

APPENDIX 4D

WISEWAY GROUP LIMITED

For the period ended 31 December 2023

Details of reporting period

| | |
|--------------------------|---------------------------------|
| Current reporting period | 1 July 2023 to 31 December 2023 |
| Prior reporting period | 1 July 2022 to 31 December 2022 |

Results for announcement to the market

Wiseway Group Limited ("the Group") and its subsidiaries, presents its results for the period 1 July 2023 to 31 December 2023. The Group's revenue and earnings before interest, tax, depreciation and amortisation (EBITDA) for the six months ended 31 December 2023 were \$52,325,000 (1 July to 31 December 2022: \$54,991,000) and \$4,304,000 (1 July to 31 December 2022 \$506,000) respectively. The profit for the Group for the six months ended 31 December 2023 after providing for income tax amounted to \$562,000 (1 July to 31 December 2022 loss of \$3,652,000).

Reconciliation of statutory (loss)/profit for the period to EBITDA

| | Six months ended | Six months ended | |
|-------------------------------------|------------------|------------------|----------|
| | 31 December 2023 | 31 December 2022 | Movement |
| | \$'000 | \$'000 | \$'000 |
| Profit/(loss) for the period | 562 | (3,652) | 4,214 |
| Interest | 951 | 1,101 | (150) |
| Depreciation expense | 2,791 | 3,057 | (266) |
| Tax Expense (Benefit) | - | - | - |
| EBITDA | 4,304 | 506 | 3,798 |
| | | | |

| | Six months ended | Six months ended | |
|--|------------------|------------------|----------|
| | 31 December 2023 | 31 December 2022 | Movement |
| | \$'000 | \$'000 | \$'000 |
| Statutory Financial Results | | | |
| Revenue from ordinary activities | 52,325 | 54,991 | (2,666) |
| Profit/(loss) from ordinary activities after tax | 562 | (3,652) | 4,214 |
| Net profit/(loss) for the period attributable to members | 568 | (3,652) | 4,220 |

WISEWAY GROUP LIMITED
ABN 26 624 909 682

| | Six months ended 31 December 2023 | Six months ended 31 December 2022 | Movement |
|---------------------------|--|--|-----------------|
| | Cents | Cents | % |
| Basic earning per share | 0.34 | (2.18) | 116% |
| Diluted earning per share | 0.34 | (2.18) | 116% |

Dividends

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

Dividends

| | 2023 | Total |
|--|------------------------|---------------|
| | Cents per share | \$'000 |
| Interim dividend | | |
| Current year | 0.2 | 335 |
| Previous year | - | - |
| Record date to determine entitlement to dividend | 28 March 2024 | |
| Date Dividend Payable | 12 April 2024 | |

Net tangible assets

| | Six months ended 31 December 2023 | Six months ended 31 December 2022 | Movement |
|----------------------------------|--|--|-----------------|
| | Cents | Cents | % |
| Net tangible assets per security | 12.4 | 10.71 | 15.78% |

Audit qualification or review

The financial statements have been reviewed by BDO Audit Pty Ltd and the Independent Auditors' Review Report is included as part of the Interim Financial Report attached.

WISEWAY GROUP LIMITED
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Attachments

This Appendix 4D is provided in accordance with ASX Listing Rule 4.2A and is to be read in conjunction with the Interim Financial Report for the current period ended 31 December 2023, where additional disclosures are provided, and any market announcements made by the Company in accordance with continuous disclosure obligations.

The interim financial report is attached below.

Signed in accordance with a resolution of the directors:



Astrid Raetze
Chair of the Board



Florence Tong
Managing Director

Dated at Sydney this 28th February 2024

Dated at Sydney this 28th February 2024

WISEWAY GROUP LIMITED
ABN 26 624 909 682

WISEWAY GROUP LIMITED

ABN 26 624 909 682

INTERIM FINANCIAL REPORT

31 DECEMBER 2023

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DIRECTORS' REPORT

The Directors present their report together with the consolidated interim financial statements of the Group, comprising of Wiseway Group Limited (the "Company") and its controlled entities, for the six months ended 31 December 2023 and the auditor's review report thereon.

1. Directors

The Directors of the Company at any time during or since the end of the financial reporting period are:

| Name of Director | Position |
|------------------|------------------------|
| Florence Tong | Managing Director |
| Astrid Raetze | Non-Executive Chair |
| Jim Tong | Non-Executive Director |
| Brandon Teo | Non-Executive Director |

2. Principal activities

The principal activities of the Group during the financial reporting period were the movement of goods by freight to cater to the needs of those interstate or overseas. There were no significant changes in the nature of the activities of the Group during the financial reporting period.

3. Review of operations

a) Financial results

The Group's revenue and earnings before interest, tax, depreciation, and amortisation (EBITDA) for the six months ended 31 December 2023 were \$52,325,000 (1H2023: \$54,991,000) and EBITDA of \$4,304,000 (1H2023: \$506,000) respectively. The profit for the Group for the six months ended 31 December 2023 after providing for income tax amounted to \$562,000 (1H2023: loss of \$3,652,000).

The significant improvement in profitability for the six months ending 31 December 2023 against the prior comparative period reflects the flow through benefits from effective cost management, operational improvements and focused strategic initiatives.

| | Six months ended 31 December 2023 | Six months ended 31 December 2022 | Movement |
|------------------------------|--------------------------------------|--------------------------------------|----------|
| | \$'000 | \$'000 | \$'000 |
| Profit/(Loss) for the period | 562 | (3,652) | 4,214 |
| Interest | 951 | 1,101 | (150) |
| Depreciation expense | 2,791 | 3,057 | (266) |
| Tax Expense | - | - | - |
| EBITDA | 4,304 | 506 | 3,798 |

DIRECTORS' REPORT (Continued)

3. Review of operations (continued)

b) Strategic diversification and revenue growth

The Group's strategy to diversify revenue streams and expand its core capabilities has yielded positive results with notable growth in Perishables, Sea Freight, and Imports. As international freight rates reduced and normalized following countries opening up borders and resuming flights, our strategic focus has limited the impact it had on our overall profitability.

c) Operational efficiency and global network expansion

The Group is focused on optimizing operational costs through process efficiencies and cost streamlining initiatives. Investments in capabilities within Perishables, eCommerce Imports, and Sea Freight have progressed as planned, enabling the Group to offer more value-added services to our customers. The Group's global network has started to bear fruit, with more clients utilising Wiseway's services in multiple geographies.

d) Outlook

Wiseway is anticipating continued growth in Imports and eCommerce. Imports is expected to become one of Wiseway's largest business divisions as the Group continues to invest to capture the cross-border eCommerce tailwind. The Company is also committed to improving operational efficiency, with a clear focus on enhancing business stability. This includes a renewed focus to strengthen Australia and New Zealand branches, whilst evaluating the correct business model for international divisions in order to deliver greater returns to shareholders.

Wiseway intends to continue distributing dividends to shareholders as the company realises positive results, with a focus on paying sustainable dividends while ensuring continued reinvestment in the business. The Company will also remain committed to the ongoing development of IT technology as an instrumental factor to drive growth through more seamless operations and further efficiency gains.

4. Events after the reporting period

On 28th February, the Directors of the Group declared an interim dividend on ordinary shares in respect of the 2024 financial year. The total amount of the dividend is \$334,588 which represents a fully franked dividend of 0.2 cents per share. The dividend has not been provided for in the 31 December 2023 financial statements and is payable on 12th April 2024.

Other than the above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

5. Rounding

The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the condensed consolidated interim financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

DIRECTORS' REPORT (Continued)

6. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 6 and forms part of the Directors' report for the six months ended 31 December 2023.

Signed in accordance with a resolution of the directors:



Astrid Raetze
Chair of the Board
Dated at Sydney this 28th February 2024



Florence Tong
Managing Director
Dated at Sydney this 28th February 2024

DECLARATION OF INDEPENDENCE BY MATINA MOFFITT TO THE DIRECTORS OF WISEWAY GROUP LIMITED

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

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Wiseway Group Limited and the entities it controlled during the period.



Matina Moffitt
Director

BDO Audit Pty Ltd

Sydney, 28 February 2024

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2023

| | | Six months ended 31 December 2023 | Six months ended 31 December 2022 |
|---|------|--------------------------------------|--------------------------------------|
| | Note | \$'000 | \$,000 |
| Revenue | 6 | 52,325 | 54,991 |
| Direct transport and logistics expenses | | (34,352) | (39,373) |
| Employee benefit expenses | 7 | (10,638) | (10,273) |
| Occupancy expenses | | (860) | (1,112) |
| Depreciation expense | | (2,791) | (3,057) |
| Share-based payments expense | | (61) | (6) |
| Administration and other expenses | | (2,110) | (3,721) |
| Operating profit/(loss) | | 1,513 | (2,551) |
| Finance costs | | (951) | (1,101) |
| Profit/(loss) before tax | | 562 | (3,652) |
| Income tax benefit/(expense) | 8 | - | - |
| Profit/(loss) for the period | | 562 | (3,652) |
| Other comprehensive income | | | |
| Items that are or may be reclassified subsequently to profit or loss | | | |
| Foreign operations - foreign currency translation differences | | (95) | 66 |
| Other comprehensive (loss)/income for the period | | (95) | 66 |
| Total comprehensive profit/(loss) for the period | | 467 | (3,586) |
| Profit/(loss) attributable to: | | | |
| Owners of the Company | | 568 | (3,652) |
| Non-controlling interests | | (6) | - |
| | | 562 | (3,652) |
| Total comprehensive profit/(loss) attributable to: | | | |
| Owners of the Company | | 473 | (3,586) |
| Non-controlling interests | | (6) | - |
| | | 467 | (3,586) |
| Basic earnings per share (cents) | | 0.34 | (2.18) |
| Diluted earnings per share (cents) | | 0.34 | (2.18) |

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

| | Note | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|---|------|----------------------------|------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 9 | 7,362 | 9,072 |
| Trade and other receivables | 10 | 14,820 | 9,084 |
| Inventories | | 169 | 128 |
| Current tax receivable | | 377 | 338 |
| Other assets | | 1,532 | 1,018 |
| Financial assets | 11 | 685 | 769 |
| Total current assets | | 24,945 | 20,409 |
| Non-current assets | | | |
| Other receivables | 10 | 1,000 | - |
| Other assets | | 3,656 | 3,335 |
| Property, plant and equipment | 12 | 37,307 | 38,596 |
| Total non-current assets | | 41,963 | 41,931 |
| Total assets | | 66,908 | 62,340 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 13 | 11,917 | 6,753 |
| Loans and borrowings | 14 | 5,628 | 5,797 |
| Employee benefits | | 1,341 | 1,134 |
| Provisions | | 127 | 127 |
| Total current liabilities | | 19,013 | 13,811 |
| Non-current liabilities | | | |
| Loans and borrowings | 14 | 28,596 | 29,847 |
| Employee benefits | | 84 | 59 |
| Total non-current liabilities | | 28,680 | 29,906 |
| Total liabilities | | 47,693 | 43,717 |
| Net assets | | 19,215 | 18,623 |
| Equity | | | |
| Share capital | 15 | 30,098 | 30,066 |
| Share-based payments reserve | | 1,727 | 1,666 |
| Foreign currency translation reserve | | 85 | 180 |
| Accumulated losses | | (12,684) | (13,252) |
| Equity attributable to owners of the Company | | 19,226 | 18,660 |
| Non-controlling interests | | (11) | (37) |
| Total equity | | 19,215 | 18,623 |

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2023

| Note | Share capital | Share-based payments reserve | Foreign Currency Translation reserve | Retained earnings / (Accumulated losses) | Equity attributable to owners | Non-controlling interests | Total equity |
|---|---------------|------------------------------|--------------------------------------|--|-------------------------------|---------------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 July 2023 | 30,066 | 1,666 | 180 | (13,252) | 18,660 | (37) | 18,623 |
| Comprehensive income | | | | | | | |
| profit for the period | - | - | - | 568 | 568 | (6) | 562 |
| Other comprehensive loss for the period | - | - | (95) | - | (95) | - | (95) |
| Total comprehensive income for the period | - | - | (95) | 568 | 473 | (6) | 467 |
| Transactions with owners, in capacity as owners | | | | | | | |
| Share capital contributed via employee share scheme/bonuses | 32 | - | - | - | 32 | - | 32 |
| Share-based payments | - | 61 | - | - | 61 | - | 61 |
| Acquisition of subsidiary with NCI | - | - | - | - | - | 32 | 32 |
| Total transactions with the owners | 32 | 61 | - | - | 93 | 32 | 125 |
| Balance at 31 December 2023 | 30,098 | 1,727 | 85 | (12,684) | 19,226 | (11) | 19,215 |

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2023

| Note | Share capital | Share-based payments reserve | Foreign Currency Translation reserve | Retained earnings / (Accumulated losses) | Equity attributable to owners | Non-controlling interests | Total equity |
|---|---------------|------------------------------|--------------------------------------|--|-------------------------------|---------------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 July 2022 | 30,044 | 1,535 | 30 | (10,099) | 21,510 | (30) | 21,480 |
| Comprehensive income | | | | | | | |
| Loss for the period | - | - | - | (3,652) | (3,652) | - | (3,652) |
| Other comprehensive income for the period | - | - | 66 | - | 66 | - | 66 |
| Total comprehensive loss for the period | - | - | 66 | (3,652) | (3,586) | - | (3,586) |
| Transactions with owners, in capacity as owners | | | | | | | |
| Share capital contributed via employee share scheme/bonuses | 22 | - | - | - | 22 | - | 22 |
| Share-based payments | - | 6 | - | - | 6 | - | 6 |
| Dividends paid | - | - | - | - | - | - | - |
| Total transactions with the owners | 22 | 6 | - | - | 28 | - | 28 |
| Balance at 31 December 2022 | 30,066 | 1,541 | 96 | (13,751) | 17,952 | (30) | 17,922 |

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the six months ended 31 December 2023

| | Note | Six months ended 31 December 2023 \$'000 | Six months ended 31 December 2022 \$'000 |
|---|------|--|--|
| Cash flows from operating activities | | | |
| Cash receipts from customers | | 46,502 | 52,131 |
| Cash paid to suppliers and employees | | (44,252) | (50,838) |
| Cash generated from operating activities | | 2,250 | 1,293 |
| Interest paid | | (951) | (1,007) |
| Interest Received | 6 | 6 | 6 |
| Income taxes paid | | (39) | (551) |
| Net cash from/(used in) operating activities | | 1,266 | (259) |
| Cash flows from investing activities | | | |
| Payments for purchase of business, net of cash acquired | | (50) | - |
| Proceeds from sale of property, plant & equipment | | 94 | 634 |
| Acquisition of property, plant and equipment | | (763) | (320) |
| Proceeds from term deposits | | 83 | 475 |
| (Payment of)/ proceeds from other assets | | (368) | 908 |
| Net cash (used in)/from investing activities | | (1,004) | 1,697 |
| Cash flows from financing activities | | | |
| Proceeds from loans and borrowings | | 646 | 4,926 |
| Repayment of loans and borrowings | | (1,420) | (1,679) |
| Payment of lease liabilities | | (1,211) | (1,288) |
| Net cash (used in)/from financing activities | | (1,985) | 1,959 |
| Net (decrease)/increase in cash and cash equivalents | | (1,723) | 3,397 |
| Cash and cash equivalents at beginning of the period | | 9,072 | 6,933 |
| Effects of movements in exchange rates on cash held | | 13 | 11 |
| Cash and cash equivalents at end of the period | | 7,362 | 10,341 |

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

For the six months ended 31 December 2023

1. Corporate information

The condensed consolidated interim financial statements for the six months ended 31 December 2023 comprises of Wiseway Group Limited (the “Company”) and its controlled entities (the “Group”). The address of the Company’s registered office is 39-43 Warren Avenue, Bankstown, NSW 2200. The Company is a listed public company, incorporated and domiciled in Australia.

2. Basis of preparation

These interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. They do not include all of the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2023. The full accounting policies of the Group are set out in the latest financial report for the year ended 30 June 2023.

The current period is for the six months ended 31 December 2023. The comparative half year is for the period 1 July 2022 to 31 December 2022.

These interim financial statements were authorised for issue by the Group’s Board of Directors on 28 February 2024.

For the six months ended 31 December 2023

3. Use of judgements and estimates

In preparing these interim financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

4. Changes in significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2023.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

5. Operating segments

The Group manages its operations as a single business operation and there are no parts of the Group that qualify as operating segments under AASB 8 Operating Segments. The Managing Director and Chief Executive Officer (Chief Operating Decision Maker or 'CODM') assesses the financial performance of the Group on an integrated basis only and accordingly, the Group is managed on the basis of a single segment, being the provision of freight forwarding services.

For the six months ended 31 December 2023

6. Revenue

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group generates revenue primarily from the provision of freight forwarding services to its customers. Other sources of revenue include interest income from term deposits, proceeds from sale of property, plant and equipment and rental income.

| | Six months ended 31 December 2023 | Six months ended 31 December 2022 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| | \$'000 | \$'000 |
| Revenue from contracts with customers | 51,982 | 54,056 |
| Other revenue | | |
| Interest income | 6 | 6 |
| Other income | 337 | 929 |
| | <hr/> 343 | <hr/> 935 |
| Total revenue | <hr/> 52,325 <hr/> | <hr/> 54,991 <hr/> |

a) Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by service type.

| | Six months ended 31 December 2023 | Six months ended 31 December 2022 |
|-----------------------------|--------------------------------------|--------------------------------------|
| | \$'000 | \$'000 |
| Air freight - general cargo | 20,627 | 22,105 |
| Air freight - perishables | 11,908 | 17,597 |
| Sea freight | 3,985 | 3,813 |
| Road freight | 1,670 | 2,890 |
| Imports | 13,792 | 7,651 |
| | <hr/> 51,982 <hr/> | <hr/> 54,056 <hr/> |

For the six months ended 31 December 2023

7. Employee benefit expenses

| | Six months ended 31 December 2023 | Six months ended 31 December 2022 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| | \$'000 | \$'000 |
| Salaries and wages | 8,025 | 6,952 |
| Contractor costs | 1,357 | 2,739 |
| Contributions to superannuation funds | 686 | 553 |
| Decrease in employee benefits | (94) | (335) |
| Other employee expenses | 664 | 364 |
| | <u>10,638</u> | <u>10,273</u> |

8. Income taxes

a) Amounts recognised in profit or loss

| | Six months ended 31 December 2023 | Six months ended 31 December 2022 |
|---|--------------------------------------|---|
| | \$'000 | \$'000 |
| Current tax expense | 169 | - |
| Changes in estimates to prior year | - | - |
| | <u>169</u> | <u>-</u> |
| Deferred tax expense | | |
| Recognition of previously unrecognised tax losses | (169) | - |
| Income tax (benefit)/expense | <u>-</u> | <u>-</u> |

For the six months ended 31 December 2023

8. Income taxes (continued)

b) Reconciliation of effective tax rate

| | Six months ended 31 December 2023 | Six months ended 31 December 2022 |
|---|--------------------------------------|--------------------------------------|
| | \$'000 | \$'000 |
| Profit before tax | 562 | (3,652) |
| Group's effective tax rate of 30% | 169 | 1,096 |
| Tax effect of: | | |
| Non-deductible expenses | - | - |
| Derecognition of deferred tax assets | - | (1,096) |
| Utilisation of tax losses not previously recognised | (169) | - |
| | - | - |

9. Cash and Cash Equivalents

| | 31 December 2023 | 30 June 2023 |
|---------------|------------------|--------------|
| | \$'000 | \$'000 |
| Bank balances | 7,362 | 9,072 |

10. Trade and other receivables

| | 31 December 2023 | 30 June 2023 |
|------------------------------------|------------------|--------------|
| | \$'000 | \$'000 |
| Current | | |
| Trade receivables | 14,527 | 8,965 |
| Less: Provision for doubtful debts | (523) | (526) |
| Net trade receivables | 14,004 | 8,439 |
| Net GST receivables | 538 | 390 |
| Loan to related party | 177 | 200 |
| Other receivables | 101 | 55 |
| | 14,820 | 9,084 |

For the six months ended 31 December 2023

10. Trade and other receivables (continued)

| | 31 December 2023 | 30 June 2023 |
|-----------------------|------------------|--------------|
| | \$'000 | \$'000 |
| Non-current | | |
| Loan to related party | 1,000 | - |

11. Financial assets

| | 31 December 2023 | 30 June 2023 |
|----------------|------------------|--------------|
| | \$'000 | \$'000 |
| Current | | |
| Term deposit | 685 | 769 |

12. Property, plant and equipment

| | Land and buildings \$'000 | Right-of- use assets \$'000 | Leasehold improvements \$'000 | Plant and equipment \$'000 | Motor vehicles \$'000 | Total \$'000 |
|---|---------------------------------|-----------------------------------|-------------------------------------|----------------------------------|-----------------------------|-----------------|
| Cost | | | | | | |
| Balance at 1 July 2023 | 11,327 | 27,006 | 6,963 | 4,437 | 13,247 | 62,980 |
| Additions | - | 740 | 12 | 30 | 562 | 1,344 |
| Effect of changes in foreign currency rates | - | (37) | (1) | (1) | 1 | (38) |
| Disposals | - | - | - | - | (278) | (278) |
| Balance at 31 December 2023 | 11,327 | 27,709 | 6,974 | 4,466 | 13,532 | 64,008 |
| Accumulated depreciation | | | | | | |
| Balance at 1 July 2023 | (2,412) | (8,081) | (3,216) | (2,243) | (8,432) | (24,384) |
| Effect of changes in foreign currency rates | - | 197 | (1) | - | - | 196 |
| Depreciation | (283) | (1,549) | (348) | (255) | (356) | (2,791) |
| Disposals | - | - | - | - | 278 | 278 |
| Balance at 31 December 2023 | (2,695) | (9,433) | (3,565) | (2,498) | (8,510) | (26,701) |
| Carrying amounts at 31 December 2023 | 8,632 | 18,276 | 3,409 | 1,968 | 5,022 | 37,307 |

For the six months ended 31 December 2023

12. Property, plant and equipment (continued)

| | Land and buildings | Right-of- use assets | Leasehold improvements | Plant and equipment | Motor vehicles | Total |
|--|-----------------------|-------------------------|---------------------------|------------------------|-------------------|-----------------|
| Cost | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 July 2022 | 11,327 | 21,295 | 6,963 | 4,167 | 13,938 | 57,690 |
| Additions | - | 8,772 | - | 269 | 372 | 9,413 |
| Effect of changes in foreign currency rates | - | 94 | - | 1 | 1 | 96 |
| Addition through business combination | - | - | - | - | - | - |
| Disposals | - | (3,155) | - | - | (1,064) | (4,219) |
| Balance at 30 June 2023 | 11,327 | 27,006 | 6,963 | 4,437 | 13,247 | 62,980 |
| Accumulated depreciation | | | | | | |
| Balance at 1 July 2022 | (1,846) | (6,254) | (2,527) | (1,713) | (8,450) | (20,790) |
| Effect of changes in foreign currency rates | - | 68 | - | - | - | 68 |
| Depreciation | (566) | (2,867) | (689) | (530) | (1,023) | (5,675) |
| Disposals | - | 972 | - | - | 1,041 | 2,013 |
| Balance at 30 June 2023 | (2,412) | (8,081) | (3,216) | (2,243) | (8,432) | (24,384) |
| Carrying amounts at 30 June 2023 | 8,915 | 18,925 | 3,747 | 2,194 | 4,815 | 38,596 |

For the six months ended 31 December 2023

13. Trade and other payables

| | 31 December 2023 | 30 June 2023 |
|----------------|------------------|--------------|
| | \$'000 | \$'000 |
| Trade payables | 6,988 | 3,949 |
| Other payables | 4,929 | 2,804 |
| | <u>11,917</u> | <u>6,753</u> |

14. Loans and borrowings

| | 31 December 2023 | 30 June 2023 |
|--------------------------------|------------------|---------------|
| | \$'000 | \$'000 |
| Current liabilities | | |
| Lease liabilities | 2,877 | 2,621 |
| Secured bank loans | 2,751 | 3,176 |
| | <u>5,628</u> | <u>5,797</u> |
| Non-current liabilities | | |
| Lease liabilities | 16,992 | 17,719 |
| Secured bank loans | 11,604 | 12,128 |
| | <u>28,596</u> | <u>29,847</u> |

The secured bank loans of \$14.36 million are secured over the assets of Wiseway Group Limited and Wiseway Logistics Pty Ltd including Land and Buildings and Motor Vehicles.

The vehicle loans mature between 36-60 months whilst the commercial property facility expires in 2025. Interest is fixed for motor vehicle loans with commercial property facility set equal to BBSY +1.45% of drawn funds.

There are no covenants on the loan.

For the six months ended 31 December 2023

14. Loans and borrowings (continued)

a) Lease liabilities

Lease liabilities are payable as follows:

| | Future minimum lease payments | Total future interest | Present value of minimum lease payments |
|----------------------------|----------------------------------|--------------------------|---|
| | 31 December 2023 | 31 December 2023 | 31 December 2023 |
| | \$'000 | \$'000 | \$'000 |
| Less than one year | 3,790 | (913) | 2,877 |
| Between one and five years | 13,177 | (2,181) | 10,996 |
| More than five years | 6,892 | (896) | 5,996 |
| | 23,859 | (3,990) | 19,869 |

| | Future minimum lease payments | Total future interest | Present value of minimum lease payments |
|----------------------------|----------------------------------|--------------------------|---|
| | 30 June 2023 | 30 June 2023 | 30 June 2023 |
| | \$'000 | \$'000 | \$'000 |
| Less than one year | 3,564 | (943) | 2,621 |
| Between one and five years | 13,393 | (2,390) | 11,003 |
| More than five years | 7,755 | (1,039) | 6,716 |
| | 24,712 | (4,372) | 20,340 |

For the six months ended 31 December 2023

15. Capital and reserves

| Date | Details | Ordinary shares | Issue Price | \$'000 |
|-------------------------|---|--------------------|-------------|---------------|
| 1 July 2023 | Opening Balance | 167,293,872 | - | 30,066 |
| 1 December 2023 | Share capital contributed via payment of bonuses paid in lieu of cash | - | 0.05 | 32 |
| 31 December 2023 | Closing Balance | 167,293,872 | | 30,098 |

| Date | Details | Ordinary shares | Issue Price | \$'000 |
|-------------------|---|--------------------|-------------|---------------|
| 1 July 22 | Opening balance | 167,293,872 | - | 30,044 |
| 1 December 22 | Share capital contributed via payment of bonuses paid in lieu of cash | - | 0.07 | 22 |
| 30 June 23 | Closing balance | 167,293,872 | - | 30,066 |

16. Dividends

| | 31 December 2023 | 30 June 2023 |
|--|------------------|--------------|
| | \$'000 | \$'000 |
| <i>Proposed (not recognised as a liability as at 31 December):</i> | | |
| Interim franked dividend for the half year | 335 | - |
| | 335 | - |

For the six months ended 31 December 2023

17. Contingency

| | 31 December 2023 | 30 June 2023 |
|-----------------|------------------|--------------|
| | \$'000 | \$'000 |
| Bank guarantees | 574 | 574 |
| | <u>574</u> | <u>574</u> |

The bank guarantees relate to term deposits provided as security for leases for rented premises and cargo flights.

18. Related parties

The Executive Directors, or their related parties, hold positions in other entities that result in them having control or joint control over these entities.

A number of these related parties transacted with the Group during the six months ended 31 December 2023.

RFT Investment Management Pty Limited as trustee for RFT Trust, a trust of which Roger Tong and Florence Tong are the beneficiaries, provided leased commercial premises to the Group on normal commercial terms and conditions. During the six months ended 31 December 2023, the rental amount incurred to this related entity by the Group was \$847,112 (1H23: 795,286). As at 31 December 2023, the rental expense payable to RFT Investment Management Pty Limited was \$184,212 (30 June 2023: \$174,711).

YTO Global Pty Ltd, an associate, utilises the services of the Group from time to time. Revenue recognised for the six months ended 30 June 2023 from this related party was \$3,053,125 (1H23: \$1,205,150). The amount outstanding and receivable from this related entity to the Group was \$2,443,071 (30 June 2023: \$1,622,499).

In July 2023, the Group entered into an agreement to provide YTO Global Pty Ltd a \$1m term loan. The loan is to be repaid at the end 4 years and carries interest of 3.88% per annum. The Group holds a 22.5% interest in YTO Global Pty Ltd.

19. Business combination

In November 2023, Wiseway Logistics Pty Ltd, a subsidiary of Wiseway Group Limited, acquired 60% of the ordinary shares of DG Packaging Oceania Pty Ltd for the total consideration transferred of \$42,000. This is a dangerous goods handling focussed business and its suite of services spans packaging, labelling, documentation, and the transportation of dangerous goods, closely aligning with Wiseway Logistics' commitment to offer diverse, reliable, and comprehensive logistics solutions,

The net assets acquired as at the acquisition date was \$80,000 being the fair value of the total consideration transferred for shares of DG Packaging Oceania Pty Ltd.

For the six months ended 31 December 2023

20. Subsequent Events

On 28th February, the Directors of the Group declared an interim dividend on ordinary shares in respect of the 2024 financial year. The total amount of the dividend is \$334,588 which represents a fully franked dividend of 0.2 cents per share. The dividend has not been provided for in the 31 December 2023 financial statements and is payable on 12th April 2024.

Other than the above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

DIRECTORS' DECLARATION

In the opinion of the directors of Wiseway Group Limited (the "Company"):

- a) the condensed consolidated interim financial statements and notes set out on pages 7 to 23 are in accordance with the Corporations Act 2001, including:
 - i. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001;
 - ii. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the six month period ended on that date; and
- b) 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 the directors:



Astrid Raetze
Chair of the Board
Dated at Sydney this 28th February 2024



Florence Tong
Managing Director
Dated at Sydney this 28th February 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Wiseway Group Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Wiseway Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss 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, 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:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and 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 and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the 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 the same terms if given to the directors as at the time of this auditor's review report.

Other matter

The financial report of Wiseway Group Limited for the year ended 30 June 2023 was audited by another auditor who expressed an unmodified opinion on that report on 31 August 2023.



Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such 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 2023 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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.

BDO Audit Pty Ltd

A handwritten signature in black ink that reads 'M. Moffitt'. Above the signature, the letters 'BDO' are written in a smaller, handwritten font.

Matina Moffitt
Director

Sydney, 28 February 2024

CORPORATE DIRECTORY

Directors

Astrid Raetze
Independent Non-Executive Chair of the Board

Florence Tong
Executive Director and Managing Director

Brandon Teo
Independent Non-Executive Director

Jim Tong
Non-Executive Director

Company secretary

Ken Tong
Company Secretary

Registered Office

Wiseway Group Limited
39-43 Warren Avenue
Bankstown NSW 2000

Auditor

BDO Audit Pty Ltd
Level 11, 1 Margaret Street
Sydney NSW 2000

Share Registry

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000