



Silex

Appendix 4D ASX Half-year information – 31 December 2024

Lodged with the ASX under Listing Rule 4.2A
This information should be read in conjunction with the
30 June 2024 Annual Report

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ASX: SLX
OTCQX: SILXY

Silex Systems Limited
ABN 69 003 372 067

Silex Systems Limited
half-year ended 31 December 2024
(Previous corresponding period:
half-year ended 31 December 2023)

Results for announcement to the market

	31 December 2024 \$	30 June 2024 \$	Movement \$	Movement %	
Cash and cash equivalents and Term deposits	93,140,969	113,089,379	(19,948,410)	17.6%	↓

	Half-year ended 31 December 2024 \$	Half-year ended 31 December 2023 \$	Movement \$	Movement %	
Revenue from ordinary activities from continuing operations	6,725,688	5,616,601	1,109,087	19.7%	↑
Other income	3,888,942	1,362,844	2,526,098	185.4%	↑
Net loss from ordinary activities after tax attributable to members	(18,059,039)	(10,161,246)	(7,897,793)	77.7%	↑
Net loss for the period attributable to members	(18,059,039)	(10,161,246)	(7,897,793)	77.7%	↑

No dividends have been paid or proposed during the reporting period

Overview

Silex is primarily focused on the commercialisation of its innovative SILEX laser enrichment technology across multiple global markets, with a priority focus on contributing to the reliable and sustainable supply of nuclear fuel for the global nuclear power industry, a vital part of the world's clean energy needs. The development and commercialisation program for the SILEX uranium enrichment technology is being undertaken jointly by Silex (at its Lucas Heights, Sydney facility) and by Global Laser Enrichment LLC (GLE) (in Wilmington, North Carolina). GLE is the exclusive licensee and commercialisation vehicle for the SILEX uranium enrichment technology and is a jointly-controlled venture between Silex and global uranium and nuclear fuel provider Cameco Corporation, with 51% and 49% ownership interest respectively.

Silex is also progressing the commercial deployment of the SILEX technology for the production of Quantum Silicon (Q-Si) products based on Zero-Spin Silicon (ZS-Si) – a key enabling material required for silicon quantum computer chip fabrication, and to further leveraging and exploiting Silex's core capabilities, through the potential production of medical isotopes, initially focusing on enrichment of Yb-176 – a key enabling material for breakthrough nuclear medicine cancer treatment.

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Commentary on results for the half-year ended 31 December 2024

Revenue from ordinary activities from continuing operations

Revenue from continuing operations was \$6.7m for the half-year, an increase of \$1.1m to the previous corresponding period. Recoverable project costs, which are received from GLE for the Company's costs incurred for the SILEX uranium enrichment development and commercialisation program, increased by \$1.4m in the current period as the Company's expenditure on the uranium project increased in line with the project plan for the period. Interest revenue decreased by \$0.3m to \$2.7m, as average cash and term deposit holdings were lower in the current period.

Explanation of the net loss from ordinary activities after tax attributable to members

The net loss from ordinary activities of \$18.1m increased by \$7.9m compared to the previous corresponding period. The increase in net loss was mainly attributable to the increase in activities at GLE during the half-year. Silex's 51% share of GLE's net loss (recognised in Share of net loss of associates and joint ventures accounted for using the equity method) increased from \$9.6m in the prior period to \$20.2m for the current period. The increases in expenditure for the period were partly offset by \$3.0m of net foreign exchange gains in the period (compared to net foreign exchange losses of \$1.0m in the previous corresponding period).

Cash and cash equivalents & term deposits

The cash and term deposits balance as at 31 December 2024 was \$93.1m, and decreased \$19.9m during the half-year. Net cash inflows from operating activities for the half-year to 31 December 2024 were \$0.6m compared to \$1.8m for the half-year ended 31 December 2023. Partly offsetting a \$3.1m increase in Payments to suppliers and employees (inclusive of GST) was a \$1.1m increase in interest received and a \$0.8m increase in Receipts from customers and government grants (inclusive of GST). Payments for investments accounted for using the equity method (i.e., payments to fund the Company's investment in GLE) increased \$7.9m in the current period as GLE continued to increase its activities.

Consolidated balance sheet

As at 31 December 2024, the Company's balance sheet had total assets of \$122.8m and net assets of \$114.7m, which included \$93.1m in cash and term deposits, investments accounted for using the equity method (investment in GLE) of \$14.9m, and receivables of \$8.7m. The Company holds no corporate debt.

Explanation of dividends

No dividends have been paid or proposed during the reporting period.

This half-year report should be read together with the Operational Update released in conjunction with this report, the Annual Report for the year ended 30 June 2024 and recent ASX announcements.

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2024, and any public announcements made by Silex Systems Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Silex Systems Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is Building 64, Lucas Heights Science and Technology Centre, New Illawarra Road, Lucas Heights NSW 2234.

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Your directors present their report on the consolidated entity consisting of Silex Systems Limited (Silex or the Company) and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

1. Directors

The following persons were directors of Silex Systems Limited during the half-year and up to the date of this report:

Mr C A Roy – Chair
Dr M P Goldsworthy – CEO / Managing Director
Mr C D Wilks

Ms S J Corlett was appointed as a director on 22 November 2024 and continues in office at the date of this report. Ms H G Cook was a director from the beginning of the period until her retirement on 22 November 2024.

2. Dividend

No dividend payment has been recommended or declared by the Board.

3. Review of operations and activities

The Consolidated income statement on page 8 of this report sets out the main revenue and expense items for the half-year ended 31 December 2024 with comparatives for the half-year ended 31 December 2023. A summary is shown below:

	6 months ended 31 December 2024	6 months ended 31 December 2023
	\$	\$
Revenue from continuing operations	6,725,688	5,616,601
Other income	3,888,942	1,362,844
(Loss) before tax	(18,059,039)	(10,161,246)
Income tax expense	-	-
Net (loss) from continuing operations	(18,059,039)	(10,161,246)
Net (loss) for the half-year	(18,059,039)	(10,161,246)
(Loss) is attributable to:		
Owners of Silex Systems Limited	(18,059,039)	(10,161,246)

Summary:

- Revenue increased 19.7% to \$6.7m. Recoverable project costs, which are received from GLE for the Company's costs incurred for the SILEX uranium enrichment development and commercialisation program, increased by \$1.4m in the current period to \$4.0m.
- The main contributor of the Company's loss attributable to owners of Silex Systems Limited is Silex's 51% share of GLE's net loss (recognised in Share of net loss of associates and joint ventures accounted for using the equity method), which increased from \$9.6m in the prior period to \$20.2m for the current period. This reflects the increase in activities at GLE during the reporting period.
- Other increases in expenditure for the period were partly offset by \$3.0m of net foreign exchange gains during the half-year (compared to net foreign exchange losses of \$1.0m in the previous corresponding period).

Further information on the operations and position of the Company is included in the Results for announcement to the market section at the commencement of this Appendix 4D, the Operational Update that is released to the ASX on the same day as this Appendix 4D, and in the 2024 Annual Report.

4. Subsequent events

Following the approval of the Q1 CY2025 capital call by GLE's Governing Board on 30 January 2025, Silex is required to contribute 51% of the capital call, being approximately US\$9.7m, which will be paid shortly (Silex's contribution to GLE's Q1 CY2024 capital call was US\$7.1m).

The consolidated entity is not aware of any other matters or circumstances which are not otherwise dealt with in the financial statements that have significantly, or may significantly, affect the operations of the consolidated entity, the results of its operations or the state of the consolidated entity in subsequent years.

5. Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 7.

This report is made in accordance with a resolution of the directors.



Dr M P Goldsworthy
CEO/MD

Sydney, 21 February 2025



Mr C A Roy
Chair

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Auditor's Independence Declaration

As lead auditor for the review of Silex Systems Limited for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Silex Systems Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Aishwarya Chandran', with a horizontal line underneath.

Aishwarya Chandran
Partner
PricewaterhouseCoopers

Sydney
21 February 2025

Silex Systems Limited
Consolidated income statement
for the half-year ended 31 December 2024

	6 months ended 31 December 2024	6 months ended 31 December 2023
Notes	\$	\$
Revenue from contracts with customers	2(a) 3,995,581	2,548,316
Interest revenue	2(a) 2,730,107	3,068,285
Revenue from continuing operations	6,725,688	5,616,601
Other income	2(b) 3,888,942	1,362,844
Research and development materials	(3,652,985)	(941,914)
Finance costs	(48,443)	(21,674)
Depreciation and amortisation expense	(259,362)	(198,974)
Employee benefits expense	(5,784,065)	(4,153,054)
Consultants and professional fees	(1,112,283)	(385,424)
Printing, postage, freight, stationery and communications	(60,071)	(48,975)
Property outgoings	(39,574)	(98,604)
Net foreign exchange gains/(losses)	3,029,749	(1,045,110)
Share of net loss of associates and joint ventures accounted for using the equity method	5 (20,170,303)	(9,589,678)
Other expenses from continuing activities	(576,332)	(657,284)
(Loss) before income tax expense	(18,059,039)	(10,161,246)
Income tax expense	-	-
Net (loss) from continuing operations	(18,059,039)	(10,161,246)
Net (loss) for the half-year	(18,059,039)	(10,161,246)
(Loss) is attributable to:		
Owners of Silex Systems Limited	(18,059,039)	(10,161,246)
	Cents	Cents
Earnings per share for (loss) attributable to the ordinary equity holders of the company		
Basic earnings per share	(7.6)	(4.3)
Diluted earnings per share	(7.6)	(4.3)

The above consolidated income statement should be read in conjunction with the accompanying notes.

Silex Systems Limited
Consolidated statement of comprehensive income
for the half-year ended 31 December 2024

	6 months ended 31 December 2024	6 months ended 31 December 2023
	\$	\$
Net (loss) for the half-year	(18,059,039)	(10,161,246)
Other comprehensive income		
<i>Items that may be reclassified to profit or loss:</i>		
Exchange differences on translation of foreign operations	1,591,340	(236,995)
<i>Items that will not be reclassified to profit or loss:</i>		
Changes in the fair value of equity investments at fair value through other comprehensive income	(2,747,755)	372,419
Other comprehensive income for the half-year, net of tax	(1,156,415)	135,424
Total comprehensive income for the half-year	(19,215,454)	(10,025,822)
Attributable to:		
Owners of Silex Systems Limited	(19,215,454)	(10,025,822)
Total comprehensive income for the half-year	(19,215,454)	(10,025,822)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

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Silex Systems Limited
Consolidated balance sheet
as at 31 December 2024

	Notes	31 December 2024 \$	30 June 2024 \$
ASSETS			
Current assets			
Cash and cash equivalents		19,940,969	18,889,379
Other financial assets at amortised cost - term deposits		73,200,000	94,200,000
Trade and other receivables	3	8,695,785	8,608,979
Other current assets		433,399	1,129,775
Derivative financial instruments	10	2,755,295	-
Financial assets at fair value through other comprehensive income	4	1,451,749	3,905,942
Total current assets		106,477,197	126,734,075
Non-current assets			
Investments accounted for using the equity method	5	14,918,695	13,269,215
Right-of-use assets		975,281	1,131,403
Property, plant and equipment		428,194	426,598
Total non-current assets		16,322,170	14,827,216
Total assets		122,799,367	141,561,291
LIABILITIES			
Current liabilities			
Trade and other payables	6	6,054,316	7,468,970
Lease liabilities		246,482	267,499
Provisions		950,020	887,296
Total current liabilities		7,250,818	8,623,765
Non-current liabilities			
Lease liabilities		778,755	914,475
Provisions		92,890	84,711
Total non-current liabilities		871,645	999,186
Total liabilities		8,122,463	9,622,951
Net assets		114,676,904	131,938,340
EQUITY			
Contributed equity	7	391,837,410	390,665,622
Reserves		13,034,486	13,408,671
Accumulated losses		(290,194,992)	(272,135,953)
Total equity		114,676,904	131,938,340

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Silex Systems Limited
Consolidated statement of changes in equity
for the half-year ended 31 December 2024

Attributable to owners of Silex Systems Limited

	Contributed equity \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 30 June 2023	386,753,717	11,337,320	(249,401,845)	148,689,192
Net (loss) for the half-year	-	-	(10,161,246)	(10,161,246)
Other comprehensive income	-	135,424	-	135,424
Total comprehensive income for the half-year	-	135,424	(10,161,246)	(10,025,822)
Transactions with owners in their capacity as owners:				
Contributions of equity net of transactions costs	30,019	-	-	30,019
Share-based payments - value of services	-	1,165,558	-	1,165,558
Transfer from share-based payments reserve	1,000,643	(1,000,643)	-	-
	1,030,662	164,915	-	1,195,577
Balance at 31 December 2023	387,784,379	11,637,659	(259,563,091)	139,858,947
Balance at 30 June 2024	390,665,622	13,408,671	(272,135,953)	131,938,340
Net (loss) for the half-year	-	-	(18,059,039)	(18,059,039)
Other comprehensive income	-	(1,156,415)	-	(1,156,415)
Total comprehensive income for the half-year	-	(1,156,415)	(18,059,039)	(19,215,454)
Transactions with owners in their capacity as owners:				
Contributions of equity net of transactions costs	188,360	-	-	188,360
Share-based payments - value of services	-	1,765,658	-	1,765,658
Transfer from share-based payments reserve	983,428	(983,428)	-	-
	1,171,788	782,230	-	1,954,018
Balance at 31 December 2024	391,837,410	13,034,486	(290,194,992)	114,676,904

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Silex Systems Limited
Consolidated cash flow statement
for the half-year ended 31 December 2024

	6 months ended 31 December 2024 \$	6 months ended 31 December 2023 \$
Cash flows from operating activities		
Receipts from customers and government grants (inclusive of GST)	9,552,834	8,777,664
Payments to suppliers and employees (inclusive of GST)	(12,050,527)	(8,963,772)
Interest received	3,109,792	1,960,272
Interest paid	(48,443)	(21,674)
Net cash inflows from operating activities	563,656	1,752,490
Cash flows from investing activities		
Payment for investments accounted for using the equity method	(20,664,202)	(12,792,935)
Payments for financial assets at amortised cost - term deposits	(12,000,000)	(36,000,000)
Proceeds from other financial assets at amortised cost - term deposits	33,000,000	49,000,000
Payments for property, plant and equipment	(107,361)	(171,788)
Proceeds from sale of property, plant and equipment	4,321	5,945
Net cash inflows from investing activities	232,758	41,222
Cash flows from financing activities		
Proceeds from issues of shares, net of transaction costs	188,360	30,019
Repayment of principal elements of leases	(156,737)	(125,832)
Net cash inflows/(outflows) from financing activities	31,623	(95,813)
Net increase in cash and cash equivalents	828,037	1,697,899
Cash and cash equivalents at the beginning of the half-year	18,889,379	2,859,572
Effects of exchange rate changes on cash	223,553	(41,263)
Cash and cash equivalents at end of half-year *	19,940,969	4,516,208
* Term deposits excluded from Cash and cash equivalents	73,200,000	122,200,000

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

Silex Systems Limited
Notes to the consolidated financial statements
31 December 2024

Note 1 Segment information

(a) Description of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. Management has determined that there are three operating segments based on the reports reviewed by Management and the Board of Directors to make strategic decisions. These segments are Silex Systems, Translucent and Silex USA. Silex Systems is based in New South Wales and Translucent and Silex USA are based in North Carolina. The Silex USA segment includes the share of loss from GLE.

(b) Segment information provided to the Board of Directors

Half-year ended 31 December 2024	Silex Systems \$	Translucent \$	Silex USA \$	Total \$
Total segment revenue	4,024,356	813,029	-	4,837,385
Inter-segment revenue	(28,775)	(813,029)	-	(841,804)
Revenue from external customers	3,995,581	-	-	3,995,581
Interest revenue	2,730,107	-	-	2,730,107
Revenue from continuing operations	6,725,688	-	-	6,725,688
Segment result	2,440,384	12,841	(20,512,264)	(18,059,039)

Half-year ended 31 December 2023	Silex Systems \$	Translucent \$	Silex USA \$	Total \$
Total segment revenue	2,572,515	662,936	-	3,235,451
Inter-segment revenue	(24,199)	(662,936)	-	(687,135)
Revenue from external customers	2,548,316	-	-	2,548,316
Interest revenue	3,068,285	-	-	3,068,285
Revenue from continuing operations	5,616,601	-	-	5,616,601
Segment result	(677,985)	22,467	(9,505,728)	(10,161,246)

The Board of Directors assesses the performance of the operating segments based on a result that excludes exchange gains and losses on intercompany loans which eliminate on consolidation. The segment result reconciles to the Net (loss) from continuing operations.

Total segment assets	Silex Systems \$	Translucent \$	Silex USA \$	Total \$
31 December 2024	104,102,846	3,773,211	14,923,310	122,799,367
30 June 2024	121,362,832	6,880,403	13,318,056	141,561,291

Assets which eliminate on consolidation, such as investments in controlled entities and intercompany receivables are excluded from segment assets.

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Silex Systems Limited
Notes to the consolidated financial statements
31 December 2024 (continued)

Total segment liabilities	Silex Systems \$	Translucent \$	Silex USA \$	Total \$
31 December 2024	7,777,024	14,136	331,303	8,122,463
30 June 2024	9,577,685	14,837	30,429	9,622,951

Segment liabilities exclude intercompany loans.

Note 2 Revenue and Other income

(a) Revenue

	6 months ended 31 December 2024 \$	6 months ended 31 December 2023 \$
Recoverable project costs	3,995,581	2,548,316
Interest revenue	2,730,107	3,068,285
	6,725,688	5,616,601

Project costs recoverable from GLE for the Company's costs incurred for the SILEX uranium enrichment development program is recorded as Revenue in the month when the related costs are incurred. Revenue is recognised at a point in time.

(b) Other income

	6 months ended 31 December 2024 \$	6 months ended 31 December 2023 \$
Research and development tax incentive	2,618,827	941,950
Government grants	931,657	264,128
Other income - project subsidies	338,458	150,821
Profit on sale of property, plant and equipment	-	5,945
	3,888,942	1,362,844

Note 3 Trade and other receivables

	31 December 2024 \$	30 June 2024 \$
Trade receivables from contracts with customers	799,801	2,890,220
Accrued income - other	7,871,927	5,709,311
Other receivables	24,057	9,448
	8,695,785	8,608,979

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Silex Systems Limited
Notes to the consolidated financial statements
31 December 2024 (continued)

Note 4 Financial assets at fair value through other comprehensive income

	31 December 2024	30 June 2024
	\$	\$
Listed securities		
Equity securities – shares in IQE Plc (AIM: IQE)	1,451,749	3,905,942

Note 5 Investments accounted for using the equity method

Set out below are details of the Global Laser Enrichment Holdings LLC (GLE Holdco) joint venture as at 31 December 2024, which is material to the Company.

Name of entity	Place of business / country of incorporation	% of ownership interest		Nature of relationship	Measurement method	Carrying amount	
		31 December 2024	30 June 2024			31 December 2024	30 June 2024
Global Laser Enrichment Holdings LLC	USA	51%	51%	Joint venture	Equity method	14,918,695	13,269,215

GLE Holdco acquired Global Laser Enrichment LLC (GLE) on 31 January 2021. GLE holds the exclusive worldwide license to commercialise the SILEX technology for uranium enrichment. GLE's focus is to complete the demonstration and commercialisation of the SILEX uranium enrichment technology in the United States. Cameco Corporation indirectly owns the remaining 49% of GLE Holdco.

	31 December 2024*	30 June 2024
	\$	\$
Commitments – joint ventures		
Commitment to provide funding for joint ventures capital commitments, if called	-	18,351,100

* As at 31 December 2024, the CY2025 operating plan and budget for GLE and associated capital calls, were pending for resolution by the GLE Holdco Governing Board. On 30 January 2025, the GLE Holdco Governing Board approved the Q1 CY2025 capital call totalling US\$19m. Silex is required to contribute 51% of GLE's funding requirements, in accordance with its ownership interest.

	31 December 2024	30 June 2024
	\$	\$
Contingent liabilities – joint ventures		
Share of joint venture's contingent liabilities	4,713,498	4,576,836

In July 2023, GLE entered into a lease for a new facility in Wilmington, NC. A parent company guarantee was required to be provided by the Company and Cameco Corporation in relation to the rent and other lease related obligations associated with the premises tenanted by GLE.

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Silex Systems Limited
Notes to the consolidated financial statements
31 December 2024 (continued)

Summarised balance sheet	GLE Holdco	
	31 December 2024	30 June 2024
	\$	\$
Current assets		
Cash and cash equivalents	20,585,031	23,910,812
Other current assets	4,027,309	3,582,704
Total current assets	24,612,340	27,493,516
Non-current assets	27,993,844	20,875,288
Total assets	52,606,184	48,368,804
Current liabilities		
Lease liabilities	1,339,070	1,127,366
Other current liabilities	9,566,899	9,395,711
Total current liabilities	10,905,969	10,523,077
Non-current liabilities		
Lease liabilities	5,497,725	5,933,810
Other non-current liabilities	6,950,146	5,893,848
Total non-current liabilities	12,447,871	11,827,658
Total liabilities	23,353,840	22,350,735
Net assets	29,252,344	26,018,069
	6 months ended	6 months ended
	31 December 2024	31 December 2023
	\$	\$
Reconciliation to carrying amounts		
Opening net assets	26,018,069	7,118,570
Additional capital contributed	40,518,043	25,084,186
(Loss) for the period	(39,549,613)	(18,803,290)
Other comprehensive income	2,265,845	(219,723)
Closing net assets	29,252,344	13,179,743
Company's share in %	51%	51%
Company's share in \$	14,918,695	6,721,669
Carrying amount	14,918,695	6,721,669

Note 6 Trade and other payables

	31 December 2024	30 June 2024
	\$	\$
Trade creditors	1,135,377	2,350,887
Unearned income	4,417,760	4,446,036
Derivative financial instruments - forward exchange contracts	-	218,618
Other payables	501,179	453,429
	6,054,316	7,468,970

Silex Systems Limited
Notes to the consolidated financial statements
31 December 2024 (continued)

Note 7 Equity

(a) Share capital

	31 December 2024 <i>Number of shares</i>	30 June 2024 <i>Number of shares</i>	31 December 2024 \$	30 June 2024 \$
Ordinary shares, fully paid	237,482,774	236,875,501	391,837,410	390,665,622

(b) Movements in ordinary share capital

Details	Number of shares	Total \$
Opening balance 1 July 2024	236,875,501	390,665,622
Issue of shares - performance rights	366,023	874,184
Issue of shares - options exercise	241,250	197,920
Transfer from share-based payments reserve - options	-	109,244
	237,482,774	391,846,970
Less: Transaction costs arising on share issues	-	(9,560)
Balance 31 December 2024	237,482,774	391,837,410

(c) Movements in share options

Grant date	Expiry date	Exercise price (cents)	Balance at start of half-year (Number)	Issued during the half-year (Number)	Lapsed/ forfeited during the half-year (Number)	Exercised during the half-year (Number)	Balance at the end of the half-year (Number)
01/04/2020	31/03/2025	21	148,000	-	-	(82,000)	66,000
23/11/2020	22/11/2025	57	150,000	-	-	-	150,000
24/03/2021	23/03/2026	120	515,750	-	-	(119,250)	396,500
26/07/2021	28/10/2026	94	100,000	-	-	(40,000)	60,000
26/07/2021	30/06/2027	94	100,000	-	-	-	100,000
26/07/2021	30/06/2028	94	100,000	-	-	-	100,000
14/10/2021	28/10/2026	94	150,000	-	-	-	150,000
14/10/2021	28/10/2026	94	150,000	-	-	-	150,000
14/10/2021	28/10/2027	94	150,000	-	-	-	150,000
14/10/2021	28/10/2028	94	150,000	-	-	-	150,000
14/10/2021	28/10/2029	94	150,000	-	-	-	150,000
18/03/2022	17/03/2027	119	600,000	-	-	-	600,000
25/08/2022	25/08/2025	319	50,000	-	-	-	50,000
17/04/2023	16/04/2028	377	650,000	-	-	-	650,000
23/04/2024	22/04/2029	500	650,000	-	-	-	650,000
19/12/2023	18/12/2026	347	50,000	-	-	-	50,000
05/12/2024	04/12/2027	450	-	75,000	-	-	75,000
			3,863,750	75,000	-	(241,250)	3,697,500

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Silex Systems Limited
Notes to the consolidated financial statements
31 December 2024 (continued)

(d) Movements in performance rights

Grant date	Exercise Price	Balance at start of half-year (Number)	Issued during the half-year (Number)	Lapsed/ forfeited during the half-year (Number)	Exercised during the half-year (Number)	Balance at the end of the half-year (Number)
14/10/2021	Nil	412,500	-	-	-	412,500
21/06/2022	Nil	225,000	-	-	(75,000)	150,000
21/08/2023	Nil	185,000	-	(10,275)	(174,725)	-
29/09/2023	Nil	300,000	-	(52,702)	(116,298)	131,000
26/08/2024	Nil	-	175,000	-	-	175,000
18/10/2024	Nil	-	325,000	-	-	325,000
17/12/2024	Nil	-	70,000	-	-	70,000
		1,122,500	570,000	(62,977)	(366,023)	1,263,500

Note 8 Net tangible asset backing

	31 December 2024	30 June 2024	31 December 2023
	\$	\$	\$
Net tangible asset backing per ordinary security	48.29 cents	55.70 cents	59.28 cents

Note 9 Events occurring after reporting date

Following the approval of the Q1 CY2025 capital call by GLE's Governing Board on 30 January 2025, Silex is required to contribute 51% of the capital call, being approximately US\$9.7m, which will be paid shortly (Silex's contribution to GLE's Q1 CY2024 capital call was US\$7.1m).

The consolidated entity is not aware of any other matters or circumstances which are not otherwise dealt with in the financial statements that have significantly, or may significantly, affect the operations of the consolidated entity, the results of its operations or the state of the consolidated entity in subsequent years.

Note 10 Fair value measurement

Derivatives

Foreign exchange contracts are used to manage foreign exchange risk. The Company may enter into forward exchange contracts which are economic hedges for foreign currencies to be traded at a future date but do not satisfy the requirements for hedge accounting. These contracts are valued at fair value by comparing the contracted foreign exchange rate to the current market foreign exchange rate for a contract with the same remaining period to maturity. Any changes in fair values are immediately taken to the income statement.

The Company's policy is to hedge a proportion of its anticipated USD cash flows. The Board monitors the Company's hedging strategy on a continuing basis. At 31 December 2024, the Company held US\$21,500,000 forward exchange contracts (30 June 2024: US\$4,900,000). The fair value of derivative contracts outstanding at 31 December 2024 totalled \$2,755,295 and was recorded in Current assets – derivative financial instruments. At 30 June 2024 the fair value of derivative financial instruments outstanding was (\$218,618) and was recorded in Trade and other payables.

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Note 11 Basis of preparation of the half-year financial report

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2024, and any public announcements made by Silex Systems Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

New and amended standards adopted by the Company

The Company was not required and did not change its accounting policies or make retrospective adjustments as a result of adopting amended standards.

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In the directors' opinion:

- (a) the financial statements and notes set out on pages 8 to 19 are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date: and
- (b) there are reasonable grounds to believe that Silex Systems Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Dr M P Goldsworthy
CEO/MD



Mr C A Roy
Chair

Sydney
21 February 2025

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Independent auditor's review report to the members of Silex Systems Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Silex Systems Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated balance sheet as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement and consolidated income statement for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Silex Systems Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'Aishwarya Chandran'.

Aishwarya Chandran
Partner

Sydney
21 February 2025

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Forward Looking Statements and Risk Factors:

About Silex Systems Limited (ASX: SLX) (OTCQX: SILXY)

Silex Systems Limited ABN 69 003 372 067 (Silex) is a technology commercialisation company whose primary asset is the SILEX laser enrichment technology, originally developed at the Company's technology facility in Sydney, Australia. The SILEX technology has been under development for uranium enrichment jointly with US-based exclusive licensee Global Laser Enrichment LLC (GLE) for a number of years. Success of the SILEX uranium enrichment technology development program and the proposed Paducah commercial project remain subject to a number of factors including the satisfactory completion of the TRL-6 pilot demonstration program, nuclear fuel market conditions, industry and government support, project feasibility and commercial plant licensing, and therefore remains subject to associated risks.

Silex is also at various stages of development of additional commercial applications of the SILEX technology, including the production of 'Quantum Silicon' for the emerging technology of silicon-based quantum computing. The 'Quantum Silicon' project remains dependent on the outcomes of the project as well as the successful development of silicon quantum computing technology by third parties, and is therefore subject to various risks. Silex is also conducting early-stage research activities in its Medical Isotope Separation Technology (MIST) Project, which is also subject to various risks and unknowns. The commercial future of the SILEX technology in application to uranium, silicon, medical and other isotopes is therefore uncertain and any plans for commercial deployment are speculative.

Forward Looking Statements

The commercial potential of the abovementioned technologies and activities is currently unknown. Accordingly, no guarantees as to the future performance of these technologies can be made. The nature of the statements in this Report regarding the future of the SILEX technology as applied to uranium enrichment, Quantum Silicon production, medical and other isotope separation projects, and any associated commercial prospects, including TRL-6 achievement and other commercialisation milestones at GLE, are forward-looking and are subject to a number of variables, including but not limited to, known and unknown risks, contingencies and assumptions which may be beyond the control of Silex, its directors and management. You should not place reliance on any forward-looking statements as actual results could be materially different from those expressed or implied by such forward-looking statements as a result of various risk factors. Further, the forward-looking statements contained in this Report involve subjective judgement and analysis and are subject to: change at any time due to variations in the outlook for, and management of, Silex's business activities (including project outcomes); changes in industry trends and government policies; and new or unforeseen circumstances. The Company's management believes that there are reasonable grounds to make such statements as at the date of this Report. Silex does not intend, and is not obligated, to update the forward-looking statements except to the extent required by law or the ASX Listing Rules.

Risk Factors

Risk factors that could affect future results and commercial prospects of Silex include, but are not limited to: ongoing economic and social uncertainty, including in relation to global economic stresses such as interest rates and inflation; geopolitical risks, in particular relating to Russia's invasion of Ukraine, and tensions between China and Taiwan which may impact global supply chains; uncertainties related to the effects of climate change and mitigation efforts; the results of the GLE/SILEX uranium enrichment pilot demonstration (TRL-6) program; the market demand for natural uranium and enriched uranium; the outcome of the project for the production of Quantum Silicon for the emerging technology of silicon-based quantum computing; the outcome of the MIST program; the potential development of, or competition from alternative technologies; the potential for third party claims against the Company's ownership of Intellectual Property; the potential impact of prevailing laws or government regulations or policies in the USA, Australia or elsewhere; actions taken by the Company's commercialisation partners and other stakeholders that could adversely affect the technology development programs and commercialisation strategies; and the outcomes of various strategies and projects undertaken by the Company.

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