

CORDE LIMITED

FY2024 Quarter 3 Report

Overview

While revenue has recovered, higher overheads from ongoing inflation and delayed project start dates have impacted profitability.

Financial Position

\$m	YTD Actual	YTD Budget	Variance	Annual Budget	Note
Revenue	\$72.7	\$59.6	\$13.1	\$79.5	1
Net Profit After Tax	\$2.7	\$3.2	(\$0.5)	\$4.2	2
Net Cashflow	(\$3.90)	\$0.375	(\$4.28)	\$0.5	3

Notes

- 1 Revenue has recovered during the Quarter after a project cancellation and delayed starts in the construction sector.
- 2 Profitability has been impaired due to significant cost price inflation and resource for delayed starts in the construction sector.
- 3 Net cashflow has been impacted by payment of a higher dividend and additional tax for enhanced profit last financial year, and higher capital expenditure to secure plant for future profitability.

Key Contracts

Recently awarded a civil project with Christchurch City Council.

Business Risks

Key risks facing the company currently are:

- competitive pricing to secure workflow,
- little investment by the private sector in greenfield developments,
- recruiting skilled staff remains a challenge to resource projects and the subsequent impact on wages and attraction/retention of staff,
- ongoing inflation putting pressure on materials, wages and operational costs.