

Design Milk Co Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Design Milk Co Limited
ABN:	15 006 908 701
Reporting period:	For the half-year ended 31 December 2022
Previous period:	For the half-year ended 31 December 2021

2. Results for announcement to the market

			US\$
Revenue from ordinary activities	down	74.0% to	252,368
Loss from ordinary activities after tax attributable to the owners of Design Milk Co Limited	down	55.1% to	(343,437)
Loss for the half-year attributable to the owners of Design Milk Co Limited	down	55.1% to	(343,437)

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 US\$343,437 (31 December 2021: US\$765,509).

For further commentary please refer to the ASX announcement accompanying this Appendix 4D.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(0.47)	0.48

4. 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 an unqualified review report with a material uncertainty paragraph on going concern has been issued.

5. Attachments

Details of attachments (if any):

The Interim Report of Design Milk Co Limited for the half-year ended 31 December 2022 is attached.

6. Signed

As authorised by the Board of Directors

A handwritten signature in blue ink, consisting of a series of stylized, overlapping loops and curves, positioned above a horizontal line.

Signed _____

Date: 24 February 2023

Mike Hill
Chairman
Sydney

Design Milk Co Limited

ABN 15 006 908 701

Interim Report - 31 December 2022

Design Milk Co Limited
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31 December 2022

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Design Milk Co Limited
Directors' report
31 December 2022

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Design Milk Co Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

Directors

The following persons were directors of Design Milk Co Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mike Hill - Chairman
 Christopher Colfer
 Arnaud Massenet
 Byran Michael Zekulich (appointed on 27 September 2022)
 Andrew Whitten (appointed on 1 December 2022)
 Michael Everett (resigned on 27 September 2022)

Principal activities

During the financial half-year, the principal continuing activity of the consolidated entity was the provision of advertising services.

As noted below, during the financial half-year the Board has decided to reposition the consolidated entity to an advertising revenue-only model and has decided to close down the eCommerce operations.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to US\$343,437 (31 December 2021: US\$765,509).

EBITDA ('earnings before interest, taxation, depreciation and amortisation') is a financial measure not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for non-cash items, interest revenue, finance costs and tax expenses. The following table summarises key reconciling items between statutory loss after tax and EBITDA. The directors consider EBITDA to reflect the core earnings of the consolidated entity.

	Consolidated 31 Dec 2022 US\$	Consolidated 31 Dec 2021 US\$
EBITDA	(322,993)	(717,181)
Interest revenue	8	1
Finance cost	(12,954)	(6,117)
Depreciation and amortisation expenses	(7,498)	(16,864)
Share-based payments	-	(235,506)
Non-cash income (subsidies and grants)	-	210,158
Statutory loss after income tax expense	<u>(343,437)</u>	<u>(765,509)</u>

For further commentary please refer to the ASX announcement accompanying this directors' report.

Significant changes in the state of affairs

Corporate strategy

Due to the challenging retail trading conditions and significant capital requirements for growing the eCommerce segment of the business, the Board has decided to reposition the consolidated entity to an advertising revenue-only model and shut down the eCommerce operations. The business model transition is aimed at improving the consolidated entity's cashflows and positioning it for a more sustainable growth path going forward.

Trade sale and strategic partnership opportunities

The consolidated entity continues to progress trade sale and strategic partnership discussions with a number of parties. The company's shares on the Australian Securities Exchange will remain in suspension as the Board considers possible asset sales.

Short-term loan

On 19 August 2022, the consolidated entity received US\$137,000 (A\$200,000) from Bombora Investment Management (a director-related entity). The working capital facility was converted into a convertible note facility as noted below.

Convertible note issue

On 7 December 2022, the shareholders approved the issuance of 5,328 convertible notes at face value of A\$100 each for total borrowing of US\$359,909 (before costs). The convertible note included US\$137,000 of short-term facility converted into a 3-year convertible note facility. Refer to note 8 of the notes to the financial statements for terms and conditions and other details.

There were no other significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 follows this directors' report.

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



Mike Hill
Chairman

24 February 2023
Sydney

Auditor's Independence Declaration Under Section 307C of the *Corporations Act 2001* to Directors of Design Milk Co Limited

As lead auditor for the review of the half year financial report of Design Milk Co Limited for the half year ended 31 December 2022, I declare that to the best of my knowledge and belief, that there have been:

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

Yours sincerely,

Crowe Sydney



Barbara Richmond

Partner

24 February 2023
Sydney

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Design Milk Co Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022

		Consolidated	
	Note	31 Dec 2022 US\$	31 Dec 2021 US\$
Revenue			
Commission from sale of goods		25,493	234,868
Advertising revenue		226,867	735,344
Total sales revenue	4	252,360	970,212
Other income	5	6,295	210,158
Interest revenue calculated using the effective interest method		8	1
Expenses			
Employee benefit expenses		(314,285)	(1,171,181)
Contractors and commission expenses		(68,854)	(320,986)
Marketing expenses		(50,605)	(150,477)
Technology expenses		(44,706)	(75,182)
Freight and warehousing expenses		(15,246)	(46,214)
Occupancy and administrative expenses		(20,635)	(44,516)
Professional fees		(67,317)	(114,343)
Depreciation and amortisation expenses		(7,498)	(16,864)
Finance costs		(12,954)	(6,117)
Loss before income tax expense		(343,437)	(765,509)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Design Milk Co Limited		(343,437)	(765,509)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(1,997)	(56,145)
Other comprehensive income for the half-year, net of tax		(1,997)	(56,145)
Total comprehensive income for the half-year attributable to the owners of Design Milk Co Limited		(345,434)	(821,654)
		Cents	Cents
Basic earnings per share	11	(0.95)	(2.11)
Diluted earnings per share	11	(0.95)	(2.11)

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

Design Milk Co Limited
Statement of financial position
As at 31 December 2022

		Consolidated	
	Note	31 Dec 2022	30 Jun 2022
		US\$	US\$
Assets			
Current assets			
Cash and cash equivalents		183,716	220,024
Trade and other receivables		54,547	100,435
Inventories		-	6,009
Other assets		28,766	21,353
Total current assets		<u>267,029</u>	<u>347,821</u>
Non-current assets			
Property, plant and equipment	6	<u>26,108</u>	<u>39,581</u>
Total non-current assets		<u>26,108</u>	<u>39,581</u>
Total assets		<u>293,137</u>	<u>387,402</u>
Liabilities			
Current liabilities			
Trade and other payables	7	110,486	165,950
Contract liabilities		27,055	42,080
Other liabilities		1,107	5,660
Total current liabilities		<u>138,648</u>	<u>213,690</u>
Non-current liabilities			
Convertible notes	8	<u>326,211</u>	-
Total non-current liabilities		<u>326,211</u>	-
Total liabilities		<u>464,859</u>	<u>213,690</u>
Net (liabilities)/assets		<u>(171,722)</u>	<u>173,712</u>
Equity			
Contributed equity		57,004,215	57,004,215
Reserves		1,766,536	1,768,533
Accumulated losses		<u>(58,942,473)</u>	<u>(58,599,036)</u>
Total (deficiency in equity)/equity		<u>(171,722)</u>	<u>173,712</u>

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

Design Milk Co Limited
Statement of changes in equity
For the half-year ended 31 December 2022

Consolidated	Contributed equity US\$	Reserves US\$	Accumulated losses US\$	Total equity US\$
Balance at 1 July 2021	57,004,215	1,604,713	(55,910,150)	2,698,778
Loss after income tax expense for the half-year	-	-	(765,509)	(765,509)
Other comprehensive income for the half-year, net of tax	-	(56,145)	-	(56,145)
Total comprehensive income for the half-year	-	(56,145)	(765,509)	(821,654)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	-	235,506	-	235,506
Balance at 31 December 2021	<u>57,004,215</u>	<u>1,784,074</u>	<u>(56,675,659)</u>	<u>2,112,630</u>
Consolidated	Contributed equity US\$	Reserves US\$	Accumulated losses US\$	Total deficiency in equity US\$
Balance at 1 July 2022	57,004,215	1,768,533	(58,599,036)	173,712
Loss after income tax expense for the half-year	-	-	(343,437)	(343,437)
Other comprehensive income for the half-year, net of tax	-	(1,997)	-	(1,997)
Total comprehensive income for the half-year	-	(1,997)	(343,437)	(345,434)
Balance at 31 December 2022	<u>57,004,215</u>	<u>1,766,536</u>	<u>(58,942,473)</u>	<u>(171,722)</u>

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

Design Milk Co Limited
Statement of cash flows
For the half-year ended 31 December 2022

		Consolidated	
	Note	31 Dec 2022	31 Dec 2021
		US\$	US\$
Cash flows from operating activities			
Receipts from customers		393,740	1,694,146
Payments to suppliers and employees		(754,031)	(2,394,495)
Interest received		8	1
Other income		6,295	-
Interest and other finance costs paid		(8,029)	(6,117)
Net cash used in operating activities		(362,017)	(706,465)
Cash flows from investing activities			
Payments for property, plant and equipment		-	(43,709)
Proceeds from disposal of property, plant and equipment	6	2,188	-
Net cash from/(used in) investing activities		2,188	(43,709)
Cash flows from financing activities			
Proceeds from convertible notes issue	8	222,909	-
Proceeds from short term debt (subsequently converted to convertible notes)	8	137,000	-
Borrowings costs paid		(36,388)	-
Net cash from financing activities		323,521	-
Net decrease in cash and cash equivalents		(36,308)	(750,174)
Cash and cash equivalents at the beginning of the financial half-year		220,024	1,670,290
Cash and cash equivalents at the end of the financial half-year		183,716	920,116

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

Note 1. General information

The financial statements cover Design Milk Co Limited ('company' or 'parent') as a consolidated entity consisting of Design Milk Co Limited and the entities it controlled at the end of, or during, the half-year ('consolidated entity'). The financial statements are presented in United States dollars, which is Design Milk Co Limited's presentation currency. The functional currency of Design Milk Co Limited is Australian dollars whilst the functional currency of its 100% controlled US subsidiary and main operating entity, Design Milk Co., is United States dollars.

Design Milk Co Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
Level 5, 126 Phillip Street Sydney, NSW 2000 Australia	1209 Hill Rd N Ste 256 Pickerington, OH 43147 United States of America

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 February 2023.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 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 2022 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, except for the policies stated below.

Convertible notes

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

Finance costs are expensed to profit or loss in the period in which they are incurred using the effective interest rate method.

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 during the financial half-year ended 31 Dec 2022 and are not expected to have any significant impact for the full financial year ending 30 June 2023.

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

Going concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

Note 2. Significant accounting policies (continued)

During the half-year ended 31 December 2022, the consolidated entity incurred a net loss after tax of \$343,437 (31 December 2021: \$765,509) and a cash outflow used in operating activities of \$362,017 (31 December 2021: \$706,465). As at 31 December 2022, the consolidated entity had cash and cash equivalents of \$183,716 (30 June 2022: \$220,024) and net assets deficiency of \$171,722 (30 June 2022: net assets/equity of \$173,712).

The consolidated entity is now running on a leaner operating model and reduced cost base. The consolidated entity continues to focus on cost base optimisation in order to reach cashflow breakeven. It is also continuing to explore strategic opportunities with a number of parties in order to maximise value for the shareholders. Due to the uncertainty surrounding the above matters, there is material uncertainty that may cast significant doubt upon the consolidated entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and liabilities in the normal course of business. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern. However, the directors believe that the consolidated entity will be successful in the above matters and, accordingly, have prepared the financial statements on a going concern basis.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity's 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.

The directors have determined that there is one operating segment identified and located in the United States of America. The information reported to the CODM is the consolidated results of the consolidated entity.

The operating segment information is the same information as provided throughout the financial statements and is therefore not duplicated.

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

Note 4. Revenue

Disaggregation of revenue

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

	Consolidated	
	31 Dec 2022	31 Dec 2021
	US\$	US\$
<i>Major product or services</i>		
Commission from sale of goods	25,493	234,868
Advertising revenue	226,867	735,344
	<u>252,360</u>	<u>970,212</u>
<i>Timing of revenue recognition</i>		
Commission from sale of goods recognised at a point in time	25,493	234,868
Services transferred at a point in time	154,418	190,692
Services recognised over time	72,449	544,652
	<u>252,360</u>	<u>970,212</u>

Revenue from contracts with customers is generated substantially from the United States of America.

Note 5. Other income

	Consolidated	
	31 Dec 2022	31 Dec 2021
	US\$	US\$
Subsidies and grants	-	210,158
Other income	6,295	-
	<u>6,295</u>	<u>-</u>
Other income	<u>6,295</u>	<u>210,158</u>

31 December 2021 subsidy and grants related to the forgiveness of Small Business Administration loan from Comerica Bank, which represented financial assistance as a result of the COVID-19 pandemic.

Note 6. Property, plant and equipment

	Consolidated	
	31 Dec 2022	30 Jun 2022
	US\$	US\$
<i>Non-current assets</i>		
Furniture and fixtures - at cost	7,498	7,498
Less: Accumulated depreciation	(6,228)	(6,032)
	<u>1,270</u>	<u>1,466</u>
Machinery and equipment - at cost	26,858	26,858
Less: Accumulated depreciation	(25,954)	(25,792)
	<u>904</u>	<u>1,066</u>
Computer equipment - at cost	108,219	116,342
Less: Accumulated depreciation	(84,285)	(79,293)
	<u>23,934</u>	<u>37,049</u>
	<u>26,108</u>	<u>39,581</u>

Reconciliations

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

	Furniture and fixtures US\$	Machinery and equipment US\$	Computer equipment US\$	Total US\$
Consolidated				
Balance at 1 July 2022	1,466	1,066	37,049	39,581
Disposals	-	-	(2,188)	(2,188)
Write off of assets	-	-	(3,787)	(3,787)
Depreciation expense	(196)	(162)	(7,140)	(7,498)
Balance at 31 December 2022	<u>1,270</u>	<u>904</u>	<u>23,934</u>	<u>26,108</u>

Note 7. Trade and other payables

	Consolidated	
	31 Dec 2022	30 Jun 2022
	US\$	US\$
<i>Current liabilities</i>		
Trade payables	53,943	68,056
Accrued expenses	53,601	97,894
Interest payable	2,942	-
	<u>110,486</u>	<u>165,950</u>

Note 8. Convertible notes

	Consolidated	
	31 Dec 2022	30 Jun 2022
	US\$	US\$
<i>Non-current liabilities</i>		
Convertible notes payable	360,972	-
Capitalised borrowing costs	(34,761)	-
	<u>326,211</u>	<u>-</u>

On 7 December 2022, the company issued 5,328 convertible notes at a face value of A\$100 each for total borrowing of US\$359,909 (excluding borrowing cost of \$36,388). The convertible note included US\$137,000 of short-term facility converted into a 3-year convertible note facility. The convertible notes carry interest at 12% per annum. The notes are unsecured and have a 36-month term maturing on 7 December 2025. The Noteholders have the option to seek repayment or alternatively convert the notes into ordinary shares.

If the Noteholders choose to convert, the conversion price is expected to be between A\$0.05 and A\$0.07. Further, the Noteholders are entitled to one free attaching option for every two shares issued on conversion, exercisable at A\$0.15 per option on or before 31 October 2027.

Note 9. Dividends

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

Note 10. Fair value measurement

The carrying amounts of trade and other receivables and trade and other payables 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.

Note 11. Earnings per share

	Consolidated	
	31 Dec 2022	31 Dec 2021
	US\$	US\$
Loss after income tax attributable to the owners of Design Milk Co Limited	<u>(343,437)</u>	<u>(765,509)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>36,292,792</u>	<u>36,292,792</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>36,292,792</u>	<u>36,292,792</u>
	Cents	Cents
Basic earnings per share	(0.95)	(2.11)
Diluted earnings per share	(0.95)	(2.11)

Note 12. Events after the reporting period

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Design Milk Co Limited
Directors' declaration
31 December 2022

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 2022 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



Mike Hill
Chairman

24 February 2023
Sydney

Independent Auditor's Review Report to the Members of Design Milk Co Limited

Conclusion

We have reviewed the half-year financial report of Design Milk Co Limited (the Company) and its subsidiaries (the Group), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (a) giving a true and fair view of the Group'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 the *Corporations Regulations 2001*.

Basis of Conclusion

We conducted our review in accordance with ASRE 2410 *Review of 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 Group 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Material uncertainty related to going concern

We draw attention to Note 2 of the financial report, which indicates that the Consolidated Entity has incurred a loss after tax of \$343,437 for half year ended 31 December 2022 and net operating cash outflows during the same period amounted to \$362,017, and has a net asset deficiency of \$171,722. These conditions, along with other matters as set forth in Note 2 Going Concern indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the Group 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 Group'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.



Crowe Sydney



Barbara Richmond
Partner

24 February 2023
Sydney

Design Milk Co Limited
Corporate directory
31 December 2022

Directors	Mike Hill - Non-Executive Chairman Christopher Colfer - Non-Executive Director Arnaud Massenet - Non-Executive Director Byran Michael Zekulich - Non-Executive Director Andrew Whitten - Non-Executive Director
Company secretary	Sapir Elias
Registered office	Level 5, 126 Phillip Street Sydney, NSW 2000 Australia Tel: 1300 266 517 or +61 2 8072 1400
Principal place of business	1209 Hill Rd N Ste 256 Pickerington, OH 43147 United States of America
Share register	Automic Registry Services Level 5, 126 Phillip Street, Sydney, NSW 2000 Tel: 02 9698 5414 Email: hello@automic.com.au
Auditor	Crowe Sydney Level 24, 1 O'Connell Street Sydney NSW 2000
Stock exchange listing	Design Milk Co Limited shares are listed on the Australian Securities Exchange (ASX code: DMC)
Website	www.design-milk.com