89.5

1. Net profit before significant items is a non-IFRS measure reported to provide a greater understanding of the underlying business performance of the Group. A reconciliation of this non-IFRS measure to reported statutory profit is detailed on the next page. The above disclosures are extracted or derived from the financial report for the period ended 31 December 2023, which has been reviewed by Deloitte. The Independent Auditor's Review Report provided by Deloitte is included in the Half-Year Financial Report of Boral Limited for the half-year period ended 31 December 2023.

2. Refer Note 2 of the attached financial report.

#### Net tangible asset backing

	31 Dec 2023	30 Jun 2023
Net tangible asset backing per ordinary security <sup>3</sup>	<b>\$1.87</b>	\$1.77

3. The net tangible asset includes ROU assets.

#### Dividends

	Amount per security	Franked amount per security at 30% tax
Current and previous corresponding period: Interim - ordinary	-	-

#### Commentary on results

Detailed commentary on the results for the period is contained in the press release and the results presentation dated 9 February 2024 accompanying this Report. This Report should be read in conjunction with the 2023 Annual Report and any public announcements made by the Group in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

# APPENDIX 4D

## HALF-YEAR REPORT

### Results for announcement to the market (continued)



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something  
great

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	2023			2022		
	Before significant items \$m	Significant items \$m	After Significant items \$m	Before significant items \$m	Significant items \$m	After Significant items \$m
<b>For the half-year ended 31 December</b>						
<b>Sales revenue</b>						
Continuing operations	1,839.9	-	1,839.9	1,681.1	-	1,681.1
Discontinued operations	-	-	-	-	-	-
<b>Total</b>	<b>1,839.9</b>	<b>-</b>	<b>1,839.9</b>	<b>1,681.1</b>	<b>-</b>	<b>1,681.1</b>
<b>EBITDA</b>						
Continuing operations	313.6	(16.7)	296.9	206.5	18.2	224.7
Discontinued operations	-	-	-	-	18.9	18.9
<b>Total</b>	<b>313.6</b>	<b>(16.7)</b>	<b>296.9</b>	<b>206.5</b>	<b>37.1</b>	<b>243.6</b>
<b>Depreciation and Amortisation</b>						
Continuing operations	(112.6)	-	(112.6)	(111.2)	-	(111.2)
Discontinued operations	-	-	-	-	-	-
<b>Total</b>	<b>(112.6)</b>	<b>-</b>	<b>(112.6)</b>	<b>(111.2)</b>	<b>-</b>	<b>(111.2)</b>
<b>EBIT</b>						
Continuing operations	201.0	(16.7)	184.3	95.3	18.2	113.5
Discontinued operations	-	-	-	-	18.9	18.9
<b>Total</b>	<b>201.0</b>	<b>(16.7)</b>	<b>184.3</b>	<b>95.3</b>	<b>37.1</b>	<b>132.4</b>
<b>Net interest expense</b>						
Continuing operations	(9.7)	-	(9.7)	(19.9)	-	(19.9)
Discontinued operations	-	-	-	-	-	-
<b>Total</b>	<b>(9.7)</b>	<b>-</b>	<b>(9.7)</b>	<b>(19.9)</b>	<b>-</b>	<b>(19.9)</b>
<b>Profit/(loss) before tax</b>						
Continuing operations	191.3	(16.7)	174.6	75.4	18.2	93.6
Discontinued operations	-	-	-	-	18.9	18.9
<b>Total</b>	<b>191.3</b>	<b>(16.7)</b>	<b>174.6</b>	<b>75.4</b>	<b>37.1</b>	<b>112.5</b>
<b>Income tax (expense)/benefit</b>						
Continuing operations	(52.7)	0.1	(52.6)	(18.6)	(5.4)	(24.0)
Discontinued operations	-	-	-	-	1.0	1.0
<b>Total</b>	<b>(52.7)</b>	<b>0.1</b>	<b>(52.6)</b>	<b>(18.6)</b>	<b>(4.4)</b>	<b>(23.0)</b>
<b>Profit/(loss) after tax</b>						
Continuing operations	138.6	(16.6)	122.0	56.8	12.8	69.6
Discontinued operations	-	-	-	-	19.9	19.9
<b>Total</b>	<b>138.6</b>	<b>(16.6)</b>	<b>122.0</b>	<b>56.8</b>	<b>32.7</b>	<b>89.5</b>

## Directors' Report

The Directors of Boral Limited ('the Company') report on the consolidated entity, being the Company and its controlled entities ('the Group'), for the half-year ended 31 December 2023 ("the half-year"):

### 1. Review of Operations and changes in state of affairs

The Directors' review of the operations of the consolidated entity during the half-year and the results of those operations is attached and forms part of this Directors' Report.

### 2. Names of Directors

The names of persons who have been Directors of the Company during or since the end of the half-year ended 31 December 2023 are:

Ryan Stokes AO	– Chairman and non-executive Director
Vik Bansal	– Chief Executive Officer and Managing Director
Jacqueline Chow	– Non-executive Director
Mark Johnson	– Non-executive Director
Karen Moses	– Non-executive Director (retired 26 October 2023)
Richard Richards	– Non-executive Director
Rob Sindel	– Non-executive Director

### 3. Lead Auditor's Independence Declaration

The lead auditor's independence declaration made under Section 307C of the Corporations Act 2001 is set out on page 19 and forms part of this Directors' Report.

### 4. Rounding of Amounts

Unless otherwise expressly stated, amounts have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars in accordance with ASIC Corporations Instrument 2016/191, dated 24 March 2016. Amounts shown as "–" represent zero amounts and amounts less than \$50,000 which have been rounded down.

Signed in accordance with a resolution of the Directors.



**Ryan Stokes AO**  
Chairman



**Vik Bansal**  
CEO & Managing Director

Sydney, 9 February 2024

# Condensed Income Statement

BORAL LIMITED AND CONTROLLED ENTITIES

For the half-year ended 31 December	Note	2023 \$m	2022 \$m
<b>Continuing operations</b>			
Revenue	4	1,839.9	1,681.1
Cost of sales		(1,306.7)	(1,263.0)
Selling and distribution expenses		(258.7)	(243.9)
Administrative expenses		(85.0)	(90.9)
Other income		4.5	21.4
Other expenses		(0.4)	-
Results of equity accounted investments		(9.3)	8.8
<b>Profit before net interest expense and income tax</b>		<b>184.3</b>	113.5
Interest income		17.2	8.3
Interest expense		(26.9)	(28.2)
Net interest expense		(9.7)	(19.9)
<b>Profit before income tax</b>		<b>174.6</b>	93.6
Income tax expense	5	(52.6)	(24.0)
<b>Profit from continuing operations</b>		<b>122.0</b>	69.6
<b>Discontinued operations</b>			
Profit from discontinued operations (net of income tax)	3	-	19.9
<b>Net profit</b>		<b>122.0</b>	89.5
<b>Total operations</b>			
Basic earnings per share	6	11.1c	8.1c
Diluted earnings per share	6	11.0c	8.1c
<b>Continuing operations</b>			
Basic earnings per share	6	11.1c	6.3c
Diluted earnings per share	6	11.0c	6.3c

The Condensed Income Statement should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

# Condensed Statement of Comprehensive Income

BORAL LIMITED AND CONTROLLED ENTITIES

	2023	2022
For the half-year ended 31 December	\$m	\$m
<b>Net profit</b>	<b>122.0</b>	89.5
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to Income Statement:</b>		
Fair value adjustments on cash flow hedges	(5.4)	(22.0)
Income tax on items that may be reclassified subsequently to Income Statement	1.6	6.6
<b>Total comprehensive income</b>	<b>118.2</b>	74.1

The Condensed Statement of Comprehensive Income should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

# Condensed Balance Sheet

BORAL LIMITED AND CONTROLLED ENTITIES

	Note	31 Dec 2023 \$m	30 Jun 2023 \$m
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		888.7	658.1
Receivables		452.5	549.3
Inventories		254.2	257.5
Financial assets		2.8	3.0
Current tax assets		15.1	25.6
Other assets		31.0	20.3
<b>TOTAL CURRENT ASSETS</b>		<b>1,644.3</b>	<b>1,513.8</b>
<b>NON-CURRENT ASSETS</b>			
Receivables		3.6	20.0
Inventories		13.7	13.4
Investments accounted for using the equity method		37.3	36.1
Financial assets		2.5	21.9
Property, plant and equipment		2,110.2	2,118.5
Intangible assets		71.2	71.2
Deferred tax assets		72.1	107.7
Other assets		35.8	36.1
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,346.4</b>	<b>2,424.9</b>
<b>TOTAL ASSETS</b>		<b>3,990.7</b>	<b>3,938.7</b>
<b>CURRENT LIABILITIES</b>			
Trade creditors		430.5	497.1
Interest bearing liabilities	9	24.0	23.2
Financial liabilities		15.7	10.3
Current tax liabilities		15.8	0.6
Employee benefit liabilities		100.1	107.4
Provisions		75.0	55.9
<b>TOTAL CURRENT LIABILITIES</b>		<b>661.1</b>	<b>694.5</b>
<b>NON-CURRENT LIABILITIES</b>			
Interest bearing liabilities	9	949.2	973.1
Financial liabilities		15.5	10.4
Deferred tax liabilities		35.5	36.6
Employee benefit liabilities		7.1	7.1
Provisions		187.6	191.2
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,194.9</b>	<b>1,218.4</b>
<b>TOTAL LIABILITIES</b>		<b>1,856.0</b>	<b>1,912.9</b>
<b>NET ASSETS</b>		<b>2,134.7</b>	<b>2,025.8</b>
<b>EQUITY</b>			
Issued capital	10	593.7	593.7
Reserves	11	15.0	28.1
Retained earnings		1,526.0	1,404.0
<b>TOTAL EQUITY</b>		<b>2,134.7</b>	<b>2,025.8</b>

The Condensed Balance Sheet should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

# Condensed Statement of Changes in Equity

BORAL LIMITED AND CONTROLLED ENTITIES

	Issued capital	Reserves	Retained earnings	Total equity
	\$m	\$m	\$m	\$m
Balance at 1 July 2023	593.7	28.1	1,404.0	2,025.8
Net profit	-	-	122.0	122.0
<b>Other comprehensive income</b>				
Fair value adjustments on cash flow hedges	-	(5.4)	-	(5.4)
Income tax relating to other comprehensive income	-	1.6	-	1.6
<b>Total comprehensive income/(loss)</b>	-	(3.8)	122.0	118.2
<b>Transactions with owners in their capacity as owners</b>				
Treasury securities purchased under equity plans	(13.0)	-	-	(13.0)
Securities vested under equity plans	13.0	(13.0)	-	-
Share-based payments	-	3.7	-	3.7
<b>Total transactions with owners in their capacity as owners</b>	-	(9.3)	-	(9.3)
<b>Balance at 31 December 2023</b>	<b>593.7</b>	<b>15.0</b>	<b>1,526.0</b>	<b>2,134.7</b>
Balance at 1 July 2022	593.7	47.9	1,255.9	1,897.5
Net profit	-	-	89.5	89.5
Other comprehensive income				
Fair value adjustments on cash flow hedges	-	(22.0)	-	(22.0)
Income tax relating to other comprehensive income	-	6.6	-	6.6
<b>Total comprehensive income/(loss)</b>	-	(15.4)	89.5	74.1
Transactions with owners in their capacity as owners				
Share-based payments	-	(3.0)	-	(3.0)
<b>Total transactions with owners in their capacity as owners</b>	-	(3.0)	-	(3.0)
<b>Balance at 31 December 2022</b>	<b>593.7</b>	<b>29.5</b>	<b>1,345.4</b>	<b>1,968.6</b>

The Condensed Statement of Changes in Equity should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.



# Condensed Statement of Cash Flows

BORAL LIMITED AND CONTROLLED ENTITIES

<b>For the half-year ended 31 December</b>	<b>2023</b>	<b>2022</b>
	<b>\$m</b>	<b>\$m</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	2,125.0	1,851.3
Payments to suppliers and employees	(1,785.3)	(1,718.3)
	<b>339.7</b>	133.0
Dividends received	5.8	8.9
Interest received	17.4	8.7
Borrowing costs paid	(24.3)	(28.0)
Income taxes received/ (paid)	10.0	(0.7)
Restructure and transaction costs paid	-	(18.1)
<b>Net cash provided by operating activities</b>	<b>348.6</b>	103.8
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(91.5)	(97.4)
Proceeds on disposal of non-current assets	2.5	3.5
Proceeds on disposal of controlled entities and associates (net of transactions costs)	-	14.9
<b>Net cash used in investing activities</b>	<b>(89.0)</b>	(79.0)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Treasury securities purchased under equity plans	(13.0)	-
Repayment of lease principal	(13.4)	(13.4)
Repayment of borrowings	-	(628.7)
<b>Net cash used in financing activities</b>	<b>(26.4)</b>	(642.1)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents at the beginning of the year	658.1	1,107.1
Effects of exchange rate fluctuations on the balances of cash and cash equivalents held in foreign currencies	(2.6)	35.9
<b>Cash and cash equivalents at the end of the half-year</b>	<b>888.7</b>	525.7

The Condensed Statement of Cash Flows should be read in conjunction with the accompanying notes which form an integral part of the half-year financial report.

# Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

## 1. ACCOUNTING POLICIES

Boral Limited is a company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The consolidated half-year financial report of Boral Limited as at and for the half-year ended 31 December 2023 comprises Boral Limited and its controlled entities (the "Group").

### (a) Basis of Preparation

The half-year consolidated financial report is a condensed general purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. The financial report also complies with IAS 34 Interim Financial Reporting.

The half-year financial report does not include full note disclosures of the type normally included in an annual financial report. As a result, the half-year financial report should be read in conjunction with the 30 June 2023 Annual Financial Report and any public announcements made during the period in accordance with continuous disclosure requirements issued by the Australian Securities Exchange (ASX).

The half-year financial report was authorised for issue by the Directors on 9 February 2024.

The half-year financial report is presented in Australian dollars.

### (b) Material Accounting Policy Information

The accounting policies have been consistently applied by each entity in the consolidated entity and are consistent with those applied in the 30 June 2023 Annual Financial Report. The half-year financial report has been prepared on the basis of historical cost, except where assets and liabilities are stated at their fair values in accordance with relevant accounting policies.

The Group has no transactions that are affected by newly effective Australian Accounting Standards and Australian Accounting Standards Board Interpretations or its accounting policies are already consistent with the new requirements.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

### (c) Comparatives

Where necessary, comparative information has been re-presented to conform to changes in presentation in the current period.

### (d) Rounding of Amounts

Unless otherwise expressly stated, amounts have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars in accordance with ASIC Corporations Instrument 2016/191, dated 24 March 2016. Amounts shown as "–" represent zero amounts and amounts less than \$50,000 which have been rounded down.

# Condensed Notes to the Financial Report

## BORAL LIMITED AND CONTROLLED ENTITIES

### 2. SEGMENTS

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision-maker (being the CEO and Managing Director) in order to effectively allocate Group resources and assess performance.

During the year ending June 2023, Boral had assessed and revised the Group's allocation of amounts between operating segments. The operating segments remain consistent with the prior period however allocations of amounts between the operating segments in the prior period comparatives have been restated.

The Group has identified its operating segments based on the information that is regularly reviewed and used by the CEO and Managing Director for the purpose of evaluating performance and making resource allocation decisions. Discrete financial information about each of these operating businesses is reported to the CEO and Managing Director on a recurring basis. Although Property does not meet the quantitative reportable segment thresholds in the current year, the Group considers that the separate disclosure of its financial performance qualitatively provides useful information to users of the Group's financial statements.

The following summary describes the operations of the Group's reportable segments:

Construction Materials	-	Integrated construction materials business operating across Australia (concrete, asphalt, quarries, cement, recycling and placing).
Property	-	The property segment primarily generates earnings through the development or divestment of surplus properties.
Discontinued Operations	-	Boral North America (fly ash, stone, roofing, light building products, windows and bricks joint venture) and Australian Building Products (comprising roofing and masonry, and timber products).
Unallocated	-	Unallocated costs including corporate.

The major end use markets for Boral's products include residential and non-residential construction and the engineering and infrastructure markets.

The Group has a large number of customers to which it provides products, with no single customer responsible for more than 10% of the Group's revenue.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

#### Reconciliations of reportable segment revenues and profits

	Note	2023 \$m	2022 \$m
<b>For the half-year ended 31 December</b>			
External revenue		<b>1,839.9</b>	1,681.1
Less: Revenue from discontinued operations	3	-	-
Revenue from continuing operations	4	<b>1,839.9</b>	1,681.1
<b>Profit before tax</b>			
Profit before net interest expense and income tax from reportable segments		<b>184.3</b>	132.4
Less: Profit before net interest expense and income tax from discontinued operations	3	-	(18.9)
Profit before net interest expense and income tax from continuing operations		<b>184.3</b>	113.5
Net interest expense from continuing operations		<b>(9.7)</b>	(19.9)
Profit before tax from continuing operations		<b>174.6</b>	93.6

# Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

## 2. SEGMENTS (continued)

For the half-year ended 31 December	Construction Materials		Property		Unallocated		Total Continuing Operations		Discontinued Operations		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
External revenue	1,839.1	1,680.9	0.8	0.2	-	-	1,839.9	1,681.1	-	-	1,839.9	1,681.1
EBITDA <sup>1</sup> (excluding significant items)	312.7	206.6	1.0	(0.1)	(0.1)	-	313.6	206.5	-	-	313.6	206.5
Depreciation and amortisation	(112.6)	(111.2)	-	-	-	-	(112.6)	(111.2)	-	-	(112.6)	(111.2)
<b>EBIT<sup>2</sup> (excluding significant items)</b>	<b>200.1</b>	<b>95.4</b>	<b>1.0</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>-</b>	<b>201.0</b>	<b>95.3</b>	<b>-</b>	<b>-</b>	<b>201.0</b>	<b>95.3</b>
Power Purchase Agreement (i)	-	-	-	-	(0.4)	-	(0.4)	-	-	-	(0.4)	-
PLDC equity accounted loss (ii)	-	-	(16.3)	-	-	-	(16.3)	-	-	-	(16.3)	-
Divestment related matters (iii)	-	-	-	-	-	-	-	-	-	18.9	-	18.9
Restructure and onerous contracts (iv)	-	-	-	-	-	6.8	-	6.8	-	-	-	6.8
US senior notes tender offer (v)	-	-	-	-	-	11.4	-	11.4	-	-	-	11.4
<b>Significant items before income tax expense</b>	<b>-</b>	<b>-</b>	<b>(16.3)</b>	<b>-</b>	<b>(0.4)</b>	<b>18.2</b>	<b>(16.7)</b>	<b>18.2</b>	<b>-</b>	<b>18.9</b>	<b>(16.7)</b>	<b>37.1</b>
Profit/(loss) before interest and income tax expense	200.1	95.4	(15.3)	(0.1)	(0.5)	18.2	184.3	113.5	-	18.9	184.3	132.4
Equity accounted income / (loss) <sup>3</sup>	7.1	9.2	(16.4)	(0.4)	-	-	(9.3)	8.8	-	-	(9.3)	8.8

1. EBITDA is profit/(loss) before depreciation, amortisation, interest, income tax expense and significant items.

2. EBIT is profit/(loss) before interest, income tax expense and significant items.

3. Equity accounted income is included in EBITDA and EBIT.

Contracting businesses revenue and rendering of services revenue, as disclosed in Note 4, is fully allocated to the Construction Materials segment.

# Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

## 2. SEGMENTS (continued)

Significant items	Gross	Tax	Net	Gross	Tax	Net
	\$m	\$m	\$m	\$m	\$m	\$m
<b>For the half-year ended 31 December</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	2022	2022	2022
(i) Power Purchase Agreement	(0.4)	0.1	(0.3)	-	-	-
(ii) PLDC equity accounted loss	(16.3)	-	(16.3)	-	-	-
(iii) Divestment related matters	-	-	-	18.9	1.0	19.9
(iv) Restructure and onerous contracts	-	-	-	6.8	(2.0)	4.8
(v) US senior notes tender offer	-	-	-	11.4	(3.4)	8.0
	<b>(16.7)</b>	<b>0.1</b>	<b>(16.6)</b>	37.1	(4.4)	32.7

**(i) Power Purchase Agreement**

The Group entered into a solar power purchase agreement (PPA) in November 2022 for a period of 10 years from the commencement of commercial production expected from April 2025. The PPA is not a physical electricity supply contract. It operates as a "contract for difference" (CfD). The CfD is a derivative and is required to be fair valued at each reporting date with any movements recorded in the profit or loss.

During the current financial period, the Group recognised a \$0.4 million loss (2022: nil) arising on the fair value movement in the PPA derivative contract.

**(ii) Penrith Lakes Development Corporation (PLDC) Equity Accounted Loss**

During the current period, the Group recognised an equity accounted loss of \$16.3 million on its net investment in PLDC as a result of an impairment of capitalised development costs within PLDC.

**(iii) Divestment related matters**

In the prior period, the Group recognised pre-tax net income of \$18.9 million primarily from additional proceeds from completion settlements and earn-outs.

**(iv) Restructure and onerous contracts**

In the prior period, the Group recognised pre-tax net income of \$6.8 million primarily as a result of the favourable settlement of onerous contracts recognised in prior periods.

**(v) US senior notes tender offer**

In the prior period, US\$300 million of May 2028 US Senior notes were repaid following completion of the Group's tender offer. This resulted in a pre-tax gain of \$11.4 million.

# Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

## 2. SEGMENTS (continued)

For the half-year ended 31 December (\$)	Construction Materials		Property		Unallocated		Total Continuing		Discontinued Operations		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>External revenue by product</b>												
Concrete	811.8	709.6	-	-	-	-	811.8	709.6	-	-	811.8	709.6
Asphalt	385.3	373.2	-	-	-	-	385.3	373.2	-	-	385.3	373.2
Quarry products	287.5	241.7	-	-	-	-	287.5	241.7	-	-	287.5	241.7
Cement	184.4	183.0	-	-	-	-	184.4	183.0	-	-	184.4	183.0
Concrete placing	101.9	112.8	-	-	-	-	101.9	112.8	-	-	101.9	112.8
Other <sup>1</sup>	68.2	60.6	0.8	0.2	-	-	69.0	60.8	-	-	69.0	60.8
	<b>1,839.1</b>	<b>1,680.9</b>	<b>0.8</b>	<b>0.2</b>	-	-	<b>1,839.9</b>	<b>1,681.1</b>	-	-	<b>1,839.9</b>	<b>1,681.1</b>

1. Other revenue in Construction Materials includes transport, recycling and landfill.

## Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

### 2. SEGMENTS (continued)

#### (a) Reportable segments

	Construction Materials		Property		Unallocated		Total Continuing Operations		Discontinued Operations		Total	
	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Segment assets (excluding equity accounted investments)	2,935.5	3,038.1	36.4	48.1	5.6	25.0	2,977.5	3,111.2	-	-	2,977.5	3,111.2
Equity accounted investments	37.3	36.1	-	-	-	-	37.3	36.1	-	-	37.3	36.1
	2,972.8	3,074.2	36.4	48.1	5.6	25.0	3,014.8	3,147.3	-	-	3,014.8	3,147.3
Cash and cash equivalents	-	-	-	-	888.7	658.1	888.7	658.1	-	-	888.7	658.1
Tax assets	-	-	-	-	87.2	133.3	87.2	133.3	-	-	87.2	133.3
Total assets	2,972.8	3,074.2	36.4	48.1	981.5	816.4	3,990.7	3,938.7	-	-	3,990.7	3,938.7
Segment liabilities	738.7	788.0	7.9	9.5	84.9	81.9	831.5	879.4	-	-	831.5	879.4
Interest bearing liabilities	-	-	-	-	973.2	996.3	973.2	996.3	-	-	973.2	996.3
Tax liabilities	-	-	-	-	51.3	37.2	51.3	37.2	-	-	51.3	37.2
Total liabilities	738.7	788.0	7.9	9.5	1,109.4	1,115.4	1,856.0	1,912.9	-	-	1,856.0	1,912.9
For the half year ended 31 December	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Acquisition of segment assets <sup>1</sup>	98.2	103.9	0.5	0.2	-	0.1	98.7	104.2	-	-	98.7	104.2

1. This relates to additions in property, plant and equipment. This excludes amounts attributable to the capital contribution in respect of equity accounted investments.

#### (b) Geographical location

All non-current assets in the Group are based in Australia.

# Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

## 3. DISCONTINUED OPERATIONS AND DISPOSALS

For the half-year ended 31 December	Note	2023 \$m	2022 \$m
<b>Results of discontinued operations</b>			
Revenue		-	-
Expenses		-	-
Share of equity accounted income		-	-
<b>Trading profit before significant items, net interest expense and income tax</b>			
Significant items	2	-	18.9
<b>Profit before net interest expense and income tax</b>			
Net interest expense		-	-
<b>Profit before income tax</b>			
Income tax benefit		-	1.0
<b>Net profit</b>			

### Cash flows from discontinued operations

Net cash used in operating activities	-	(13.6)
Net cash provided by investing activities	-	14.9
Net cash used in financing activities	-	-
<b>Net cash provided by discontinued operations</b>		1.3

During the prior period, cash outflows of \$13.6 million are related to costs incurred in conjunction with the exit of Boral North America.



# Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

## 4. REVENUE FROM CONTINUING OPERATIONS

	2023	2022
For the half-year ended 31 December	\$m	\$m
<b>Revenue from continuing operations</b>		
Sale of goods	1,693.0	1,524.6
Contracting business	101.9	112.8
Rendering of services	45.0	43.7
Revenue from continuing operations	1,839.9	1,681.1

## 5. INCOME TAX EXPENSE

	2023	2022
For the half-year ended 31 December	\$m	\$m
<b>Reconciliation of income tax expense to prima facie tax</b>		
Income tax expense on profit at Australian tax rates 30%	52.4	33.8
Variation between Australian and overseas tax rates	(0.1)	(0.7)
Share of associates' net loss / (income)	3.0	(1.8)
Tax benefit on disposal of business	-	(3.7)
Income tax losses brought to account	-	(2.4)
Other items	(2.7)	(2.2)
Income tax expense	52.6	23.0
Income tax expense relating to continuing operations	52.6	24.0
Income tax expense/(benefit) relating to discontinued operations	-	(1.0)
	52.6	23.0

## Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

### 6. EARNINGS PER SHARE

#### Basic earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit by the weighted average number of ordinary shares of Boral Limited, adjusted for any bonus issue.

#### Diluted earnings per share

Diluted EPS is calculated by dividing the net profit by the weighted average number of ordinary shares after adjustment for the effects of all dilutive potential ordinary shares and bonus issue.

For the half-year ended 31 December	2023	2022
<b>Weighted average number of ordinary shares used as the denominator</b>		
Number for basic earnings per share	1,103,088,419	1,103,088,419
Effect of potential ordinary shares	6,506,536	8,336,201
<b>Number for diluted earnings per share</b>	<b>1,109,594,955</b>	<b>1,111,424,620</b>

	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
	2023	2023	2023	2022	2022	2022
For the half-year ended 31 December	\$m	\$m	\$m	\$m	\$m	\$m
<b>Earnings reconciliation</b>						
Net profit before significant items	138.6	-	138.6	56.8	-	56.8
Net significant items (refer Note 2)	(16.6)	-	(16.6)	12.8	19.9	32.7
<b>Net profit</b>	<b>122.0</b>	<b>-</b>	<b>122.0</b>	<b>69.6</b>	<b>19.9</b>	<b>89.5</b>
Basic earnings per share	11.1c	0.0c	11.1c	6.3c	1.8c	8.1c
Diluted earnings per share	11.0c	0.0c	11.0c	6.3c	1.8c	8.1c
Basic earnings per share (excluding significant items)	12.6c	0.0c	12.6c	5.1c	0.0c	5.1c
Diluted earnings per share (excluding significant items)	12.5c	0.0c	12.5c	5.1c	0.0c	5.1c

### 7. DIVIDENDS

	Amount per share	Total amount \$m	Franked amount per share	Date of payment
<b>2023</b>				
Special dividend	-	-	-	
Final June 2023- ordinary	-	-	-	
<b>2022</b>				
Special dividend	7.0 cents	77.2	-	14 February 2022
Final June 2022 - ordinary	-	-	-	

#### Subsequent event

Since the end of the period, the Directors have decided that no interim dividend would be paid for the half-year ended 31 December 2023.

#### Dividend Reinvestment Plan

The Group's Dividend Reinvestment Plan did not apply to the payment of the special dividend on 14 February 2022.

# Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

## 8. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name	Principal activity	Country of incorporation	Balance date	Ownership Interest	
				2023 %	2022 %
<b>DETAILS OF EQUITY ACCOUNTED INVESTMENTS</b>					
Bitumen Importers Australia Pty Ltd	Bitumen importer	Australia	30-Jun	50	50
ConnectSydney Pty Ltd	Road maintenance	Australia	30-Jun	38.5	38.5
Flyash Australia Pty Ltd	Fly ash collection	Australia	31-Dec	50	50
Penrith Lakes Development Corporation Ltd	Property development	Australia	30-Jun	40	40
South Australian Road Services Pty Ltd	Road maintenance	Australia	30-Jun	50	50
South East Asphalt Pty Ltd	Asphalt road maintenance	Australia	30-Jun	50	50
Sunstate Cement Ltd	Cement manufacturer	Australia	30-Jun	50	50

## 9. INTEREST BEARING LIABILITIES

	31 Dec 2023 \$m	30 Jun 2023 \$m
<b>CURRENT</b>		
Lease liabilities	24.0	23.2
	<b>24.0</b>	<b>23.2</b>
<b>NON-CURRENT</b>		
Loans – unsecured	850.3	873.9
Lease liabilities	98.9	99.2
	<b>949.2</b>	<b>973.1</b>
<b>TOTAL</b>	<b>973.2</b>	<b>996.3</b>

## 10. ISSUED CAPITAL

	31 Dec 2023 \$m	30 Jun 2023 \$m
<b>Issued and paid up capital</b>		
1,103,088,419 (2022: 1,103,088,419) ordinary shares, fully paid	593.7	593.7

Ordinary shares issued are classified as equity and are fully paid, have no par value and carry one vote per share and the right to dividends. Incremental costs directly attributable to the issue of new shares or the exercise of options are recognised as a deduction from equity, net of any related income tax benefit.

In the event of a winding up of Boral Limited, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

## 11. RESERVES

	31 Dec 2023 \$m	30 Jun 2023 \$m
Hedging reserve - cash flow hedges	(9.6)	(5.8)
Share-based payments reserve	24.6	33.9
Balance at the end of the period	15.0	28.1

# Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

## 12. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The fair value measurement principles adopted in this report are consistent with those applied in the Group's Annual Financial Report for the year ended 30 June 2023.

Financial instrument	Valuation method	Carried at Fair value?
<b>Commodity swaps and options</b>	The fair value is calculated using closing commodity market prices and implied volatility data and includes bilateral credit value adjustments.	Yes
<b>Forward exchange contracts, options and cross currency swaps</b>	The fair value is calculated based on market derived spot and forward prices, relevant currency interest rate curves, foreign currency basis spreads applicable to the relevant currency and includes bilateral credit value adjustments.	Yes
<b>Interest rate swaps</b>	The fair value is calculated from the present value of expected future cash flows for each instrument and includes the bilateral credit adjustment. The expected future cash flows are derived from yield curves constructed from market sources reflecting their term to maturity.	Yes
<b>Power purchase agreement (PPA)</b>	The fair value is calculated based on the present value of expected future cash flows of the PPA and includes the bilateral credit adjustment. The expected future cash flows are derived by calculating the difference between the strike price of the PPA and the long-term electricity forecasted prices obtained from an independent expert.	Yes
<b>Cash, deposits, loans and receivables, payable and short-term borrowings</b>	The carrying value approximates fair value due to the short term nature of these assets and liabilities	No
<b>Long-term borrowings</b>	Loans and borrowings are recognised initially at fair value less attributable transaction costs. Fair value on inception reflects the present value of expected cash flows using interest rates derived from market sources reflecting their term to maturity. Subsequently, loans and borrowings are stated at amortised cost, with any difference between amortised cost and redemption value being recognised in the Income Statement over the period of the borrowings on an effective interest rate basis.	No
<b>Equity securities</b>	The fair value represents the market value of the underlying securities.	Yes

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for asset or liability that are not based on observable market data.

The following table presents the Group's financial assets and liabilities that are measured at fair value for each level:

	31 Dec 2023	30 June 2023
	\$m	\$m
<b>Assets</b>		
Derivative financial assets – Level 2	3.5	22.7
Derivative financial assets – Level 3 <sup>1</sup>	1.8	2.2
<b>Total financial assets</b>	<b>5.3</b>	<b>24.9</b>
Current	2.8	3.0
Non-current	2.5	21.9
<b>Total financial assets</b>	<b>5.3</b>	<b>24.9</b>
<b>Liabilities</b>		
Derivative financial liabilities – Level 2	31.2	20.7
<b>Total financial liabilities</b>	<b>31.2</b>	<b>20.7</b>
Current	15.7	10.3
Non-current	15.5	10.4
<b>Total financial liabilities</b>	<b>31.2</b>	<b>20.7</b>

1. During the prior year, the Group entered into a 10-year cash for difference Power Purchase Agreement (PPA), effective from April 2025. As at 31 December 2023, the fair value is \$1.8 million.

# Condensed Notes to the Financial Report

BORAL LIMITED AND CONTROLLED ENTITIES

## 13. COMMITMENTS

	31 Dec 2023	30 June 2023
	\$m	\$m
<b>Capital expenditure commitments</b>		
Contracted but not provided for are payable as follows:		
Not later than one year	14.8	11.9

The capital expenditure commitments are in respect of the purchase of plant and equipment.

## 14. CONTINGENT LIABILITIES

There has not been any material change to the Group's contingent liabilities as disclosed in the 30 June 2023 Annual Financial Report.

## 15. SUBSEQUENT EVENTS

There has not been any other matter or circumstances in the interval between 31 December 2023 and the date of this report, that has significantly affected or may affect the operations of the Boral's group, the result of those operations or the state of affairs of the Boral group in subsequent financial years.

9 February 2024

The Board of Directors  
Boral Limited  
T2 / 39 Delhi Road  
North Ryde NSW 2113

Dear Board Members

### **Auditor's Independence Declaration to Boral Limited**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of Boral Limited.

As lead audit partner for the review of the half-year financial report of Boral Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



J A Leotta  
Partner  
Chartered Accountants

# Statutory Statements

BORAL LIMITED AND CONTROLLED ENTITIES

## Directors' Declaration

In the opinion of the Directors of Boral Limited:

1. The financial statements and notes set out on pages 2 to 18, are in accordance with the *Corporations Act 2001*, including:
  - (a) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2023 and of its performance, as represented by the results of its operations and cash flows, for the half-year ended on that date; and
  - (b) complying with Australian Accounting Standard AASB 134 "*Interim Financial Reporting*" and the *Corporations Regulations 2001*; and
2. 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 the Directors:



**Ryan Stokes AO**  
Chairman  
Sydney, 9 February 2024



**Vik Bansal**  
CEO & Managing Director

## Independent Auditor's Review Report to the Members of Boral Limited

### Report on the Half-Year Financial Report

#### *Conclusion*

We have reviewed the half-year financial report of Boral Limited (the "Company") and its subsidiaries (the "Group"), which comprises the Condensed Balance Sheet as at 31 December 2023, and the Condensed Income Statement, the Condensed Statement of Comprehensive Income, the Condensed Statement of Changes in Equity and the Condensed Statement of Cash Flows for the half-year ended on that date, notes comprising a summary of significant accounting policies 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 half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) 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 Half-year Financial Report* section of our report. We are independent of the Group in accordance with 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

#### *Directors' Responsibilities for the Half-year Financial Report*

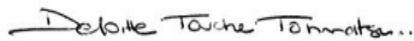
The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation 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 Half-year 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 2023 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*.

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.



DELOITTE TOUCHE TOHMATSU



J A Leotta  
Partner  
Chartered Accountants  
Sydney, 9 February 2024