

Terragen Holdings Limited

ABN 36 073 892 636

ASX Appendix 4D for the six months ended 31 December 2023

Reporting period: Half-year from 1 July 2023 to 31 December 2023

Previous corresponding period: Half-year from 1 July 2022 to 31 December 2022

The following information should be read in conjunction with both the Financial Report for the year ended 30 June 2023 and the Interim Financial Report for the half-year ended 31 December 2023.

Results for announcement to the market

a. Financial

Terragen Holdings Limited (Terragen) results for announcement to the market are detailed below:

	31 December 2023	31 December 2022	Change
	\$	\$	%
Revenue from ordinary activities	1,200,740	1,947,112	(38%)
Loss from ordinary activities after tax attributable to members	(1,495,332)	(2,196,716)	32%
Net Loss from ordinary activities attributable to members	(1,495,332)	(2,196,716)	32%

b. Dividends

There were no dividends paid, recommended or declared during the half-year ended 31 December 2023 or in the prior half-year ended 31 December 2022.

Terragen does not currently have an active dividend reinvestment plan.

c. Explanation of results

Please refer to the Directors' Report of the attached Interim Financial Report for further commentary on the half-year ended 31 December 2023.

Net tangible assets

	31 December 2023	31 December 2022
Net tangible assets per ordinary security	1.71 cents	2.84 cents

Review

The Financial Statements for the half-year ended 31 December 2023 have been subject to review by Terragen's external auditors, SW Audit, and the review report is included in the Interim Financial Report attached.

Attachments

1. Interim Financial Report of Terragen Holdings Limited for the half-year ended 31 December 2023.



Signed

Date: 20 February 2024

Richard Norton

Managing Director and Chief Executive Officer



Terragen Holdings Limited and
Controlled Entity

ABN 36 073 892 636

Interim financial report
for the half-year ended 31 December 2023

**Interim financial report
for the half-year ended 31 December 2023**

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Terragen Holdings Limited and Controlled Entity

Directors' Report

For the half-year ended 31 December 2023

The directors of Terragen Holdings Limited submit herewith the interim financial report of Terragen Holdings Limited (the Company) and its subsidiary (the Group) at the end of, or during, the half-year ended 31 December 2023.

Directors

The names of the directors of the company during or since the end of the half-year are:

- Michael Barry – Non-Executive Chair
- Sam Brougham – Non-Executive Director
- Scobie Ward – Non-Executive Director (appointed 7 September 2023)
- Dr Michele Allan AO – Non-Executive Director (appointed 24 November 2023)
- Ingrid van Dijken – Non-Executive Director (resigned 24 November 2023)
- Richard Norton – Managing Director and CEO (appointed Non-Executive Director 12 December 2023; appointed Managing Director and CEO 1 February 2024)
- Miles Brennan – Managing Director and CEO (resigned 31 January 2024)

Principal activities

The Group's principal activities during the period were research and early market development of biological products in the agriculture sector. There were no significant changes in the nature of these activities during the half-year.

Operating and financial review

Review of financial results

The Group reported a loss after tax for the half-year of \$1,495,332 (2022: loss of \$2,196,716). The significant items affecting the operating result were:

- Revenues of \$1,200,740 (2022: \$1,947,112) from the sale of the Company's two products *Mylo*® and *Great Land Plus*® in Australia and New Zealand.
- Income tax benefit of \$410,652 (2022: \$366,060) comprising the accrued research and development tax benefit in relation to research and development expenditure incurred by the Group during the half-year.
- Operating expenses of \$3,151,942 in the year have decreased by 31% from the prior half-year operating expenses of \$4,541,686. Expenditure consists principally of:
 - Employee benefits expense \$1,505,776 (2022: \$2,159,470)
 - Sales commissions to Retail Agents of \$324,732 (2022: \$543,036)
 - Direct research expenditure of \$204,544 (2022: \$203,937)
 - Consulting costs of \$153,452 (2022: \$301,679).

Directors' Report

For the half-year ended 31 December 2023

Review of financial position

- Net cash outflows used in operating activities decreased by 37% to \$1,374,827 (2022: \$2,186,846).
- The Group's net assets have increased from \$5,076,183 to \$6,835,564 which is largely attributable to the Group's capital raising activities during the half-year. The Group's receivables and cash flow management continue to support overall strength in working capital.

Principal risks

There have been no changes in principal risks previously reported in the Group's Financial Report for the year-ended 30 June 2023.

Capital structure

During the half-year the Group completed Tranche 2 of a two-tranche institutional placement and a share purchase plan as announced in June 2023.

The Share Purchase Plan (SPP), offered to retail investors, closed on 30 June 2023, raising \$466,000. The 19,416,651 shares were issued at \$0.024 per share on 6 July 2023.

Tranche 2 completed on 7 September 2023 following shareholder approval. 126,542,360 fully paid ordinary shares were issued at \$0.024 per share to raise equity of \$3,037,017 before capital raising costs.

Board and Management Changes

During the half-year the following Board and management changes were made:

- Robyn Smith was appointed as Chief Financial Officer and Company Secretary on 24 July 2023 having previously held the position of Senior Financial Controller.
- Non-Executive Director Scobie Ward was appointed on 7 September 2023.
- Non-Executive Director Ingrid van Dijken resigned on 24 November 2023
- Non-Executive Director Dr Michele Allan AO was appointed on 24 November 2023.
- Non-Executive Director Richard Norton was appointed on 12 December 2023. On 1 February 2024 Richard Norton was appointed Managing Director and CEO and no longer as a Non-Executive Director.

Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the half year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years, except as below:

- On 31 January 2024 Mr Miles Brennan resigned as Managing Director and CEO of the Company. He was succeeded by Richard Norton on 1 February 2024, who transitioned from his role as a Non-Executive Director.

Directors' Report

For the half-year ended 31 December 2023

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 immediately after this directors' report.

Signed in accordance with a resolution of directors made pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Richard Norton', with a long horizontal stroke extending to the right.

Richard Norton
Managing Director and CEO
Melbourne, 20 February 2023

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF TERRAGEN HOLDINGS LIMITED

As lead auditor, I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2023 there have been:

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



SW Audit
Chartered Accountants



R Blayney Morgan
Partner

Melbourne, 20 February 2024

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Consolidated statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2023

	Notes	31 Dec 23 \$	31 Dec 22 \$
Revenue	3	1,200,740	1,947,112
Other income	3	45,218	31,798
Commissions		(324,732)	(543,036)
Raw materials and consumables used		(111,580)	(87,484)
Transport		(84,919)	(229,036)
Accounting and audit		(92,003)	(115,482)
ASX and share registry		(25,960)	(34,203)
Depreciation and amortisation	4	(187,777)	(263,817)
Selling		(31,826)	(149,147)
Consulting		(153,452)	(301,679)
Communication and IT		(57,313)	(58,758)
Direct research	5	(204,544)	(203,937)
Employee benefits		(1,505,776)	(2,159,470)
Insurance		(101,147)	(101,322)
Occupancy		(71,595)	(121,002)
Travel and accommodation		(49,091)	(51,699)
Finance costs	6	(12,162)	(9,002)
Other expenses		(138,065)	(112,612)
Loss before tax		(1,905,984)	(2,562,776)
Income tax benefit		410,652	366,060
Loss after income tax for the half-year		(1,495,332)	(2,196,716)
Other comprehensive losses for the half-year			
Profit/(loss) on translation of foreign operations		668	(19,508)
Total comprehensive loss for the half-year		(1,494,664)	(2,216,224)
Loss per share			
Basic and diluted loss per share (cents per share)	13	(0.46)	(1.14)

The accompanying notes form part of these financial statements.

Consolidated statement of financial position**As at 31 December 2023**

	Notes	31 Dec 23 \$	30 Jun 23 \$
Current assets			
Cash and cash equivalents	7	5,686,366	4,174,116
Trade and other receivables		190,949	254,655
Inventories		178,244	202,954
Other assets		193,676	297,018
Current tax asset	8	1,149,236	738,586
Total current assets		7,398,471	5,667,329
Non-current assets			
Right of use assets	9	409,502	105,784
Property, plant and equipment	10	313,521	375,793
Intangible assets		226,384	196,253
Other assets		-	1,600
Total non-current assets		949,407	679,430
Total assets		8,347,878	6,346,759
Current liabilities			
Trade and other payables		826,991	798,059
Lease liabilities		192,173	219,328
Employee provisions		228,688	187,158
Total current liabilities		1,247,852	1,204,545
Non-current liabilities			
Lease liabilities		233,987	20,045
Employee provisions		30,475	45,986
Total non-current liabilities		264,462	66,031
Total liabilities		1,512,314	1,270,576
Net assets		6,835,564	5,076,183
Equity			
Issued capital	11	46,903,663	43,649,618
Reserves	12	1,681,409	1,680,741
Accumulated losses		(41,749,508)	(40,254,176)
Total equity		6,835,564	5,076,183

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity

For the half-year ended 31 December 2023

	Notes	Issued capital	Reserves	Accumulated losses	Total
		\$	\$	\$	\$
2022					
Balance at 1 July 2022		43,004,870	2,290,440	(37,534,049)	7,761,261
Loss for the half-year		-	-	(2,196,716)	(2,196,716)
Translation of foreign operations		-	(19,508)	-	(19,508)
Total comprehensive loss for the half-year		-	(19,508)	(2,196,716)	(2,216,224)
<i>Transactions with owners in their capacity as owners</i>					
Options exercised	12	123,764	(93,764)	-	30,000
Options lapsed	12	-	(513,792)	513,792	-
Balance at 31 December 2022		43,128,634	1,663,376	(39,216,973)	5,575,037
2023					
Balance at 1 July 2023		43,649,618	1,680,741	(40,254,176)	5,076,183
Loss for the half-year		-	-	(1,495,332)	(1,495,332)
Translation of foreign operations		-	668	-	668
Total comprehensive loss for the half-year		-	668	(1,495,332)	(1,494,664)
<i>Transactions with owners in their capacity as owners</i>					
Issue of share capital	12	3,503,017	-	-	3,503,017
Capital Raising Costs	12	(248,972)	-	-	(248,972)
Balance at 31 December 2023		46,903,663	1,681,409	(41,749,508)	6,835,564

The accompanying notes form part of these financial statements.

Consolidated statement of cash flows

For the half-year ended 31 December 2023

		31 Dec 23 \$	31 Dec 22 \$
Cash flows from operating activities			
Receipts from customers		1,535,490	1,566,357
Payments to suppliers and employees		(2,943,373)	(3,770,618)
Interest and other costs of finance paid		(12,162)	(5,231)
Interest received		45,218	22,646
Net cash used in operating activities		(1,374,827)	(2,186,846)
Cash flows from investing activities			
Payment for property, plant & equipment		(21,890)	(27,781)
Payment for intangible assets		(42,894)	(23,298)
Net cash used in investing activities		(64,784)	(51,079)
Cash flows from financing activities			
Proceeds from share issue		3,503,017	-
Costs of issuing equity securities		(343,980)	-
Proceeds from conversion of share options		-	30,000
Repayment of borrowings		(109,737)	-
Repayment of lease liabilities		(98,125)	(120,952)
Net cash provided by / (used in) financing activities		2,951,175	(90,952)
Net decrease in cash and cash equivalents		1,511,564	(2,328,877)
Cash and cash equivalents at the beginning of the year	7	4,174,116	6,669,478
Foreign exchange differences on cash and cash equivalents		686	6,873
Cash and cash equivalents at the end of the half-year	7	5,686,366	4,347,474

The accompanying notes form part of these financial statements.

Notes to the consolidated financial statements

For the half-year ended 31 December 2023

1. Significant accounting policies

The financial statements are for the consolidated Group, consisting of Terragen Holdings Limited (the Company) and its subsidiary (the Group). Terragen Holdings Limited is a company limited by shares whose shares are publicly traded on the Australian Securities Exchange (ASX) under the code TGH.

(i) Statement of compliance

The half-year financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

(ii) Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Comparatives have been reclassified where appropriate to ensure consistency and comparability with current period. The consolidated interim financial report does not include all notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Terragen Holdings Ltd during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(iii) New accounting standards and interpretations

In the current half-year, there have been no new Australian Accounting Standards or amendments to standards that have impacted on the Group's annual reporting period that began on 1 July 2023.

(iv) Critical estimates and judgements

There have been no changes in critical estimates and judgements previously reported in the Group's Financial Report for the year-ended 30 June 2023.

(v) Operating losses

The Group incurred a loss after income tax of \$1,495,332 and net operating cash outflows of \$1,374,827 for the period ended 31 December 2023. Notwithstanding the above, the financial report has been prepared on a going concern basis which contemplates the continuation of normal business operations and the realisation of assets and the settlement of liabilities in the in the normal course of business.

At 31 December 2023 the Group had cash and cash equivalents of \$5,792,545 (including Term Deposits) and \$1,149,236 of research and development offset receivables that are expected to be recovered from the Australian Taxation Office. \$741,791 of these receivables are expected to be recovered in the next six months.

Based on management's cash flow forecasts and having considered the current trading performance and the plans for the Group, the Directors are satisfied there is sufficient cash and cash equivalents to withstand current operating losses and settle its liabilities in the normal course of business.

Notes to the consolidated financial statements

For the half-year ended 31 December 2023

2. Operating segments

i. Segment performance

The following tables present revenue and loss information for the Group's operating segments for half-year ended 31 December 2023 and 31 December 2022, respectively.

	Australia	New Zealand	TOTAL
	\$	\$	\$
31 December 2023			
Total segment revenue	1,163,359	37,381	1,200,740
Segment other income	44,382	836	45,218
Segment expenditure	(3,085,385)	(66,568)	(3,151,942)
Segment result	(1,877,634)	(28,351)	(1,905,984)

	Australia	New Zealand	TOTAL
	\$	\$	\$
31 December 2022			
Total segment revenue	1,650,325	296,788	1,947,113
Segment other income	31,424	373	31,797
Segment expenditure	(3,878,611)	(663,074)	(4,541,685)
Segment result	(2,196,862)	(365,913)	(2,562,776)

ii. Segment assets

The following tables present assets and liabilities information for the Group's operating segments as at 31 December 2023 and 30 June 2023, respectively.

	Australia	New Zealand	Total
	\$	\$	\$
31 December 2023	8,311,336	36,542	8,347,878
30 June 2023	6,258,814	87,945	6,346,759

Notes to the consolidated financial statements

For the half-year ended 31 December 2023

	Half-year ended 31 Dec	
	2023 \$	2022 \$
3. Revenue and other income		
Sales by product at a point in time:		
- Mylo®	916,854	1,427,420
- Great Land Plus®	283,886	519,692
	1,200,740	1,947,112
Other income		
Interest received	45,218	23,606
Other income	-	8,192
Total other income	45,218	31,798
Total revenue and other income	1,245,958	1,978,910
4. Depreciation and amortisation		
Depreciation of right-of-use assets (refer to note 9)	90,930	91,840
Depreciation of property, plant, and equipment (refer to note 10)	84,162	162,594
Amortisation of intangible assets	12,685	9,383
Total depreciation and amortisation	187,777	263,817
5. Research		
Direct research	204,544	203,937
Employee benefits	460,519	480,697
Depreciation and amortisation	61,738	87,390
Other expenses	102,408	94,139
Total research and development expense	829,209	866,163

Notes to the consolidated financial statements

For the half-year ended 31 December 2023

	Half-year ended 31 Dec	
	2023 \$	2022 \$
6. Finance Costs		
Interest on lease liabilities	6,834	4,765
Other finance costs	5,328	4,237
	12,162	9,002

	31 Dec 23 \$	30 Jun 23 \$
7. Cash and cash equivalents		
Cash at bank	5,686,366	4,174,116
	5,686,366	4,174,116

At 31 December 2023, the Group holds term deposits of \$106,179 with financial institutions that roll over beyond 90 days of half-year end, which are restricted for the use of bank guarantees. These have been classified within other assets on the Statement of Financial Position at 31 December 2023.

8. Current tax asset

Tax incentive on research and development	1,149,236	738,586
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Movements in the tax incentive due during the half-year are set out below:

Opening balance at the beginning of the half-year	738,586	890,223
Tax incentive on research and development received	-	(893,428)
Accrual of tax incentive for the half-year	410,650	741,791
Closing balance at the end of the half-year	1,149,236	738,586

Notes to the consolidated financial statements**For the half-year ended 31 December 2023**

	Buildings \$	Motor vehicles \$	Total \$
9. Right-of-use assets			
<u>Cost</u>			
Balance at 1 July 2023	411,244	194,340	605,584
Additions	394,648	-	394,648
At 31 December 2023	805,892	194,340	1,000,232
<u>Accumulated depreciation</u>			
Balance at 1 July 2023	383,556	116,244	499,800
Depreciation	60,576	30,354	90,930
At 31 December 2023	444,132	146,598	590,730
Carrying amount at 31 December 2023	361,760	47,742	409,502

The Group leases several assets including buildings, motor vehicles and plant and equipment used in manufacturing and research and development activities. During the half-year, two new lease contracts were entered into for the Group's commercial premises in Coolumb, Queensland. This resulted in additions to right-of-use assets of \$394,648.

	31 Dec 23 \$	30 Jun 23 \$
10. Property, plant and equipment		
<u>Carrying amounts of:</u>		
Plant and equipment	172,009	195,866
Office equipment	2,955	6,783
Research equipment	103,966	106,489
Leasehold improvements	34,591	66,655
Written down value	313,521	375,793

Notes to the consolidated financial statements

For the half-year ended 31 December 2023

10. Property, plant and equipment (continued)

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant & equipment	Office equipment	Research equipment	Leasehold improvements	Total
	\$	\$	\$	\$	\$
<u>Cost</u>					
Balance 1 July 2023	508,417	98,347	995,837	527,125	2,129,726
Additions	-	-	21,890	-	21,890
Balance 31 December 2023	508,417	98,347	1,017,727	527,125	2,151,616
<u>Accumulated depreciation</u>					
Balance 1 July 2023	(312,551)	(91,564)	(889,348)	(460,470)	(1,753,933)
Depreciation	(23,857)	(3,828)	(24,413)	(32,064)	(84,162)
Balance 31 December 2023	(336,408)	(95,392)	(913,761)	(492,534)	(1,838,095)
Carrying amount at 31 December 2023	172,009	2,955	103,966	34,591	313,521

	31 Dec 23 \$	30 Jun 23 \$
11. Issued capital		
Ordinary shares	46,903,663	43,649,618

	31 Dec 23 shares	30 Jun 23 shares	31 Dec 23 \$	30 Jun 23 \$
<u>Ordinary shares issued and fully paid</u>				
Beginning of the period	223,122,115	193,419,235	43,649,618	43,004,870
Issue of shares	145,959,011	29,102,880	3,503,017	698,469
Shares issued on the exercise of options (refer note 12)	-	600,000	-	123,764
Capital raising costs	-	-	(248,972)	(177,485)
Balance at period end	369,081,126	223,122,115	46,903,663	43,649,618

Notes to the consolidated financial statements

For the half-year ended 31 December 2023

During the half-year the Group completed Tranche 2 of a two-tranche institutional placement and the share purchase plan as announced in June 2023. The following ordinary shares were issued:

- Under the Share Purchase Plan (SPP) 19,416,651 shares were issued at \$0.024 per share on 6 July 2023, raising \$466,000.
- 126,542,360 fully paid ordinary shares were issued under Tranche 2 on 7 September 2023. The shares were issued at \$0.024 per share raising \$3,037,017 before capital raising costs.

	31 Dec 23 \$	30 Jun 23 \$
12. Reserves		
Share-based payments reserve (a)	1,679,050	1,679,050
Foreign currency translation reserve (b)	2,359	1,691
Total reserves	1,681,409	1,680,741

Movements in reserves during the half-year comprised:

a) Share-based payment reserve

	31 Dec 23 Options	30 Jun 23 Options	31 Dec 23 \$	30 Jun 23 \$
Outstanding at the beginning of the year	8,000,000	8,600,000	1,679,050	1,772,814
Exercised during the year	-	(600,000)	-	(93,764)
Outstanding at the end of the year	8,000,000	8,000,000	1,679,050	1,679,050

b) Foreign currency translation reserve

The movement in foreign currency translation reserve represents the gain on translation of the Group's foreign operations of \$668 for the half-year ended 31 December 2023 (2022: loss of \$122)

Notes to the consolidated financial statements**For the half-year ended 31 December 2023**

13. Loss per share

Both the basic and diluted loss per share have been calculated using the loss for the half-year. The reconciliation of the weighted average number of shares for the purpose of diluted loss per share to the weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:

	Half-year ended 31 Dec	
	2023	2022
	\$	\$
Loss attributable to the owners of the Company	(1,495,333)	(2,196,716)
	2023	2022
	No.	No.
Weighted average number of shares used in basic loss per share	321,529,412	193,881,530
Weighted average number of shares used in diluted loss per share (i)	321,529,412	193,881,530

- (i) There were no potential ordinary shares that are considered dilutive as they did not meet the requirements for inclusion as per AASB 133 *Earnings per Share* since the Group generated losses for the half-year ended 31 December 2023.

14. Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the half-year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years, except as below:

- On 31 January 2024 Mr Miles Brennan resigned as Managing Director and CEO of the Company. He was succeeded by Richard Norton on 1 February 2024, who transitioned from his role Non-Executive Director.

Directors' Declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group.

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

On behalf of the Directors

A handwritten signature in dark ink, appearing to read 'Richard Norton', with a long horizontal stroke extending to the right.

Richard Norton
Managing Director and CEO
Melbourne, 20 February 2023

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TERRAGEN HOLDINGS LIMITED

Report on the Interim Financial Report

Conclusion

We have reviewed the interim financial report of Terragen Holdings Limited (the Company) and its subsidiary (the Group) which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated 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 interim financial report of the Terragen Holdings Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2023 and of 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*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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.

Responsibility of the Directors for the Interim Financial Report

The directors of the Group are responsible for the preparation of the interim 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 interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the interim 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 interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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A review of an interim 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.



SW Audit

Chartered Accountants



R Blayney Morgan

Partner

Melbourne, 20 February 2024