

APPENDIX 4E

PRELIMINARY FINAL REPORT

GIVEN TO THE ASX UNDER LISTING RULE 4.3A

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI
RESOURCES LTD)

ABN – 70 006 788 754
ACN – 006 788 754

FOR THE YEAR ENDED 30 JUNE 2024

RESULTS FOR ANNOUNCEMENT TO THE MARKET

This Preliminary Final Report is provided to the Australian Securities Exchange (ASX) under Listing Rule 4.3A

Current reporting period: 30 June 2024

Previous corresponding period: 30 June 2023

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenue and net profit		2024 \$'000's	2023 \$'000's	% Change
Revenue from ordinary activities		1,269,432	1,106,257	Up 14.8%
Net Profit from ordinary activities after tax attributable to members of PRL Global Limited		21,879	25,274	Down 13.4%
Total Comprehensive Income for the period attributable to members of PRL Global Limited		22,668	22,546	Up 0.5%
Dividends	Amount per security 2024	Franked Amount per security 2024	Amount per security 2023	Franked Amount per security 2023
Special dividend	10.0c	10.0c	-	-
Interim Dividend	2.5c	2.5c	2.5c	2.5c
Final Dividend	3.0c	3.0c	5.0c	5.0c

Dividends

Dividends totaling 12.5 cents per share have been paid during the year ended 30 June 2024. This include a special dividend of 5.0 cents paid in January 2024. The Directors recommend that a final dividend of 3.0 cents be paid in respect of the year ended 30 June 2024.

Date the final dividend is payable	25 October 2024
Record date to determine entitlements to the dividend	27 September 2024
Date final dividend was declared	30 August 2024

Results

The reported Net Profit attributable to members of the Company is \$21,879k (2023: \$25,274k). This equates to an Earnings Per Share of 7.14 cents (2023: 20.65 cents).

Below is information on the Consolidated Entity's performance for the previous five financial years and for the current year ended 30 June 2024.

	2020	2021	2022	2023	2024
Basic earnings per share (cents)	0.03	5.88	6.56	21.87	18.93
Dividends per share (cents)	0.00	2.0	3.0	7.5	15.5
Share price (cents)	95	120	132	110	103

Entities over which control has been gained or lost during the period

During the current year, the Company disposed of Cheekah Kemayan Plantation Sdn Bhd. (“CKP”), a wholly owned subsidiary.

Net tangible assets

	30 June 2024	30 June 2023
	<i>\$'000s</i>	<i>\$'000s</i>
Net assets	243,949	234,304
Less intangible assets	-	(4,057)
Net tangible assets of the company	243,949	230,247
Fully paid ordinary shares on issue at balance date	115,581,107	115,581,107
Net tangible asset per issued ordinary share as at balance date	\$2.11	\$1.99
Basic earnings per share (attributable to the members of the parent)		
Continuing operations	5.83	20.65
Discontinued operations	13.10	1.22

Significant changes in the state of affairs of the Company

Other than the disposal of the subsidiary as per note 34, there are no other material changes in the state of affairs of the Company.

Additional Appendix 4E disclosure requirements can be found in the appended 30 June 2024 financial statements and accompanying notes.

Annual General Meeting

The Annual General Meeting will be held at:

Date: 26 November 2024

Time: 10.00 am

Place of meeting:

1301 Wisma Prosper, Block B
Kelana Centre Point, No.3
Jalan SS7/19, Kelana Jaya
47301 Petaling Jaya, Selangor, Malaysia

Audit details

This report is based on accounts which are in the process of being audited.

For and on behalf of the directors



David Somerville
Chairman
Dated: 30 August 2024



Lai Ah Hong
Managing Director

PRL Global Limited (Formerly known as CI Resources Ltd)

Preliminary Final Report – For the financial year ended 30 June 2024

Contents	Page
Financial report	
Consolidated Statement of Profit or Loss and Other Comprehensive Income	2
Consolidated Statement of Financial Position	3
Consolidated Statement of Changes in Equity	4
Consolidated Statement of Cash Flows	5
Notes to the financial statements	6
Consolidated Entity Disclosure Statement	49

PRL Global Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

6 Thorogood Street
Burswood, Western Australia 6100

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the consolidated entity. All press releases, financial reports and other information are available on our website. (www.prlgroup.com.au)

For queries in relation to our reporting please call +61 8 6250 4900 or e-mail info@prlgroup.com.au.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the financial year ended 30 June 2024

	Notes	2024 \$'000s	2023 \$'000s
Revenue from continuing operations	4(a)	1,269,432	1,106,257
Cost of sales	4(b)	(1,223,113)	(1,028,789)
Gross profit		46,319	77,468
Other income	4(c)	444	2,054
Other expenses	4(d)	(28,612)	(31,977)
Finance costs	4(e)	(4,431)	(4,003)
Share of profit/(loss) in joint ventures	14	6	(110)
Profit before income tax from continuing operations		13,726	43,432
Income tax expense	5	(5,111)	(9,998)
Profit after income tax expense from continuing operations		8,615	33,434
Profit after income tax expense from discontinued operation	34	15,142	1,408
Profit for the period		23,757	34,842
Other comprehensive income/(loss):			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Net currency translation differences		1,671	(337)
Total other comprehensive income/(loss) that may be reclassified subsequently to profit or loss		1,671	(337)
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>			
Remeasurement of defined benefit plan obligation		(18)	(232)
Net loss on equity instruments designated at fair value through other comprehensive income		(864)	(2,159)
Total other comprehensive loss that cannot be reclassified subsequently to profit or loss		(882)	(2,391)
Total other comprehensive income/(loss)		789	(2,728)
Total comprehensive income for the year		24,546	32,114
Profit is attributable to:			
Members of PRL Global Limited		21,879	25,274
Non-controlling interest		1,878	9,568
		23,757	34,842
Total comprehensive income for the year is attributable to:			
Continuing operations		8,248	23,960
Discontinued operations	34	14,420	(1,414)
Members of PRL Global Limited		22,668	22,546
Continuing operations		1,878	9,568
Discontinued operations		-	-
Non-controlling interest		1,878	9,568
		24,546	32,114
Basic and diluted earnings per share for profit attributable to the ordinary equity holders of the parent:			
Continuing operations	6	5.83 cents	20.65 cents
Discontinued operations	6	13.10 cents	1.22 cents

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

**Consolidated Statement of Financial Position
As at 30 June 2024**

		2024	2023
	Notes	\$'000s	\$'000s
Current assets			
Cash and cash equivalents	7	48,907	65,515
Trade and other receivables	8	207,389	194,389
Inventories	9	53,270	42,857
Biological assets		-	148
Other financial assets	10	33,520	13,715
Derivatives-forward exchange contracts	29	1,702	-
Income tax receivable		638	129
Total current assets		345,426	316,753
Non-current assets			
Other financial assets	10	28,086	28,113
Property, plant and equipment	11	69,449	64,062
Right of use assets	11	33,550	42,379
Goodwill	12	-	4,057
Bearer plants		-	2,185
Investments	13	4,200	-
Investment in joint ventures	14	229	223
Deferred tax assets	5	9,553	11,217
Total non-current assets		145,067	152,236
Total assets		490,493	468,989
Current liabilities			
Trade and other payables	16	96,876	83,185
Interest bearing loans and borrowings	17	77,352	94,122
Lease liabilities	18	11,612	921
Derivatives-forward exchange contracts	29	-	196
Income tax payable		2,099	5,658
Provisions	19	6,163	6,458
Total current liabilities		194,102	190,540
Non-current liabilities			
Interest bearing loans and borrowings	17	20,057	16,810
Lease liabilities	18	8,386	870
Deferred tax liabilities	5	5,380	8,702
Provisions	19	18,619	17,763
Total non-current liabilities		52,442	44,145
Total liabilities		246,544	234,685
Net assets		243,949	234,304
Equity			
Contributed equity	20	72,160	72,160
Reserves	21	5,673	4,884
Retained earnings	22	147,741	142,267
Equity attributable to equity holders of the parent		225,574	219,311
Non-controlling interest		18,375	14,993
Total equity		243,949	234,304

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

**Consolidated Statements of Changes in Equity
For the financial year ended 30 June 2024**

		Contributed Equity \$'000s	Foreign Currency Translation Reserve \$'000s	Fair Value Reserve \$'000s	Discount on Acquisition of NCI \$'000s	Retained Earnings \$'000s	Total Attributable to Equity Holder of the Parent \$'000s	Non- controlling Interest \$'000s	Total \$'000s
	Notes								
1 July 2023		72,160	446	(4,061)	8,499	142,267	219,311	14,993	234,304
Profit for the year		-	-	-	-	21,879	21,879	1,878	23,757
Other comprehensive income/(loss) for the year	21	-	1,671	(882)	-	-	789	-	789
Total comprehensive income/(loss) for the year		-	1,671	(882)	-	21,879	22,668	1,878	24,546
Increase in non-controlling interest		-	-	-	-	(1,952)	(1,952)	4,327	2,375
<i>Transactions with owners in their capacity as owners:</i>									
Dividends paid	22	-	-	-	-	(14,453)	(14,453)	(2,823)	(17,276)
30 June 2024		72,160	2,117	(4,943)	8,499	147,741	225,574	18,375	243,949
1 July 2022		72,160	843	(1,670)	8,499	121,038	200,870	2,408	203,278
Profit for the year		-	-	-	-	25,274	25,274	9,568	34,842
Other comprehensive loss for the year	21	-	(397)	(2,391)	-	-	(2,788)	-	(2,788)
Total comprehensive income/(loss) for the year		-	(397)	(2,391)	-	25,274	22,486	9,568	32,054
Non-controlling interest arising on business combination		-	-	-	-	-	-	3,017	3,017
<i>Transactions with owners in their capacity as owners:</i>									
Dividends paid	22	-	-	-	-	(4,045)	(4,045)	-	(4,045)
30 June 2023		72,160	446	(4,061)	8,499	142,267	219,311	14,993	234,304

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Consolidated Statement of Cash Flows
For the financial year ended 30 June 2024

	Note	2024 \$'000s	2023 \$'000s
Cash flows from operating activities			
Receipts from customers		1,316,835	1,118,549
Payments to suppliers and employees (inclusive of goods and services tax)		(1,293,597)	(1,101,098)
Interest received		831	389
Interest paid on lease liability		(437)	(16)
Borrowing costs		(4,127)	(4,674)
Income taxes paid		(3,613)	(2,194)
Net cash flows from operating activities	26	15,892	10,956
Cash flows from investing activities			
Acquisition of a subsidiary, net of cash		-	(4,389)
Proceeds from sale of a subsidiary	34	15,663	-
Decrease / (Increase) in term deposits		5,737	(1,345)
Decrease in financial assets		195	7
Proceeds from sale of property, plant and equipment		63	81
Purchase of property, plant and equipment		(19,371)	(24,745)
Net cash flows from / (used in) investing activities		2,287	(30,391)
Cash flows from financing activities			
Repayment of borrowings		(81,094)	(47,060)
Proceeds of borrowings		68,357	98,809
Payment of principal portion of lease liability		(4,709)	(788)
Dividends paid		(17,271)	(4,045)
Net cash flows (used in) / from financing activities		(34,717)	46,916
Net (decrease) / increase in cash and cash equivalents held		(16,538)	27,481
Cash and cash equivalents at the beginning of the financial year		65,515	37,338
Impact of foreign exchange		(70)	696
Cash and cash equivalents at the end of the financial year	7	48,907	65,515

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements

For the year ended 30 June 2024

1. About this report

This preliminary final report (“financial report”) of PRL Global Limited (“Company”) for the year ended 30 June 2024 comprises the Company and its subsidiaries (“Group”). The preliminary financial report has been prepared to satisfy the ASX listing rule 4.3A and does not constitute the Group’s full statutory financial report for the year ended 30 June 2024.

PRL Global Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

2. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. These policies have been consistently applied to the financial year ended 30 June 2024, unless otherwise stated.

Basis of preparation

The financial report is a general-purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (“AASB”). The financial report has been prepared on a historical cost basis except for biological assets and certain financial instruments, which have been measured at fair value.

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Board.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$’000), unless otherwise stated under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191. The Company is an entity to which the legislative instrument applies.

The financial report covers the Consolidated Entity of PRL Global Limited and its controlled entities and has been prepared on an accrual basis.

Parent entity information

In accordance with the Corporation Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 31.

(a) New accounting standards and interpretations

(i) Changes in accounting policy

The accounting policies adopted in the preparation of the year-end report are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 30 June 2023.

Several new and amended Accounting Standards and interpretations apply for the first time in the year ended 30 June 2024, but do not have an impact on the financial statements of the Group and hence have not been disclosed.

ii) New and amended Accounting Standards and Interpretations issued but not yet effective

Any new or amended Account Standards or Interpretations that are not yet mandatory have not been early adopted.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements

For the year ended 30 June 2024

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of PRL Global Limited (“company” or “parent entity”) as at 30 June 2024 and the results of its subsidiaries for the financial year then ended.

PRL Global Limited and its subsidiaries together are referred to in this financial report as the Group or Consolidated Entity. Subsidiaries are all those entities over which PRL Global Limited has control.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
 - The contractual arrangement(s) with the other vote holders of the investee
 - Rights arising from other contractual arrangements
 - The Group’s voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Investments in subsidiaries held by PRL Global Limited are accounted for at cost in the separate financial statements of the parent entity less any impairment charges. Dividends received from subsidiaries are recorded as a component of other revenues in the statement of profit or loss and other comprehensive income of the parent entity, and do not impact the recorded cost of the investment. Upon receipt of dividend payments from subsidiaries, the parent will assess whether any indicators of impairment of the carrying value of the investment in the subsidiary exist. Where such indicators exist, to the extent that the carrying value of the investment exceeds its recoverable amount, an impairment loss is recognised.

(c) Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Notes to the financial statements

For the year ended 30 June 2024

(c) Income tax (continued)

No deferred income tax is recognised on the recognition of goodwill, except for transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences such as recognition of an ROU asset and a lease liability.

Deferred tax assets or liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is recognised in the statement of profit or loss and other comprehensive income except where it relates to items that may be recognised directly in equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventory includes direct materials, direct labour, transportation costs and variable and fixed overhead costs relating to mining activities. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs for mining inventory and on a First-In First-Out (FIFO) basis for fuel inventory.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property

Freehold land and buildings are measured at cost less accumulated depreciation on buildings.

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and any impairment losses. Included under plant and equipment is fixed and mobile plant and equipment, machinery, vehicles, office equipment and furniture which are used in the business operations.

The cost of property, plant and equipment constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Construction in progress is stated at cost, net of accumulated impairment losses, if any.

Notes to the financial statements

For the year ended 30 June 2024

(e) Property, plant and equipment (continued)

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land are depreciated on a straight line or diminishing balance basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciation assets are:

<i>Class of Property, Plant and Equipment</i>	<i>Depreciation Rate</i>
Strata title properties	2%
Buildings	2.5%-8%
Plant and equipment	5% – 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(f) Mining tenements and exploration expenditure

Costs incurred during exploration and evaluation activities related to an area of interest are accumulated at cost.

Such costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area of interest, or alternatively its sale, or where activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations are continuing.

Accumulated costs in relation to abandoned areas of interest are written off in full in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(g) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The nature of the Group's leasing activities includes leasehold land and buildings, rental properties, office premises and plant and equipment to support the operations of the Group.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

(g) Leases (continued)

Right-of-use assets (continued)

<i>Class</i>	<i>Depreciation Rate</i>
Leasehold land and buildings	Shorter of the lease and 2%
Rental properties and office premises	Period of the lease
Plant and equipment under lease:	
- the shorter of the lease term and life span	20 – 30%

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are disclosed in Note 18.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price.

Notes to the financial statements

For the year ended 30 June 2024

(h) Financial instruments (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into the following categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); or
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group’s financial assets at amortised cost includes trade receivables, term deposits and cash and cash equivalents.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss and other comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Notes to the financial statements

For the year ended 30 June 2024

(h) Financial instruments (continued)

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss (continued)

Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss and other comprehensive income.

This category includes forward currency contracts and capital notes which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss and other comprehensive income when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- The Group has transferred substantially all the risks and rewards of the asset, or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions
- Trade receivables

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Notes to the financial statements

For the year ended 30 June 2024

(h) Financial instruments (continued)

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flow

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by AASB 9. Separated embedded derivatives are also classified as held for trading.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss and other comprehensive income. The Group has no financial liabilities held for trading.

Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

(i) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired.

Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Notes to the financial statements

For the year ended 30 June 2024

(i) Impairment of non-financial assets (continued)

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows based on management's forecasts are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For non-financial assets other than goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If any such indications exist, the Group estimates the asset's or cash generating unit's ("CGU's") recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

(j) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each entity in the Group is determined by reference to the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income .

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date.
- Income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

Notes to the financial statements

For the year ended 30 June 2024

(k) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position. The carrying values of term deposits represent the fair values.

(l) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the Board of Directors.

Operating segments have been identified based on the information provided to the chief operating decision makers — being the executive management team. There is no aggregation of operating segments.

(m) Revenue

Revenue from contract with customers

The Group is in the business of:

- Mining, processing and sale of phosphate rock, phosphate dust and chalk;
- Supply of fuel and oil products to other non-related Christmas Island entities;
- Providing maintenance, fuel pilotage and stevedoring services to other non-related Christmas Island entities;
- Operating a palm oil estate, processing and sale of palm oil products in Malaysia;
- Operating a supply chain logistics business, enabling the efficient flow of refined oils products between major producers and large customers throughout West Africa; and
- Operating a global supply chain logistics business, enabling the efficient flow of fertiliser products between major producers and large customers.

Revenue from phosphate sales

Each phosphate shipment is governed by a sales contract with a customer, including spot sales and medium term supply agreements with the transaction price on a per tonne basis. Revenue from the sale of phosphate is recognised at a point in time when the control of the asset is transferred to the customer which is typically upon completion of the loading of the product.

For the Group's phosphate sales made on a Cost and Freight basis, the Group is responsible for providing freight/shipping services after the date the Group transfers control of the phosphate to its customer. This is considered as a separate performance obligation which is satisfied at a different point in time from the phosphate sales. The Group, therefore has a separate performance obligation for freight/shipping services which are provided solely to facilitate the sale of the phosphate it produces. Revenue for freight/shipping is recognised over the same time as the shipping occurs.

Revenue from fuel and oil products

Each fuel oil sale is governed by a sales contract with a customer, including long term supply arrangements and point of sale bowser sales. Revenue from the sale of fuel products is recognised at a point in time when the control of the asset is transferred to the customer which is typically upon completion of the loading of the product.

Notes to the financial statements

For the year ended 30 June 2024

(m) Revenue (continued)

Revenue from service contracts

Revenue from services contracts is governed by a long term contract with a customer. These activities tend to be substantially the same with the same pattern of transfer to the customer. Where this is the case, which is the majority of the services contracts, these services are taken to be one performance obligation and the total transaction price is allocated to the performance obligation identified. Revenue for services performed is recognised at a point in time based on the invoiced value to the customer based on the entity's performance each month.

Revenue from sale of palm oil products

Each palm oil sale is governed by a sales contract with a customer. Revenue from the sale of palm oil products is recognised at a point in time when the control of the asset is transferred to the customer which is typically upon completion of the loading of the product.

Revenue from trading and logistics sales

Revenue from contracts with customers is derived principally from the sale of goods (commodities) in which the Group acts as a principal in the delivery of the commodity to end customers. Revenue related to the sale of goods is recognised when the product is delivered to the destination specified by the customer, which is typically the vessel on which it is shipped, the destination port or the customer's premises and the buyer has gained control through their ability to direct the use of and obtain substantially all the benefits from the asset. Based on the terms of the contracts, in some circumstances the Group is responsible for providing services (shipping and insurance) to the customer.

Revenue from contracts with customers is measured based on consideration specified in the contract with the customer. For certain contracts, the price is determined on a provisional basis at the date of sale as the final selling price is subject to movements in market prices up to the date of final pricing, normally ranging from 30 to 120 days after initial booking (provisionally priced sales). Revenue from contracts with customers on provisionally priced sales is recognised based on the amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The revenue adjustment mechanism embedded within provisionally priced sales arrangements has the character of a commodity derivative. Accordingly, the fair value of the final sales price adjustment is re-estimated continuously and changes in fair value are recognised as an adjustment to other revenue. In all cases, fair value is estimated by reference to forward market prices.

Contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale, or usage requirements falls within the exception from AASB 9, which is known as the 'normal purchase or sale exemption' or the 'own use' scope exception. For these contracts and the host part of the contracts containing embedded derivatives, they are accounted for as executory contracts. These contracts are not derivatives and are treated as executory contracts, which are recognised and measured at cost when the transactions occur. For committed sales contracts that are entered into for own-use, the contracts are not recognised in the financial statements until physical delivery takes place, unless the Group elects to apply, at initial recognition, an irrevocable election to designate the contracts as a financial instrument measured at fair value through profit or loss under AASB 9 to significantly reduce a measurement or recognition inconsistency relating to an accounting mismatch that would otherwise arise in relation to the contracts.

Dividends

Revenue is recognised when the right to receive a dividend has been established.

Notes to the financial statements

For the year ended 30 June 2024

(n) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees up until balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Long term employee benefits have been measured using the projected unit credit method taking into account the relevant assumptions.

The defined benefit plan is covered by a fund from a separate legal entity for employees based in Geneva, Switzerland complying with the Swiss legal requirements in which the assets and liabilities are held in a separate insurance Group. The pension plans are funded by payments according to legal and contractual requirements.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(o) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date using a discounted cash flow methodology. The risks specific to the provision are factored into the cash flows and as such a risk-free government bond rate relative to the expected life of the provision is used as a discount rate. The increase in the provision resulting from the passage of time is recognised in finance costs. The amortisation or 'unwinding' of the discount applied in establishing the net present value of provision is charged to profit or loss in each accounting period and is disclosed as a financing costs.

Other changes in the measurement of an existing obligation that result from changes in the estimated timing or amount of future costs, or a change in the discount rate, are recognised as an adjustment to the related asset or if not related to a specific asset expensed.

(o) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are expensed during the period in which they are incurred.

(p) Term deposit

Term deposits which have a maturity of less than twelve months are shown in current assets. Term deposits which are held to fund employee benefits stated and demolition costs are shown in non-current assets.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements

For the year ended 30 June 2024

(r) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the Australian Taxation Office, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australia Taxation Office.

(s) Provision for dividend

The Group recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per corporate laws in Australia, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(t) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(u) Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(v) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the consolidated entity, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(w) Discontinued operations

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Notes to the financial statements

For the year ended 30 June 2024

3. Judgments in applying accounting policies and key sources of estimation uncertainty

(a) In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Assessment of mine life on Christmas Island

The financial statements have been prepared on the basis that the resource supports continued operations based on the current market parameters and expectations.

Determination of mine life

The Group's estimation of its mineral resources was prepared by or under the supervision of Competent Persons as defined in the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2004 (the "JORC code").

There are numerous uncertainties inherent in estimating mineral resources and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates or production costs may change the economic status of resources and may, ultimately, result in the resources being restated. Such changes in resources could impact on depreciation and amortisation rates, asset carrying values and provisions for decommissioning.

(b) The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Provision for expected credit losses of trade receivables

For trade receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience which are based on days past due, adjusted for forward-looking factors specific to the debtors and the economic environment. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate.

Impairment of property, plant and equipment

Property, plant and equipment is reviewed for impairment if there is any indication that the carrying amount may not be recoverable. Management has determined that no impairment indicators existed as at the reporting date.

Provisions for decommissioning costs

Decommissioning costs are a normal consequence of mining and the majority of this expenditure is incurred at the end of a mine's life. In determining an appropriate level of provision consideration is given to the expected future costs to be incurred, the timing of these expected future costs (largely dependent on the life of the mine), the appropriateness of the discount rate and the estimated future level of inflation. Refer to Note 19.

The ultimate cost of decommissioning is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements or the emergence of new decommissioning techniques. The expected timing of expenditure can also change, for example in response to changes in reserves or to production rates.

Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements

For the year ended 30 June 2024

Deferred Tax Asset

The deferred tax asset will only be obtained if:

- (a) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- (b) the conditions for deductibility imposed by tax legislation continue to be complied with; and
- (c) no changes in tax legislation adversely affect the consolidation entity in realising the benefit.

The deferred tax assets are considered to be probable of being fully recovered, as it is believed that the entity will have future taxable income to fully utilise the tax benefit. Refer to Note 5.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

4. Revenue and expenses

	2024 \$'000s	2023 \$'000s
a) Revenue		
Phosphate sales	129,552	124,577
Fuel sales	19,922	24,574
Rendering of services	9,903	11,700
Trading and logistics sales	1,062,752	901,207
Other sales	46,264	43,948
<i>Total revenue from contracts with customers from continuing operations</i>	<u>1,268,393</u>	<u>1,106,006</u>
<i>Other revenue</i>		
Dividend income	208	-
Interest on cash and term deposits	831	251
<i>Total other revenue</i>	<u>1,039</u>	<u>251</u>
<i>Revenue from continuing operations</i>	<u>1,269,432</u>	<u>1,106,257</u>

Phosphate sales, fuel, trading and logistics and other sales are recognised at the point in time when control of the goods is transferred to the customer. Revenue from rendering of services is recognised over time.

b) Cost of sales		
Production and purchase costs	1,136,597	953,766
Shipping costs	76,676	66,868
Depreciation	9,840	8,155
	<u>1,223,113</u>	<u>1,028,789</u>

Included in cost of sales is \$1,148 million (2023: \$979 million) relating to inventory recognised as an expense.

c) Other income		
Net gain on disposal of assets	-	7
Insurance claims	-	1,491
Other	444	556
	<u>444</u>	<u>2,054</u>
d) Other expenses		
Administration	23,201	27,521
Impairment of non-current assets	-	455
Net loss on disposal of assets	140	-
Net foreign exchange loss	241	1,878
Depreciation ¹	4,242	890
Bad debts recovered	(438)	-
Expected credit losses	52	596
R&D expense	553	150
Redundancy expense	613	487
Unrealised loss on capital notes	8	-
	<u>28,612</u>	<u>31,977</u>

¹ Depreciation includes depreciation on right of use assets

e) Finance costs/(income)		
Accretion of provisions	199	(279)
Finance lease	105	-
Interest expense	4,127	4,282
	<u>4,431</u>	<u>4,003</u>

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

4. Revenue and expense (continued)

	2024 \$'000s	2023 \$'000s
f) Employee benefits expense	40,545	40,111

Employee benefits expense comprises salaries and wages, superannuation, employee bonus and travel airfares together with accruals for employee entitlements such as annual leave, long service leave, redundancy and sick leave expensed during the year. Included in employee benefits expense is a superannuation expense of \$3,123,000 (2023: \$2,573,000).

5. Income tax

	2024 \$'000s	2023 \$'000s
The major components of income tax are:		
Statement of Profit or Loss and Other Comprehensive Income		
<i>Current income tax</i>		
Current income tax charge	7,342	9,968
Adjustments in respect of current income tax of previous years	(115)	(46)
<i>Deferred income tax</i>		
Relating to origination and reversal of temporary differences	(1,971)	841
Adjustments in respect of deferred tax of previous years	313	10
Income tax expense reported in the statement of profit or loss and other comprehensive income	5,569	10,773
Income tax expense for continuing operations	5,111	9,998
Income tax expense for discontinued operation	458	775

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:

Profit before income tax expense from continuing operations	13,726	43,432
Profit before income tax expense from discontinued operations	15,600	2,183
Accounting profit before income tax	29,326	45,615
At the Group's statutory income tax rate of 30% (2023: 30%)	8,798	13,685
Income/expenditure not allowable for income tax purposes:		
- Adjustments in respect of previous years	198	(37)
- Income not assessable for income tax purposes	(3,160)	(92)
- Expenditure not allowable for income tax purposes	806	1,082
- Deferred tax asset not brought to account	10	400
- Differences due to exchange rates applied to temporary differences and changes in tax rates	(19)	(41)
- Difference in global tax rates ¹	(1,064)	(4,224)
Aggregate income tax expense	5,569	10,773

1-These mainly relates to Liven Nutrient Pte Ltd and Kemoil SA

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

5. Income tax (continued)

	<i>Statement of Financial Position</i>		<i>Statement of Profit or Loss and Other Comprehensive Income</i>	
	2024	2023	2024	2023
	\$'000s	\$'000s	\$'000s	\$'000s
Deferred income tax				
Deferred income tax at 30 June relates to the following:				
CONSOLIDATED				
<i>Deferred tax liabilities</i>				
Inventories	(2,830)	(2,429)	(401)	(31)
Property, plant and equipment	(2,164)	(5,522)	3,358	(959)
Other financial assets	(99)	(251)	152	471
Receivables	(287)	(500)	213	(499)
Gross deferred income tax liabilities	(5,380)	(8,702)		
<i>Deferred tax assets</i>				
Other payables and provisions	7,326	9,196	(1,870)	(22)
Property, plant and equipment	1,029	692	337	288
Other financial assets	2	110	(108)	112
Inventories	391	18	373	(133)
Investments	421	423	(2)	(7)
Receivables	2	24	(22)	(26)
Lease liabilities	84	255	(171)	145
Tax losses	298	499	(201)	(190)
Gross deferred income tax assets	9,553	11,217		
Deferred tax expense			(1,658)	(851)

PRL Global Limited and its wholly owned Australian entities are not in a tax consolidation Group.

6. Earnings per share

	2024 Cents	2023 Cents
Basic and diluted earnings per share		
Continuing operations	5.83	20.65
Discontinued operations	13.10	1.22

	2024 Number	2023 Number
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share.	115,581,107	115,581,107

	2024 \$'000s	2023 \$'000s
Profit used in calculating basic and diluted losses per share		
Net profit from continuing operations	8,615	33,434
Net profit from discontinued operations	15,142	1,408

There are no instruments (e.g. share options) excluded from the calculation of diluted earnings per share that could potentially dilute basic earnings per share in the future.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

6. Earnings per share (continued)

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

7. Cash and cash equivalents

	2024 \$'000s	2023 \$'000s
Cash at bank and on hand	48,907	65,515
	48,907	65,515

8. Trade and other receivables

	2024 \$'000s	2023 \$'000s
Trade debtors	173,150	188,710
Allowance for expected credit losses	(210)	(596)
	172,940	188,114
Consideration receivable for sale of CKP (refer note34)	33,460	-
Other receivables	989	6,275
	207,389	194,389

Trade debtors are non-interest bearing and are generally on 30-150 day terms.

For trade and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience for customer groups, adjusted for forward-looking factors specific to the debtors, industry payment profiles and the economic environment. As at 30 June 2024, an ECL of \$0.210 million was recognised (2023: \$0.596 million). Subsequent to year end \$14.443 million relating to past due but not impaired balances have been collected.

The maximum exposure to credit risk at the reporting date is the carrying value of the receivables disclosed in this note. Demand and production variation recoverability continued to be in line with credit terms provided to major customers.

As at 30 June, the ageing analysis of trade receivables is, as follows:

	Current		Days past due			
	Total		< 30 days	30-60 days	61-90 days	> 91 Days
	\$000	\$000	\$000	\$000	\$000	\$000
2024	172,940	121,923	19,500	21,821	2,678	7,018
2023	188,114	113,942	34,323	11,306	9,357	19,186

9. Inventories

	2024 \$'000s	2023 \$'000s
Consumable materials and stores	11,875	10,729
Goods in transit	3,249	6,704
Finished goods	38,146	25,424
	53,270	42,857

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

10. Other financial assets

	2024 \$'000s	2023 \$'000s
<i>Current</i>		
Capital notes measured at FVTPL	-	193
Contract assets (i)	30,921	6,413
Prepayment	2,492	1,020
Term deposits	107	6,089
	33,520	13,715
<i>Non-Current</i>		
Trust fund term deposit-measured at amortised cost (ii)	6,717	6,472
Prepayment of insurance	221	322
Listed shares measured at FVOCI	21,148	21,319
	28,086	28,113

- (i) The contract assets are for the entity's costs incurred to obtain or fulfil a contract with a customer. The contract assets are transferred to the receivables when the rights become unconditional.
- (ii) Under the terms of the current Workplace Agreement between the Union of Christmas Island Workers and Phosphate Resources Limited a trust fund term deposit to meet employee entitlements is maintained. This trust fund may only be used to meet employee entitlements but may be drawn down as they arise. The trust fund term deposit for employee entitlements currently stands at \$4,378,000 (2023: \$4,133,000). The interest earned on the term deposit of \$210,216 (2023: \$129,370) has been added to the term deposit. Refer to Note 29 for further details on financial instruments.

	2024 \$'000s	2023 \$'000s
<i>Reconciliation of contract assets</i>		
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	6,413	-
Additions	30,921	6,413
Transfer to trade receivables	(6,413)	-
Closing balance	30,921	6,413

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements
For the year ended 30 June 2024

11. Property, plant and equipment

	2024	2023
	<i>\$'000s</i>	<i>\$'000s</i>
Right of use (ROU) asset		
<i>Leasehold Land</i>		
At cost	11,724	39,670
Accumulated depreciation	(664)	(6,629)
	<u>11,060</u>	<u>33,041</u>
<i>Leasehold buildings</i>		
At cost	5,206	10,021
Accumulated depreciation	(1,233)	(2,539)
	<u>3,973</u>	<u>7,482</u>
<i>Leased rental properties and office premises</i>		
At cost	3,005	2,719
Accumulated depreciation	(2,003)	(1,161)
	<u>1,002</u>	<u>1,558</u>
<i>Plant and equipment under lease</i>		
At cost	20,570	646
Accumulated depreciation	(3,055)	(348)
	<u>17,515</u>	<u>298</u>
<i>Total Right of Use Asset</i>		
At cost	40,505	53,056
Accumulated depreciation	(6,955)	(10,677)
	<u>33,550</u>	<u>42,379</u>
 Property, plant and equipment		
<i>Land and buildings</i>		
At cost	25,848	23,246
Accumulated depreciation	(9,423)	(8,168)
	<u>16,425</u>	<u>15,078</u>
<i>Plant and equipment</i>		
At cost	121,535	123,040
Accumulated depreciation and impairment	(84,157)	(87,224)
	<u>37,378</u>	<u>35,816</u>
<i>Construction in progress</i>	<u>15,646</u>	<u>13,168</u>
<i>Total property, plant and equipment</i>		
At cost	163,029	159,454
Accumulated depreciation and impairment	(93,580)	(95,392)
	<u>69,449</u>	<u>64,062</u>
 Net carrying amount	<u>102,999</u>	<u>106,441</u>

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements

For the year ended 30 June 2024

11. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the carrying amounts of the right of use assets, property, plant and equipment at the beginning and end of the current financial year.

	2024 \$'000s	2023 \$'000s
Right of use (ROU) asset		
<i>Leasehold Land</i>		
Carrying amount at beginning	33,041	30,196
Transfer from construction in progress	-	-
Additions	-	4,117
Disposal	(21,400)	-
Depreciation expense	(444)	(621)
Foreign exchange difference	(137)	(651)
	<u>11,060</u>	<u>33,041</u>
<i>Leasehold buildings</i>		
Carrying amount at beginning	7,482	7,968
Transfer from construction in progress	-	-
Additions	131	34
Disposals	(3,336)	-
Depreciation expense	(267)	(349)
Foreign exchange difference	(37)	(171)
	<u>3,973</u>	<u>7,482</u>
<i>Leased rental properties and office premises</i>		
Carrying amount at beginning	1,558	1,223
Additions	504	1,383
Disposal	(124)	-
Depreciation expense	(985)	(1,073)
Impact of foreign exchange translation	49	25
	<u>1,002</u>	<u>1,558</u>
<i>Plant and equipment under lease</i>		
Carrying amount at beginning	298	37
Additions	17,524	318
Disposal	(138)	-
Depreciation expense	(171)	(42)
Foreign exchange difference	2	(15)
	<u>17,515</u>	<u>298</u>

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

11. Property, plant and equipment (continued)

	2024 \$'000s	2023 \$'000s
Property, plant and equipment		
<i>Land and buildings</i>		
Carrying amount at beginning	15,078	14,668
Transfer from construction in progress	2,603	1,560
Disposals	-	-
Depreciation expense	(1,256)	(1,150)
	<u>16,425</u>	<u>15,078</u>
<i>Plant and equipment</i>		
Carrying amount at beginning	35,816	29,695
Transfer from construction in progress	12,319	10,805
Additions	1,252	3,635
Disposals	(3,156)	(549)
Depreciation expense	(8,075)	(7,261)
Foreign exchange difference	(778)	(509)
	<u>37,378</u>	<u>35,816</u>
<i>Construction in progress</i>		
Carrying amount at beginning	13,168	8,933
Additions	18,380	16,640
Disposals	(1,140)	-
Transfers	(14,742)	(12,365)
Foreign exchange difference	(20)	(40)
	<u>15,646</u>	<u>13,168</u>

In relation to the right-of-use assets and lease liabilities the following amounts were recognised in profit or loss:

Depreciation expense of right of use asset	2,015	1,073
Interest expense on lease liabilities	437	12
Expense relating to short-term and low value leases (included in administrative expenses)	664	384
Total amount recognised in profit or loss	<u>3,116</u>	<u>1,469</u>

Impairment

There was no impairment expense recognised during the year. Refer to Note 3(b) for details of the impairment assessment.

12. Goodwill

	2024 \$'000s	2023 \$'000s
Carrying amount at the beginning of the year	4,057	4,057
Derecognition upon subsidiary disposal (Note 34)	(4,057)	-
	<u>-</u>	<u>4,057</u>

13. Investments

During the year, Kemoil SARL Luxemburg, a wholly owned subsidiary of Kemoil SA has acquired 20% stake in Petrostock SA. The investment is accounted for at fair value.

	2024 \$'000s	2023 \$'000s
Investment in Petrostock SA	4,200	-
	<u>4,200</u>	<u>-</u>

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

14. Investments in joint ventures

The Group's interest in joint ventures are accounted for using the equity method in consolidated financial statements.

	2024 \$'000s	2023 \$'000s
Investments in joint ventures at cost	223	788
Share of joint venture gain/(losses)	6	(110)
Impairment of joint ventures	-	(455)
Carrying amount of investments in joint ventures	229	223

In the previous financial year, the Group had a 50% interest in Pacific Biofert Limited ("PBF"), a Biological Fertilizer company based in New Zealand. The Company was put into liquidation on 2 June 2023. The investment in PBF had been impaired to Nil.

The Group also has a 49% interest in Goshawk Services Pty Ltd (a company incorporated in Australia), a 40% interest in Island Fresh Pty Ltd (a company incorporated in Australia), a 50% interest in Christmas Island Development Australia Pty Ltd (a company incorporated in Australia) and a 30% interest in Phosphate Resources Marketing Sdn Bhd (a company incorporated in Malaysia) which are individually and in aggregate immaterial.

15. Investments in controlled entities

PRL Global Limited owns 100% of Phosphate Resources Limited which is incorporated in Australia.

(a) Information relating to subsidiaries

Information relating to controlled entities is set out below:

Name	Principal Activities	Country of Incorporation	% Equity interest	
			2024 %	2023 %
- Phosphate Resources Ltd	Mining	Australia	100	100
- PRL Australia Pty Ltd (iv)	Investment	Australia	100	100
- CI Maintenance Services Pty Ltd (i)	Maintenance Services	Australia	100	100
- Phosphate Resources Properties Pty Ltd (i)	Properties	Australia	100	100
- Indian Ocean Oil Company Pty Ltd (i)	Fuel Services	Australia	100	100
- Indian Ocean Stevedores Pty Ltd (i)	Stevedoring Services	Australia	100	100
- Phosphate Resources (Singapore) Pte Ltd (i)	Shipping Services	Singapore	100	100
- PRL Shipping Pte Ltd (i)	Dormant	Singapore	100	100
- Phosphate Resources Laos Pty Ltd (i)	Dormant	Australia	100	100
- Phosphate Resources Plantations Pty Ltd (i)	Dormant	Australia	100	100
- Phosphate Resources (Malaysia) Sdn Bhd (i)	Marketing Services	Malaysia	100	100
- Cheekah-Kemayan Plantation Sdn Bhd (i)(v)	Palm Oil Estate, Milling and Sales	Malaysia	-	100
- Indian Ocean Trade Services Pty Ltd (ii)	Dormant	Australia	100	100
- Kemoil SA	Trading and Logistics	Switzerland	57	60
- Kemoil S.A.R.L (iii)	Infrastructure	Luxembourg	57	-
- Kemoil DMCC (iii)	Trading and Logistics	UAE	57	-
- Liven Nutrients Pte Ltd	Fertiliser Trading	Singapore	51	60

(i) These companies are wholly owned subsidiaries of Phosphate Resources Limited

(ii) This is a wholly owned subsidiary of CI Maintenance Services Pty Ltd

(iii) These companies are wholly owned subsidiaries of Kemoil SA.

(iv) This company was previously known as PRL Global Pty Ltd. The name change was with effective from 26 October 2023.

(v) This company was disposed off on 31 January 2024. Refer to note 34 on discontinued operations.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements

For the year ended 30 June 2024

15. Investments in controlled entities (continued)

Summarised financial information

Summarised financial information of the subsidiary with non-controlling interests that are material to the consolidated entity are set out below:

	2024 \$'000s	2023 \$'000s
<i>Summarised statement of financial position</i>		
Current assets	176,683	183,844
Non-current assets	14,419	(18,694)
Total assets	191,102	165,150
Current liabilities	126,243	122,731
Non-current liabilities	25,754	9,229
Total liabilities	151,997	131,960
Net assets	39,105	33,190
<i>Summarised statement of profit or loss and other comprehensive income</i>		
Revenue	1,093,417	924,591
Expenses	(1,088,357)	(895,719)
Profit before income tax expense	5,060	28,872
Income tax expense	(781)	(4,952)
Profit after income tax expense	4,279	23,920
Other comprehensive income	-	-
Total comprehensive income	4,279	23,920
<i>Statement of cash flows</i>		
Net cash from operating activities	3,042	(10,314)
Net cash used in investing activities	(16,373)	(39)
Net cash used in financing activities	920	30,468
Net (decrease) / increase in cash and cash equivalents	(12,411)	20,115
<i>Other financial information</i>		
Profit attributable to non-controlling interests	1,878	9,568
Accumulated non-controlling interests at the end of reporting period	18,375	14,993

16. Trade and other payables

	2024 \$'000s	2023 \$'000s
Trade payables	80,794	76,662
Contract liabilities	16,082	6,523
	96,876	83,185

Trade creditors are non-interest bearing and are normally settled on 30-60 days terms. The carrying value of trade and other payables approximates the fair value thereof.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

16. Trade and other payables (continued)

Contract liabilities on uncompleted contracts is made up of advances from customers.

	2024	2023
	\$'000s	\$'000s
<i>Reconciliation of contract liabilities</i>		
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	6,523	-
Payments received in advance	16,082	6,523
Performance obligation satisfied – revenue recognised in the reporting year that was included in the contract liability balance at the beginning of the year / period	(6,523)	-
Closing balance	16,082	6,523

17. Interest bearing loans and borrowings

	2024	2023
	\$'000s	\$'000s
Current		
Bank borrowings	64,520	77,682
Other borrowings	12,832	16,440
	77,352	94,122
Non-current		
Bank borrowings	12,969	8,883
Other borrowings	7,088	7,927
	20,057	16,810
<i>Movement of bank borrowings</i>		
As at 1 July	86,565	52,145
Additions	65,845	60,926
Payments	(74,279)	(26,125)
Impact of foreign exchange translation	(642)	(381)
As at 30 June	77,489	86,565
<i>Movement of other borrowings</i>		
As at 1 July	24,367	7,258
Additions	2,512	37,883
Payments	(6,815)	(20,935)
Impact of foreign exchange translation	(144)	161
As at 30 June	19,920	24,367

(a) Fair value

The carrying amount of the borrowings approximates their fair value as the borrowings are at floating interest rates which move in accordance with market rates. Details regarding interest rate risk and liquidity risk are disclosed in Note 30.

Bank borrowings relate to the working capital facilities and term loans in Phosphate Resources Limited, Indian Ocean Oil Company Pty Ltd and Phosphate Resources (M) Sdn Bhd and foreign currency trade loans in Phosphate Resources (Malaysia) Sdn Bhd. The loans are secured by fixed and floating charge over the assets of the borrower and a corporate guarantee from the ultimate holding company. The working capital facilities, term loans and foreign currency trade loans interest is payable at a rate of 0.75%-2.71% per annum above the bank's cost of funds. All borrowings are subject to covenants that are customary for each of the facilities.

Kemoil's bank borrowings are secured by the pledge of trade receivables with financial institutions. The interest rates bear market interest rate of 7.7% to 8.93% (2023: 4% to 9%) per annum.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

17. Interest bearing loans and borrowings (continued)

(b) Financing facilities available

At reporting date, the following financing facilities had been negotiated and were available:

	2024	2023
	\$'000s	\$'000s
Total facilities	262,839	213,941
Facilities utilised at reporting date	77,489	86,565
Facilities unused at reporting date	185,350	127,376

(c) Other borrowings

Included in other borrowings is a loan amounting to \$7.09m subordinated to the senior debts, defined as the debt towards the banks. However, and despite this subordination clause, the loan is partially or totally repayable provided that following reimbursement, the sum of the subordinated amount and equity is at least US\$12 million. The other borrowings of \$12.83m relates to a short-term trading loan provided by a related party to Liven Nutrients Pte Ltd bearing interest rate of LIBOR plus 0.5% per annum.

18. Lease liabilities

	2024	2023
	\$'000s	\$'000s
Current		
Lease liabilities	11,612	921
	11,612	921
Non-current		
Lease liabilities	8,386	870
	8,386	870
<i>Movement of lease liabilities</i>		
As at 1 July	1,791	1,209
Additions	22,728	1,291
Disposals	(312)	-
Accretion of interest	437	20
Payments	(4,709)	(788)
Impact of foreign exchange translation	63	59
As at 30 June	19,998	1,791

The Group does not consider it is exposed to any future cash outflows that are not reflected in the measurement of the lease liabilities.

19. Provisions

	2024	2023
	\$'000s	\$'000s
Current		
Employee entitlements	6,163	6,458
	6,163	6,458
Non-current		
Employee entitlements		
- Redundancy	(a) 5,762	5,472
- Long service leave	1,249	1,034
- Defined benefits plan	(b) 1,116	964
	8,127	7,470
Decommissioning	(c) 10,492	10,293
	18,619	17,763

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

19. Provisions (continued)

(a) Provision for redundancy

The amounts employees are entitled to receive in accordance with their employment agreements are recognised and measured in accordance with the employee benefits accounting policy. The redundancy provision increased by a net amount of \$290,000 during the year ended 30 June 2024 (2023: decrease \$200,000).

	2024 \$'000s	2023 \$'000s
Movement of provision for redundancy		
Carrying amount at the beginning of the year	5,472	5,325
Increase/(Decrease) in provision	290	(53)
Carrying amount at the end of the year	<u>5,762</u>	<u>5,272</u>

(b) Defined benefit plan

	2024 \$'000s	2023 \$'000s
Projected defined benefit obligations	4,012	4,458
Fair value of defined benefit plan assets	(2,896)	(3,494)
Liability recognised in the statement of financial position	<u>1,116</u>	<u>964</u>

Reconciliation of defined benefit plan

Liability at the beginning of the year	964	620
Acquired during the year	-	-
Company's service cost	324	224
Net interest	19	16
Employer contributions	(234)	(240)
Actuarial (gain) loss due to experience adjustments	(196)	248
(Gain) / loss on return asset excluding discount rate	(23)	22
Loss/(gain) on assumption changes	238	-
Foreign exchange	24	74
Liability/(asset) at the end of the year	<u>1,116</u>	<u>964</u>

Reconciliation of the present value of the defined benefit obligation is as follows:

Balance at the beginning of the year	4,458	4,099
Acquired during the year	-	-
Company's service cost	324	224
Net interest	86	101
Employee contribution	234	240
Benefit received	(1,067)	(819)
Net insurance premium and expenses	(68)	(68)
Actuarial loss	42	248
Exchange difference	3	433
Balance at the end of the year	<u>4,012</u>	<u>4,458</u>

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

19. Provisions (continued)

Reconciliation of the fair value of plan assets/(liabilities) is as follow:

	2024 \$'000s	2023 \$'000s
Balance at the beginning of the year	3,494	3,479
Acquired during the year	-	-
Employer contributions	234	86
Interest on assets	67	240
Employee contributions	234	240
Benefit received	(1,067)	(819)
Net insurance premium and expenses	(68)	(68)
Actuarial gain/(loss)	23	(22)
Exchange difference	(21)	358
Balance at the end of the year	2,896	3,494

The amount recognised in the statement of profit or loss and other comprehensive income is as follows:

Actuarial (gain) loss due to experience adjustments	(196)	248
(Gain) / loss on return asset excluding discount rate	(23)	22
Loss on assumption changes	238	-
Deferred tax	(1)	(38)
	18	232

The significant actuarial assumptions were as follows:

Discount rate	1.40%	1.85%
Expected rate of salary increase	1.40%	1.50%
Expected rate of pension increase	0.00%	0.00%
Termination rate	LPP 2020	LPP 2020
Mortality and disability rate	LPP 2020	LPP 2020

(c) Provision for decommissioning

Based on the Mining Lease Agreement between the Commonwealth Government and Phosphate Resources Limited a provision for decommissioning has been recognised for costs associated with:

- Demolition of all improvements specified for the removal of all debris resulting from demolition, removal of plant and equipment and leaving the mine sites in a safe, clean and tidy condition at the expiry of the lease.

The assumptions used to calculate this provide include:

- (i) Inflation rate – 3.25% (2023:3.0%)
- (ii) Discount rate – 4.31% (2023: 4.03%)
- (iii) Term – End of lease

Estimates of the decommissioning obligations are based on anticipated technology and legal requirements and future costs, which have been discounted to their present value. In determining the decommissioning provision, the entity has assumed no significant changes will occur in the relevant Federal and State legislation in relation to demolition of such mines in the future.

	2024 \$'000s	2023 \$'000s
<i>Provision for decommissioning:</i>		
Carrying amount at the beginning of the year	10,293	10,571
Increase in provision	-	43
Change in net present value of provision:		
- Debited / (Credited) to profit or loss	199	(321)
Carrying amount at the end of the year	10,492	10,293

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

20. Contributed equity

(a) Share capital		Number of shares	\$'000s
Ordinary shares – fully paid		115,581,107	72,160
Movements in ordinary share capital			
Date	Details	Number of shares	\$'000s
1 July 2023	Opening balance	115,581,107	72,160
	Movement	-	-
30 June 2023/1 July 2023	Closing balance/Opening balance	115,581,107	72,160
	Movement	-	-
30 June 2024	Closing balance	115,581,107	72,160

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

21. Reserves

	2024	2023
	\$'000s	\$'000s
Foreign exchange translation reserve	2,117	446
Fair value reserve	(4,943)	(4,061)
Acquisition reserve	8,499	8,499
	5,673	4,884

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve. The reserve is recognised in profit and loss when the net investment is disposed of.

Fair value reserve

Fair value differences arising from financial instruments classified as Fair Value through Other Comprehensive Income (FVOCI) under AASB 9 are taken to this reserve. Fair value gains and losses are presented in OCI and there is no subsequent reclassification of fair value gains and losses to profit and loss on the derecognition.

Acquisition reserve

Any gain or loss arising on acquisition of non-controlling interest of subsidiaries is recognized in this reserve.

Movements in reserves

	2024	2023
	\$'000s	\$'000s
<i>Foreign exchange translation reserve</i>		
Balance at the beginning of the year	446	843
Foreign exchange on translation of financial report	1,671	(397)
Balance at the end of the period	2,117	446
<i>Fair value reserve</i>		
Balance at the beginning of the year	(4,061)	(1,670)
Movement for the year	(882)	(2,391)
Balance at the end of the period	(4,943)	(4,061)

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

21. Reserves (continued)

	2024	2023
	\$'000s	\$'000s
<i>Non-controlling interest acquisition reserve</i>		
Balance at the beginning of the year	8,499	8,499
Movement for the year	-	-
Balance at the end of the period	8,499	8,499

22. Retained earnings

	2024	2023
	\$'000s	\$'000s
Accumulated profit at the beginning of the year	142,267	121,038
Net profit attributable to members of PRL Global Limited	21,879	25,274
Dividends paid	(14,453)	(4,045)
Increase in non-controlling interest	(1,952)	-
Accumulated profit at the end of the financial year	147,741	142,267

Dividends

Dividends totaling 12.5 cents per share, including a special dividend of 5.0 cents (2023: 3.5 cents per share) have been paid during the year.

23. Remuneration of auditors

	2024	2023
	\$'000s	\$'000s
Amounts received or due and receivable by RSM Australia Partners for:		
- audit of the financial report of the parent entity and the consolidated entity	235	-
- review of the half year financial report of the consolidated entity	100	-
	335	
Amounts received or due and receivable by related practices of RSM Australia for the audit of the financial statements	193	-
	193	
Amounts received or due and receivable by auditors other than RSM for:		
- an audit or review of the financial report of a controlled entity	-	-
	528	
Amounts received or due and receivable by EY (Australia) for:		
- audit of the financial report of the parent entity and the consolidated entity	-	295
- review of the half year financial report of the consolidated entity	-	60
		355
Amounts received or due and receivable by related practices of EY (Australia) for the audit of the financial statements	-	307
		307
Amounts received or due and receivable by auditors other than EY for:		
- an audit or review of the financial report of a controlled entity	-	45
		707

24. Contingent liabilities and assets

There are no contingent liabilities and assets as at the date of this report (2023: nil).

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements

For the year ended 30 June 2024

25. Commitments for expenditure

- (a) Short term lease contracts amounting to \$42,428 (2023: \$15,797) have not been recognised on statement of financial position due to their short term nature.
- (b) The Company provides a guarantee and indemnity to the Commonwealth Government of Australia (Commonwealth) to ensure the performance of Indian Ocean Oil Company Pty Ltd's obligations under the terms of a 20 year fuel lease arrangement. The fair value associated with the guarantee and indemnity at 30 June 2024 is \$nil (2023: \$nil).
- (c) The Company has plans to undertake various environmental management targets and objectives as detailed in the Christmas Island Phosphates Environmental Management Plan. As at 30 June 2024 there are no present financial commitments (2023: Nil).
- (d) The Company has provided a bank guarantee of \$2 million (2023: \$2 million) to the Commonwealth Government under the terms of the Mining Lease Agreement.
- (e) The Company has capital commitments of \$3.101 million (2023: \$5.563 million) for items of plant on order but not yet delivered.

26. Reconciliation of profit after income tax to net cash flows from operating activities

	2024	2023
	\$'000s	\$'000s
Operating profit after income tax	23,757	34,842
<i>Adjustment for non-cash items</i>		
Gain on disposal of subsidiary	(15,015)	-
Change in decommissioning provision	199	(278)
Net loss on disposal of assets	137	465
Change in fair value of biological assets	-	105
Share of (profit)/loss from joint ventures	(6)	110
Expected credit loss	52	235
Decrease in value of financial assets	-	3,053
Impairment of non-current assets	-	455
Depreciation and amortisation	14,082	11,315
Unrealised foreign exchange loss	1,851	4,873
<i>Change in operating assets and liabilities</i>		
Decrease / (increase) in trade and other receivables	18,359	(31,976)
Movement in deferred tax balances	(1,658)	851
(Increase)/decrease in inventories	(10,413)	9,209
Increase/(decrease) in trade creditors and accruals	13,036	(23,209)
Increase/(decrease) in provisions	561	1,571
Increase in prepayments	(24,982)	(6,599)
(Increase)/decrease in tax payables	(4,068)	5,934
Net cash inflow from operating activities	<u>15,892</u>	<u>10,956</u>

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

27. Non-cash investing and financing activities

	2024 \$'000	2023 \$'000
Additions to right-of-use assets	20,995	5,852

28. Changes in liabilities arising from financing activities

	Lease liability \$'000	Bank borrowings \$'000	Other borrowings \$'000	Total \$'000
Consolidated				
Balance at 1 July 2022	1,209	52,145	7,258	60,612
Net cash used in financing activities	(788)	34,801	16,948	50,961
Acquisition of leases	1,370	-	-	1,370
Other changes	-	(381)	161	(220)
Balance at 30 June 2023	1,791	86,565	24,367	112,723
Net cash used in financing activities	(4,709)	(8,434)	(4,303)	(17,446)
Acquisition of leases	22,728	-	-	22,728
Other changes	188	(642)	(144)	(598)
Balance at 30 June 2024	19,998	77,489	19,920	117,407

29. Financial Instruments and Fair Values

(a) Financial assets at fair value through profit or loss

Forward currency contracts

The Group has entered into forward exchange contracts which are economic hedges but do not satisfy the requirements for hedge accounting.

	Notional amounts \$AUD		Average exchange rate	
	30 June 2024 \$'000s	30 June 2023 \$'000s	30 June 2024	30 June 2023
Sell US\$/buy Australian \$				
Consolidated				
Sell US\$ maturity 0 to 12 months	42,967	42,654	0.6517	0.6682
Sell US\$ maturity 12 to 24 months	4,627	11,232	0.6483	0.6677
Sell EUR/buy US \$				
Sell EUR maturity 0 to 12 months	66,019	65,606	0.9224	0.9144

These contracts are fair valued by comparing the contracted rate to the forward market rates for contracts with the same remaining term, discounted at a market interest rate. All movements in fair value are recognised in profit or loss in the period they occur. The net fair value gain on foreign currency derivatives during the year was \$2.071 million for the Group (2023: net gain of \$1.229 million).

	Fair Value \$ AUD	
	30 June 2024 \$'000s	30 June 2023 \$'000s
Capital notes	-	193

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

29. Financial Instruments and Fair Values (continued)

Capital notes

During the period, the Group held capital notes with various institutions measured at fair value through profit or loss.

Initial measurement of these financial assets comprises fair value and subsequent measurement at fair value. The movement in fair value in each period is recognised in profit or loss. The net fair value loss on capital notes during the financial year were \$7,875 (2023: loss of \$130) for the Group.

(b) Listed Shares – Fair value through Other Comprehensive Income

During the period, the Group had a total of 13,018,700 ordinary shares in United Malacca Bhd (2023: 13,018,700), a publicly listed company in Malaysia. United Malacca Bhd is a Malaysian based palm oil company involved in both the cultivation of oil palms and palm oil milling operations. The Group has elected to account for the instruments under the fair value through other comprehensive income method due to the Group's long term strategic plan.

	Fair Value \$ AUD	
	30 June 2024	30 June 2023
	\$'000s	\$'000s
Listed shares		
Malaysian listed shares	21,148	21,319

(c) Fair value measurement and disclosure

The Directors have concluded that the fair value of financial assets and financial liabilities are not materially different to carrying values. The methods and assumptions used to estimate the fair value of financial instruments were:

- Receivables/payables - Due to the short term nature of these financial rights and obligations, and/or market interest received/paid, their carrying values are estimated to represent their fair values.
- Derivatives - The fair values of forward currency contracts and forward commodity contracts are calculated by reference to current forward exchange rates and commodity prices for contracts with similar maturity profiles.
- Bank loan - All the bank loans of the Group are interest bearing with floating interest rates which move in accordance with the market interest rates. Therefore the fair value of the bank loans approximates their carrying value.
- Term deposits - The carrying values of term deposits represent the fair values.

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described below, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Values based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 – Values based on inputs, including quoted prices, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 – Values based on prices or valuation techniques that are not based on observable market data.

30 June 2024

	Level 1 '000	Level 2 '000	Level 3 '000	Total '000
Forward currency contracts – classified as FVTPL	-	1,031	-	1,031
Capital notes – classified as FVTPL	-	-	-	-
Listed shares – classified as FVOCI	21,148	-	-	21,148
Biological assets	-	-	-	-
	21,148	1,031	-	22,179

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

29. Financial Instruments and Fair Values (continued)

30 June 2023	Level 1 ‘000	Level 2 ‘000	Level 3 ‘000	Total ‘000
Forward currency contracts – classified as FVTPL	-	(196)	-	(196)
Capital notes – classified as FVTPL	193	-	-	193
Listed shares – classified as FVOCI	21,319	-	-	21,319
Biological assets	-	-	148	148
	21,512	(196)	148	21,464

Transfer between categories:

There were no transfers between levels during the year.

30. Financial Risk Management Objectives and Policies

The Group’s principal financial instruments comprise receivables, payables, leases, cash and short-term deposits, long-term deposits, interest bearing loans and borrowings, foreign exchange derivatives, capital notes and listed equity investments.

Market (including foreign exchange, commodity price and interest rate risk), liquidity and credit risk (including foreign exchange, commodity price and interest rate risk) arise in the normal course of the Group’s business.

The Group manages its exposure to key financial risks, including interest rate, currency and commodity risk in accordance with the Group’s risk management procedures. The overall objective of these procedures is to:

- Ensure that net cash flows are sufficient to meet all financial commitments as and when they fall due.
- Support the delivery of the Group’s financial targets whilst protecting future financial security.
- Minimise the potential adverse effects resulting from volatility on financial markets.

The Group continually monitors its forecast financial position against these criteria.

It is, and has been throughout the period under review, Group policy that no speculative trading in financial instruments be undertaken.

(i) Interest rate risk

Interest rate risk on cash and term deposits is not considered to be a material risk due to the short term nature of these financial instruments. The interest rates for borrowings are variable.

At 30 June 2024, had the interest rate moved, as illustrated in the table below, with all other variables held constant, post-tax profit and equity would have been affected as follows:

<i>Judgments of reasonably possible movements:</i>	Post tax profit and equity Higher/(Lower)	
	2024 \$’000s	2023 \$’000s
<i>Consolidated</i>		
Interest rate + 10%	(347)	(178)
Interest rate - 10%	347	178

(ii) Liquidity Risk

The Group’s liquidity position is managed to ensure that sufficient funds are available to meet its financial commitments in a timely and cost effective manner.

Management monitors the Group’s liquidity reserve on the basis of expected cash flow. The table below reflects a balanced view of cash inflows and outflows and shows the implied risk based on those values. Trade payables and other financial liabilities originate from the financing of assets used in the Group’s ongoing operations. These assets are considered in the Group’s overall liquidity risk.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

30. Financial Risk Management Objectives and Policies (continued)

Management continually reviews the Group liquidity position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels.

Maturity analysis of financial liabilities based on contractual maturity

Consolidated

Year ended 30 June 2024	≤6 months	6-12 months	1-5 years	>5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Inflow	88,282	20,704	4,627	-	113,613
(Outflow)	(87,136)	(20,270)	(4,505)	-	(111,911)
Net foreign exchange contracts	1,146	434	122	-	1,702
Financial liabilities					
Trade and other payables	96,876	-	-	-	96,876
Interest bearing loans and borrowings	60,568	16,784	11,280	8,777	97,409
Lease liabilities	5,866	5,746	8,386	-	19,998

Year ended 30 June 2023	≤6 months	6-12 months	1-5 years	>5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Foreign exchange contract (gross settled)					
Inflow	88,628	19,632	11,232	-	119,492
(Outflow)	(88,951)	(19,503)	(11,234)	-	(119,688)
Net foreign exchange contracts	(323)	129	(2)	-	(196)
Financial liabilities					
Trade and other payables	83,185	-	-	-	83,185
Interest bearing loans and borrowings	87,775	6,347	6,730	10,080	110,932
Lease liabilities	458	463	870	-	1,791

(iii) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligation under a financial instrument that will result in a financial loss to the Group. The carrying amount of financial assets represents the maximum credit exposure.

Financial instruments that potentially subject the consolidated entity to concentrations of credit risk consist principally of cash deposits, receivables and various other investments. The Group minimizes its exposure to credit risk by placing its cash deposits and derivatives with high credit-quality financial institutions where possible. Term deposits typically have an original maturity of three months or less and other bank deposits are on call. These financial assets are considered to have low credit risk. Receivables balances are monitored on an ongoing basis. At reporting date there were debtors amounting to \$14.443 million (2023: \$41.8 million) that were past due, but not considered impaired (Refer to Note 8). Based on the Group's assessment the exposure to future credit loss is not significant based on the ECL procedures performed by the Group.

The credit risk of the trading entities arises from the quality of the trading counterparties. The Company's credit management policy requires trades to be entered into with recognised and creditworthy third parties. It is the Company's credit risk management policy that all customers who wish to trade on credit terms are subjected to stringent credit verifications and reviews.

Kemoil concluded credit insurance contract for open terms sales, which cover a number of customers for specific amounts by customer granted by the insurance underwriter.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements

For the year ended 30 June 2024

30. Financial Risk Management Objectives and Policies (continued)

(iv) Derivative instruments and foreign currency risk

The Group's future revenues are exposed to movements in foreign exchange rates, particularly the US dollar/Australian dollar rate. The Group may from time to time enter into foreign exchange derivative instruments to manage this exposure.

The Group has, as outlined in Note 29, forward currency contracts designated as held for trading that are subject to fair value movements through profit or loss as foreign exchange rates move.

At 30 June 2024, had the Australian Dollar moved, as illustrated in the table below, with all other variables held constant, post-tax profit and equity would have been affected as follows:

<i>Judgments of reasonably possible movements:</i>	Post tax profit and equity	
	Higher/(Lower)	
	2024	2023
	\$'000s	\$'000s
<i>Consolidated</i>		
AUD/USD + 10%	(8,656)	(4,899)
AUD/USD - 10%	9,617	5,987

Management believes the balance date risk exposures are representative of the risk exposure inherent in the financial instruments.

Significant assumptions used in the foreign currency exposure sensitivity analysis include:

- Reasonably possible movements in foreign exchange rates were determined based on a review of the last two years historical movements.
- The net exposure at balance date is representative of what the Group was and is expecting to be exposed to in the next twelve months from balance date.

Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide shareholders and stakeholders in the future and to maintain an optimal capital structure to reduce the cost of capital.

Management are constantly adjusting the capital structure as suitable. As the market is constantly changing, management may change the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Management have no current plans to issue further shares on the market.

Security price risk

The Group's listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions. At 30 June 2024, had the security price moved, as illustrated in the table below, with all other variables held constant, equity would have been affected as follows:

<i>Judgments of reasonably possible movements:</i>	Equity	
	Higher/(Lower)	
	2024	2023
	\$'000s	\$'000s
<i>Consolidated</i>		
Security price + 10%	2,114	2,132
Security price - 10%	(2,114)	(2,132)

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

31. Parent entity information

	2024	2023
	\$'000s	\$'000s
Current assets	24,123	20,032
Total assets	88,421	87,526
Current liabilities	396	676
Total liabilities	396	676
Issued capital	72,160	72,160
Retained earnings	18,746	14,690
Total shareholders' equity	88,041	86,850
Profit of the parent entity	18,503	3,839
Total comprehensive income	18,503	3,839

The parent entity has provided guarantees in relation to the debts of certain of its subsidiaries.

Contingent liabilities

The parent entity has no contingent liabilities as at 30 June 2024 and 30 June 2023.

Capital commitments – property, plant and equipment

The parent entity has no contractual commitments for the acquisition of property, plant or equipment.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in Note 2, except for the following:

- Investments in subsidiaries are accounted for at costs, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investments.

32. Segment reporting

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Group has identified its operating segments to be Fertiliser, Farming and Logistics based on the different operating businesses within the Group. Discrete financial information about each of these operating segments is reported to the chief operating decision makers on a monthly basis.

The Fertiliser operating segment primarily involves mining, processing and sale of phosphate rock, phosphate dust and chalk.

The Farming operating segment primarily involves oil palm cultivation and palm oil processing. During the year, the farming segment was disposed. Refer to Note 34.

The Logistics operating segment primarily involves trading, importing and exporting of commodities.

The accounting policy used by the Group in reporting segments internally is the same as those contained in Note 2.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements

For the year ended 30 June 2024

32. Segment reporting (continued)

	Year ended 30 June 2024			
	Fertiliser	Logistics	Unallocated/ Elimination	Total
	\$'000	\$'000	\$'000	\$'000
Revenue				
Phosphate sales	129,552	-	-	129,552
Palm oil sales	-	-	-	-
Trading and logistics sales	-	1,062,752	-	1,062,752
Other sales	46,264	-	-	46,264
Interest income	680	-	151	831
Dividend income	-	-	208	208
Rendering of services	542	-	9,361 ¹	9,903
Fuel sales	-	-	19,922 ²	19,922
Total segment revenue	177,038	1,062,752	29,642	1,269,432
Result				
Segment net operating profit/(loss) after tax (attributable to parent)	20,128	2,541	(790)	21,879
Depreciation and amortisation	8,417	219	1,657	10,293
Finance cost	1,985	2,455	(9)	4,431
Income tax expense	4,293	781	37	5,111
Assets and Liabilities				
Segment assets	265,701	191,102	33,690	490,493
Segment liabilities	84,240	151,997	10,307	246,544

	Year ended 30 June 2023				
	Fertiliser	Farming (discontinued)	Logistics	Unallocated/ Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Phosphate sales	129,852	-	-	-	129,852
Palm oil sales	-	44,091	-	-	44,091
Trading and logistics sales	-	-	901,207	-	901,207
Other sales	38,673	-	-	-	38,673
Interest income	194	138	-	57	389
Dividend income	-	646	-	-	646
Rendering of services	461	-	-	11,239 ¹	11,700
Fuel sales	-	-	-	24,574 ²	24,574
Total segment revenue	169,180	44,875	901,207	35,870	1,151,132
Result					
Segment net operating profit after tax (attributable to parent)	8,976	1,408	14,352	538	25,274
Depreciation and amortisation	7,235	2,270	204	1,606	11,315
Finance cost	985	417	2,918	100	4,420
Income tax expense	4,760	775	4,952	286	10,773
Assets and Liabilities					
Segment assets	207,412	56,727	165,150	39,700	468,989
Segment liabilities	88,026	11,433	131,960	3,266	234,685

¹ Relates to the services income derived by a wholly-owned subsidiary CI Maintenance Services Pty Ltd.

² Relates to fuel and oil sales derived by a wholly-owned subsidiary Indian Ocean Oil Company Pty Ltd.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

32. Segment reporting (continued)

Revenue from external customers by geographical locations is detailed below:

	2024 \$'000s	2023 \$'000s
Africa	375,132	317,417
Asia	792,109	699,269
Europe	-	71,971
North America	-	35,153
Oceania	102,191	27,322
	<u>1,269,432</u>	<u>1,151,132</u>

Major customers

The Group has a number of customers to which it sells. No customers had sales exceeding 10% of revenue.

	2024 \$'000s	2023 \$'000s
<i>Non-Current Assets by geographical regions</i>		
Australia	54,974	61,259
Malaysia	57,694	79,087
Singapore	10,267	11,051
Switzerland	22,132	839
	<u>145,067</u>	<u>152,236</u>

33. Changes in composition of the entity

There has been a material change in the composition and nature of the Group during the year with the disposal of the farming segment as disclosed in Note 34.

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements For the year ended 30 June 2024

34. Discontinued operations

On 26 September 2023, the Group publicly announced the decision of its Board of Directors to sell Cheekah-Kemayan Plantations Sdn. Bhd (“CKP”), a wholly owned subsidiary. On 22 November 2023, the shareholders of the Company approved the plan to sell. At 31 December 2023, CKP was classified as a disposal group held for sale and as a discontinued operation. The business of CKP represented the entirety of the Group’s farming operating segment. The whole segment was disposed of on 31 January 2024. The results of the CKP for the period are presented below.

Financial performance information

	7 months to 31 January 2024	12 months to 30 June 2023
	\$'000s	\$'000s
Revenue	27,055	44,875
Cost of sales	(26,111)	(41,818)
Gross Profit	944	3,057
Other income	7	43
Finance costs	(170)	(417)
Other expenses	(196)	(395)
Change in fair value of biological assets	-	(105)
Profit before income tax from discontinued operations	585	2,183
Income tax expense	(458)	(775)
Profit after income tax from discontinued operations	127	1,408
Gain on disposal before income tax	15,015	-
Income tax expense	-	-
Gain on disposal after income tax expense	15,015	-
Net profit after income tax from discontinued operations	15,142	1,408

Other comprehensive income

Items that may be reclassified subsequently to profit or loss:

Exchange differences on translation of foreign operations	(189)	(1,115)
Total other comprehensive income that may be reclassified subsequently to profit or loss	(189)	(1,115)

Items that will not be reclassified subsequently to profit or loss:

Net (loss) on equity instruments designated at fair value through other comprehensive income	(533)	(1,707)
Total other comprehensive income that will not be reclassified subsequently to profit or loss	(533)	(1,707)
Total other comprehensive loss	(722)	(2,822)
Total comprehensive loss for the period	14,420	(1,414)

Cash flow information

Net cash from Operating activities	8,935	2,045
Net cash used in Investing activities	(534)	(544)
Net cash used in Financing activities	(11,689)	(1,453)
Net cash (outflow)/inflow from discontinued operations	(3,288)	48

PRL GLOBAL LIMITED (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Notes to the financial statements
For the year ended 30 June 2024

34. Discontinued operations (continued)

2024
\$'000s

Carrying amounts of assets and liabilities disposed

Cash and cash equivalents	2,613
Trade and other receivables	2,195
Inventories	627
Biological assets	148
Property, plant and equipment	29,057
Bearer plants	1,776
Total current assets	<u>36,416</u>
Trade and other payables	4,142
Interest bearing loans and borrowings	133
Deferred tax liabilities	66
Total current liabilities	<u>4,341</u>
Net assets	<u>32,075</u>

Details of the disposal

Total sale consideration	49,123
Carrying amount of net assets disposed	(32,075)
Derecognition of goodwill net of tax	<u>(2,033)</u>
Profit on disposal before income tax	<u>15,015</u>
Profit on disposal after income tax	<u>15,015</u>
As at 30 June 2024	
Total sales consideration received	15,663
Total sales consideration receivable	<u>33,460</u>
	<u>49,123</u>

Notes to the financial statements
For the year ended 30 June 2024

35. Impairment of non-financial assets

No impairment indicators existed for non-financial assets as at 30 June 2024.

In the previous financial year, the key assumptions used for assessing the recoverable amount of the Farming CGU are set out below. The recoverable value has been determined using the VIU methodology. There was no impairment recognised for the Farming CGU during the previous year. The post-tax discount rates incorporate a risk-adjustment relative to the risks associated with the net post-tax cash flows being achieved, while the growth rate is based on market estimates of the long-term average industry growth rate.

	2023
Crude Palm Oil (RM/tonne)	3,200-4,000
Extraction rates	18.73%
Discount rate (post-tax)	11.00%
Inflation rate	2.8%
Growth rate	2.8%
Headroom as a percentage of the CGU's net carrying value	9%

The recoverable amount of the Farming CGU has been determined using a value in use calculation using cash flow projections. The post-tax discount rates applied to cash flow projections is 11.00% and the cash flows are based on the financial budget approved by management for the upcoming year and for the following 4 years and a terminal value.

The calculation of value in use for the Farming CGU is most sensitive to the following assumptions:

- Crude Palm Oil ("CPO") short term and long term pricing forecasts
- Discount rate
- Extraction rate assumptions of CPO and Palm Kernel (PK)
- Growth rate estimates

CPO short term and long term pricing forecasts – Forecast pricing is based on published industry research.

Discount rate – Discount rates represent the current market assessment of the risks specific to the Farming CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

Extraction rate assumptions of CPO and PK – Extraction rates are based on average values achieved in the five years preceding the beginning of the budget period.

Growth rate estimates – Rates are based on published industry research.

The Group has assessed the recoverable amounts of the CGU using a VIU calculation. There are no reasonably possible changes in key assumptions for the Farming CGU impairment test which would result in an impairment in the previous financial year.

36. Subsequent Events

Subsequent to year end, an amount of RM52 million was received on 31 July 2024 as part of the sales proceeds for the disposal of Cheekah-Kemayan Plantation Sdn. Bhd.

The Directors declared a final dividend of 3.0 cents be paid in respect of the year ended 30 June 2024 on 30 August 2024. Other than this, no matter or circumstance has arisen that has significantly affected, or may significantly affect, the operations of the consolidated entity and its controlled entities, the results of those operations or the state of affairs of the consolidated entity and its controlled entities in subsequent years that is not otherwise disclosed in this report or the consolidated financial statements.

PRL GLOBAL LTD (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Consolidated Entity Disclosure Statement As at 30 June 2024

Set out below is the relevant information relating to entities that are consolidated in the consolidated financial statements at the end of the financial year as required by the Corporations Act 2001.

Entity name	Body Corporate, partnership or trust	Place formed / Country of Incorporation	Ownership interest (%) as at 30 June 2024	Tax residency	Jurisdiction for Foreign tax resident
PRL Global Ltd	Body Corporate	Australia		Australian	N/A
Phosphate Resources Ltd	Body Corporate	Australia	100	Australian	N/A
PRL Australia Pty Ltd	Body Corporate	Australia	100	Australian	N/A
CI Maintenance Services Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Phosphate Resources Properties Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Indian Ocean Oil Company Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Indian Ocean Stevedores Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Phosphate Resources (Singapore) Pte Ltd	Body Corporate	Singapore	100	Foreign	Singapore
PRL Shipping Pte Ltd	Body Corporate	Singapore	100	Foreign	Singapore
Phosphate Resources Laos Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Phosphate Resources Plantations Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Phosphate Resources (Malaysia) Sdn Bhd	Body Corporate	Malaysia	100	Foreign	Malaysia
Indian Ocean Trade Services Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Kemoil SA	Body Corporate	Switzerland	57	Foreign	Switzerland
Kemtanks S.A.R.L.	Body Corporate	Luxembourg	57	Foreign	Luxembourg
Kemoil DMCC	Body Corporate	UAE	57	Foreign	UAE
Liven Nutrients Pte Ltd	Body Corporate	Singapore	51	Foreign	Singapore

PRL GLOBAL LTD (FORMERLY KNOWN AS CI RESOURCES LIMITED)

Directors' Declaration For the year ended 30 June 2024

In accordance with a resolution of the Directors of PRL Global Ltd, I state that:

1. In the opinion of the directors:
 - (a) the financial statements and notes of PRL Global Ltd for the year ended 30 June 2024 are in accordance with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
 - (b) the financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as stated in note 2 to the financial statements;
 - (c) the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
 - (d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
 - (e) the information disclosed in the attached consolidated entity disclosure statement is true and correct.
2. This declaration has been made after receiving the declarations required to be made to the directors by the Managing Director and the Chief Financial Officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

On behalf of the board



David Somerville
Chairman



Lai Ah Hong
Managing Director

Perth, Western Australia
30 August 2024