

27 February 2024

The Manager
ASX Market Announcements
Australian Securities Exchange Limited
Sydney NSW 2000

Kaddy Limited
2023 Interim Financial Report

KDY encloses for release to the market the Interim Financial Report for the six months ended 31 December 2022.

Authorised by

Graham Burdis
Company Secretary

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Appendix 4D

For the half year ended 31 December 2022

Details of the reporting period and the previous corresponding period

Current period: 1 July 2022 to 31 December 2022

Previous corresponding period: 1 July 2021 to 31 December 2021

Results for announcement to the market

Key Information	Half-year ended 31 December 2022	Half-year ended 31 December 2021	Change %
Revenue from ordinary activities	11,834,684	8,452,455	40.0%
Total profit/(loss) from ordinary activities for the period attributable to members	(52,241,177)	(8,614,452)	(506.4)%
Net profit/(loss) for the period attributable to Members	(52,241,177)	(8,614,826)	(506.4)%

It is proposed that the company will not pay any dividends.

Operating Revenue in 1H FY2023 was \$11.83m, up 40.0% on 1H FY2022 total of \$8.45m. The total comprehensive loss in 1H FY2023 was \$52.24m up 506% on 1H FY2022 total of \$8.62m.

This loss includes a \$29.19m one-off non-cash impairment of intangible assets which originally resulted from the Parton and Kaddy acquisitions completed during FY22. The entirety of those intangible assets has been impaired as of 31 December 2022.

This impairment impacted the Financial Performance of the business without impacting the cash position of the Group.

Key Information	31 December 2022	31 December 2021	Change %
Net tangible assets per security			
Number of securities	135,730,084	59,580,049	
Net tangible assets per security	\$(0.136)	\$0.134	-198.5%

There were no entities over which control has been gained or lost during the period.

No dividends have been paid or declared during the period.

There was no dividend reinvestment plan in operation during the period.

There were no associates or joint ventures during the period.

This report is based on the Half Year Financial Report which has been subject to review by the Auditors. All the documents comprise the information required by Listing Rule 4.2A.

It should be noted that the Auditor in their report highlighted that the consolidated financial statements have been prepared on a non-going concern basis, as a result of the appointment of voluntary administrators and the effectuation of a Deed of Company Arrangement. This is detailed in Note 2(b) of the Notes to the Financial Statements.

KADDY LIMITED

ABN 59 086 435 136



kaddy

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Page
Corporate Directory	2
Directors' Report	3
Auditor's Independence Declaration	9
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	10
Condensed Consolidated Statement of Financial Position	11
Condensed Consolidated Statement of Changes in Equity	12
Condensed Consolidated Statement of Cash Flows	14
Notes to the Consolidated Financial Statements	15
Directors' Declaration	25
Independent Auditor's Review Report	26

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DIRECTORS

Thomas Amos – Non-Executive Director Appointed 30 June 2023
Chooi Peng Teh – Non-Executive Director Appointed 30 June 2023
Brian Goodridge – Non-Executive Director Appointed 30 March 2023
Paul Evans – Non-Executive Chair Resigned 30 June 2023
James Walker -Non-Executive Director Resigned 30 June 2023
Michael Abbott -Resigned 30 March 2023
Dean Taylor - Resigned 10 October 2022

COMPANY SECRETARY

Graham Burdis

REGISTERED AND PRINCIPAL OFFICE

Level 7, 61 York Street
Sydney NSW 2000
Telephone: (02) 8363 3351
Website: www.kaddy.com.au/

SHARE REGISTRY

Advanced Share Registry Services
110 Stirling Highway
Nedlands, WA, 6009
Telephone: (08) 9389 8033
Facsimile: (08) 9262 3723

AUDITORS

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco WA 6008
Telephone: (08) 9426 0666

LAWYERS

Hamilton Locke
Australia Square, Level 42
264 George St,
Sydney NSW 2000

SOLICITORS

HWL Ebsworth Lawyers
Level 20,
240 St Georges Terrace
Perth WA 6000

SECURITIES EXCHANGE

Australian Securities Exchange Limited (ASX)
Home Exchange - Perth
ASX Code – KDY (Ordinary Shares)

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Your directors present their half year report for Kaddy Limited (formerly DW8 Limited) (referred to hereafter as 'Kaddy' or the 'Company') and its controlled entities ('Group') for the half year ended 31 December 2022.

1. DIRECTORS

The names of the Directors of the Company in office during the half year and up to the date of this report are as follows:

DIRECTORS	POSITION	APPOINTMENT / (RESIGNATION)
Mr. Thomas Amos	Non-Executive Director	Appointed 30 June 2023
Ms. Chooi Peng Teh	Non-Executive Director	Appointed 30 June 2023
Mr. Brian Goodridge	Non-Executive Director	Appointed 30 March 2023
Mr. Steve Voorma	Chief Executive Officer	Appointed 11 October 2022
Mr. Paul Evans	Non-Executive Chair	Appointed 1 November 2019 / Resigned 30 June 2023
Mr. James Walker	Non-Executive Director	Appointed 30 September 2019 / Resigned 30 June 2023
Mr. Michael Abbott	Executive Director	Appointed 8 December 2021 / Resigned 30 March 2023
Mr. Dean Taylor	Chief Executive Officer	Resigned 10 October 2022

Directors were in office for the whole of the financial period and to the date of this report unless otherwise stated.

2. PRINCIPAL ACTIVITIES

Kaddy Limited is an Australian publicly listed technology company is a unique and innovative technology platform which provides beverage suppliers with an end-to-end supply chain solution that allows them to connect with buyers, simplify operations, streamline payments and fulfil trade orders.

Operating under our tag line 'Less work. **More business.**' Our platform consists of the following:



Kaddy Marketplace: a one-stop shop for wholesale beverages discovery, ordering, invoicing and payments. Buyers have access to a broader range of products, a streamlined ordering and invoicing process, and flexible payment options. Suppliers can also connect with a diverse range of venues and retailers, creating opportunities to simplify back-office functions, increase sales opportunities, distribution and reach while improving cash flow.



Kaddy Fulfilment: offers the beverages industry a suite of specialised fulfilment solutions, including warehousing, inventory management and nationwide delivery services. With a fleet servicing major capitals across Australia, it provides suppliers with a fast, efficient and reliable delivery solution.



Kaddy Community: a platform providing the latest news, insights and trends of the beverage industry. Kaddy Community helps users to expand brand reach with awareness and distribution opportunities while leveraging Kaddy Marketplace trading data to provide market foresight, complemented by exclusive content - including interviews with key industry stakeholders. Community also serves as a first touchpoint for Marketplace and a gateway into Kaddy services.

On 4 May 2023, Rajiv Goval, Chris Johnson and Joseph Hayes of Wexted Advisors were appointed as Voluntary Administrators of the entities within the Group, pursuant to Section 436A of the Corporations Act 2001. The Administrators were to undertake an urgent assessment of the Group, in order to determine to sell the business as a going concern or recapitalisation via Deed of Company Arrangement (DOCA).

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3. CORPORATE STRUCTURE

Kaddy Limited is a Company limited by shares that is incorporated and domiciled in Australia (the Company). The Company is listed on the Australian Securities Exchange ('ASX') under ASX code KDY and whose shares are publicly traded on the Australian Securities Exchange Limited. The Company changed its name from DW8 Limited during the period as part of its approach to integrate the business and trade as one unified brand, Kaddy. An overview of Kaddy (the Group) is shown below:

Kaddy Pty Limited	- Parent Entity
Kaddy Australia Pty Ltd	- 100% owned controlled entity
Kaddy Fulfilment Pty Ltd	- 100% owned controlled entity
Wine Depot Holdings Pty Ltd	- 100% owned controlled entity
Wine Delivery Australia Pty Ltd	- 100% owned controlled entity
DW8 (Property) Pty Limited	- 100% owned controlled entity
CGWDH Pty Ltd	- 100% owned controlled entity (dormant)
Dawine (HK) Limited	- 100% owned CGWDH Pty Ltd (dormant)

4. REVIEW OF OPERATIONS

FINANCIAL PERFORMANCE

Operating Revenue in 1H FY2023 was \$11.83m, up 40.0% on 1H FY2022 total of \$8.45m.

The total comprehensive loss in 1H FY2023 was \$52.24m up 506% on 1H FY2022 total of \$8.62m.

This loss includes a \$29.19m one-off non-cash impairment of intangible assets which originally resulted from the Parton and Kaddy acquisitions completed during FY22., The entirety of those intangible assets has been impaired as of 31 December 2022.

This impairment impacted the Financial Performance of the business without impacting the cash position of the Group.

CORPORATE

Management Change

As part of a leadership team rebuild, several management changes took place with the appointment of key personnel.

Internationally experienced executive Steve Voorma was appointed as Chief Executive Officer to bring leadership, renewed energy and focus, in October 2022.

Andrew Ong was appointed as Chief Financial Officer, in December 2022.

4. REVIEW OF OPERATIONS (continued)

CORPORATE

Funding

Capital raise – August 2022: Funding was agreed with US-based institutional investor, New Technology Capital Group, LLC (NTCG), for up to a maximum of \$5m. To 31 December 2022, \$1.5m had been received under the share placement agreement.

Capital raise – December 2022: The Company raised \$1.724m in December 2022 via a convertible note (cash received). Singaporean based strategic investor Triton Growth Management Pte Ltd (Triton) invested \$700k and \$1.024m was raised from existing major shareholders, senior management and directors, including CEO Steve Voorma. The Company separately announced a small investment of \$50k in Notes on the same terms in late December.

As announced on 19 December 2022, Singapore based strategic investor Triton Growth Management Pte Ltd (Triton) invested \$0.7m (before costs) into Kaddy via a Convertible Note. Triton also agreed to invest up to \$7.0m (before costs). Triton and Kaddy have amended the previously executed agreement to reflect the fact that it is not anticipated that Triton will invest further funds.

Given the Company and Controlled Entities entered Voluntary Administration on 4 May 2023, and on 3 July 2023, a Deed of Company Arrangement was effectuated, no further funding will be received from the parties outlined above.

Name change and ASX ticker change

The Company changed its name change to Kaddy Limited (ASX: KDY) and this was approved at the Company's AGM on 29 November 2022. Kaddy is now a unified operating brand across Fulfilment and Marketplace divisions and operates solely in B2B (exited B2C).

Consolidation of capital

The Company undertook a consolidation of capital on 1 December 2022 whereby every 25 shares were consolidated into 1 share. The initiative was carried at the Company's AGM on 29 November 2022.

5. FINANCIAL POSITION & OPERATING RESULTS

The financial results of the Group for the half year ended 31 December 2022 are:

	31-Dec-22	30-Jun-22
Cash and cash equivalents (\$)	2,042,254	3,354,414
Net assets (\$)	(18,510,692)	30,047,393

	31-Dec-22	31-Dec-21
Revenue (\$)	11,834,684	8,452,455
Net loss after tax (\$)	(52,241,177)	(8,614,452)

6. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 4 May 2023, Rajiv Goval, Chris Johnson and Joseph Hayes of Wexted Advisors were appointed as Voluntary Administrators of the entities within the Group, pursuant to Section 436A of the Corporations Act 2001. The Administrators were to undertake an urgent assessment of the Group, in order to determine to sell the business as a going concern or recapitalisation via Deed of Company Arrangement (DOCA).

On 3 July 2023, the Company announced that it executed a Deed of Company Arrangement (DOCA) on 30 June 2023.

The DOCA was wholly effectuated by its terms under S445(c) Corporations Act 2021, on 4 July 2023.

The holders of convertible loan notes are not participants in the DOCA, therefore all liabilities associated with the convertible loan notes remain as a liability of the company going forward.

The DOCA gave effect to the Deed Proposal made by Lecca (A) Pty Limited (or party nominated by Lecca Group Pte Limited) which was approved by creditors of the Company at the creditors' meeting held on 8 June 2023. Upon the DOCA being executed, the voluntary administration of the Company terminated. Pursuant to the DOCA, Rajiv Goval, Chris Johnson and Joseph Hayes of Wexted Advisors were appointed administrators of the DOCA (Deed Administrators). The Deed Administrators are responsible for the administration of the DOCA. The DOCA only relates to the listed entity and does not extend to any of its wholly owned subsidiaries, the majority of which are now in liquidation. The subsidiaries are:

Kaddy Australia Pty Ltd (In Liquidation)
Kaddy Fulfilment Pty Ltd (In Liquidation)
Wine Depot Holdings Pty Ltd (In Liquidation)
Wine Delivery Australia Pty Ltd (In Liquidation)

The company's subsidiary CGWDH Pty Ltd was a dormant entity, had no creditors and therefore was returned to the control of its directors on 19 June 2023.

7. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

As announced on 19 December 2022, Singapore based strategic investor Triton Growth Management Pte Ltd (Triton) invested \$0.7m (before costs) into Kaddy via a Convertible Note.

Trading Halt: Pursuant to ASX Listing Rule 17.1 Kaddy requested an immediate trading halt over the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested until the earlier of commencement of trading on Tuesday 28 February 2023, or the company releasing the Announcement.

Extension of Voluntary Suspension: Pursuant to ASX Listing Rule 17.2 Kaddy requested a further extension of the voluntary suspension of the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested from the commencement of trading on Tuesday 7 March 2023 until the company makes the Announcement to the market, which it expected to make on or before Tuesday 14 March 2023.

Extension of Voluntary Suspension: Pursuant to ASX Listing Rule 17.2 Kaddy requested a further extension of the voluntary suspension of the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested from the commencement of trading on Wednesday 23 March 2023 until the company makes the Announcement to the market, which it expected to make on or before Tuesday 28 March 2023.

On 30 March 2023, Mr Brian Goodridge was appointed as a non-executive Director. Mr. Michael Abbott resigned as a Director and from his role as Head of Platforms on the same date.

Extension of Voluntary Suspension: Pursuant to ASX Listing Rule 17.2 Kaddy requested a further extension of the voluntary suspension of the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested from the commencement of trading on Tuesday 4 April 2023 until the company makes the Announcement to the market, which it expected to make on or before Tuesday 11 April 2023.

On 5 April 2023, the company announced that 321,241 options Ex \$0.375 expired on 31 March 2023, without exercise or conversion.

On or around 13 July 23 holders of the Convertible notes issued during the year signed an Deed of Amendment and Restatement the main effects of which were to amend the maturity date to 24 months after the resumption of permission

to trade the shares of the company on the ASX and waiving the entitlement to interest, options or any other entitlements. In addition some deeds agreed a reduction in the conversion price from 5c to 2.5c.

7. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD (continued)

Extension of Voluntary Suspension: Pursuant to ASX Listing Rule 17.2 Kaddy requested a further extension of the voluntary suspension of the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested from the commencement of trading on Tuesday 4 April 2023 until the company makes the Announcement to the market, which it expected to make on or before Tuesday 11 April 2023.

Extension of Voluntary Suspension: Pursuant to ASX Listing Rule 17.2 Kaddy requested a further extension of the voluntary suspension of the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested from the commencement of trading on Tuesday 4 April 2023 until the company makes the Announcement to the market, which it expected to make on or before Tuesday 11 April 2023.

On 4 May 2023, Rajiv Goval, Chris Johnson and Joseph Hayes of Wexted Advisors were appointed as Voluntary Administrators of the entities within the Group, pursuant to Section 436A of the Corporations Act 2001. The Administrators were to undertake an urgent assessment of the Group, to determine to sell the business as a going concern or recapitalisation via Deed of Company Arrangement (DOCA).

On 24 May 2023, The Administrators announced the completion of the sale of the "Marketplace" business formerly operated by Kaddy Australia Pty Limited (Administrators Appointed) on 23 May 2023 to Kaddy Marketplace (Aust) Pty Limited who are supported by the Lecca Group. The transaction occurred following an expression of interest campaign. The purchase consideration incorporated a completion payment, forgiving a loan advance to the Administrators to trade on the Marketplace business and assuming associated employee entitlements. The residual sale proceeds were used to pay down secured borrowings and cover the costs of the administration.

On 25 May 2023, The Administrators gave notice of their intention to rely on the relief set out in ASIC Corporations (Externally-Administered Bodies) Instrument 2015/251 ("Instrument") which provides for the deferral of financial reporting obligations for a minimum period of 6 months from the date of appointment of the Administrators and up to a maximum of 24 months from the date of the appointment of the Administrators.

On 3 July 2023, the Company announced that it executed a Deed of Company Arrangement (DOCA) on 30 June 2023.

The DOCA was wholly effectuated by its terms under S445(c) Corporations Act 2021, on 4 July 2023.

The holders of convertible loan notes are not participants in the DOCA, therefore all liabilities associated with the convertible loan notes remain as a liability of the company going forward.

The DOCA gave effect to the Deed Proposal made by Lecca (A) Pty Limited (or party nominated by Lecca Group Pte Limited) which was approved by creditors of the Company at the creditors' meeting held on 8 June 2023. Upon the DOCA being executed, the voluntary administration of the Company terminated. Pursuant to the DOCA, Rajiv Goval, Chris Johnson and Joseph Hayes of Wexted Advisors were appointed administrators of the DOCA (Deed Administrators). The Deed Administrators are responsible for the administration of the DOCA. The DOCA only relates to the listed entity and does not extend to any of its wholly owned subsidiaries, the majority of which are now in liquidation. The subsidiaries are:

Kaddy Australia Pty Ltd (In Liquidation)
Kaddy Fulfilment Pty Ltd (In Liquidation)
Wine Depot Holdings Pty Ltd (In Liquidation)
Wine Delivery Australia Pty Ltd (In Liquidation)

The company's subsidiary CGWDH Pty Ltd was a dormant entity, had no creditors and therefore was returned to the control of its directors on 19 June 2023.

No further matters or circumstances have arisen, since the end of the period, which significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

8. LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATION

Kaddy Limited in the process of seeking to relist on the ASX. The board of directors is exploring opportunities for the company.

9. ENVIRONMENTAL REGULATIONS

There have been no recorded incidents of non-compliance with any applicable international, national or local declarations, treaties, conventions or regulations associated with environmental issues during the year. There have not been any known significant breaches of any environmental regulations during the period under review and up until the date of this report.

10. DIVIDENDS

No dividends were paid during the period and no recommendation is made as to dividends.

11. AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

A copy of the auditor's independence declaration as required under s 307C of the Corporations Act 2001 is set out on page 9.

This Directors' report is signed in accordance with a resolution of the Board of Directors:



Chair

Sydney, New South Wales
Dated: 19 February 2024

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To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of Kaddy Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully



HALL CHADWICK WA AUDIT PTY LTD



D M BELL CA
Director

Dated this 19th day of February 2024
Perth, Western Australia

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KADDY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	Notes	31-Dec-22 \$	31-Dec-21 \$
Revenue		11,834,684	8,452,455
Cost of sales		(9,615,323)	(5,548,206)
Gross profit		2,219,361	2,904,429
Other income	5	2,547,348	7,862
Expenses			
Administration, consulting and other expenses	6	(2,276,464)	(1,411,455)
Research & development		(745,677)	(389,557)
Advertising and marketing expenses		(210,404)	(579,050)
Equipment repairs and maintenance		(24,633)	(177,123)
Salaries and wages		(3,074,452)	(4,627,777)
Director fees		(29,223)	(136,307)
Share based payments		(1,753,190)	(565,729)
Acquisition related expenses		-	(418,423)
Impairment of property, plant and equipment	8	(3,559,279)	-
Depreciation expense	8	(308,013)	(171,254)
Amortisation expense		(39,565)	(39,565)
Amortisation on right of use assets		(14,399,208)	(1,289,658)
Impairment expense	9	(29,194,324)	(1,198,205)
Interest expense		(1,393,455)	(522,640)
Loss from continuing operations before income tax		(52,241,177)	(8,614,452)
Income tax expense		-	-
Loss from continuing operations after income tax		(52,241,177)	(8,614,452)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		-	(373)
Other comprehensive income for the period, net of tax		-	(373)
Total comprehensive loss for the period		(52,241,177)	(8,614,826)
Loss per share attributable to ordinary equity holders (cents)			
- Basic loss per share		(47.85)	(10.98)
- Diluted loss per share		(47.85)	(10.98)

The accompanying notes form part of these financial statements.

KADDY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022



	Notes	31-Dec-22 \$	30-Jun-22 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents		2,042,254	3,354,414
Trade and Other Receivables	7	6,093,554	3,267,507
Other Assets	10	2,292,297	-
Inventories		-	131,266
Total Current Assets		10,428,105	6,753,187
Non-Current Assets			
Plant and Equipment	8	-	3,602,008
Other Assets	10	-	1,947,824
Right of Use Assets	14a	-	14,399,208
Intangible Assets	9	-	29,289,694
Total Non-Current Assets		-	49,238,734
TOTAL ASSETS		10,428,105	55,991,921
LIABILITIES			
Current Liabilities			
Trade and Other Payables	11	5,268,516	4,427,396
Provisions	12	625,620	823,762
Financial Liabilities	13	5,928,248	483,220
Lease Liabilities	14b	17,116,413	2,951,486
Total Current Liabilities		28,938,797	8,685,864
Non-Current Liabilities			
Lease Liabilities	14b	-	15,450,474
Financial Liabilities	13	-	1,060,508
Contingent Consideration	5	-	747,682
Total Non-Current Liabilities		-	17,258,664
TOTAL LIABILITIES		28,938,797	25,944,528
NET (LIABILITIES)/ASSETS		(18,510,692)	30,047,393
EQUITY			
Issued Capital	15	61,309,048	59,597,965
Other Equity	13	152,136	-
Reserves	16	7,294,973	5,475,100
Accumulated losses		(87,266,849)	(35,025,672)
TOTAL EQUITY		(18,510,692)	30,047,393

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The accompanying notes form part of these financial statements.

KADDY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	Issued Capital	Share-based Payment & Option Reserve	Foreign Currency Translation Reserve	Other Equity	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$	\$
At 1 July 2021	23,712,158	2,584,323	60,651	-	(17,560,995)	8,796,137
Comprehensive income:						
Loss for the period	-	-	-	-	(8,614,452)	(8,614,452)
Other comprehensive (loss)	-	-	(373)	-	-	(373)
Total comprehensive loss for the period	-	-	(373)	-	(8,614,452)	(8,614,826)
Transactions with owners in their capacity as owners:						
Securities issued during the period	38,020,642	-	-	-	-	38,020,642
Share based payments		565,729		-	-	565,729
Capital raising costs	(2,152,751)	-	-	-	-	(2,152,751)
Options issue		894,221	-	-	-	894,221
Total equity transactions	35,867,891	1,459,950	-	-	-	37,327,841
At 31 Dec 2021	59,580,049	4,044,273	60,278	-	(26,175,447)	37,509,153

The accompanying notes form part of these financial statements.

KADDY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	Issued Capital	Share-based Payment & Option Reserve	Foreign Currency Translation Reserve	Other Equity	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$	\$
At 1 July 2022	59,597,965	5,414,222	60,878	-	(35,025,672)	30,047,393
Comprehensive income:						
Loss for the period	-	-	-	-	(52,241,177)	(52,241,177)
Other comprehensive (loss)/income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	(52,241,177)	(52,241,177)
Transactions with owners in their capacity as owners:						
Securities issued during the period	1,711,083	66,683	-	152,136	-	1,929,902
Share based payments	-	1,753,190	-	-	-	1,753,190
Total equity transactions	1,711,083	1,819,873	-	152,136	-	3,683,092
At 31 Dec 2022	61,309,048	7,234,095	60,878	152,136	(87,266,849)	(18,510,692)

The accompanying notes form part of these financial statements.

KADDY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	Notes	31-Dec-22	31-Dec-21
		\$	\$
Cash flows used in operating activities			
Receipts from customers		10,279,047	5,126,469
Payments to suppliers and employees		(16,121,686)	(15,850,128)
Interest received		2,023	3,677
Interest paid		(555,108)	-
Net cash flows (used in) operating activities		(6,395,724)	(10,719,982)
Cash flows used in investing activities			
Purchase of plant and equipment		(265,284)	(1,383,959)
Sale of plant and equipment		5,155	-
Acquisition of subsidiary net of cash acquired		-	(6,750,000)
Net cash flows (used in) investing activities		(260,129)	(8,133,959)
Cash flows from financing activities			
Proceeds from issue of securities and securities subscriptions, net of costs		3,352,383	21,420,970
Drawdown from / (Payments to) financial liabilities		2,335,784	(1,452,728)
Funds placed on term deposit as security for property lease bonds		(344,473)	-
Net cash flows from financing activities		5,343,694	19,968,242
Net (decrease) / increase in cash and cash equivalents		(1,312,159)	1,114,301
Cash and cash equivalents at the beginning of the period		3,354,413	6,355,191
Cash and cash equivalents at the end of the period		2,042,254	7,469,492

The accompanying notes form part of these financial statements.

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1. REPORTING ENTITY

Kaddy Limited (referred to hereafter as 'Kaddy' or the 'Company') is a Company domiciled in Australia. The consolidated financial statements of the Company as at and for the half year ended 31 December 2022 comprise the Company and its controlled entities ('Group'). The Group is a for profit entity and its principal business is providing software, logistics services and a marketplace platform facilitating beverage distribution.

The address of the Company's registered office is Level 7, 61 York, Sydney NSW 2000.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The interim consolidated financial statements of Kaddy Limited and its subsidiaries (collectively referred to as the "Group") for the six months ended 31 December 2022 have been prepared in accordance with Accounting Standard AASB134 Interim Financial Reporting and the Corporations Act 2001.

This half year 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 2022 and any public announcements made by Kaddy Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The interim consolidated financial statements were approved by the Board of Directors on.

(b) Basis of Measurement

On 3 July 2023, the Company announced that it executed a Deed of Company Arrangement (DOCA) on 30 June 2023.

The DOCA was wholly effectuated by its terms under S445(c) Corporations Act 2021, on 4 July 2023.

The holders of convertible loan notes are not participants in the DOCA, therefore all liabilities associated with the convertible loan notes remain as a liability of the company going forward.

The DOCA gave effect to the Deed Proposal made by Lecca (A) Pty Limited (or party nominated by Lecca Group Pte Limited) which was approved by creditors of the Company at the creditors' meeting held on 8 June 2023. Upon the DOCA being executed, the voluntary administration of the Company terminated. Pursuant to the DOCA, Rajiv Goval, Chris Johnson and Joseph Hayes of Wexted Advisors were appointed administrators of the DOCA (Deed Administrators). The Deed Administrators are responsible for the administration of the DOCA. The DOCA only relates to the listed entity and does not extend to any of its wholly owned subsidiaries, the majority of which are now in liquidation. The subsidiaries are:

Kaddy Australia Pty Ltd (In Liquidation)
Kaddy Fulfilment Pty Ltd (In Liquidation)
Wine Depot Holdings Pty Ltd (In Liquidation)
Wine Delivery Australia Pty Ltd (In Liquidation)

The company's subsidiary CGWDH Pty Ltd was a dormant entity, had no creditors and therefore was returned to the control of its directors on 19 June 2023.

Based on the above, the Directors have determined that the going concern basis of preparation (as applied in previous years) is no longer appropriate.

Accordingly, these financial statements are not prepared on a going concern basis. The Directors have applied the requirements of paragraph 25 of AASB 101 Presentation of Financial Statements which states that: "When an entity does not prepare financial statements on a going concern basis, it shall disclose that fact, together with the basis on which it prepared the financial statements and the reason why the entity is not regarded as a going concern."

2. BASIS OF PREPARATION (continued)

Impact of adopting the realisation basis of preparation on measurement, classification of assets and liabilities, and disclosures in the financial report

Under the realisation basis of preparation, assets and liabilities are measured at their realisable value. The realisation value of assets is their net realisable value. Net realisable value is based on the proceeds receivable on disposal less realisation costs. The realisation value of liabilities is their expected settlement amount, as agreed with the parties to whom the liabilities are payable. Any gains or losses resulting from measuring assets and liabilities to the realised value are recognised in profit or loss. Under the realisation basis of accounting, all assets and liabilities are classified as current. In adopting the realisation basis, the Directors have continued to apply the disclosure requirements of Australian Accounting Standards, to the extent they are relevant to the realisation basis and have modified them where this is considered appropriate. The accounting policies adopted are consistent with those of the previous financial year except for changes specified related to the adoption of a realisation basis of preparation. Comparative information has not been restated and is measured and presented on a going concern basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this report have been set out below.

(a) Accounting policies

The Group has consistently applied the following accounting policies to all periods presented in the financial statements. The accounting policies are consistent with the most recent annual financial statements.

(b) Accounting Standards that are mandatorily effective for the current reporting period

In the half-year ended 31 December 2022, the Group has reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2022 and there was no significant change on adoption.

4. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the Board of Directors.

The Group operates across 3 reportable segments being Kaddy Fulfilment covering the logistic business (transportation, handling and warehousing), The Marketplace business (Kaddy trading platform) and Kaddy Corporate (that include all activities in relation to the governance of the listed Group). Results are analysed both at segment and Group levels by the chief operating decision maker, this being the Board of Directors. Consequently revenue, Gross Margin and profit for the 3 segments are reflected in this financial report.

	Fulfilment	Marketplace	Corporate	Consolidation
REVENUE				
External sales	11,237,707	596,977	-	11,834,684
Government grant and other income	160,087	1,594,574	-	1,754,661
Total Revenue	11,397,794	2,191,551	-	13,589,345
RESULT				
Segment Result	11,397,794	2,191,551	-	13,589,345
Cost of sales	(8,796,062)	(819,261)	-	(9,615,323)
Operating expenses	(5,626,541)	(636,224)	(705,510)	(6,968,275)
Depreciation and amortisation	(18,249,955)	(16,544)	(39,565)	(18,306,064)
Operating (Loss)	(21,274,764)	719,521	(745,075)	(21,300,317)
Interest income	1,795	228	-	2,023
Reversal of contingent consideration	-	-	785,483	785,483
Interest expense	(803,261)	(7,041)	(583,154)	(1,393,455)
Impairment	(6,565,418)	(22,628,906)	-	(29,194,324)
Share based payments	-	-	(1,753,190)	(1,753,190)
Other non-operating profit income/expenses	-	300	612,302	612,602
(Loss)	(28,641,648)	(21,915,895)	(1,683,634)	(52,241,177)

5. OTHER INCOME

	31-Dec-22	31-Dec-21
	\$	\$
Other income		
Interest income	2,023	3,677
Reversal of contingent consideration	785,483	-
Miscellaneous income	24,566	4,185
Gain on disposal of fixed assets	5,182	-
Government Grants and assistance	1,730,094	-
	2,547,348	7,862

The Government Grants includes \$1,559,636 of R&D Grant.

6. EXPENSES

	31-Dec-22	31-Dec-21
	\$	\$
Administration, consulting, and other expenses		
Corporate consulting fees	345,667	525,452
Subscriptions	312,362	222,867
Short term lease expense	243,805	73,484
Share registry	155,495	81,584
Accounting and company secretary fees	109,076	312,248
Audit fees	97,952	26,053
ASX & ASIC fees	64,813	79,989
Telecommunications expenses	36,871	69,254
Provision for doubtful debts	415,194	-
Other expenses	499,345	20,524
Total Administration, consulting, and other expenses	2,276,464	1,411,455

7. TRADE AND OTHER RECEIVABLES

	31-Dec-22	30-Jun-22
	\$	\$
Trade receivables	5,129,550	3,274,964
Provision for doubtful debts	(778,796)	(366,993)
GST / VAT recoverable	(2,269)	23
Prepayments	185,433	62,772
R&D grant	1,559,636	-
Other receivables	-	296,741
	6,093,554	3,267,507

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KADDY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



8. PROPERTY PLANT AND EQUIPMENT

	OFFICE EQUIPMENT	COMPUTER EQUIPMENT	LEASEHOLD IMPROVEMENT	WAREHOUSE EQUIPMENT	MOTOR VEHICLES	TOTAL
	\$	\$	\$	\$	\$	\$
Half-Year Ended 31 Dec. 2022						
Opening net book amount	373,981	92,597	1,219,904	1,215,144	700,382	3,602,008
Additions	1,625	7,072	-	256,587	-	265,284
Depreciation expense	(34,834)	(26,548)	(60,126)	(116,058)	(70,447)	(308,013)
Impairment expense	(340,772)	(73,121)	(1,159,778)	(1,355,673)	(629,935)	(3,559,279)
Closing net book amount	-	-	-	-	-	-
At 31 December 2022						
Cost	1,351,349	122,621	1,375,682	2,058,060	2,178,805	7,086,517
Accumulated depreciation and impairment	(1,351,349)	(122,621)	(1,375,682)	(2,058,060)	(2,178,805)	(7,086,517)
Net book amount	-	-	-	-	-	-

As a result of the company preparing its financial statements on a non-going concern basis, the property, plant and equipment balance has been impaired (refer Note 2(b)).

	OFFICE EQUIPMENT	COMPUTER EQUIPMENT	LEASEHOLD IMPROVEMENT	WAREHOUSE EQUIPMENT	MOTOR VEHICLES	TOTAL
	\$	\$	\$	\$	\$	\$
Year Ended 30 June 2022						
Opening net book amount	97,790	43,082	-	-	225,205	366,077
Additions from acquisitions	1,244,092	30,416	-	1,380,791	1,977,179	4,632,478
Adjustment/Transfers	(23,865)	17,378	-	-	(8,043)	(14,530)
Additions	114,340	73,116	1,375,682	642,766	17,701	2,223,605
Disposal of assets	-	(600)	-	-	(70,793)	(71,393)
Depreciation expense in relation to acquisitions	(1,000,152)	(30,049)	-	(651,529)	(1,265,467)	(2,947,197)
Depreciation expense	(58,224)	(40,746)	(155,778)	(156,884)	(175,400)	(587,032)
Closing net book amount	373,981	92,597	1,219,904	1,215,144	700,382	3,602,008
Year Ended 30 June 2022						
Cost	1,450,702	173,967	1,375,682	2,023,557	2,178,805	7,202,713
Accumulated depreciation and impairment	(1,076,721)	(81,370)	(155,778)	(808,413)	(1,478,423)	(3,600,705)
Net book amount	373,981	92,597	1,219,904	1,215,144	700,382	3,602,008

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9. INTANGIBLE ASSETS

	WINE DEPOT PLATFORM DEVELOPMENT	GOODWILL WDA	GOODWILL PARTON	GOODWILL KADDY	TOTAL
	\$	\$	\$	\$	\$
Half-Year Ended 31 Dec. 2022					
Opening net book amount	197,826	1,198,207	5,264,756	22,628,905	29,289,694
Business Combination	-	-	(55,805)	-	(55,805)
Impairment expense	(158,261)	(1,198,207)	(5,208,951)	(22,628,905)	(29,194,324)
Amortisation expense	(39,565)	-	-	-	(39,565)
Closing net book amount	-	-	-	-	-
At 31 December 2022					
Cost	395,651	2,396,412	5,309,563	22,628,905	30,730,531
Accumulated amortisation and impairment	(395,651)	(2,396,412)	(5,309,563)	(22,628,905)	(30,730,531)
Net book amount	-	-	-	-	-

	WINE DEPOT PLATFORM DEVELOPMENT	GOODWILL WDA	GOODWILL PARTON	GOODWILL KADDY	TOTAL
	\$	\$	\$	\$	\$
Year Ended 30 June 2022					
Opening net book amount	276,957	2,396,412	-	-	2,673,369
Business Combination	-	-	5,264,756	22,628,905	27,893,661
Impairment expense	-	(1,198,205)	-	-	(1,198,205)
Amortisation expense	(79,131)	-	-	-	(79,131)
Closing net book amount	197,826	1,198,207	5,264,756	22,628,905	29,289,694
At 30 June 2022					
Cost	395,651	2,396,412	5,264,756	22,628,905	30,685,724
Accumulated amortisation and impairment	(197,825)	(1,198,205)	-	-	(1,396,030)
Net book amount	197,826	1,198,207	5,264,756	22,628,905	29,289,694

The recoverable amount of the intangible assets has been re-assessed during the period. Considering the new operating model, trading actives and brand of the Kaddy Group, the entirety of those intangible assets has been impaired as of 31 December 2022 which resulted into a one-off non-cash expense of \$29,194,324.

10. OTHER ASSETS

	31-Dec-22	30-Jun-22
	\$	\$
Bank Term Deposits (security for property lease bank guarantees)	2,292,297	1,947,824
	2,292,297	1,947,824

11. TRADE AND OTHER PAYABLES

	31-Dec-22	30-Jun-22
	\$	\$
Trade and other payables	3,762,779	2,886,935
Accruals	424,008	730,958
GST & Payroll Tax	942,170	728,764
Unearned revenue	3,333	3,583
Other payables	136,226	77,155
	5,268,516	4,427,396

12. PROVISIONS

	31-Dec-22	30-Jun-22
	\$	\$
Employee Leave Liability	625,620	823,762
	625,620	823,762

13. FINANCIAL LIABILITIES

	31-Dec-22	30-Jun-22
	\$	\$
Debtor Financing	2,982,989	423,975
Equity Financing	535,000	-
Convertible Notes	1,454,680	-
Other Financial Liabilities	955,579	59,245
	5,928,248	483,220

The Group has debtor finance facilities agreements with EarlyPay for \$1,000,000 with an interest rate of 8.75% secured against Kaddy Marketplace debtors. As at balance date the undrawn amount was \$242,780.

In Addition, during the period the Group:

- Entered into a debtor finance facilities agreements with Scottish Pacific Business Finance for \$3,000,000 with an interest rate based on 30-day bank bill rate (BBSY) plus 4% secured against Kaddy Fulfilment's assets. As at balance date the undrawn amount was \$774,211.
- Issued convertible notes for a total of \$1,723,500, with a conversion price of 5c, an Interest rate of 10% and options at a ratio of 4 options to 1 note. Options have an exercise price of 10c and an expiry date of 30 June 2023. As at balance date a total of \$1,673,500 has been received. The convertible notes constitute a compound financial instrument with an equity conversion feature of \$152,136.

For equity financing refer to note 15 Issued Capital, the above amount relates to cash received, however shares not yet issued.

14. LEASE LIABILITIES

a. Right-of-use Assets

	\$
Balance at 1 July 2022	14,399,208
Additions	-
Depreciation charge and impairment for the period	(14,399,208)
Balance at 31 December 2022	<u>-</u>

b. Lease Liabilities

	\$
Maturity Analysis	
Less than one year	17,116,413
One to Five Years	-
	<u>17,116,413</u>

c. Other Information

- Short term lease expense is \$564,207.
- Interest expense on lease liabilities is \$682,058
- Total cash outflow from leases is \$2,541,173.

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15. ISSUED CAPITAL

	31-Dec-22		30-Jun-22	
	\$	No.	\$	No.
(a) Fully paid ordinary shares	61,309,048	135,730,084	59,597,965	105,801,525
(b) Movement in ordinary shares		\$		No.
Balance at 1 July 2022		59,597,965		105,801,525
Option Conversion on 10 Aug. 2022		4,263		11,366
Share issue on 24 Aug. 2022		250,000		833,333
Share issue on 24 Aug. 2022		22,000		880,000
Share issue on 27 Sep. 2022		20,000		72,727
Share issue on 27 Sep. 2022		156,620		569,528
Share issue on 30 Sep. 2022		200,000		1,333,333
Share issue on 13 Oct. 2022		250,000		2,500,000
Performance right conversion on 27 Oct. 2022		-		720,000
Performance right conversion on 27 Oct. 2022		-		120,000
Performance right conversion on 27 Oct. 2022		-		219,091
Share issue on 4 Nov. 2022		250,000		5,000,000
Share issue on 11 Nov. 2022		150,000		6,000,000
Share issue on 30 Nov. 2022		160,000		6,400,000
Performance right conversion on 30 Nov. 2022		-		149,545
Share cancellation on 1 Dec. 2022		-		(623,060)
Share consolidation adjustment rounding on 1 Dec. 2022		-		1,952
Share issue on 23 Dec. 2022		155,000		5,740,741
Subscription agreement discount		93,200		-
Balance at 31 Dec. 2022		61,309,048		135,730,084

On 31 Oct 2022 Kaddy announced a share consolidation of 25 to 1 to be determined on 29 Nov 2022 and effective of 1 Dec 2022. Total number of shares issued was rounded by 1,952 shares post consolidation.

The above table represents number of shares on issue post consolidation (with comparatives restated).

During the period, the Group entered into a Subscription Agreement for a maximum of \$5,325,000 where the investor will be issued a variable number of shares at their discretion and based on a rate of 92% of the average of five daily VWAPs in the 20 days prior to the issue of shares.

At balance date the Group had received \$1,500,000 and the remaining shares yet to be issued at a variable issue price amounted to \$535,000. Refer to note 13.

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16. RESERVES

	31-Dec-22	30-Jun-22
	\$	\$
Equity reserve	7,234,095	5,414,222
Foreign currency translation reserve	60,878	60,878
	7,294,973	5,475,100

	31-Dec-22	30-Jun-22
	\$	\$
<u>Movement reconciliation</u>		
Equity reserve		
Opening Balance	5,414,222	2,584,323
Issue of options – convertible loan notes	66,683	-
Issue of options	144,369	1,371,925
Performance rights recognition	1,608,821	1,457,974
Closing Balance	7,234,095	5,414,222

Foreign currency translation reserve		
Opening Balance	60,878	60,651
Effect of translation of foreign currency operations to group presentation	-	227
Closing Balance	60,878	60,878

17. OPTIONS AND PERFORMANCE RIGHTS

OPTIONS UNLISTED

	31-Dec-22	30-Jun-22
	Number of options	
Opening Balance	2,434,616	2,110,000
Movements of options during the year		
Unlisted options exercised	-	(365,384)
Unlisted options issued	3,321,241	810,000
Expired during the year	(344,616)	(120,000)
Closing Balance	5,411,241	2,434,616

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17. OPTIONS AND PERFORMANCE RIGHTS (continued)

PERFORMANCE RIGHTS

	31-Dec-22	30-Jun-22
	Number of performance rights	
Beginning Balance	2,763,860	5,000,000
Movements of Performance rights during the year		
Expired during the year	(500,000)	(500,000)
Performance rights exercised	(149,545)	(4,000,000)
Performance rights issued	8,114,735	2,263,860
Closing Balance	10,229,050	2,763,860

The above table represents number of options and performance rights on issue post consolidation as referred to in note 16.

18. COMMITMENTS

There have been no material changes in commitments since the last annual reporting date.

19. CONTINGENT ASSETS AND LIABILITIES

There have been no material changes in contingent assets or contingent liabilities since the last annual reporting date.

20. DIVIDENDS

There were no dividends paid or declared during the half year ended 31 December 2022.

21. EVENTS SUBSEQUENT TO REPORTING DATE

Trading Halt: Pursuant to ASX Listing Rule 17.1 Kaddy requested an immediate trading halt over the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested until the earlier of commencement of trading on Tuesday 28 February 2023, or the company releasing the Announcement.

Extension of Voluntary Suspension: Pursuant to ASX Listing Rule 17.2 Kaddy requested a further extension of the voluntary suspension of the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested from the commencement of trading on Tuesday 7 March 2023 until the company makes the Announcement to the market, which it expected to make on or before Tuesday 14 March 2023.

Extension of Voluntary Suspension: Pursuant to ASX Listing Rule 17.2 Kaddy requested a further extension of the voluntary suspension of the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested from the commencement of trading on Wednesday 23 March 2023 until the company makes the Announcement to the market, which it expected to make on or before Tuesday 28 March 2023.

On 30 March 2023, Mr Brian Goodridge was appointed as a non-executive Director. Mr. Michael Abbott resigned as a Director and from his role as Head of Platforms on the same date.

Extension of Voluntary Suspension: Pursuant to ASX Listing Rule 17.2 Kaddy requested a further extension of the voluntary suspension of the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested from the commencement of trading on Tuesday 4 April 2023 until the company makes the Announcement to the market, which it expected to make on or before Tuesday 11 April 2023.

On 5 April 2023, the company announced that 321,241 options Ex \$0.375 expired on 31 March 2023, without exercise or conversion.

Extension of Voluntary Suspension: Pursuant to ASX Listing Rule 17.2 Kaddy requested a further extension of the voluntary suspension of the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested from the commencement of trading on Tuesday 4 April 2023 until the company makes the Announcement to the market, which it expected to make on or before Tuesday 11 April 2023.

21. EVENTS SUBSEQUENT TO REPORTING DATE (continued)

Extension of Voluntary Suspension: Pursuant to ASX Listing Rule 17.2 Kaddy requested a further extension of the voluntary suspension of the company's securities pending the release of an announcement in relation to capital raising. The trading halt was requested from the commencement of trading on Tuesday 4 April 2023 until the company makes the Announcement to the market, which it expected to make on or before Tuesday 11 April 2023.

On 4 May 2023, Rajiv Goval, Chris Johnson and Joseph Hayes of Wexted Advisors were appointed as Voluntary Administrators of the entities within the Group, pursuant to Section 436A of the Corporations Act 2001. The Administrators were to undertake an urgent assessment of the Group, in order to determine to sell the business as a going concern or recapitalisation via Deed of Company Arrangement (DOCA).

On 24 May 2023, The Administrators announced the completion of the sale of the "Marketplace" business formerly operated by Kaddy Australia Pty Limited (Administrators Appointed) on 23 May 2023 to Kaddy Marketplace (Aust) Pty Limited who are supported by the Lecca Group. The transaction occurred following an expression of interest campaign. The purchase consideration incorporated a completion payment, forgiving a loan advance to the Administrators to trade on the Marketplace business and assuming associated employee entitlements. The residual sale proceeds were used to pay down secured borrowings and cover the costs of the administration.

On 25 May 2023, The Administrators gave notice of their intention to rely on the relief set out in ASIC Corporations (Externally-Administered Bodies) Instrument 2015/251 ("Instrument") which provides for the deferral of financial reporting obligations for a minimum period of 6 months from the date of appointment of the Administrators and up to a maximum of 24 months from the date of the appointment of the Administrators.

On 3 July 2023, the Company announced that it executed a Deed of Company Arrangement (DOCA) on 30 June 2023.

The DOCA was wholly effectuated by its terms under S445(c) Corporations Act 2021, on 4 July 2023.

The holders of convertible loan notes are not participants in the DOCA, therefore all liabilities associated with the convertible loan notes remain as a liability of the company going forward.

The DOCA gave effect to the Deed Proposal made by Lecca (A) Pty Limited (or party nominated by Lecca Group Pte Limited) which was approved by creditors of the Company at the creditors' meeting held on 8 June 2023. Upon the DOCA being executed, the voluntary administration of the Company terminated. Pursuant to the DOCA, Rajiv Goval, Chris Johnson and Joseph Hayes of Wexted Advisors were appointed administrators of the DOCA (Deed Administrators). The Deed Administrators are responsible for the administration of the DOCA. The DOCA only relates to the listed entity and does not extend to any of its wholly owned subsidiaries, the majority of which are now in liquidation. The subsidiaries are:

Kaddy Australia Pty Ltd (In Liquidation)
Kaddy Fulfilment Pty Ltd (In Liquidation)
Wine Depot Holdings Pty Ltd (In Liquidation)
Wine Delivery Australia Pty Ltd (In Liquidation)

The company's subsidiary CGWDH Pty Ltd was a dormant entity, had no creditors and therefore was returned to the control of its directors on 19 June 2023.

On or around 13 July 23 holders of the Convertible notes issued during the year signed a Deed of Amendment and Restatement the main effects of which were to amend the maturity date to 24 months after the resumption of permission to trade the shares of the company on the ASX and waiving the entitlement to interest, options or any other entitlements. In addition, some deeds agreed a reduction in the conversion price from 5c to 2.5c.

No further matters or circumstances have arisen, since the end of the period, which significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

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In accordance with a resolution of the Directors of Kaddy Limited, I state that:

In the opinion of the Directors:

the financial statements and notes of Kaddy Limited for the half-year ended 31 December 2022 are in accordance with the Corporations Act 2001, including:

- i. complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
- ii. giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the 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 with the continuing support of creditors.

The financial statements have been prepared on a non-going concern basis as a result of Kaddy Limited entering administration of the on 4 May 2023.



Chair

Sydney, New South Wales
Dated: 19 February 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF KADDY LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Kaddy Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other 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 half-year financial report of Kaddy Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *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*. 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* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Emphasis of Matter Regarding Non-Going Concern Basis of Accounting

Without qualifying our conclusion, we draw attention to Note 2(b) in the financial report, which indicates that the consolidated financial statements have been prepared on a non-going concern basis, as a result of the appointment of voluntary administrators and the effectuation of a Deed of Company Arrangement. Our conclusion is not modified in respect of this matter.

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Responsibility of the Directors for the 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 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.

Auditor's Responsibility for the Review of the 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 Consolidated Entity's financial position as at 31 December 2022 and 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.


HALL CHADWICK WA AUDIT PTY LTD


D M BELL CA
Director

Dated this 19th day of February 2024
Perth, Western Australia

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