

ASUREQUALITY LIMITED	
Interim results for announcement to the market	
Reporting Period	six months ended 31 December 2023
Previous Reporting Period	six months ended 31 December 2022

Amount(\$'000)	Six months ended 31 December 2023	Six months ended 31 December 2022	Percentage change
Revenue from ordinary activities	\$NZ 110,500	\$NZ 113,381	-2.5%
Profit (loss) from ordinary activities after tax	\$NZ 977	\$NZ 3,590	-72.8%
Net profit (loss)	\$NZ 977	\$NZ 3,590	-72.8%

Interim / Final Dividend	We will be utilising cash usually paid to shareholders as dividends, to fund the start of the re-development of the strategically important Auckland food testing facility.	Final dividend of \$2.9m (relating to year end 30 June 2022) paid 8 September 2022. Interim dividend (relating to 12 months ending 30 June 2023) of \$1.5m declared 15 February 2023.	
Dividend Payment Date	Not applicable.		

Comments: (Including: (i) a brief explanation of any of the above figures necessary to enable them to be understood	<p>The decrease in revenue, compared to the first six months of last financial year, is due to lower demand for dairy and serology testing, biosecurity and field services and lower diagnostics volumes, offset by increased meat inspection hours worked and audit volumes.</p> <p>The Net profit has reduced by \$2.6m due mainly to the lower revenue as outlined above together with inflationary pressures.</p>
(ii) in respect of each half-year period, commentary on the outlook for the remainder of the financial year, including whether the SOE considers it will achieve the financial performance targets in its SCI	<p>We expect to continue to see low food and specialty testing demand from our traditional customers on the back of challenging market conditions.</p> <p>Despite these headwinds and challenges AsureQuality expects to be able to achieve the financial performance targets in our SCI as we continue to seek ways to reduce discretionary spend without reducing our service levels to customers. We are also working hard to deliver new opportunities and new business growth in areas like pet food and health/supplements.</p>

Date of announcement 28 February 2024