

DataDot Technology Limited – December 2023 - Appendix 4D and Financial Report

DataDot Technology Limited attaches the following documents relating to the results for the half year ended 31 December 2023.

- Appendix 4D; and
- Financial Report

These reports have been authorised for release by the Board of Directors of DataDot Technology Limited.

For further information please contact:



Mr Patrick Raper
Company Secretary
DataDot Technology Limited

Phone: +61 2 8977 4900
Email: info@datadotid.com
Web: www.datadotdna.com



APPENDIX 4D
Half Year Report
for the half year ended 31 December 2023

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ABN : 54 091 908 726
8 Ethel Ave
Brookvale NSW 2100
P : (02) 8977 4900
www.datadotdna.com

DataDot Technology Limited

ABN : 54 091 908 726

**Appendix 4D
Half Year Financial Report****Reporting period** **Half year ended 31 December 2023**

Previous reporting period Half year ended 31 December 2022

Results for announcement to the market	31 Dec 23	31 Dec 22	Change	Change
	\$	\$	\$	%
Revenue	1,477,583	1,265,341	212,242	16.77%
Gross Profit	883,919	777,239	106,680	13.73%
Expenses	841,087	873,291	(32,204)	-3.69%
EBITDA	169,271	(71,951)	241,221	335.26%
Profit / (Loss) from ordinary activities after tax attributable to members	18,959	194	18,765	9651.50%
Net Profit / (Loss) attributable to members	18,959	194	18,765	9651.50%
Net tangible asset backing per ordinary share shown in cents	0.0032	0.0030	0.0002	6.67%

Dividends

No dividends were paid or made payable during the half year ended or since 31 December 2023.

Commentary

Please refer to the attached Directors' report which forms part of the financial report for the half year ended 31 December 2023.

Other information*Control gained over entities having a material effect*

N/A

Loss of control over entities having a material effect

N/A

Dividend or distribution reinvestment plans

N/A

Details of associates and joint venture entities

N/A

Audit status

This report is based on accounts that have been subject to review.

Attachments

Additional disclosure requirements can be found in the notes to the attached half year financial report.

Signed By



19 February 2024



Financial Report for the half year ended 31 December 2023

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Directors' Report

for the half year ended 31 December 2023

Your directors submit their report, together with the financial statements of the consolidated entity ("DataDot") consisting of DataDot Technology Limited ("DTL") and the entities it controlled at the end of or during the half year ended 31 December 2023.

Directors

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

Mr Ray Carroll (Chairman) – Retired 27 November 2023

Mr David Lloyd (Chairman of the Audit and Risk Management Committee until 10 November 2023)

Mr Bradley Kellas (Managing Director)

Mr Patrick Raper – Appointed 29 September 2023

– (Chair of the Audit and Risk Management Committee from 10 November 2023)

Principal activities

The principal activities of DataDot during the half year were:

- (a) to manufacture and distribute asset identification and digital theft protection solutions that include:
 - DataDotDNA[®] - polymer and metallic microdots; and
 - High security DataTraceID[®] authentication

- (b) To develop and provide customised asset protection and recovery solutions including:
 - Asset Registers – databases that record asset identification data from the public and commercial organisations.
 - VAULT branded asset protection and recovery services, together with a range of bespoke DatadotDNA branded asset identification and related security products.

There has not been any significant change in the nature of these activities during the half year.

Review of operations

The Group has posted a first half-year profit before tax of \$32.0k from its trading operations. This is improvement \$222.1k on the \$190.1k trading loss before tax achieved in the prior comparable period ("pcp"). Total revenue for the half year is up by \$212.2k (16.7% from the pcp) to \$1,477.5k.

The major contribution to this increase in revenue has been the strong growth in product sales, which have more than offset the weakness in Royalty revenues.

- Royalty revenues were \$147.4k, a decrease of \$20.4k (12.2%) from the pcp.
- Product sale revenues were \$1,231.3k, an increase of \$225.4k (22.4%) from the pcp.
- Cost of sales were \$593.7k, an increase of \$105.6k (21.6%) from the pcp.
- Overheads were \$952.1k, a decrease of \$25.1k (2.6%) from the pcp.

The decrease in Royalty revenues reflects a slow down in both the South African and Taiwan OEM markets. Dot sales rebounded during the period with Dot product sales from Europe increasing by 28.5%, combining with 32% increase in Dot product sales in the US and 7% increase in Australia on the pcp. Trace product sales and Direct Business and Consumer sales decreased by 46.2% and 27.5% respectively both off a low base from the pcp.

The Group was also able to hold its cost of sales expenses to only a small 1% increase against the pcp even with the higher sales volume. This is a strong result in the current inflationary environment and demonstrates our continued focus on cost containment.

Overhead expenses for the current period were \$952.1k, compared to \$977.2k in the pcp, with the decrease being substantially attributable to reduced staff costs compared with the pcp.

As 31 December 2023, the company's cash position and the balance sheet remain strong. Net assets at 31 December 2023 remained steady at \$9,310.6k compared to \$9,269.3k at 30 June 2023. Cash and Cash Equivalents at 31 December 2023 were \$1,711.5K compared to \$2,117K at 30 June 2023. In addition, an additional \$500.0k has been placed on term deposit to bring the balance to \$1,250K at 31 December 2023.

Outlook

As outlined at the 2023 AGM, the Board remains steadfast in its commitment to augmenting our traditional Dots business, transitioning towards becoming a full-service integrated digital and physical ID provider. This evolution leverages our core strengths, originating from our Dots business, to offer comprehensive identification and recovery services. Our target sectors, including insurers, the industrial hire industry, leased/financed assets, and consumer product dealerships, are all supported by our extensive asset databases through PropertyVAULT and our increased capability and shift towards a full-service model.

Since the year-end report, we've made notable progress in our collaborations with both general and bespoke asset insurers. Particularly noteworthy is our advancement to the next phase of scoping a trial with a tier one general insurer, which signifies a pivotal step towards broadening our service offerings. Additionally, our engagement with the hire and finance businesses is gaining momentum, especially with the utilisation of the customised PropertyVAULT (Hire) portal for encumbered assets. This digital tool enhances the visibility and traceability of assets throughout their lifecycle.

The first half of FY 2024 witnessed encouraging growth across our direct automotive sales channels, particularly in the US, UK and Australia. This success is attributed to the easing of supply chain constraints and our proactive engagement with distributors and customers to capitalise on growth opportunities. Despite the ongoing conflict in Ukraine, which continues to suppress royalty income from our distribution partners, our resilience and adaptability have been evident.

Notably, our micro-dot sales through our UK subsidiary saw an increase of \$110.4k compared to the previous corresponding period (pcp). This growth, primarily driven by our existing client base in the UK, underscores the potential for further expansion in this market. While we anticipate a moderation of growth rates in the latter half of this financial year, the foundation for sustained success is well-established.

Despite the inherent global market uncertainties and the extended lead times in securing and capitalising on new revenue streams, our strong balance sheet, robust working capital position, and stable product sales across key markets position us favourably for future growth. Our ongoing investment in the redesign and standardisation of product ranges through PropertyVAULT, alongside our transition to a fully integrated service model, underscores our commitment to revenue diversification and long-term profitability.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the half year ended 31 December 2023 has been received and can be found on page 8 of the financial report.

Signed in accordance with a resolution of the Board of Directors, pursuant to section 306(3)(a) of the Corporation Act 2001.



Brad Kellas
Managing Director and CEO

19 February 2024 - Sydney

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF DATADOT TECHNOLOGY LIMITED**

I declare that, to the best of my knowledge and belief, in relation to the audit of DataDot Technology Limited for the half-year ended 31 December 2023 there have been:

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

This declaration is in respect of DataDot Technology Limited and the entities it controlled during the period.

AMW Audit
AMW AUDIT
Chartered Accountants



BILLY-JOE THOMAS
Director

Dated at Perth, Western Australia this 19 February 2024

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Consolidated Statement of Profit or Loss

for the half year ended 31 December 2023

	Notes	31 Dec 2023 \$	31 Dec 2022 \$
Revenue			
Sale of goods		1,258,993	1,035,461
Service and licence fees		71,227	62,063
Royalties		147,363	167,817
		1,477,583	1,265,341
Cost of sales		593,664	488,102
Gross Profit		883,919	777,239
Other income	2	126,438	24,101
Expenses			
Administrative expenses		741,330	781,636
Marketing expenses		73,246	60,942
Occupancy expenses		22,770	24,129
Travel expenses		3,741	6,584
		841,087	873,291
EBITDA		169,271	(71,951)
Depreciation, Amortisation and Impairment		127,166	110,943
Finance costs		10,116	7,224
Profit / (loss) before income tax expense		31,988	(190,118)
Income tax (benefit) / expense	6	13,029	(190,312)
Profit after income tax expense for the period		18,959	194
Profit for the period attributable to :-			
Owners of DataDot Technology Limited		18,959	194
Basic profit per share (cents per share)		0.00	0.00
Diluted profit per share (cents per share)		0.00	0.00

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

for the half year ended 31 December 2023

	31 Dec 2023 \$	31 Dec 2022 \$
Profit after income tax expense for the period	18,959	194
Other comprehensive income :-		
Items that may be classified subsequently to profit or loss :-		
Exchange difference on translation of foreign operations	<u>22,361</u>	<u>(1,314)</u>
Total comprehensive income for the period net of tax	<u>41,320</u>	<u>(1,119)</u>
Total comprehensive income attributable to :-		
Owners of DataDot Technology Limited	<u>41,320</u>	<u>(1,119)</u>

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

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Consolidated Statement of Financial Position

as at 31 December 2023

	Notes	31 Dec 2023 \$	30 Jun 2023 \$
Current Assets			
Cash and cash equivalents	5	1,711,536	2,117,501
Financial assets		1,250,000	750,000
Trade and other receivables		625,857	523,409
Inventories		420,055	452,460
Sundry Debtors		59,323	46,351
Total Current Assets		4,066,771	3,889,721
Non-Current Assets			
Deferred Tax Assets	6	5,481,217	5,489,215
Plant and equipment		709,015	825,380
Investments		2,948	2,948
Total Non-Current Assets		6,193,180	6,317,543
Total Assets		10,259,951	10,207,264
Current Liabilities			
Trade and other payables		322,711	295,516
Employee benefits		117,822	98,970
Provisions		7,105	7,105
Other current liabilities		263,357	224,286
Total Current Liabilities		710,995	625,877
Non-Current Liabilities			
Employee benefits		9,996	6,595
Other non-current liabilities		228,340	305,492
Total Non-Current Liabilities		238,336	312,087
Total Liabilities		949,331	937,964
Net Assets		9,310,620	9,269,300
Equity			
Issued capital	7	41,415,295	41,415,295
Accumulated losses		(32,409,302)	(32,428,262)
Reserves		304,627	282,267
Total Equity		9,310,620	9,269,300

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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Consolidated Statement of Changes in Equity

for the half year ended 31 December 2023

	Attributable to equity holders of the parent					Total equity \$
	Issued capital \$	Accumulated losses \$	Foreign currency translation reserve \$	Employee equity benefit reserve \$	Other reserve \$	
Balance at 1 July 2022	41,612,795	(32,312,892)	(8,270)	387,598	-	9,679,231
Profit after income tax expense for the period	-	194	-	-	-	194
Other comprehensive income for the period, net of tax	-	-	(1,314)	-	-	(1,314)
Total comprehensive income for the period	-	194	(1,314)	-	-	(1,119)
Balance at 31 December 2022	41,612,795	(32,312,698)	(9,583)	387,598	-	9,678,112
Balance at 1 July 2023	41,415,295	(32,428,262)	(8,432)	290,699	-	9,269,300
Profit after income tax expense for the period	-	18,959	-	-	-	18,959
Other comprehensive income for the period, net of tax	-	-	22,361	-	-	22,361
Total comprehensive income for the period	-	18,959	22,361	-	-	41,320
Share Issue Costs	-	-	-	-	-	-
Balance at 31 December 2023	41,415,295	(32,409,303)	13,929	290,699	-	9,310,620

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

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Consolidated Statement of Cash Flows

for the half year ended 31 December 2023

	Notes	31 Dec 2023 \$	31 Dec 2022 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,616,721	1,416,033
Payments to suppliers and employees (inclusive of GST)		(1,551,710)	(1,628,926)
Interest paid		(10,116)	(7,224)
Income tax paid		(5,031)	(5,870)
Net cash flows (used in) / received from operating activities		49,864	(225,987)
Cash flows from investing activities			
Interest received		32,612	10,497
Payments for financial assets		(500,000)	-
Purchase of plant and equipment		(10,801)	(9,914)
Net cash flows used in investing activities		(478,189)	583
Cash flows from financing activities			
Proceeds from capital raising		-	-
Proceeds from convertible notes issued		-	-
Proceeds from Borrowings		-	-
Net cash flows from financing activities		-	-
Net increase / (decrease) in cash and cash equivalents		(428,325)	(225,404)
Cash and cash equivalents at the beginning of the financial period		2,117,501	3,179,549
Effect of exchange rate changes on cash and cash equivalents		22,360	223
Cash and cash equivalents at end of period	5	1,711,536	2,954,368

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

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1 Summary of significant accounting policies

The financial statements cover DataDot Technology Limited as a consolidated entity consisting of DataDot Technology Limited and its subsidiaries. The financial statements are presented in Australian dollars, which is DataDot Technology's functional and presentation currency.

DataDot Technology Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors on 19 February 2024.

Basis of preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Amended Standards Adopted by the Group

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

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

2 Other Income

	31 Dec 2023	31 Dec 2022
	\$	\$
Interest income	32,612	10,497
Government grant*	-	-
Profit /(Loss) on Disposal of Assets	-	-
Insurance recovery revenues	-	-
Equipment loan income	-	6,171
Sundry Income	93,827	7,433
	126,438	24,101

* There are no unfulfilled conditions or contingencies attached to the grant.

Notes to the Financial Statements

for the half year ended 31 December 2023

3 Expenses

The consolidated statement of profit or loss includes the following specific expenses :-

<i>Cost of sales</i>		
Stock obsolescence	5,817	11,858
<i>Administrative expenses</i>		
Net gain / (loss) on foreign currency	(29,169)	(12,868)
Employee benefits	372,782	442,500
Employee share based expenses	-	-
Superannuation expenses	39,190	51,162
Depreciation	25,812	31,608
Amortisation	101,354	79,335
	<u>509,969</u>	<u>591,737</u>
<i>Occupancy expenses</i>		
Outgoings	<u>22,770</u>	<u>24,129</u>
<i>Finance costs</i>		
Convertible Notes and Bank loans and overdrafts	-	-
Finance charges payable under finance leases and hire purchase contracts	10,116	7,224
	<u>10,116</u>	<u>7,224</u>

4 Fair values of financial instruments

Unless otherwise stated, carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables assume to approximate their fair values due to their short term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

5 Cash and cash equivalents

	31 Dec 2023	31 Dec 2022
<i>Reconciliation of cash</i>	\$	\$
Cash at the end of the financial period shown in the consolidated statement of cash flows is reconciled as follows		
Cash at bank and on hand	1,711,536	2,954,368
Bank overdraft	-	-
Balance as per statement of cash flows	<u>1,711,536</u>	<u>2,954,368</u>

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Notes to the Financial Statements

for the half year ended 31 December 2023

		31 Dec 2023	31 Dec 2022
		\$	\$
6	Income Tax		
	(a) Major components of tax expenses		
	Current income tax expense	6(b) -	-
	Deferred tax	6(c) 7,997	(196,182)
	Withholding tax	6(b) 5,032	5,870
	Income tax expense	<u>13,029</u>	<u>(190,312)</u>
	(b) The prima facie tax on loss before income tax is reconciled to the income tax		
	Profit / (Loss) before income tax expense	31,990	(190,118)
	Net profit / (loss) before income tax expense at the statutory income tax rate of 25% (2023: 25%)	7,998	(47,529)
	Foreign tax rate adjustment	138	(6,926)
	Income not subject to tax	-	-
	Research and development expenditure added back	-	-
	Expenditure not allowable	-	199
	Other timing differences	630	13,051
	Tax losses and tax offsets not recognised as deferred tax assets	(40,887)	(25,464)
	Temporary timing differences	40,118	(129,512)
	Withholding tax	5,032	5,870
	Aggregate income tax expense	<u>13,029</u>	<u>(190,312)</u>
	(c) Recognised deferred tax assets and liabilities	31 Dec 2023	30-Jun-23
	Opening balance	5,489,214	5,701,507
	Temporary differences brought to account (Australian Group)	32,890	106,097
	Tax losses and temporary differences utilised during period	(40,887)	(318,390)
	Closing balance	<u>5,481,217</u>	<u>5,489,214</u>

7 Equity - Contributed equity

	31-Dec-23	30-Jun-23	31-Dec-23	30-Jun-23
	Shares	Shares	\$	\$
Ordinary shares	<u>1,243,869,466</u>	<u>1,243,869,466</u>	<u>41,415,295</u>	<u>41,415,295</u>
	Date	No of Shares	\$	
Balance 1 July 2023	1-Jul-23	1,243,869,466	41,415,295	
Issue of Shares		-	-	
		<u>1,243,869,466</u>	<u>41,415,295</u>	
Share Issue transactions costs		-	-	
Balance 31 December 2023		<u>1,243,869,466</u>	<u>41,415,295</u>	

8 Segment Information

Segment descriptions

DataDot 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.

Management has reviewed the segments and determined the group is organised into business units based on their product and services and accordingly has three reportable segments. Discrete financial information about each of these operating businesses is reported to the executive management team on at least a monthly basis.

Products and services by segment

Three reportable segments have been identified as follows:

OEMs and Distributors – the manufacture and wholesale supply of DataDotDNA® polymer and metallic microdots to manufacturers (OEMs) for application to their own products, and to authorised distributors and wholesale customers in overseas markets for on-sale under their own brands. Revenues in this segment include royalties and licensing fees associated with these distributorships.

DataTraceID® – a high speed, high security, machine readable system for authenticating materials, products, and assets.

Direct Business and Consumer sales – all activities that have a direct to business and/or consumer focus and includes on-line, retail and dealer sales of the newly developed range of DatadotDNA products kits, Vault branded security products, and Vault facilitated stolen property recovery and insurance sales commissions.

Accounting policies and intersegment transactions

The accounting policies used by DataDot in reporting segments internally is the same as those contained in the prior period with the exception of the new policies adopted as disclosed in Note 1. The adoption of these policies did not have a material impact on segment reporting. Intersegment pricing is determined on an arm's length basis. Intersegment transactions are eliminated on consolidation.

The following tables present the revenue, profit/(loss) before tax, assets and liabilities information regarding operating segments for half years ended 31 December 2023 and 31 December 2022.

Notes to the Financial Statements

for the half year ended 31 December 2023

8 Segment Information (continued)

Segment Performance	OEM & Distributors DataDotDNA	DataTraceID	Direct to Business & Consumer	Eliminations	Total
Period ended 31 December 2023	\$	\$	\$	\$	\$
Revenue from external customers	1,310,136	111,749	55,698	-	1,477,584
Intersegment revenue	9,957	0	-	(9,957)	-
Total revenue	1,320,094	111,749	55,698	(9,957)	1,477,584
Gross profit	753,530	103,161	27,228	-	883,920
Depreciation and amortisation	(104,496)	(11,582)	(11,088)	-	127,166
Finance revenue	-	-	-	-	32,612
Finance costs	(10,116)	-	-	-	10,116
Income tax expense / (benefit)	1,606	33,483	(22,060)	-	13,029
Net (loss) / profit after income tax	2,337	48,720	(32,098)	-	18,959
Segment assets	12,105,751	340,825	139,821	(2,326,446)	10,259,951
Segment liabilities	908,385	2,367,393	-	(2,326,446)	949,331
Period ended 31 December 2022	\$	\$	\$	\$	\$
Revenue from external customers	1,033,482	140,238	79,037	-	1,735,973
Intersegment revenue	12,585	178	-	(12,763)	0
Total revenue	1,046,067	140,416	79,037	(12,763)	1,735,973
Gross profit	633,933	49,969	-	-	949,480
Depreciation, amortisation and disposals	(93,071)	(9,674)	(8,199)	-	(110,944)
Finance revenue	-	-	-	-	-
Finance costs	(7,224)	-	-	-	(7,224)
Income tax expense/(benefit)	(190,312)	-	-	-	(190,312)
Net profit / (loss) after income tax	(60,980)	81,424	(20,249)	-	195
Segment assets	12,611,358	280,800	196,314	(2,400,277)	10,688,195
Segment liabilities	1,090,654	2,319,706	-	(2,400,277)	1,010,083

9 Events after the reporting period

There are no events after the reporting period end date.

Directors' Declaration

for the half year ended 31 December 2023

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half year ended on that date;
- 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

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Brad Kellas
Managing Director & CEO

19th February 2024 - Sydney

Independent Auditor's Review Report to the Members of DataDot Technology Limited

Conclusion

We have reviewed the half-year financial report of DataDot Technology Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, notes comprising a statement of accounting policies and other explanatory information, 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 half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Directors' responsibility 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 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.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 2023 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

AMW Audit

AMW AUDIT

Chartered Accountants



BILLY-JOE THOMAS

Director

Dated at Perth, Western Australia this 20 February 2024

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