

29 February 2024

Company Announcements Office
Australian Securities Exchange

Via ASX Online

(Page 1 of 18)

ANNOUNCEMENT

FY24 HALF YEAR REPORT

Academies Australasia today released its Report for the half year to December 2023.

Stephanie Noble
Company Secretary

For further information call Christopher Campbell on +61 2 9224 5555.

Academies Australasia has been operating for 115 years and listed on the Australian Securities Exchange for 46 years. The group comprises 18 separately licensed colleges operating in New South Wales, Queensland, South Australia, Victoria and Western Australia in Australia, and overseas in Singapore. The group offers a wide range of recognised courses at different levels – Certificate, Diploma, Advanced Diploma and Bachelor Degree. Over the years, Academies Australasia colleges have taught more than 100,000 students from 130 countries.

ACADEMIES AUSTRALASIA GROUP LIMITED

ABN 93 000 003 725

FINANCIAL REPORT FOR THE HALF YEAR TO DECEMBER 2023

[Incorporating the requirements of Appendix 4D]

AUSTRALIA
SINGAPORE

www.academies.edu.au

1. **Reporting Period ('RP'):** Half Year to 31 December 2023.
Previous Period ('PP'): Half Year to 31 December 2022.

2. **Results for announcement to the market.**

- 2.1 RP revenue from ordinary activities was up 2.6% to \$23,257,000.
2.2 RP loss from ordinary activities after tax attributable to members was \$7,472,000 (PP loss \$744,000) up \$6,728,000.
2.3 RP net loss before tax attributable to members was \$8,291,000 (PP loss \$986,000) up \$7,305,000.
2.4 There were no dividends paid or declared to the Company's shareholders.

3. **Commentary.**

- 3.1 a) A provision for impairment of \$650,000 was made against the non-recourse loans of \$2,000,000 that secure the 5,000,000 shares issued at 40 cents each under the employee incentive plan. The share price at 31 December 2023 was 27 cents (\$1,350,000) – thus the impairment provision of \$650,000. This provision will be adjusted according to the share price at 30 June and 31 December while the loans are in place.

b) It was considered prudent that our college teaching the Diploma in Nursing discontinue that course because of the costs and the risks. As that course was the main business of that college it was necessary to impair \$4,408,000 against goodwill and \$575,000 against right of use assets. (Please refer to paragraph 'b' in 'Adjustment to profit' on page 2 of the attached Financial Report).

c) In the RP the lease at the Goulburn Street premises had an impact of \$1,176,000 (PP \$1,168,000) made up of depreciation and amortisation and finance costs. Outstanding issues in respect to the 9B application have been addressed and 9B approval is expected after renovations are completed.

3.2 **Adjusted results before tax: adjustments for 3.1**

	<i>RP \$</i>	<i>PP \$</i>
<i>(Loss) from ordinary activities before tax</i>	<i>(8,291,000)</i>	<i>(986,000)</i>
<i>Add back impairments / provision</i>		
- <i>goodwill</i>	<i>4,408,000</i>	<i>-</i>
- <i>right of use assets</i>	<i>575,000</i>	<i>-</i>
- <i>loans secured for the issue of shares in the employee incentive plan</i>	<i>650,000</i>	<i>-</i>
<i>Add back Goulburn Street</i>		
- <i>depreciation and amortisation</i>	<i>784,000</i>	<i>842,000</i>
- <i>finance costs</i>	<i>392,000</i>	<i>326,000</i>
<i>Deduct rental rebates</i>	<i>-</i>	<i>(6,000)</i>
<i>Adjusted (loss) / profit before tax</i>	<i>(1,482,000)</i>	<i>176,000</i>

- 3.3 Visa rejections in RP continued to be very high. Refunds paid to students in RP, mainly because of visa rejections, were \$4 million (PP \$4.2 million). High visa rejections also impact on future revenue.
- 3.4 While revenue grew by 2.6%, margin decreased from 53% to 45%. This is because of a decline in Higher Education revenue, and VET and Higher Education students returning to face-to-face classes in July 2023. In PP these classes were conducted online and combined wherever possible to save costs.

3.5 **Earnings before interest, tax, depreciation and amortisation (EBITDA)***

	RP \$	PP \$
<i>RP EBITDA was a negative \$4,058,000. After adjusting EBITDA for impairments / provision, the adjusted EBITDA was a positive \$1,575,000.</i>		
<i>EBITDA</i>	<i>(4,058,000)</i>	<i>3,585,000</i>
<i>Add back impairments / provision</i>		
<i>- goodwill</i>	<i>4,408,000</i>	<i>-</i>
<i>- right of use assets</i>	<i>575,000</i>	<i>-</i>
<i>- loans secured for the issue of shares in the employee incentive plan</i>	<i>650,000</i>	<i>-</i>
<i>Deduct rental rebates</i>	<i>-</i>	<i>(6,000)</i>
	<i>1,575,000</i>	<i>3,579,000</i>
<i>*EBITDA is not a term prescribed by Australian Accounting Standards</i>		

4. **Cash** at the end of December 2023 was \$7,076,000 (December 2022: \$12,501,000)

5. **Borrowings.** The Group continues to be free of borrowings.

6. **Net tangible Assets.**

	RP	PP
Net tangible asset backing per ordinary share is based on 132,614,467 shares at 31 December 2023 (130,114,467 shares at 31 December 2022).	(6.3) cents	(3.5) cents

7. **Conduit Foreign income.**

There was no conduit foreign income during RP or PP.

8. **Dividend reinvestment plans.**

No dividend reinvestment plans were in operation during RP or PP.

9. Associates and joint venture entities.

No member of the Group held an interest in, or participated in, the results of a joint venture during RP or PP.

10. Foreign entities.

The Group owns 100% of ACA Investment Holdings Pte. Limited which owns 100% of Centre for Australian Education Pte. Limited and 100% of Academies Australasia College Pte. Limited. All three companies are incorporated in Singapore. This was the same in RP and PP.

Stephanie Noble
Group Finance Manager
29 February 2024

ACADEMIES AUSTRALASIA GROUP LIMITED

ABN 93 000 003 725

FINANCIAL REPORT FOR THE HALF YEAR TO DECEMBER 2023

Contents	Page
Directors' Report	2 - 4
Auditor's Independence Declaration	5
Consolidated Statement of Comprehensive Income	6
Consolidated Statement of Financial Position	7
Consolidated Statement of Changes in Equity	8
Consolidated Statement of Cash Flows	9
Notes to the Financial Statements	10 - 11
Directors' Declaration	12
Independent Auditor's Review Report	13 - 14

**ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
DIRECTORS' REPORT
For the half year ended 31 December 2023**

Dear Shareholder

Your Directors submit the financial report of the economic entity for the half year ended 31 December 2023.

Directors

The Directors in office at any time during, or since the end of, the half year, are:

Dr John Lewis Schlederer
Christopher Elmore Campbell
Chiang Meng Heng
Gabriela Del Carmen Rodriguez Naranjo
Sartaj Hans

Review of operations

A summary of the Statement of Financial Performance for the half year ended 31 December 2023 ('Reporting Period' - 'RP') is set out below. All comparisons are to the half year ended 31 December 2022 ('Previous Period' - 'PP').

	RP	\$000s PP
Total Revenue	<u>23,257</u>	<u>22,678</u>
Operating Loss Before Income Tax	<u>(8,291)</u>	<u>(986)</u>
Operating Loss After Income Tax	<u>(7,472)</u>	<u>(744)</u>

Adjustments to profit

a) A provision for impairment of \$650,000 was made against the non-recourse loans of \$2,000,000 that secure the 5,000,000 shares issued at 40 cents each under the employee incentive plan. The share price at 31 December 2023 was 27 cents (\$1,350,000) – thus the impairment provision of \$650,000. This provision will be adjusted according to the share price at 30 June and 31 December while the loans are in place.

b) In anticipation that there would be public funding to subsidise training in nursing and that non-public training organisations would not qualify for that subsidy, our college delivering a nursing qualification taught out existing students and withdrew its application to renew the qualification. It was considered imprudent to try to compete against public funded operators – especially because the course is expensive to run, it was very difficult to get appropriately qualified nursing professionals as trainers as well as to secure placements for students to get practical experience at hospitals (without which students cannot graduate). All this against a background where government policies about international students continue to be unclear, and the minimum English language requirement for enrolment in a Diploma in Nursing was increased to IELTS 7.0 or equivalent. Giving up the nursing qualification, which was the main business of the college, required an impairment of \$4,408,000 against the goodwill component of the cost of the acquisition of the college in November 2014, and \$575,000 against right of use assets which relates to the lease on college premises.

**ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
DIRECTORS' REPORT
For the half year ended 31 December 2023**

c) In the RP the lease at the Goulburn Street premises had an impact of \$1,176,000 (PP \$1,168,000) made up of depreciation and amortisation and finance costs. Outstanding issues in respect to the 9B application have been addressed and 9B approval is expected after renovations are completed.

	RP	\$000s PP
(Loss) from ordinary activities before tax	(8,291)	(986)
Add back impairments / provision		
- goodwill	4,408	-
- right of use assets	575	-
- loans secured for the issue of shares in the employee incentive plan	650	-
Add back Goulburn Street		
- depreciation and amortisation	784	842
- finance costs	392	326
Deduct rental rebates	-	(6)
Adjusted (loss) /profit before tax	<u>(1,482)</u>	<u>176</u>

Visa rejections in RP continued to be very high. Refunds paid to students in RP, mainly because of visa rejections, were \$4 million (PP \$4.2 million). High visa rejections also impact on future revenue.

While revenue grew by 2.6%, margin decreased from 53% to 45%. This is because of a decline in Higher Education revenue, and VET and Higher Education students returning to face-to-face classes in July 2023. In PP these classes were conducted online and combined wherever possible to save costs.

Earnings before interest, tax, depreciation and amortisation (EBITDA)*

RP EBITDA was a negative \$4,058,000. After adjusting EBITDA for impairments / provision, the adjusted EBITDA was a positive \$1,575,000.

	RP	\$000s PP
EBITDA	(4,058)	3,585
Add back impairments / provision		
- goodwill	4,408	-
- right of use assets	575	-
- loans secured for the issue of shares in the employee incentive plan	650	-
Deduct rental rebates	-	(6)
	<u>1,575</u>	<u>3,579</u>

**EBITDA is not a term prescribed by Australian Accounting Standards*

The Group continues to be free of borrowings.

Rounding of amounts

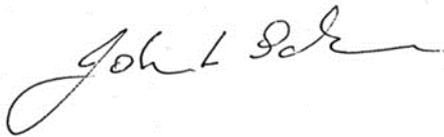
The group has applied the relief available to it in ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191 and accordingly certain amounts in the financial report and the Directors' Report have been rounded to the nearest \$1,000.

**ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
DIRECTORS' REPORT
For the half year ended 31 December 2023**

Auditor's Declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* for the half year ended 31 December 2023 is set out on page 5.

Signed in accordance with a resolution of the Board of Directors.



John Schlederer
Director



Christopher Campbell
Director

Sydney
29 February 2024

AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

ACADEMIES AUSTRALASIA GROUP LIMITED

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's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Pilot Partners

PILOT PARTNERS

Chartered Accountants



DANIEL GILL

Partner

Signed on 29 February 2024

Level 10
1 Eagle Street
Brisbane Qld 4000

**ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the half year ended 31 December 2023**

	Note	Reporting Period \$000s	Previous Period \$000s
Revenue from services		23,257	22,678
Student acquisition and teaching costs		(12,853)	(10,770)
Gross profit		10,404	11,908
Personnel expenses		(6,129)	(6,217)
Premises expenses		(1,446)	(1,068)
Other administration expenses		(1,285)	(1,044)
		1,544	3,579
Other income		31	6
Other expenses – Impairments / provision	4	(5,633)	-
Profit before interest, depreciation and amortisation		(4,058)	3,585
Depreciation and amortisation expenses		(3,390)	(3,639)
Loss on disposal of assets		(2)	-
Finance costs		(976)	(1,006)
Interest income		135	74
Loss before income tax		(8,291)	(986)
Income tax (expense) / benefit		819	242
Loss for the period		(7,472)	(744)
Other comprehensive income			
Exchange differences on translating foreign controlled entities		3	(1)
Other comprehensive income for the year, net of tax		3	(1)
Total comprehensive income for the year		(7,469)	(745)
Loss attributable to			
Owners of the parent entity		(7,567)	(710)
Non-controlling interests		95	(34)
		(7,472)	(744)
Total comprehensive income attributable to			
Owners of the parent entity		(7,564)	(711)
Non-controlling interests		95	(34)
		(7,469)	(745)
Earnings per share:			
Basic earnings per share (cents)		(5.71)	(0.55)
Diluted earnings per share (cents)		(5.71)	(0.55)

The accompanying notes form part of these financial statements.

**ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2023**

	Note	31/12/2023 \$000s	30/06/2023 \$000s
Current Assets			
Cash and cash equivalents		4,010	8,046
Trade and other receivables		1,798	1,839
Other current assets		3,087	3,666
Total Current Assets		<u>8,895</u>	<u>13,551</u>
Non-Current Assets			
Plant and equipment		2,628	2,872
Right of use assets		34,831	32,652
Deferred tax assets		5,948	7,015
Intangible assets		28,335	32,802
Other non-current assets	4a	1,350	2,000
Security deposit		3,066	2,500
Total Non-Current Assets		<u>76,158</u>	<u>79,841</u>
Total Assets		<u>85,053</u>	<u>93,392</u>
Current Liabilities			
Tuition fees in advance (Deferred income)		12,741	15,581
Trade and other payables		3,636	4,363
Current tax liabilities		345	270
Lease Liabilities		6,646	5,973
Provisions		3,593	3,712
Total Current Liabilities		<u>26,961</u>	<u>29,899</u>
Non-Current Liabilities			
Lease Liabilities		37,770	35,726
Provisions		383	359
Total Non-Current Liabilities		<u>38,153</u>	<u>36,085</u>
Total Liabilities		<u>65,114</u>	<u>65,984</u>
NET ASSETS		<u>19,939</u>	<u>27,408</u>
EQUITY			
Share capital		44,066	44,066
Accumulated losses		(24,859)	(17,292)
Foreign Currency Translation Reserve		73	70
Non-Controlling Interests		659	564
TOTAL EQUITY		<u>19,939</u>	<u>27,408</u>

**ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the half year ended 31 December 2023**

	Ordinary Shares	Retained Profits	Reserves	Non - Controlling Interest	Total
	\$000s	\$000s	\$000s	\$000s	\$000s
Balance at 1.7.2023	44,066	(17,292)	70	564	27,408
Profit for the period	-	(7,567)	-	95	(7,472)
Exchange differences on translating foreign operations	-	-	3	-	3
Total comprehensive income for the period	-	(7,567)	3	95	(7,469)
Balance at 31.12.2023	44,066	(24,859)	73	659	19,939
Balance at 1.7.2022	42,066	(14,534)	60	412	28,004
Profit for the period	-	(710)	-	(34)	(744)
Exchange differences on translating foreign operations	-	-	(1)	-	(1)
Total comprehensive income for the period	-	(710)	(1)	(34)	(745)
Issue of shares	1,000	-	-	-	1,000
Balance at 31.12.2022	43,066	(15,244)	59	378	28,259

**ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
For the half year ended 31 December 2023**

	Reporting Period \$000s	Previous Period \$000s
Cash Flows From Operating Activities		
Receipts from customers	21,101	19,398
Payments to suppliers and employees	(22,590)	(18,872)
Interest received	135	74
Finance costs	(969)	(995)
Income taxes received / (paid)	1,964	(90)
Net cash provided by operating activities	<u>(359)</u>	<u>(485)</u>
Cash Flows From Investing Activities		
Purchase of non-current assets	(107)	(203)
Net cash used in investing activities	<u>(107)</u>	<u>(203)</u>
Cash Flows From Financing Activities		
Lease payments	(3,004)	(2,767)
Net cash used in financing activities	<u>(3,004)</u>	<u>(2,767)</u>
Net (decrease)/increase in cash held	(3,470)	(3,455)
Cash at the beginning of period	10,546	15,956
Cash at the end of the period	<u>7,076</u>	<u>12,501</u>

	Reporting Period \$000s	30/06/2023 \$000s	Previous Period \$000s
Reconciliation of cash balance			
Cash at bank and on hand	4,010	8,046	10,489
Security deposit	3,066	2,500	2,012
	<u>7,076</u>	<u>10,546</u>	<u>12,501</u>

The accompanying notes form part of these financial statements.

**ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
For the half year ended 31 December 2023**

NOTE 1: BASIS OF PREPARATION

The half year consolidated financial report is a general purpose financial report prepared in accordance with the requirements of 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 group is a for profit entity for financial reporting purposes in Australia.

The half year financial report does not include full disclosures of the type normally included in an annual financial report and should be read in conjunction with the annual financial report for the year ended 30 June 2023 and any public announcements made by Academies Australasia Group Limited and its controlled entities during the half year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

These interim financial statements were authorised for issue on 29 February 2024.

(a) Significant Accounting Policies

The accounting policies applied by the consolidated entity in this consolidated half year financial report are the same as those applied by the consolidated entity in its consolidated financial report for the year ended 30 June 2023.

In the Reporting Period, the consolidated entity has adopted all new and revised Standards and Interpretations issued by the Australia Accounting Standards Board that are relevant to its operations and effective for reporting periods beginning on or after 1 July 2023.

(b) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the Reporting Period.

NOTE 2: DIVIDEND PAID AND DECLARED

There were no dividends paid or declared to the Company's shareholders.

NOTE 3: CONTINGENT LIABILITES

There has been no change in contingent liabilities since the last annual reporting period.

NOTE 4: IMPAIRMENTS / PROVISION

a) A provision for impairment of \$650,000 was made against the non-recourse loans of \$2,000,000 (other non-current assets) that secure the 5,000,000 shares issued at 40 cents each under the employee incentive plan. The share price at 31 December 2023 was 27 cents (\$1,350,000) – thus the impairment provision of \$650,000. This provision will be adjusted according to the share price at 30 June and 31 December while the loans are in place.

**ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
For the half year ended 31 December 2023**

b) In anticipation that there would be public funding to subsidise training in nursing and that non-public training organisations would not qualify for that subsidy, our college delivering a nursing qualification taught out existing students and withdrew its application to renew the qualification. It was considered imprudent to try to compete against public funded operators – especially because the course is expensive to run, it was very difficult to get appropriately qualified nursing professionals as trainers as well as to secure placements for students to get practical experience at hospitals (without which students cannot graduate). All this against a background where government policies about international students continue to be unclear, and the minimum English language requirement for enrolment in a Diploma in Nursing was increased to IELTS 7.0 or equivalent. Giving up the nursing qualification, which was the main business of the college, required an impairment of \$4,408,000 against the goodwill component of the cost of the acquisition of the college in November 2014, and \$575,000 against right of use assets which relates to the lease on college premises.

NOTE 5: KEY ESTIMATES AND JUDGMENTS

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

The Board is currently satisfied that there are reasonable grounds to assume that the Company will meet its future financial obligations as and when they fall due.

The following factors support this assumption:

- The continued support of the Group's bankers.
- The continued support of shareholders in the event of a capital raising.
- The ability of the Group to return to profitable trading.
- The orderly realisation of selected assets in the ordinary course of business at values at least equal to their book values.
- Cash holdings across the Group of \$7,076,000.
- Positive net assets of \$19,939,000.
- The Group has no bank debt.

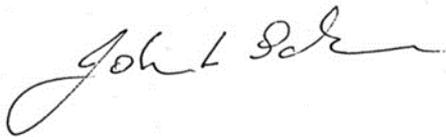
The Board recognises that the Statement of Financial Position presents a net current liability position of \$18,066,000. Included in this are fees paid in advance of \$12,741,000. This is not an amount payable in the ordinary course of business and will be recognised as income as tuition is delivered.

**ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION**

The Directors of the company declare that, in the Directors' opinion:

1. The financial statements and notes, as set out on pages 6 to 11, are in accordance with the *Corporations Act 2001*, including
 - a. Complying with accounting standard AASB 134: *Interim Financial Reporting*, and
 - b. Giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half year ended on that date.
2. 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 Board of Directors.



John Schlederer
Director



Christopher Campbell
Director

Sydney
29 February 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ACADEMIES AUSTRALASIA GROUP LIMITED

REPORT ON THE HALF YEAR FINANCIAL REPORT

CONCLUSION

We have reviewed the half-year financial report of Academies Australasia 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 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 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 2023 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 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 our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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 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.

Pilot Partners

PILOT PARTNERS
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Daniel Gill', written over a horizontal line.

DANIEL GILL
Partner

Signed on 29 February 2024

Level 10
1 Eagle Street
Brisbane Qld 4000