



Westroads

Half Yearly Report

31 December 2024



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Westroads is committed to constructing and maintaining horizontal infrastructure for future generations to enjoy.



Core Purpose

The principal objectives of the Company are to:

- Operate as a successful business
- Maximise shareholder value
- Provide positive community outcomes

Our Values



Improvement and Innovation

- Look for better ways
- Be innovative
- Embrace change



Performance Driven

- Plan and communicate
- Meet quality and performance targets
- Take pride in our work



Team Commitment

- Safety comes first
- Respect and help each other
- Value our people

Our Strategic Priorities

Invest In People and Culture

OUTCOMES

- Employer of choice
- Invest in leadership and skills training for all our people
- Provide opportunities for young West Coasters

Care For Community and Environment

OUTCOMES

- District wide emergency response capability
- Five-year sustainability plan
- Give back to our Westland communities

Achieve Outstanding Results

OUTCOMES

- Grow shareholder value (YoY)
- Dividend growth
- Equity growth
- Excellent Health and Safety Performance

Build Quality Relationship

OUTCOMES

- Highly engaged relationships with our shareholder, clients and Iwi
- Increased marketing and communications

Diversify

OUTCOMES

- Grow customer base, work streams and geographical areas



Six Months in Review

Chair Report

For The 6 Months Ended 31 December 2024

The Directors of Westroads Ltd present the unaudited Half Yearly Report for the six months ended 31 December 2024.

PRINCIPAL ACTIVITIES

The Company and Group's principal activities were Roading Maintenance and Construction, Urban Works, Horizontal Infrastructure Works, Bridge Maintenance and the Manufacture and Supply of Aggregates.

FINANCIAL RESULTS

The main points of the half yearly report for 31 December 2024 are:

- Revenue is up on budget by \$1.276m;
- Gross Profit at \$4.500m is up on budget by \$968k;
- Net Profit before tax is \$670k compared to budgeted profit of \$309k;
- Bank debt is \$2,426k compared to \$2,925k last year;
- Equity has increased by \$462k to \$11,709k while the equity to assets ratio has reduced from 62% to 61% between December 2023 and December 2024.

COMMENTARY

While bottom-line profit was \$361k above budget, there were operational variances in delivering this as follows:

- Income was well above budget in both Hokitika and Christchurch;
- An increase in construction work volume across the company has led to more efficient operations, enhancing margins and boosting profit;
- Greymouth Utilities Maintenance has taken longer to bed in than budgeted;
- Margins in the Christchurch market have been tightening and forward work volumes are decreasing due to increasing competition for limited work;

Our ongoing commitment to debt reduction, fueled by the uncertain economic outlook, has led to a \$500k decrease in bank debt.

Our half yearly result is pleasing, being well up on last year and budget. We foresee our second half performance being similar, which would deliver a positive full-year result.

DIVIDEND

The directors will consider an interim dividend at our February 2025 board meeting.

For and on behalf of the Board



M F Rogers

Chairman
26th February 2025



Westroads Board of Directors – Ross Pickworth,
Mark Rogers, Rob Caldwell



Financial Statements

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD 1 JULY 2024 TO 31 DECEMBER 2024

NZ\$ (000's)	2024	BUDGET	2023
Revenue	16,326	15,050	10,928
Cost of Sales	11,826	11,518	8,253
Gross Profit	4,500	3,532	2,675
Other Income	209	120	617
Depreciation	1,053	1,047	986
Administrative Expenses	2,881	2,179	2,204
Results from Operations	776	425	103
Net Interest Received / Paid	106	116	126
Net Finance Costs	106	116	126
Profit / (Loss) before Income Tax	670	309	(23)
Income Tax Expense	85	87	0
Profit / (Loss) for the Period	585	222	(23)
Total Comprehensive Income	585	222	(23)

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

NZ\$ (000's)	2024	2023
EQUITY		
Share Capital	1,385	1,385
Asset Revaluation Reserve	1,275	1,275
Current Period Dividends Paid or Provided	262	0
Retained Earnings Brought Forward	8,726	8,610
Current Period Net Profit / (Loss) after Tax	585	(23)
Total	11,709	11,247
<i>Represented by:</i>		
Current Assets	6,747	5,090
Non-Current Assets	12,343	12,900
Sub Total	19,090	17,990
<i>Less</i>		
Current Liabilities	4,366	3,119
Non-Current Liabilities	3,015	3,624
Total	11,709	11,247

STATEMENT OF ACCOUNTING POLICIES

FOR THE SIX MONTHS ENDING 31 DECEMBER 2024

REPORTING ENTITY

Westroads Limited is registered under the Companies Act 1993. Westroads Limited is wholly owned by Westland Holdings Limited.

The company is a Council Controlled Trading Organisation as defined in Section 6(1) of the Local Government Act 2002.

The financial statements of Westroads Limited have been prepared in accordance with the requirements of the Companies Act 1993, the Financial Reporting Act 1993, and the Local Government Act 2002.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical basis are followed by the Company, with the exception of certain items for which specific accounting policies are identified.

Accounting Policies

Accounting Policies are consistent with those published in Annual Financial Statements except for the following:

- No provision is made for taxes due to uncertainty around subvention payments
- Interim Financial Statements are prepared in accordance with Financial Reporting Standard 24

Changes in Accounting Policies

Other than mentioned above, there have been no changes in accounting policies. All policies have been applied consistently during the period.

Directory

Registered Office: 267 Kaniere Road, Hokitika 7811

Phone: 03 756 8044

Fax: 03 755 6734

Email: reception@westroads.co.nz

Website: www.westroads.co.nz

Auditors: Ernst & Young on behalf of the Controller & Auditor-General

Bankers: Bank of New Zealand, Cnr Mackay & Tainui Streets, Greymouth

Solicitors: Lane Neave

Company Number: 637577

Country of Incorporation: New Zealand

Insurer: AON



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Hokitika,
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