

## 1. Company details

|                   |                                          |
|-------------------|------------------------------------------|
| Name of entity:   | A1 Investments & Resources Ltd           |
| ABN:              | 44 109 330 949                           |
| Reporting period: | For the half-year ended 31 December 2020 |
| Previous period:  | For the half-year ended 31 December 2019 |

## 2. Results for announcement to the market

|                                                                                                      |      |          | \$          |
|------------------------------------------------------------------------------------------------------|------|----------|-------------|
| Revenues from ordinary activities                                                                    | down | 63.8% to | 66,888      |
| Loss from ordinary activities after tax attributable to the owners of A1 Investments & Resources Ltd | up   | 65.4% to | (1,033,342) |
| Loss for the half-year attributable to the owners of A1 Investments & Resources Ltd                  | up   | 65.4% to | (1,033,342) |

### Dividends

There were no dividends paid, recommended or declared during the current financial period.

### Comments

The loss for the consolidated entity after providing for income tax amounted to \$1,033,342 (31 December 2019: \$624,826).

Refer to the 'Review of operations' in the Directors' report for further information.

## 3. Net tangible assets

|                                           | Reporting period<br>Cents | Previous period<br>Cents |
|-------------------------------------------|---------------------------|--------------------------|
| Net tangible assets per ordinary security | (0.00350)                 | (0.00147)                |

The net tangible assets per ordinary shares has been calculated based on 16,064,803,563 ordinary shares being on issue. The net tangible assets per ordinary share reported in the comparative period (31 December 2019) has been calculated based on 12,007,800,082 ordinary shares being on issue. This is the number of shares that would have been in existence at the end of that reporting period had the consolidation of shares, which occurred in the current period, taken place as at 1 July 2019.

Right-of-use assets have been excluded from net tangible assets.

## 4. Control gained over entities

Not applicable.

## 5. Loss of control over entities

Not applicable.

## 6. Dividends

### Current period

There were no dividends paid, recommended or declared during the current financial period.

### Previous period

There were no dividends paid, recommended or declared during the previous financial period.

## 7. Dividend reinvestment plans

Not applicable.

## 8. Details of associates and joint venture entities

| Name of associate / joint venture                                                                       | Reporting entity's percentage holding |                 | Contribution to profit/(loss) (where material) |                 |
|---------------------------------------------------------------------------------------------------------|---------------------------------------|-----------------|------------------------------------------------|-----------------|
|                                                                                                         | Reporting period                      | Previous period | Reporting period                               | Previous period |
|                                                                                                         | %                                     | %               | \$                                             | \$              |
| Tidal Moon Australia Pty Limited                                                                        | 49.00%                                | -               | -                                              | -               |
| <i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i> |                                       |                 |                                                |                 |
| Profit/(loss) from ordinary activities before income tax                                                |                                       |                 | -                                              | -               |
| Income tax on operating activities                                                                      |                                       |                 | -                                              | -               |

## 9. Foreign entities

*Details of origin of accounting standards used in compiling the report:*

Not applicable.

## 10. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report. The auditor's report contains a paragraph addressing a material uncertainty related to going concern.

## 11. Attachments

*Details of attachments (if any):*

The Interim Report of A1 Investments & Resources Ltd for the half-year ended 31 December 2020 is attached.

## 12. Signed

Signed 

Date: 18 February 2021

Charlie Nakamura  
Director  
Tokyo

# **A1 Investments & Resources Ltd and its controlled entities**

**ABN 44 109 330 949**

**Interim Report - 31 December 2020**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of A1 Investments & Resources Ltd (referred to hereafter as the 'A1', 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2020.

#### **Directors**

The following persons were directors of A1 Investments & Resources Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Charlie Nakamura  
Peter Ashcroft  
Takashi Araya  
Masahiro Ito

#### **Principal activities**

The principal activities of the consolidated entity during the financial half-year were those of an investment company focusing on projects in Australia.

The consolidated entity remains a general investment company and has continued to focus on food industry related investments.

#### **Dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

#### **Review of operations**

The loss for the consolidated entity after providing for income tax amounted to \$1,033,342 (31 December 2019: \$624,826).

The coronavirus has had a significant impact on the consolidated entity's operations over the past 12 months and this continues to be the position. The continuation of a closed border with Western Australia has made the management of the Western Australian operations of the consolidated entity difficult.

The consolidated entity does not expect any substantial change to these issues over the coming months, despite a vaccine for COVID-19 becoming available.

The consolidated entity confirms that all directors will be vaccinated as soon as possible. The consolidated entity is also encouraging all our employees and the employees of our dedicated contractors to be vaccinated.

#### **Sea Cucumber Project**

The travel bans to Western Australia which commenced in late March 2020 have significantly restricted our ability to manage our businesses in WA and for those businesses to complete all their respective requirements to operate.

The dispute with our dedicated contractor at Shark Bay remains unresolved, despite our best efforts. At all times we have sought to encourage our partner to perform but its current position leaves little opportunity to resolve an on-going solution, although we still believe this would be in the best interests of all parties and the local community in Shark Bay. The consolidated entity has strengthened its relationships with the local Aboriginal community leaders and we now await confirmation of the local community obtaining further rights to harvest sea cucumbers in Western Australia ('WA'). Throughout the past 6 months we have supported local Aboriginal persons in their endeavours to better understand the sea cucumber resources in Shark Bay and subject to the weather the consolidated entity has continued to support this process through summer.

The consolidated entity is discussing with other traditional owners in WA the opportunities to obtain sea cucumbers along the coast north of Exmouth, including Derby and Broome. The WA government has been very slow to provide further assistance to the traditional owners which is delaying these further operational opportunities. The consolidated entity is seeking to enhance its position with the government by seeking to provide research information funded by the company on sea cucumbers from Curtin University. This research focuses on breeding, and the commercial aquaculture production of sea cucumbers in WA.

The consolidated entity is confident of obtaining further wild WA sea cucumbers in 2022 whilst pursuing Tidal Moon to perform in Shark Bay. Although the consolidated entity has written off and impaired the advance payments made to Tidal Moon the consolidated entity will continue to pursue Tidal Moon for the delivery of product.

The border into WA remains essentially closed to other Australian residents and until these restrictions are lifted the active management of the WA sea cucumber operation by the Board remains difficult.

Throughout 2020 the consolidated entity has continued to investigate and settle its manufacturing contractor in Japan, maintain and expand its sales leads throughout Japan, the People's Republic of China and other parts of Asia.



The consolidated entity is also sourcing raw dried sea cucumber from other suppliers to meet its demand. A contract to supply up to 27-28 tons per annum of product to our Japanese subsidiary has been agreed and the first deliveries are due in January 2021.

#### **Blue Ocean Japan**

The consolidated entity notes that its wholly owned subsidiary in Japan, Blue Ocean Japan commenced active trading under the supervision of the Company's Managing Director, Mr Nakamura who is in Japan. Blue Ocean Japan contributed revenue of \$64,973 to the consolidated entity in the period to 31 December 2020.

#### **Sandalwood Project**

The consolidated entity has by mutual agreement terminated the heads of agreement for establishment of Genesis Sandalwood. The consolidated entity is examining other parties and arrangements to commence a sandalwood business. The consolidated entity has an initial commitment of \$500,000 to the project over the next 12 months. All funds will be provided by the consolidated entity from existing funds.

#### **New Funding**

The Company received \$200,000 by way of shares issued on 31 December 2020.

#### **Bundybunna**

The coronavirus has delayed the finalisation of the termination of the winding up of Bundybunna Aboriginal Corporation Limited, and this process must be completed before the lease can be signed. It is anticipated that this process will be completed within 3 months.

#### **Share consolidation**

1 for 2 consolidation of the Company's shares took place on 26 November 2020 in the manner as set out in the Notice for the 2020 AGM.

The consolidated entity is planning for 2021 to be no less challenging than 2020 has proved to be. However, the directors are of the opinion that the fast tracking of vaccine production and the vaccination of our management, workforce and the workforce of our contractors during 2021 in Australia will produce an environment in which we can confidently plan for a productive 2022 and beyond.

The consolidated entity is well placed to meet its commitments for 2021.

#### **Significant changes in the state of affairs**

On 26 November 2020, the consolidated entity consolidated its ordinary share capital at a ratio of 2 to 1.

On 31 December 2020, the consolidated entity issued 758,571,428 ordinary shares for \$212,500. \$200,000 was received in cash and \$12,500 represented shares issued in lieu of amounts owed by the consolidated entity.

#### **Matters subsequent to the end of the financial half-year**

On 15 January 2021, the company issued 357,142,857 ordinary shares at an issue price of \$0.00028 per share. The total cash received was \$100,000 of which \$80,000 was received during the financial year ended 30 June 2020 in advance of the shares being issued and the final \$20,000 was received in January 2021.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

#### **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Charlie Nakamura  
Director

18 February 2021  
Tokyo

**A1 INVESTMENTS & RESOURCES LTD  
ABN 44 109 330 949  
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE  
CORPORATIONS ACT 2001  
TO THE DIRECTORS OF A1 INVESTMENTS & RESOURCES LTD**

**SYDNEY**

Level 40  
2 Park Street  
Sydney NSW 2000  
Australia

Ph: (612) 9263 2600  
Fx: (612) 9263 2800

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of A1 Investments & Resources Ltd. As the lead audit partner for the review of the financial report of A1 Investments & Resources Ltd for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

*Hall Chadwick*

HALL CHADWICK (NSW)  
Level 40, 2 Park Street  
Sydney NSW 2000

*Graham Webb*

**Graham Webb**  
**Partner**

Dated: 18 February 2021

A Member of PrimeGlobal  
An Association of Independent  
Accounting Firms

 **PrimeGlobal**

|                                                                                      |    |
|--------------------------------------------------------------------------------------|----|
| Consolidated statement of profit or loss and other comprehensive income              | 5  |
| Consolidated statement of financial position                                         | 6  |
| Consolidated statement of changes in equity                                          | 7  |
| Consolidated statement of cash flows                                                 | 8  |
| Notes to the consolidated financial statements                                       | 9  |
| Directors' declaration                                                               | 19 |
| Independent auditor's review report to the members of A1 Investments & Resources Ltd | 20 |

A1 Investments & Resources Ltd and its controlled entities  
Consolidated statement of profit or loss and other comprehensive income  
For the half-year ended 31 December 2020



|                                                                                                                             |      | Consolidated                     |                                  |
|-----------------------------------------------------------------------------------------------------------------------------|------|----------------------------------|----------------------------------|
|                                                                                                                             | Note | 6 months to 31<br>Dec 2020<br>\$ | 6 months to 31<br>Dec 2019<br>\$ |
| <b>Revenue</b>                                                                                                              | 4    | 64,973                           | 184,736                          |
| Other income                                                                                                                | 5    | 139,821                          | 19,013                           |
| Interest revenue calculated using the effective interest method                                                             |      | 1,915                            | 23                               |
| <b>Expenses</b>                                                                                                             |      |                                  |                                  |
| Raw materials and consumables used                                                                                          |      | (52,849)                         | (18,731)                         |
| Subcontracting expense                                                                                                      |      | -                                | (127,734)                        |
| Employee benefits expense                                                                                                   |      | (185,017)                        | (174,969)                        |
| Occupancy expenses                                                                                                          |      | (4,462)                          | (5,921)                          |
| Depreciation expense                                                                                                        |      | (22,208)                         | (25,419)                         |
| Consultancy and professional fees                                                                                           |      | (155,622)                        | (166,548)                        |
| Travel expenses                                                                                                             |      | (21,216)                         | (79,362)                         |
| Share registry expenses                                                                                                     |      | (45,846)                         | (45,808)                         |
| Write off of receivables                                                                                                    |      | (149,652)                        | (28,574)                         |
| Expected credit losses                                                                                                      |      | (10,788)                         | (66,000)                         |
| Impairment of advance payments                                                                                              | 11   | (520,034)                        | -                                |
| Other expenses                                                                                                              |      | (36,605)                         | (60,550)                         |
| Finance costs                                                                                                               |      | (35,752)                         | (28,982)                         |
| <b>Loss before income tax expense</b>                                                                                       |      | (1,033,342)                      | (624,826)                        |
| Income tax expense                                                                                                          |      | -                                | -                                |
| <b>Loss after income tax expense for the half-year attributable to the owners of A1 Investments &amp; Resources Ltd</b>     |      | (1,033,342)                      | (624,826)                        |
| <b>Other comprehensive income/(loss)</b>                                                                                    |      |                                  |                                  |
| <i>Items that may be reclassified subsequently to profit or loss</i>                                                        |      |                                  |                                  |
| Foreign currency translation                                                                                                |      | (2,553)                          | -                                |
| Other comprehensive income/(loss) for the half-year, net of tax                                                             |      | (2,553)                          | -                                |
| <b>Total comprehensive income/(loss) for the half-year attributable to the owners of A1 Investments &amp; Resources Ltd</b> |      | <u>(1,035,895)</u>               | <u>(624,826)</u>                 |
|                                                                                                                             |      | <b>Cents</b>                     | <b>Cents</b>                     |
| Basic earnings per share                                                                                                    | 22   | (0.0067)                         | (0.0052)                         |
| Diluted earnings per share                                                                                                  | 22   | (0.0067)                         | (0.0052)                         |

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes



A1 Investments & Resources Ltd and its controlled entities  
Consolidated statement of financial position  
As at 31 December 2020



|                                  |      | Consolidated      |                   |
|----------------------------------|------|-------------------|-------------------|
|                                  | Note | 31 Dec 2020<br>\$ | 30 Jun 2020<br>\$ |
| <b>Assets</b>                    |      |                   |                   |
| <b>Current assets</b>            |      |                   |                   |
| Cash and cash equivalents        |      | 1,927,657         | 2,234,632         |
| Trade and other receivables      | 6    | 33,848            | 31,158            |
| Inventories                      | 7    | 69,443            | 2,583             |
| Other                            | 8    | 86,762            | 543,009           |
| Total current assets             |      | <u>2,117,710</u>  | <u>2,811,382</u>  |
| <b>Non-current assets</b>        |      |                   |                   |
| Property, plant and equipment    | 9    | 121,178           | 24,484            |
| Right-of-use assets              | 10   | 56,783            | 73,817            |
| Other                            | 11   | -                 | 161,271           |
| Total non-current assets         |      | <u>177,961</u>    | <u>259,572</u>    |
| <b>Total assets</b>              |      | <u>2,295,671</u>  | <u>3,070,954</u>  |
| <b>Liabilities</b>               |      |                   |                   |
| <b>Current liabilities</b>       |      |                   |                   |
| Trade and other payables         | 12   | 218,404           | 153,860           |
| Borrowings                       | 13   | 5,000             | 5,000             |
| Lease liabilities                |      | 38,096            | 36,778            |
| Other                            | 14   | 80,000            | 80,000            |
| Total current liabilities        |      | <u>341,500</u>    | <u>275,638</u>    |
| <b>Non-current liabilities</b>   |      |                   |                   |
| Payables                         | 15   | 370,475           | 370,475           |
| Borrowings                       | 16   | 2,025,979         | 2,027,915         |
| Lease liabilities                |      | 21,572            | 39,469            |
| Employee benefits                |      | 42,260            | 40,177            |
| Total non-current liabilities    |      | <u>2,460,286</u>  | <u>2,478,036</u>  |
| <b>Total liabilities</b>         |      | <u>2,801,786</u>  | <u>2,753,674</u>  |
| <b>Net assets/(liabilities)</b>  |      | <u>(506,115)</u>  | <u>317,280</u>    |
| <b>Equity</b>                    |      |                   |                   |
| Issued capital                   | 17   | 36,107,230        | 35,894,730        |
| Reserves                         |      | 814,699           | 817,252           |
| Accumulated losses               |      | (37,428,044)      | (36,394,702)      |
| <b>Total equity/(deficiency)</b> |      | <u>(506,115)</u>  | <u>317,280</u>    |

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

**A1 Investments & Resources Ltd and its controlled entities**  
**Consolidated statement of changes in equity**  
**For the half-year ended 31 December 2020**



| <b>Consolidated</b>                                             | <b>Issued<br/>capital<br/>\$</b> | <b>Reserves<br/>\$</b> | <b>Accumulated<br/>losses<br/>\$</b> | <b>Total deficiency<br/>in equity<br/>\$</b> |
|-----------------------------------------------------------------|----------------------------------|------------------------|--------------------------------------|----------------------------------------------|
| Balance at 1 July 2019                                          | 34,738,717                       | 819,702                | (35,251,382)                         | 307,037                                      |
| Loss after income tax expense for the half-year                 | -                                | -                      | (624,826)                            | (624,826)                                    |
| Other comprehensive income for the half-year, net of tax        | -                                | -                      | -                                    | -                                            |
| Total comprehensive income/(loss) for the half-year             | -                                | -                      | (624,826)                            | (624,826)                                    |
| <i>Transactions with owners in their capacity as owners:</i>    |                                  |                        |                                      |                                              |
| Contributions of equity, net of transaction costs               | 232,452                          | -                      | -                                    | 232,452                                      |
| Balance at 31 December 2019                                     | <u>34,971,169</u>                | <u>819,702</u>         | <u>(35,876,208)</u>                  | <u>(85,337)</u>                              |
| <b>Consolidated</b>                                             | <b>Issued<br/>capital<br/>\$</b> | <b>Reserves<br/>\$</b> | <b>Accumulated<br/>losses<br/>\$</b> | <b>Total deficiency<br/>in equity<br/>\$</b> |
| Balance at 1 July 2020                                          | 35,894,730                       | 817,252                | (36,394,702)                         | 317,280                                      |
| Loss after income tax expense for the half-year                 | -                                | -                      | (1,033,342)                          | (1,033,342)                                  |
| Other comprehensive income/(loss) for the half-year, net of tax | -                                | (2,553)                | -                                    | (2,553)                                      |
| Total comprehensive income/(loss) for the half-year             | -                                | (2,553)                | (1,033,342)                          | (1,035,895)                                  |
| <i>Transactions with owners in their capacity as owners:</i>    |                                  |                        |                                      |                                              |
| Contributions of equity, net of transaction costs (note 17)     | 212,500                          | -                      | -                                    | 212,500                                      |
| Balance at 31 December 2020                                     | <u>36,107,230</u>                | <u>814,699</u>         | <u>(37,428,044)</u>                  | <u>(506,115)</u>                             |

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

**A1 Investments & Resources Ltd and its controlled entities**  
**Consolidated statement of cash flows**  
**For the half-year ended 31 December 2020**



|                                                                       | <b>Consolidated</b>                |                                    |
|-----------------------------------------------------------------------|------------------------------------|------------------------------------|
|                                                                       | <b>6 months to 31<br/>Dec 2020</b> | <b>6 months to 31<br/>Dec 2019</b> |
|                                                                       | <b>\$</b>                          | <b>\$</b>                          |
| <b>Cash flows from operating activities</b>                           |                                    |                                    |
| Receipts from customers                                               | 71,079                             | 421,000                            |
| Payments to suppliers and employees                                   | (600,197)                          | (510,616)                          |
|                                                                       | (529,118)                          | (89,616)                           |
| Interest received                                                     | 1,915                              | 23                                 |
| Interest and other finance costs paid                                 | (27,424)                           | (21,311)                           |
| Government grants received                                            | 82,158                             | -                                  |
| Net cash used in operating activities                                 | (472,469)                          | (110,904)                          |
| <b>Cash flows from investing activities</b>                           |                                    |                                    |
| Payments for property, plant and equipment                            | (13,903)                           | (1,542)                            |
| Proceeds from disposal of property, plant and equipment               | -                                  | 155,978                            |
| Net cash from/(used in) investing activities                          | (13,903)                           | 154,436                            |
| <b>Cash flows from financing activities</b>                           |                                    |                                    |
| Proceeds from issue of shares                                         | 200,000                            | -                                  |
| Proceeds received for shares yet to be issued                         | -                                  | 595,223                            |
| Repayments of loans                                                   | -                                  | (372,494)                          |
| Repayment of lease liabilities                                        | (16,579)                           | (10,230)                           |
| Net cash from financing activities                                    | 183,421                            | 212,499                            |
| Net increase/(decrease) in cash and cash equivalents                  | (302,951)                          | 256,031                            |
| Cash and cash equivalents at the beginning of the financial half-year | 2,234,632                          | 472,866                            |
| Effects of exchange rate changes on cash and cash equivalents         | (4,024)                            | -                                  |
| Cash and cash equivalents at the end of the financial half-year       | <u>1,927,657</u>                   | <u>728,897</u>                     |

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

## **Note 1. General information**

The financial statements cover A1 Investments & Resources Ltd as a consolidated entity consisting of A1 Investments & Resources Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is A1 Investments & Resources Ltd's functional and presentation currency.

A1 Investments & Resources Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 606 / 37 Bligh Street  
Sydney NSW 2000  
Australia

The financial statements were authorised for issue, in accordance with a resolution of directors, on 18 February 2021. The directors have the power to amend and reissue the financial statements.

## **Note 2. Basis of preparation and significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2020 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 2020 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.

### **New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

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

### **Going concern**

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The going concern of the consolidated entity is dependent upon it maintaining sufficient funds for its operations and commitments.

The consolidated entity has positive working capital as at 31 December 2020 where current assets exceed current liabilities by \$1,776,210 (30 June 2020: \$2,535,744). The consolidated entity made a loss after tax of \$1,033,342 (2019: \$624,826) during the period, generated net operating cash outflows of \$472,469 (2019: cash outflows of \$110,904) and as at 31 December 2020 has a deficiency of net assets of \$506,115 (30 June 2020: surplus of \$317,280). The cash balance as at 31 December 2020 was \$1,927,657 (30 June 2020: \$2,234,632). Unpaid trade creditors of the consolidated entity at 31 December 2020 was \$120,705 (30 June 2020: \$71,742).

In December 2020 the consolidated entity received \$200,000 which resulted in the issue of ordinary shares in the Company on 31 December 2020. The Company received further placement moneys of \$20,000 in early January 2021.

The directors recognise that strict cash control remains essential to ensure that the consolidated entity is able to continue to meet its debts as and when they fall due.

The directors are of the opinion that the current cash balance will provide sufficient working capital for the consolidated entity for the next 12 months.

The financial statements have been prepared on a going concern basis for the above reasons. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.



### Note 3. Operating segments

#### Identification of reportable operating segments

The consolidated entity is organised into two operating segments:

- General investment; and
- Food

These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments although the food segment comprises all food production businesses including retail, wholesale and primary industry production of food.

The CODM reviews EBITDA (earnings before interest, tax, depreciation, amortisation and other items which are determined to be outside of the control of the respective segments). EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for non-specific non-cash and significant items. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

#### Types of products and services

The principal products and services of each of these operating segments are as follows:

|                    |                                                                                                           |
|--------------------|-----------------------------------------------------------------------------------------------------------|
| General investment | investment operations focusing on diversified investment portfolios                                       |
| Food               | the sale of dried seafood products and the production of food for sale from farms primarily in Queensland |

#### Major customers

No single customer contributed 10% or more to the Group's external revenue during the half years ended 31 December 2019 and 31 December 2020.

#### Operating segment information

|                                                | General<br>investment<br>\$ | Food<br>\$     | Total<br>\$        |
|------------------------------------------------|-----------------------------|----------------|--------------------|
| <b>Consolidated - 6 months to 31 Dec 2020</b>  |                             |                |                    |
| <b>Revenue</b>                                 |                             |                |                    |
| Sales to external customers                    | -                           | 64,973         | 64,973             |
| Interest                                       | 1,915                       | -              | 1,915              |
| <b>Total revenue</b>                           | <u>1,915</u>                | <u>64,973</u>  | <u>66,888</u>      |
| <b>EBITDA</b>                                  | (1,039,907)                 | 62,610         | (977,297)          |
| Depreciation and amortisation                  | (22,208)                    | -              | (22,208)           |
| Interest revenue                               | 1,915                       | -              | 1,915              |
| Finance costs                                  | (35,412)                    | (340)          | (35,752)           |
| <b>Profit/(loss) before income tax expense</b> | <u>(1,095,612)</u>          | <u>62,270</u>  | <u>(1,033,342)</u> |
| Income tax expense                             |                             |                | -                  |
| <b>Loss after income tax expense</b>           |                             |                | <u>(1,033,342)</u> |
| <b>Assets</b>                                  |                             |                |                    |
| Segment assets                                 | <u>2,703,430</u>            | <u>187,335</u> | <u>2,890,765</u>   |
| Intersegment eliminations                      |                             |                | (595,094)          |
| <b>Total assets</b>                            |                             |                | <u>2,295,671</u>   |
| <b>Liabilities</b>                             |                             |                |                    |
| Segment liabilities                            | <u>2,672,331</u>            | <u>723,029</u> | <u>3,395,360</u>   |
| Intersegment eliminations                      |                             |                | (593,574)          |
| <b>Total liabilities</b>                       |                             |                | <u>2,801,786</u>   |



**Note 3. Operating segments (continued)**

|                                               | General<br>investment<br>\$ | Food<br>\$      | Total<br>\$      |
|-----------------------------------------------|-----------------------------|-----------------|------------------|
| <b>Consolidated - 6 months to 31 Dec 2019</b> |                             |                 |                  |
| <b>Revenue</b>                                |                             |                 |                  |
| Sales to external customers                   | -                           | 184,736         | 184,736          |
| Interest                                      | 23                          | -               | 23               |
| <b>Total revenue</b>                          | <u>23</u>                   | <u>184,736</u>  | <u>184,759</u>   |
| <b>EBITDA</b>                                 | (503,638)                   | (66,810)        | (570,448)        |
| Depreciation and amortisation                 | (14,520)                    | (10,899)        | (25,419)         |
| Interest revenue                              | 23                          | -               | 23               |
| Finance costs                                 | (17,265)                    | (11,717)        | (28,982)         |
| <b>Loss before income tax expense</b>         | <u>(535,400)</u>            | <u>(89,426)</u> | <u>(624,826)</u> |
| Income tax expense                            |                             |                 | -                |
| <b>Loss after income tax expense</b>          |                             |                 | <u>(624,826)</u> |
| <b>Consolidated - 30 Jun 2020</b>             |                             |                 |                  |
| <b>Assets</b>                                 |                             |                 |                  |
| Segment assets                                | 3,573,590                   | 86,517          | 3,660,107        |
| Intersegment eliminations                     |                             |                 | (589,153)        |
| <b>Total assets</b>                           |                             |                 | <u>3,070,954</u> |
| <b>Liabilities</b>                            |                             |                 |                  |
| Segment liabilities                           | 2,660,141                   | 682,686         | 3,342,827        |
| Intersegment eliminations                     |                             |                 | (589,153)        |
| <b>Total liabilities</b>                      |                             |                 | <u>2,753,674</u> |

**Note 4. Revenue**

|              | <b>Consolidated</b>                       |                                           |
|--------------|-------------------------------------------|-------------------------------------------|
|              | <b>6 months to 31<br/>Dec 2020<br/>\$</b> | <b>6 months to 31<br/>Dec 2019<br/>\$</b> |
| Sales - food | <u>64,973</u>                             | <u>184,736</u>                            |

#### Note 4. Revenue (continued)

##### Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

|                                      | Consolidated                     |                                  |
|--------------------------------------|----------------------------------|----------------------------------|
|                                      | 6 months to 31<br>Dec 2020<br>\$ | 6 months to 31<br>Dec 2019<br>\$ |
| <i>Major product lines</i>           |                                  |                                  |
| Fresh produce                        | -                                | 184,736                          |
| Dried seafood products               | 64,973                           | -                                |
|                                      | <u>64,973</u>                    | <u>184,736</u>                   |
| <i>Geographical regions</i>          |                                  |                                  |
| Australia                            | -                                | 184,736                          |
| Japan                                | 64,973                           | -                                |
|                                      | <u>64,973</u>                    | <u>184,736</u>                   |
| <i>Timing of revenue recognition</i> |                                  |                                  |
| Goods transferred at a point in time | <u>64,973</u>                    | <u>184,736</u>                   |

#### Note 5. Other income

|                                                                   | Consolidated                     |                                  |
|-------------------------------------------------------------------|----------------------------------|----------------------------------|
|                                                                   | 6 months to 31<br>Dec 2020<br>\$ | 6 months to 31<br>Dec 2019<br>\$ |
| Net foreign exchange gain                                         | -                                | 1,203                            |
| Government grants                                                 | 82,158                           | -                                |
| Reversal of impairment expense on previously impaired inventories | 57,663                           | -                                |
| Other                                                             | -                                | 17,810                           |
| Other income                                                      | <u>139,821</u>                   | <u>19,013</u>                    |

#### Note 6. Current assets - trade and other receivables

|                                               | Consolidated      |                   |
|-----------------------------------------------|-------------------|-------------------|
|                                               | 31 Dec 2020<br>\$ | 30 Jun 2020<br>\$ |
| Trade receivables                             | 748               | -                 |
| Receivables from Tidal Moon Australia Pty Ltd | 10,000            | -                 |
| Receivables from Tidal Moon Pty Ltd           | 10,788            | -                 |
| Less: Allowance for expected credit losses    | (10,788)          | -                 |
|                                               | <u>10,000</u>     | <u>-</u>          |
| Other receivable                              | 3,502             | 31,158            |
| GST receivable                                | 19,598            | -                 |
|                                               | <u>33,848</u>     | <u>31,158</u>     |

**Note 7. Current assets - inventories**

|                                | <b>Consolidated</b>  |                     |
|--------------------------------|----------------------|---------------------|
|                                | <b>31 Dec 2020</b>   | <b>30 Jun 2020</b>  |
|                                | <b>\$</b>            | <b>\$</b>           |
| Raw materials - at cost        | 8,307                | -                   |
| Stock on hand - at cost        | 61,136               | 60,246              |
| Less: Provision for impairment | -                    | (57,663)            |
|                                | <u>61,136</u>        | <u>2,583</u>        |
|                                | <u><u>69,443</u></u> | <u><u>2,583</u></u> |

**Note 8. Current assets - other**

|               | <b>Consolidated</b>  |                       |
|---------------|----------------------|-----------------------|
|               | <b>31 Dec 2020</b>   | <b>30 Jun 2020</b>    |
|               | <b>\$</b>            | <b>\$</b>             |
| Prepayments   | 8,185                | 480,000               |
| Deposits paid | <u>78,577</u>        | <u>63,009</u>         |
|               | <u><u>86,762</u></u> | <u><u>543,009</u></u> |

Refer to note 11 for further information on prepayments.

**Note 9. Non-current assets - property, plant and equipment**

|                                | <b>Consolidated</b>   |                      |
|--------------------------------|-----------------------|----------------------|
|                                | <b>31 Dec 2020</b>    | <b>30 Jun 2020</b>   |
|                                | <b>\$</b>             | <b>\$</b>            |
| Plant and equipment - at cost  | 144,153               | 51,991               |
| Less: Accumulated depreciation | <u>(27,022)</u>       | <u>(27,507)</u>      |
|                                | <u>117,131</u>        | <u>24,484</u>        |
| Motor vehicles - at cost       | 4,318                 | -                    |
| Less: Accumulated depreciation | <u>(271)</u>          | <u>-</u>             |
|                                | <u>4,047</u>          | <u>-</u>             |
|                                | <u><u>121,178</u></u> | <u><u>24,484</u></u> |

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

| <b>Consolidated</b>         | <b>Plant and<br/>equipment<br/>\$</b> | <b>Motor<br/>vehicles<br/>\$</b> | <b>Total<br/>\$</b>   |
|-----------------------------|---------------------------------------|----------------------------------|-----------------------|
| Balance at 1 July 2020      | 24,484                                | -                                | 24,484                |
| Additions                   | 97,550                                | 4,318                            | 101,868               |
| Depreciation expense        | <u>(4,903)</u>                        | <u>(271)</u>                     | <u>(5,174)</u>        |
| Balance at 31 December 2020 | <u><u>117,131</u></u>                 | <u><u>4,047</u></u>              | <u><u>121,178</u></u> |

**Note 10. Non-current assets - right-of-use assets**

|                                   | Consolidated  |               |
|-----------------------------------|---------------|---------------|
|                                   | 31 Dec 2020   | 30 Jun 2020   |
|                                   | \$            | \$            |
| Land and buildings - right-of-use | 102,209       | 102,209       |
| Less: Accumulated depreciation    | (45,426)      | (28,392)      |
|                                   | <u>56,783</u> | <u>73,817</u> |

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

| Consolidated                | Land and buildings<br>\$ |
|-----------------------------|--------------------------|
| Balance at 1 July 2020      | 73,817                   |
| Depreciation expense        | (17,034)                 |
| Balance at 31 December 2020 | <u>56,783</u>            |

**Note 11. Non-current assets - other**

|                                | Consolidated |                |
|--------------------------------|--------------|----------------|
|                                | 31 Dec 2020  | 30 Jun 2020    |
|                                | \$           | \$             |
| Prepayments                    | 520,034      | 161,271        |
| Less: Provision for impairment | (520,034)    | -              |
| Deposits                       | 260,000      | 260,000        |
| Less: Provision for impairment | (260,000)    | (260,000)      |
|                                | <u>-</u>     | <u>161,271</u> |

*Prepayments*

During the year ended 30 June 2020, the consolidated entity made payments to Tidal Moon Pty Limited ('TM') and its subsidiary Tidal Moon Australia Pty Limited ('TMA') by way of advance payments for dried sea cucumbers for the sum of \$641,271. At 30 June 2020, \$480,000 was included in current assets and \$161,271 was included in non-current assets. During the financial-half year ended 31 December 2020, an additional payment of \$99,000 was made. However no dried sea cucumbers were received by the consolidated entity. \$78,001 of the payments were recovered and \$142,236 was written off. At 31 December 2020, the remaining balance of \$520,034 due from TM is no longer deemed to be reasonably recoverable from deliveries of dried sea cucumbers in the period to 30 June 2021 and has therefore been impaired in full. The consolidated entity is continuing to pursue TM for full recovery.

*Deposits*

Deposits represent deposits for the purchase of Resi Property Holdings Pty Ltd ('Resi'). Resi holds the right to enter into a 10 year property lease with a 10 year option for a property known as Bundybunna, subject to Bunnybunna Aboriginal Corporation (in liquidation) ('BbAC') having its liquidation terminated.

The consolidated entity undertook a review of the process to terminate the winding up of BbAC. The consolidated entity has determined that it is appropriate to fully provide for the deposit paid for Resi as no final date for the termination has been determined. COVID-19 has delayed all court proceedings in Western Australia and no final date has yet been received for final submissions. All material matters have been attended to provide for the termination of the winding up and the company expects the winding up to be terminated before 30 June 2021. The consolidated entity notes that if the winding up does not take place it expects to fully recover the deposit from the liquidator after the sale of the property. The consolidated entity notes that at the time of the deposit the liquidator agreed to prioritise the repayment to the consolidated entity if the winding up was not terminated.



**Note 12. Current liabilities - trade and other payables**

|                             | Consolidated   |                |
|-----------------------------|----------------|----------------|
|                             | 31 Dec 2020    | 30 Jun 2020    |
|                             | \$             | \$             |
| Trade payables              | 120,705        | 71,742         |
| Other payables and accruals | 97,699         | 82,118         |
|                             | <u>218,404</u> | <u>153,860</u> |

**Note 13. Current liabilities - borrowings**

|                                      | Consolidated |              |
|--------------------------------------|--------------|--------------|
|                                      | 31 Dec 2020  | 30 Jun 2020  |
|                                      | \$           | \$           |
| Loans from Director related entities | <u>5,000</u> | <u>5,000</u> |

*Loans from Director related entity*

The loans from Director related entities are payable within 12 months, incur interest of 0% per annum (30 June 2020: 0% per annum) and are unsecured.

**Note 14. Current liabilities - other**

|                                   | Consolidated  |               |
|-----------------------------------|---------------|---------------|
|                                   | 31 Dec 2020   | 30 Jun 2020   |
|                                   | \$            | \$            |
| Subscriptions received in advance | <u>80,000</u> | <u>80,000</u> |

Subscriptions received in advance represents funds received for ordinary shares which have not been issued at reporting date. Subsequent to 31 December 2020 on 15 January 2021, the company issued 357,142,857 ordinary shares at an issue price of \$0.00028 per share. The total cash received was \$100,000 of which \$80,000 represented subscriptions received in advance and the final \$20,000 was received in January 2021.

**Note 15. Non-current liabilities - payables**

|                  | Consolidated   |                |
|------------------|----------------|----------------|
|                  | 31 Dec 2020    | 30 Jun 2020    |
|                  | \$             | \$             |
| Accrued expenses | <u>370,475</u> | <u>370,475</u> |

#### Note 16. Non-current liabilities - borrowings

|                                                | Consolidated      |                   |
|------------------------------------------------|-------------------|-------------------|
|                                                | 31 Dec 2020<br>\$ | 30 Jun 2020<br>\$ |
| Loan from WIN Properties Australia Pty Limited | 2,000,000         | 2,000,000         |
| Loan - other                                   | 25,979            | 27,915            |
|                                                | <u>2,025,979</u>  | <u>2,027,915</u>  |

##### *Loan from WIN Properties Australia Pty Limited*

The loan from WIN Properties Australia Pty Limited, incurs interest at 5% per annum, payable six monthly in advance or if paid on time, the interest rate reduces to 2.5% per annum. The loan is secured over all the assets of the consolidated entity which are located in Australia. The loan is repayable on 11 March 2023.

##### *Loan - other*

The loan is unsecured and incurs interest of 2% per annum.

#### Note 17. Equity - issued capital

|                              | Consolidated          |                       |                   |                   |
|------------------------------|-----------------------|-----------------------|-------------------|-------------------|
|                              | 31 Dec 2020<br>Shares | 30 Jun 2020<br>Shares | 31 Dec 2020<br>\$ | 30 Jun 2020<br>\$ |
| Ordinary shares - fully paid | <u>16,064,803,563</u> | <u>30,612,464,161</u> | <u>36,107,230</u> | <u>35,894,730</u> |

##### *Movements in ordinary share capital*

| Details                        | Date             | No of shares          | Issue price     | \$                |
|--------------------------------|------------------|-----------------------|-----------------|-------------------|
| Balance                        | 1 July 2019      | 30,612,464,161        |                 | 35,894,730        |
| Consolidation of shares 2 to 1 | 26 November 2020 | (15,306,232,026)      | \$0.0000        | -                 |
| Issue of shares*               | 31 December 2020 | <u>758,571,428</u>    | <u>\$0.0003</u> | <u>212,500</u>    |
| Balance                        | 31 December 2020 | <u>16,064,803,563</u> |                 | <u>36,107,230</u> |

\* \$200,000 was received in cash and \$12,500 represented the value of shares issued in lieu of amounts owed by the consolidated entity.

##### *Share buy-back*

There is no current on-market share buy-back.

#### Note 18. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

#### Note 19. Fair value measurement

The carrying amounts of trade and other receivables and trade and other payables are assumed 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 liabilities. The fair value is classified as level 3 due to the significant unobservable inputs used in the valuation, including credit risk.

#### Note 20. Contingent liabilities

There are no contingent liabilities as at 31 December 2020 and 30 June 2020.

## Note 21. Related party transactions

### Parent entity

A1 Investments & Resources Ltd is the parent entity.

### Significant transactions with related parties

The following significant transactions occurred with related parties:

|                                                                        | Consolidated               |                            |
|------------------------------------------------------------------------|----------------------------|----------------------------|
|                                                                        | 6 months to 31<br>Dec 2020 | 6 months to 31<br>Dec 2019 |
|                                                                        | \$                         | \$                         |
| Payment for inventory from director related entity* (refer to note 11) | 99,000                     | -                          |
| Acquisition of plant and equipment from director related entity*       | 87,965                     | -                          |
| Write-off of receivables from director related entity*                 | 149,652                    | -                          |

### Loans to/from related parties

For significant related party transactions that occurred during the half-year ended 31 December 2020, the following balances are outstanding at the reporting date in relation to loans with related parties:

|                                  | Consolidated |             |
|----------------------------------|--------------|-------------|
|                                  | 31 Dec 2020  | 30 Jun 2020 |
|                                  | \$           | \$          |
| Current receivables:             |              |             |
| Loan to director related entity* | 10,000       | -           |

\* Director related entity refers to Tidal Moon Australia Pty Ltd, an entity in which Charlie Nakamura and Peter Ashcroft are directors.

All other related party transactions are consistent in nature to those disclosed in the 30 June 2020 annual report.

### Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

## Note 22. Earnings per share

|                                                                                           | Consolidated               |                            |
|-------------------------------------------------------------------------------------------|----------------------------|----------------------------|
|                                                                                           | 6 months to 31<br>Dec 2020 | 6 months to 31<br>Dec 2019 |
|                                                                                           | \$                         | \$                         |
| Loss after income tax attributable to the owners of A1 Investments & Resources Ltd        | (1,033,342)                | (624,826)                  |
|                                                                                           | Number                     | Number                     |
| Weighted average number of ordinary shares used in calculating basic earnings per share   | 15,310,354,806             | 11,989,752,567             |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 15,310,354,806             | 11,989,752,567             |
|                                                                                           | Cents                      | Cents                      |
| Basic earnings per share                                                                  | (0.0067)                   | (0.0052)                   |
| Diluted earnings per share                                                                | (0.0067)                   | (0.0052)                   |

The weighted average number of ordinary shares in the comparative period are calculated based on the number of shares that would have been in existence had the capital restructure occurred on 1 July 2019.

**Note 23. Events after the reporting period**

On 15 January 2021, the company issued 357,142,857 ordinary shares at an issue price of \$0.00028 per share. The total cash received was \$100,000 of which \$80,000 was received during the financial year ended 30 June 2020 in advance of the shares being issued and the final \$20,000 was received in January 2021.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Charlie Nakamura  
Director

18 February 2021  
Tokyo



A1 INVESTMENTS & RESOURCES LTD  
ABN 44 109 330 949  
AND CONTROLLED ENTITIES

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF A1 INVESTMENTS & RESOURCES LTD

### SYDNEY

Level 40  
2 Park Street  
Sydney NSW 2000  
Australia

Ph: (612) 9263 2600  
Fx: (612) 9263 2800

### Report on the Half-year Financial Report

#### Conclusion

We have reviewed the accompanying half-year financial report of A1 Investments & Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements including a summary of significant accounting policies, 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 A1 Investments & Resources Limited does not comply with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of A1 Investments & Resources Limited's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities 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 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 report.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Group incurred a net loss after tax of \$1,033,342 for the half year ended 31 December 2020 and as of that date, the Group's total liabilities exceeded its total assets by \$506,115. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

#### Directors' Responsibility for the Half-Year Financial Report

The directors of A1 Investments & Resources Limited 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 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 Company's financial position as at 31 December 2020 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 Member of PrimeGlobal  
An Association of Independent  
Accounting Firms

 PrimeGlobal

A1 INVESTMENTS & RESOURCES LTD  
ABN 44 109 330 949  
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
A1 INVESTMENTS & RESOURCES LTD

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*

HALL CHADWICK (NSW)  
Level 40, 2 Park Street  
Sydney NSW 2000

*G Webb*

**Graham Webb**

**Partner**

Dated: 18 February 2021