

Appendix 4D

Korvest Ltd
ABN 20 007 698 106

Half-Year Financial Report 31 December 2023

Results for announcement to the market:

\$A'000

Revenues from ordinary activities	Down	2.3%	to	51,711
Net profit from ordinary activities after tax attributable to members	Up	26.6%	to	5,716
Net profit after tax for the period attributable to members	Up	26.6%	to	5,716
Dividends	Amount per security		Franked amount per security	
Proposed interim dividend (#)				
- current reporting period	25.0¢			25.0¢
- previous corresponding period	25.0¢			25.0¢
Paid final dividend (##)				
- current reporting period	35.0¢			35.0¢
- previous corresponding period	35.0¢			35.0¢
<p># Interim dividend proposed in respect of the current reporting period. The financial effect of this dividend will be recognised in the next reporting period.</p> <p>## Final dividend is paid during the first-half reporting period and relates to the second half of the prior financial year</p>				
Record date for determining entitlements to the dividend	16 February 2024			
<p>Brief explanation of any of the figures reported above and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:</p> <p style="text-align: center;">Refer Directors' report on pages 2 to 4 of this financial report.</p>				

This financial report is all the half-year information provided to the Australian Stock Exchange under listing rule 4.2A. The report also satisfies the half-year reporting requirements of the Corporations Act 2001.

This half-year financial report should be read in conjunction with the 2023 annual financial report.

Korvest Ltd Directors' Report

The Directors present their report together with the half-year financial report of Korvest Ltd ("the Company") for the half-year ended 31 December 2023 and the auditor's review report thereon.

Directors

The Directors of the Company at any time during or since the end of the half-year are:

Andrew Stobart B. Eng (Hons), Grad Dip Bus Admin, GAICD
Chairman – appointed 31 August 2021
Independent Non-Executive Director
A Director since August 2016
Former Executive Chairman Nexans Olex Australia & New Zealand

Chris Hartwig BA(Acc), MAICD
Managing Director
Appointed 28 February 2018
Director Galvanising Association of Australia

Gary Francis BSc. (Hons) (Civil), MAICD
Independent Non-Executive Director
Chairman of Remuneration Committee
A Director since February 2014

Warrick Ranson FCA, MBA, GAICD
Independent Non-Executive Director
Chairman of Audit Committee
Group Chief Financial Officer, Sims Limited
A Director since November 2023

Therese Ryan LLB, GAICD
Independent Non-Executive Director
Director Sustainable Timber Tasmania
Chair Hancock Victorian Plantations
Chair Mine Land Rehabilitation Authority
Former Director Bapcor Limited (March 2014 - September 2022)
A Director since September 2021

Steven McGregor BA (Acc), FCA, AGIA, ACG
Finance Director
A Director since January 2009
Company Secretary since April 2008

Gerard Hutchinson MBA, MBL, MSc(IS), BEc, MA (research), FCA, FAICD, FAIM
Independent Non-Executive Director
Chairman of Audit Committee
Chief Financial Officer for AI-Futtaim Contracting
A Director since November 2014, retired 31 October 2023

Result

The profit for the half-year attributable to the members of the Company was:

	31 Dec 23	31 Dec 22
<i>In thousands of AUD</i>		
Profit after income tax expense	5,716	4,515
Net profit attributable to owners of the Company	5,716	4,515

Korvest Ltd
Directors' Report

Other Ratios

	31 Dec 23	31 Dec 22
Net tangible asset (NTA) backing		
Net tangible assets per ordinary share	\$3.71	\$3.44
Profit before tax / revenue	15.9%	12.4%
Profit after tax / equity interests	11.2%	10.1%

Review of Operations

Revenue from trading operations decreased by 2.3% to \$51.7 million with lower major project revenue in the Industrial Products segment compared to the prior comparative period (PCP). Despite the small reduction in revenue, improvement in margins contributed to an improvement in profitability. The first half included a non-recurring pre-tax gain of \$0.32 million arising from the accounting treatment of entering a property sublease.

Industrial Products

The EzyStrut business performed well despite a reduction in revenue compared to the PCP. The reduced revenue was as a result of a significant decrease in major project activity in the half as projects reached or neared completion. EzyStrut started the half with three major projects being supplied. Two of these are now largely completed and the lower level of major project activity in the period can be attributed to reduced volume from these jobs.

The reduction in major project revenue was largely offset by improved trading in the day-to-day and small project markets which remained buoyant throughout the period.

In July the NSW EzyStrut branch relocated to a new facility in the Bankstown Airport precinct. The facility is substantially larger than the previous Prestons site with the extra space enabling the site to operate more efficiently which is improving customer service. The new lease arrangements result in a significant increase in both the right-of-use asset and lease liability in the statement of financial position.

The input cost environment remains volatile. There was some relief during the period in relation to import shipping costs and steel however staffing costs and energy remain challenging. Leasing costs have also been impacted by the high CPI as most leases have annual CPI rental adjustments.

Production

The Galvanising business had similar volumes compared to the PCP with strong external volumes making up for the lower internal volumes. External tonnes were the highest achieved in the past decade. The cost of zinc was lower than the PCP however increased gas pricing effective from 1 January 2023 resulted in substantially higher costs for gas. The zinc market remains volatile. Labour cost saving through more efficient use of labour also contributed to the improved profitability in the period.

Capital Expenditure

Capital expenditure during the period was historically high. Major expenditure during the period included investment in a tube laser to provide new capability, costs associated with the NSW branch move and investment in the transport fleet for NSW. Ongoing development of the Kilburn site is a key short term focus for the Company and will likely consume additional cash resources in the short term.

Dividends

On 22nd January 2024 the Directors determined to pay a fully franked interim dividend of 25.0 cents per share with a record date of 16 February 2024 and a payment date of 5 March 2024.

The Dividend Reinvestment Plan (DRP) will not operate for the interim dividend.

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Korvest Ltd
Directors' Report

Events Subsequent to Reporting Date

No matter or circumstance has occurred subsequent to 31 December 2023 that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent years.

Outlook

The current expectation is that major projects, small project and day-to-day markets will continue at similar activity levels in the second half.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

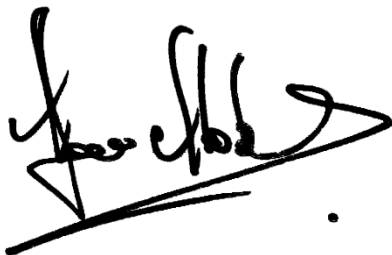
The lead auditor's independence declaration is set out on page 5 and forms part of the Directors' report for the half-year ended 31 December 2023.

Rounding Off

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Instrument, amounts in the financial report and Directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Dated at Kilburn this 22nd day of January 2024.

Signed in accordance with a resolution of the Directors:

A handwritten signature in black ink, appearing to read 'A Stobart', with a horizontal line underneath and a small dot to the right.

A Stobart
Chairman

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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Korvest Ltd

I declare that, to the best of my knowledge and belief, in relation to the review of Korvest Ltd for the half-year ended 31 December 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.



KPMG



Darren Ball
Partner

Adelaide

22 January 2024

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Korvest Ltd**Condensed statement of profit or loss and other comprehensive income for the half-year ended 31 December 2023***In thousands of AUD*

	Note	31 Dec 23	31 Dec 22
Revenue	6(a)	51,711	52,952
Other income		5	11
Gain at inception of sublease	11	319	-
Expenses excluding net financing costs	6(b)	(43,854)	(46,422)
Results from operating activities excluding net financing income		8,181	6,541
Finance income		215	27
Finance income – lease receivable interest		22	-
Finance costs – lease liability interest		(191)	(70)
Net finance income / (expense)		46	(43)
Profit before income tax		8,227	6,498
Income tax expense		(2,511)	(1,983)
Net profit for the period		5,716	4,515
Other comprehensive income		-	-
Total comprehensive income for the period		5,716	4,515
Attributable to:			
Owners of the Company		5,716	4,515
Earnings per share			
Basic earnings per share		49.1¢	39.1¢
Diluted earnings per share		48.7¢	38.8¢

The Condensed statement of profit or loss and other comprehensive income is to be read in conjunction with the notes set out on pages 10 to 14.

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Korvest Ltd

Condensed statement of changes in equity for the half-year ended 31 December 2023

In thousands of AUD

	Share capital	Equity compensation reserve	Asset revaluation reserve	Profits reserve	Retained earnings / (loss)	Total
Balance at 1 July 2023	14,395	1,410	6,303	26,930	-	49,038
Total comprehensive income for the period						
Profit for the period	-	-	-	-	5,716	5,716
Total comprehensive income for the period	-	-	-	-	5,716	5,716
Transactions with owners of the Company recognised directly in equity						
Shares issued under share plans	29	-	-	-	-	29
Equity-settled share-based payments	-	149	-	-	-	149
Dividends paid	-	-	-	(4,081)	-	(4,081)
Total transactions with owners of the Company	29	149	-	(4,081)	-	(3,903)
Transfer to the profits reserve	-	-	-	5,716	(5,716)	-
Balance at 31 December 2023	14,424	1,559	6,303	28,565	-	50,851
Balance at 1 July 2022	14,334	1,068	5,733	22,690	-	43,825
Total comprehensive income for the period						
Profit for the period	-	-	-	-	4,515	4,515
Total comprehensive income for the period	-	-	-	-	4,515	4,515
Transactions with owners of the Company recognised directly in equity						
Shares issued under share plans	27	-	-	-	-	27
Equity-settled share-based payments	-	177	-	-	-	177
Dividends paid	-	-	-	(4,045)	-	(4,045)
Total transactions with owners of the Company	27	177	-	(4,045)	-	(3,841)
Transfer to the profits reserve	-	-	-	4,515	(4,515)	-
Balance at 31 December 2022	14,361	1,245	5,733	23,160	-	44,499

The Condensed statement of changes in equity is to be read in conjunction with the notes set out on pages 10 to 14.

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Korvest Ltd
Condensed statement of financial position as at 31 December 2023

<i>In thousands of AUD</i>	Note	31 Dec 23	30 Jun 23
Current Assets			
Cash and cash equivalents		8,818	8,940
Investments		275	275
Trade and other receivables	10	17,698	18,864
Prepayments		863	537
Inventories		16,714	16,791
Lease receivable		169	-
Total current assets		44,537	45,407
Non-Current Assets			
Property, plant and equipment		21,884	20,353
Right-of-use asset		7,554	4,896
Lease receivable		1,523	-
Total non-current assets		30,961	25,249
Total assets		75,498	70,656
Current Liabilities			
Trade and other payables		8,293	9,671
Employee benefits		3,439	3,274
Tax payable		993	664
Lease liabilities		1,079	776
Total current liabilities		13,804	14,385
Non-Current Liabilities			
Deferred tax liabilities		2,236	2,460
Employee benefits		407	355
Lease liabilities		8,200	4,418
Total non-current liabilities		10,843	7,233
Total liabilities		24,647	21,618
Net assets		50,851	49,038
Equity			
Issued capital	12	14,424	14,395
Retained earnings		-	-
Reserves		36,427	34,643
Total equity attributable to owners of the Company		50,851	49,038
Total equity		50,851	49,038

The Condensed statement of financial position is to be read in conjunction with the notes set out on pages 10 to 14.

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Korvest Ltd**Condensed statement of cash flows for the half-year ended 31 December 2023***In thousands of AUD*

	Note	31 Dec 23	31 Dec 22
Cash flows from operating activities			
Cash receipts from customers		62,039	61,499
Cash payments paid to suppliers and employees		(52,804)	(53,851)
Interest received		215	27
Interest received lease receivable		22	-
Interest paid lease liabilities		(191)	(70)
Income taxes paid		(2,406)	(3,195)
Net cash provided by operating activities		6,875	4,410
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		29	20
Acquisition of property, plant and equipment		(2,421)	(551)
Net cash used in investing activities		(2,392)	(531)
Cash flows from financing activities			
Transaction costs related to the issue of share capital		(6)	(6)
Payment of lease liabilities		(518)	(402)
Dividends paid		(4,081)	(4,045)
Net cash used in financing activities		(4,605)	(4,453)
Net increase / (decrease) in cash and cash equivalents		(122)	(574)
Cash and cash equivalents at the beginning of the period		8,940	3,556
Cash and cash equivalents at 31 December		8,818	2,982

The condensed statement of cash flows is to be read in conjunction with the notes set out on pages 10 to 14.

Korvest Ltd – 31 December 2023 Half-Year Financial Report
Notes to the Condensed Half-Year Financial Report

1. Reporting entity

Korvest Ltd (the Company) is a company domiciled in Australia.

The annual financial report of the Company as at and for the year ended 30 June 2023 is available upon request from the Company's registered office at 580 Prospect Road Kilburn SA 5084 or at www.korvest.com.au.

2. Statement of compliance

The half-year condensed financial report is a general purpose financial report which has been prepared in accordance with AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the annual financial report of the Company as at and for the year ended 30 June 2023.

This half-year financial report was approved by the Board of Directors on 22 January 2024.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Instrument, amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

3. Significant accounting policies

The accounting policies applied by the Company in this half-year financial report are the same as those applied by the Company in its financial report as at and for the year ended 30 June 2023.

4. Judgements and Estimates

The preparation of the half-year financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial report as at and for the year ended 30 June 2023.

5. Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial report as at and for the year ended 30 June 2023.

6. Revenues and Expenses

In thousands of AUD

(a) Revenue

Sales revenue

Sale of goods and services

	31 Dec 23	31 Dec 22
	51,711	52,952

Disaggregation of revenue is presented in Note 7 Segment Disclosures.

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Korvest Ltd – 31 December 2023 Half-Year Financial Report
Notes to the Condensed Half-Year Financial Report

6. Revenues and Expenses (cont)	31 Dec 23	31 Dec 22
(b) Expenses		
Costs of goods and services sold	31,222	34,657
Sales, marketing and warehousing expenses	8,521	7,611
Distribution expenses	2,283	2,562
Administration expenses	1,775	1,592
Bad and doubtful debts expense net of reimbursement right	53	-
	43,854	46,422

(c) Depreciation	31 Dec 23	31 Dec 22
Buildings	55	55
Plant and equipment	812	680
Total depreciation of property, plant and equipment	867	735
Right-of-use assets	573	423

7. Segment disclosures

The Company has two reportable segments. The business is organised based on products and services. The following summary describes the operations in each of the Company's reportable segments.

- Industrial Products - includes the manufacture of electrical and cable support systems and steel fabrication. It includes the EzyStrut business.
- Production – represents the Korvest Galvanising business, which provides hot dip galvanising services.

Both reportable segments consist of the aggregation of a number of operating segments in accordance with AASB 8 *Operating Segments*.

Information regarding the operations of each reportable segment is included below in the manner reported to the chief operating decision maker as defined in AASB 8. Performance is measured based on segment earnings before interest and tax (EBIT). Inter-segment transactions are not recorded as revenue. Instead a cost allocation relating to the transactions is made based on negotiated rates.

Information about reportable segments

	Industrial Products		Production		Total	
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
<i>In thousands of AUD</i>						
Sales Revenues	46,246	47,877	5,465	5,075	51,711	52,952
Reportable segment profit before tax	7,502	6,310	1,260	711	8,762	7,021
	31 Dec 23	30 Jun 23	31 Dec 23	30 Jun 23	31 Dec 23	30 Jun 23
Reportable segment assets	38,987	38,094	6,353	5,991	45,340	44,085

Korvest Ltd – 31 December 2023 Half-Year Financial Report
Notes to the Condensed Half-Year Financial Report

7. Segment Disclosures (cont)

Reconciliation of reportable segment profit and assets

<i>In thousands of AUD</i>	Note	31 Dec 23	31 Dec 22
Profit			
Total profit or (loss) for reportable segments		8,762	7,021
Gain at inception of sublease	11	319	-
Unallocated amounts – other corporate expenses		(854)	(523)
Profit / (loss) before income tax		<u>8,227</u>	<u>6,498</u>
Assets			
		31 Dec 23	30 June 23
Total assets for reportable segments		45,340	44,085
Land and buildings		10,675	10,730
Right-of-use assets		7,554	4,896
Cash and investments		9,093	9,215
Lease receivable		1,692	-
Unallocated amounts – other assets		1,144	1,730
Total assets		<u>75,498</u>	<u>70,656</u>

Geographical segments

The Company operates predominantly in Australia.

Customers

In the half-year to 31 December 2023 revenues from one customer in the Industrial Products segment represented approximately \$7,564,000 (14.6%) of the Company's total revenues (31 December 2022, \$6,239,000 (11.8%)).

8. Write-down of obsolete inventory

During the half-year ended 31 December 2023 the Company increased its obsolescence provision against inventory by \$143,000 (31 December 2022: \$90,000).

9. Property, plant and equipment

Acquisitions and disposals

During the half-year ended 31 December 2023, the Company acquired assets with a cost of \$2,421,000 (half-year ended 31 December 2022: \$551,000). No assets were acquired through business combinations. Assets with a net book value of \$24,000 were disposed of during the half-year ended 31 December 2023 (half-year ended 31 December 2022: \$9,000), resulting in an \$5,000 profit on disposal (half-year ended 31 December 2022: \$11,000 profit).

Capital commitments

The Company has capital commitments of \$1,098,000 at 31 December 2023 (30 June 2023: \$1,847,000).

10. Trade receivables

In thousands of AUD

	31 Dec 23	30 June 23
Trade receivables	17,845	18,958
Less: Allowance for impairment	(440)	(133)
Add: Reimbursement right	293	39
Net trade receivables	<u>17,698</u>	<u>18,864</u>
Movement in net allowance for impairment		
Balance at 1 July 2023	(94)	
Impairment loss recognised	(53)	
Balance at 31 December 2023	<u>(147)</u>	

11. Leases

During the half-year period the Company entered into leases for two adjoining buildings in New South Wales to accommodate the Sydney EzyStrut branch. One of the buildings has been sublet with the arrangement allowing Korvest to control a common hardstand area between the two buildings. For the building occupied by Korvest, the accounting treatment is the same as applied for other property leases by the Company in its financial report as at and for the year ended 30 June 2023. For the subleased building where Korvest is both lessor and lessee, the AASB16 Leases accounting treatment is as follows:-

- Lessee - the right of use asset is derecognised.
- Lessor – a lease receivable is recognised at an amount equal to the net investment in the lease.
- The difference between these two amounts is recognised in profit or loss at the commencement date of the sublease.
- The lease liability (as lessee) remains in the statement of financial position representing the lease payments owed to the head lessor.
- During the term of the sublease, Korvest recognises both finance income on the sublease and interest expense on the head lease.

The following summarises the impact of these new leases during the period.

<i>In thousands of AUD</i>	Occupied Building	Subleased Building	Total
Right of use asset	3,418	-	3,418
Depreciation of right-of-use asset	(244)	-	(244)
Right-of-use asset as at 31 December 2023	3,174	-	3,174
Lease liability as at 31 December 2023	3,234	1,339	4,573
Lease receivable as at 31 December 2023	-	1,692	1,692
Profit on recognition of lease receivable and derecognition of right-of-use asset		319	319

12. Share Capital

In thousands of AUD

Issued and paid-up capital

	31 Dec 23	30 June 23
11,669,704 ordinary shares fully paid (30 June 2023: 11,576,289)	14,424	14,395

84,814 shares were issued under the Korvest Performance Rights Plan and 8,601 shares were issued under the Korvest Employee Share Bonus Plan.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of the winding up of the Company, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

Employee Share Bonus Plan

The Company issued ordinary shares under the Employee Share Bonus Plan during the period. All employees meeting the service criteria were eligible to participate in the issue. The shares are issued at market value for no consideration.

Shares issued to employees under the Employee Share Bonus Plan are recognised in equity at the fair value of the shares issued less transaction costs. The fair value has been measured consistently with the previous annual report and takes into account that the shares issued are unable to be sold by employees for a period of 7 years after issue.

12. Share Capital (continued)

Korvest Performance Rights Plan

A total of 69,020 Performance Rights were issued in October 2023 (2022: 67,232). The fair value of these rights has been measured consistently with the previous annual report. The total performance rights on issue as at 31 December 2023 is 201,482 (30 June 2023 : 212,276).

Total expenses arising from share-based transactions recognised during the period as part of employee benefit expense were as follows:

<i>In thousands of AUD</i>	31 Dec 23	31 Dec 22
Performance rights issued under Korvest Performance Rights Plan	149	177
Shares issued under Employee Share Bonus Plan	35	33
	184	210

13. Dividends

Dividends paid or provided for by the Company in the current period and the previous corresponding period are:

	Cents per share	Total amount \$'000	Franked / unfranked	Date of payment
31 December 2023				
Final – ordinary	35.0	4,081	Franked	6 September 2023
31 December 2022				
Final – ordinary	35.0	4,045	Franked	2 September 2022
Subsequent events				
Since the end of the half-year, the Directors determined to pay the following dividend				
Interim – ordinary	25.0	2,917	Franked	5 March 2024

The financial effect of these dividends has not been brought to account in this financial report. It will be recognised in the next reporting period.

All dividends paid or determined to pay are fully franked at the tax rate of 30%. The Directors expect that dividends will be fully franked for the foreseeable future.

14. Financial Instruments

Carrying amounts versus fair values

The fair values of all financial assets and liabilities approximate their carrying amounts.

15. Contingent Liabilities and Contingent Assets

There have been no material changes in contingent liabilities or contingent assets since 30 June 2023.

16. Events Subsequent to Reporting Date

No matter or circumstance has occurred subsequent to 31 December 2023 that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent years.

17. Related Parties

There have been no material changes to arrangements with related parties since 30 June 2023.

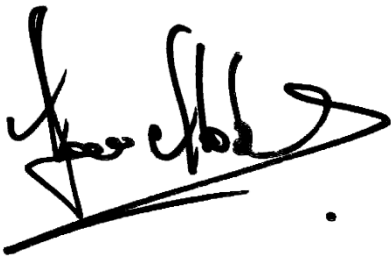
Korvest Ltd
Directors' Declaration

In the opinion of the Directors of Korvest Ltd ("the Company"):

- 1 the condensed financial statements and notes set out on pages 6 to 14, are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the financial position of the Company as at 31 December 2023 and of its performance, for the half-year ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 "*Interim Financial Reporting*" and the *Corporations Regulations 2001*; and
- 2 there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Kilburn this 22nd day of January 2024.

Signed in accordance with a resolution of the Directors:

A handwritten signature in black ink, appearing to read 'A Stobart', with a long horizontal line extending to the right and a small dot below it.

A Stobart
Chairman

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Independent Auditor's Review Report

To the shareholders of Korvest Ltd

Conclusion

We have reviewed the accompanying **Half-Year Financial Report** of Korvest Ltd.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-Year Financial Report of Korvest Ltd (the Company) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Company's** financial position as at 31 December 2023 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Half-Year Financial Report** comprises:

- Condensed statement of financial position as at 31 December 2023;
- Condensed statement of profit or loss and other comprehensive income, Condensed statement of changes in equity and Condensed statement of cash flows for the Half-year ended on that date;
- Notes 1 to 17 comprising a summary of significant accounting policies and other explanatory information;
- The Directors' Declaration.

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*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

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

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 that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Half-Year Financial Report that gives a true and fair view and 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 does not comply with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the Half-year ended on that date, and complying with *Australian 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.



Darren Ball
Partner

Adelaide

22 January 2024

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