

RXP SERVICES LIMITED

APPENDIX 4D AND FINANCIAL REPORT

For the half year ended 31 December 2020



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ASX Appendix 4D

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Details of the reporting period and the previous corresponding period

Reporting period: Half year ended 31 December 2020
 Previous corresponding period/s: Half year ended 31 December 2019
 Year ended 30 June 2020

Results for announcement to the market

	Dec 2020 (\$'000)	Dec 2019 (\$'000)	Change (\$'000)	Change (%)
Revenue from ordinary activities	58,596	65,072	(6,476)	(10.0%)
Loss after tax attributable to members of RXP	(10,218)	(5,454)	(4,764)	(87.3%)
EBITDA (excluding impairment)	5,335	5,278	57	1.1%
Underlying EBITDA from continuing operations	5,271	6,710	(1,439)	(21.4%)

Dividends

	Amount per Security	Franked Amount per Security	Record date for dividend entitlement
Dividend paid during the half financial year	2.5 cents	100%	18 September 2020

Explanation of results

Please refer to the Directors' Report for an explanation of the results.

This information should be read in conjunction with the Consolidated Annual Financial Report of the RXP Group for the year ended 30 June 2020.

This report should also be read in conjunction with any public announcements made by RXP in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001* and ASX Listing Rules.

The information provided in this report contains all the information required by ASX Listing Rule 4.2A.

Net tangible assets

	Current Period	Previous Corresponding Period
Net tangible assets per ordinary security	(2.78 cents) *	(3.00 cents) *

* Net tangible asset calculation for the current period excludes Right-of-Use assets of \$6.632 million (December 2019: \$3.326 million) on the basis that it is an intangible asset by definition. Lease liabilities of \$7.299 million (December 2019: \$4.305 million) are included in the calculation.

Net tangible assets per ordinary security including the Right-of-use assets is 0.90 cents (December 2019: (0.93 cents)).

Details of entities over which control has been gained or lost during the period

No changes in entities during the half year ended 31 December 2020.

Details of dividend reinvestment plan

A fully subscribed Dividend Reinvestment Plan was executed during the half year ended 31 December 2020. Further information is provided in RXP Services Limited's ASX Announcements released on 20 August 2020 and 9 October 2020.

Description of any modified opinion, emphasis of matter or other matter paragraph contained in the independent auditor's review report

The independent auditor's review report is attached to the interim financial report. The independent auditor's review report does not contain any modified opinion, emphasis of matter or other matter paragraph.

Corporate Directory

Company ABN

30 146 959 917

Directors

Mr John Pittard – Chairman

Mr Ross Fielding – Chief Executive Officer

Mr Adrian Fitzpatrick – Non-Executive Director

Company Secretary

Mr David Royale

Principal Registered Office

RXP Services Ltd

Level 15, 31 Queen Street

Melbourne, Victoria, 3000

Auditors

Pitcher Partners

Level 13, 664 Collins Street

Melbourne Victoria 3000

Location of Register of Securities

Computershare Investor Services Pty Ltd

Yarra Falls, 452 Johnston Street

Abbotsford Victoria 3067

Phone +61 3 1300 137 328

Fax +61 3 1300 137 341

Stock Exchange

Australian Securities Exchange

Level 4, North Tower

Rialto, 525 Collins Street

Melbourne Victoria 3000

Directors' Report

The Directors present their report together with the condensed financial report of the Group consisting of RXP Services Limited and the entities it controlled for the half-year ended 31 December 2020 and Independent Review Report thereon.

Directors

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

Non-Executive Directors

Mr John Pittard (Chairman)

Ms Sandra Hook (resigned 1 November 2020)

Mr Adrian Fitzpatrick

Executive Director

Mr Ross Fielding

The Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Review of operations

In terms of the financial performance for H1 FY21, COVID-19 and associated remote working continued to provide some challenges in relation to efficiencies associated with client decision-making and subsequent impact on the conversion of pipeline opportunities into contract wins. This is reflected in H1FY21 results.

The consolidated result for the half-year ended 31 December 2020 included:

- Revenue from ordinary activities of \$58.6 million (2019: \$65.1m)
- EBITDA (excluding non-cash impairment) \$5.3m (2019: \$5.3m)
- Loss before tax of continuing operations of \$9.2 million (2019: Loss before tax \$4.3m)
- Net loss after tax of \$10.2 million (2019: (\$5.5m))
- Non-cash Impairment of Goodwill \$12.2 million (2019: \$7.5m)

Whilst client decision making has been slow for commencement of new projects, pleasingly RXP has been able to retain its clients and continue to gain extensions to projects/work underway.

With the easing of COVID-19 restrictions across our regions (people associated with sales processes returning to the office), combined with the optimistic economic outlook, the Company is now seeing signs of an improved conversion rate for new projects as well as an increasing pipeline of work. Having teams involved in the sales process back in the office, along with client decision makers, is expected to positively impact the overall sales process. This provides RXP with confidence that, in line with typical second halves for the Company, H2 FY21 will be a stronger half when compared to H1 FY21.

Significant changes in the state of affairs

On 11 November 2020, RXP received a binding offer from Capgemini Australia Pty Limited to acquire 100% of the share capital of RXP Services Limited by way of a scheme of arrangement. Further information regarding the potential acquisition of 100% of the share capital of RXP Services Limited is provided in RXP Services Limited's ASX Announcement released on 11 November 2020. Refer to Note 12 for additional information of the Scheme of Arrangement.

No other significant changes in the state of affairs of the Company.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporation Act 2001* in relation to the review for the half-year is provided with this report.

Rounding of amounts to nearest thousand dollars

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report and in the financial report have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

Signed in accordance with a resolution of the Directors:



.....
Ross Fielding
Director



.....
John Pittard
Director

Melbourne, 9 February 2021

RXP SERVICES LIMITED

ABN 30 146 959 917



**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF RXP SERVICES LIMITED**

In relation to the independent auditor's review for the half-year ended 31 December 2020, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of RXP Services Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'F Russo'.

F V RUSSO
Partner

9th February 2021

A handwritten signature in black ink, appearing to read 'Pitcher Partners'.

PITCHER PARTNERS
Melbourne

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the half-year ended 31 December 2020

		Half-year	
	Notes	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Revenue and other income			
Services revenue		58,596	65,072
		58,596	65,072
Expenses			
Cost of sales		(6,143)	(4,144)
Rebate expense		-	(449)
Employee benefits		(44,486)	(52,449)
Redundancy expense		(658)	(454)
Share based payment expense		(81)	-
Occupancy expense		(326)	(453)
Depreciation and amortisation		(1,838)	(1,609)
Bad and doubtful debt provisions		8	(128)
Scheme of Arrangement expenses		(273)	-
Impairment of goodwill	2	(12,244)	(7,500)
Other expenses		(1,302)	(1,717)
		(67,343)	(68,903)
Results from operating activities		(8,747)	(3,831)
Finance income		9	30
Finance costs		(494)	(487)
Net finance (expense)		(485)	(457)
Loss before income tax		(9,232)	(4,288)
Income tax expense		(986)	(965)
Loss for the half-year from continuing operations		(10,218)	(5,253)
Loss for the half-year from discontinued operations	10	-	(201)
Loss for the half-year		(10,218)	(5,454)
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Foreign currency translation		1	(14)
Total comprehensive (expense) for the period		(10,217)	(5,468)
Total comprehensive (expense) attributable to members of the parent		(10,217)	(5,468)
Loss per share for loss from continuing operations attributable to equity holders of the parent entity:			
Basic (loss) per share (cents)		(5.90)	(3.26)
Diluted (loss) per share (cents)		(5.90)	(3.26)
Loss per share for loss from discontinued operations attributable to equity holders of the parent entity:			
Basic loss per share (cents)		-	(0.12)
Diluted loss per share (cents)		-	(0.12)

The accompanying notes form part of these financial statements

RXP SERVICES LIMITED
ABN: 30 146 959 917
Half-Year ended 31 December 2020

**Condensed Consolidated Statement of Financial Position
as at 31 December 2020**

	Notes	31 Dec 2020 \$'000	30 June 2020 \$'000
Current Assets			
Cash and cash equivalents		14,658	15,048
Receivables	5	19,832	21,968
Other current assets	6	1,252	1,542
Total Current Assets		35,742	38,558
Non-Current Assets			
Intangible assets		90,300	102,494
Property, plant and equipment		1,635	1,920
Right-of-use assets	7	6,362	5,768
Deferred tax assets		2,122	1,892
Total Non-Current Assets		100,419	112,074
Total Assets		136,161	150,632
Current Liabilities			
Payables		11,320	15,733
Current tax payable		16	199
Lease liabilities	7	2,761	2,745
Provisions		4,397	4,074
Total Current Liabilities		18,494	22,751
Non- Current Liabilities			
Borrowings	8	18,500	19,000
Lease liabilities	7	4,538	4,015
Provisions		654	615
Total Non-Current Liabilities		23,692	23,630
Total Liabilities		42,186	46,381
Net Assets		93,975	104,251
Equity			
Contributed capital	9	97,508	93,621
Retained earnings		(18,076)	10,349
Dividend distribution reserve		14,180	-
Reserve - other		363	281
Total Equity		93,975	104,251

The accompanying notes form part of these financial statements

RXP SERVICES LIMITED
ABN: 30 146 959 917
Half-Year ended 31 December 2020

Condensed Consolidated Statement of Changes in Equity
for the half-year ended 31 December 2020

	Contributed equity \$'000	Retained earnings \$'000	Dividend distribution reserve \$'000	Reserve - other \$'000	Total equity \$'000
Balance as at 1 July 2019	93,621	18,740	-	210	112,571
Loss for the half year	-	(5,454)	-	-	(5,454)
Exchange differences on translation of foreign operations, net of tax	-	-	-	(14)	(14)
Total comprehensive expense for the half-year	-	(5,454)	-	(14)	(5,468)
Transactions with owners in their capacity as owners:					
Dividends paid	-	(4,833)	-	-	(4,833)
	-	(4,833)	-	-	(4,833)
Balance as at 31 December 2019	93,621	8,453	-	196	102,270
Balance as at 1 July 2020	93,621	10,349	-	281	104,251
Transfer of distributable retained earnings	-	(18,207)	18,207	-	-
Loss for the half year	-	(10,218)	-	-	(10,218)
Reserve movements	-	-	-	82	82
Total comprehensive expense for the half-year	-	(28,425)	18,207	82	(10,136)
Transactions with owners in their capacity as owners:					
Dividends paid	-	-	(4,027)	-	(4,027)
Shares issued during the period	4,027	-	-	-	4,027
Share Issue expenses, net of tax	(140)	-	-	-	(140)
	3,887	-	(4,027)	-	(140)
Balance as at 31 December 2020	97,508	(18,076)	14,180	363	93,975

The accompanying notes form part of these financial statements

**Condensed Consolidated Statement of Cash Flows
for the half-year ended 31 December 2020**

	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Cash Flow from Operating Activities		
Receipts from customers	66,373	82,336
Payments to suppliers and employees	(62,584)	(75,618)
Net cash provided by trading activities	3,789	6,718
Income taxes paid	(1,339)	(2,474)
Interest received	9	30
Finance costs	(494)	(487)
Net cashflows used by discontinued operations	-	(182)
Net cash provided by operating activities	1,965	3,605
Cash Flow from Investing Activities		
Payment for property, plant and equipment	(167)	(215)
Payments for intangibles	(336)	(1,082)
Net cash used in investing activities	(503)	(1,297)
Cash Flow from Financing Activities		
Payment for lease liabilities	(1,152)	(1,070)
Proceeds from borrowings	-	1,000
Repayment of borrowings	(500)	(1,000)
Payment of dividends	(2,713)	(4,833)
Proceeds from share issue	2,713	-
Share issue expenses	(200)	-
Net cash used in financing activities	(1,852)	(5,903)
Net decrease in Cash and Cash Equivalents	(390)	(3,595)
Cash and cash equivalents at beginning of half-year	15,048	11,712
Cash and Cash Equivalents at end of half-year	14,658	8,117

The accompanying notes form part of these financial statements

Note 1: Basis of Preparation of the half-year Financial Report

This condensed consolidated half-year financial report does not include all the notes of the type usually included in an annual financial report.

It is recommended that this half-year financial report be read in conjunction with the financial report for the year ended 30 June 2020 and any public announcements made by RXP Services Limited during the half-year in accordance with any continuous disclosure obligations arising under the Corporations Act 2001.

This condensed half-year financial report covers RXP Services Limited and controlled entities as a consolidated entity. RXP Services Limited is a company limited by shares, incorporated and domiciled in Australia. The address of RXP Services Limited's registered office and principal place of business is Level 15, 31 Queen Street, Melbourne. RXP Services Limited is a for-profit entity for the purpose of preparing the financial statements. The condensed half-year financial report was authorised for issue by the Directors as at the date of the Directors' Report.

The following is a summary of the accounting policies applied in this half year financial report:

(a) Basis of preparation of the Financial Information

This condensed consolidated half-year financial report has been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting, as appropriate for for-profit entities, and the Corporations Act 2001. Compliance with AASB 134, as appropriate for for-profit entities, ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The half-year financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

The accounting policies applied in this half-year financial report are consistent with those of the annual financial report for the year ended 30 June 2020 and the corresponding half-year.

(b) Rounding amounts

The consolidated entity has applied the relief available under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and accordingly, the amounts in the consolidated financial report and in the Directors' Report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar (where indicated).

RXP SERVICES LIMITED
ABN: 30 146 959 917
Notes to the Financial Statements
Half-Year ended 31 December 2020

Note 2: Significant or unusual income and expense items

	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Impairment of goodwill	12,244	7,500

Under AASB 136, impairment testing is performed on goodwill annually or more frequently whenever events or changes in circumstances indicate that the carrying amount of the asset may be impaired.

In prior periods, the recoverable amount of goodwill has been assessed against value in use calculations. The assumptions of these value in use calculations are disclosed in the 2020 Annual Financial Report.

During the period a Scheme of Arrangement (refer to Note 12) was been signed representing an arm's length transaction. This transaction established a fair value less cost to sell.

The recoverable amount of goodwill as at December 2020 has been assessed based upon comparing the net assets of the Group against the consideration value of the Scheme of Arrangement (55 cents per share) less transaction costs (representing fair value less cost to sell). An impairment loss of \$12.244m was recognised based upon this assessment.

Note 3: Dividends

(a) Dividends paid or declared

	Cents per share	Total amount \$'000	Franked / unfranked	Date of payment
Half year ended 31 December 2020				
Final 2020 ordinary	2.50	4,027	Fully franked	9 October 2020
Half year ended 31 December 2019				
Final 2019 ordinary	3.00	4,833	Fully franked	3 October 2019

(b) Dividends declared after the reporting period and not recognised

	31 Dec 2020 \$'000	30 June 2020 \$'000
No interim dividend declared since the end of the reporting period (June 2020: Final dividend of 2.50 cents per share, 100% franked at the Australian tax rate of 30%)	-	4,027

As at 31 December 2020, RXP Services Limited, the parent company, had distributable Retained Earnings of \$14,179,850 and a franking account balance of \$17,160,494.

Note 4: Segment information

Operating segments

The consolidated entity has one reportable segment as described below:

RXP Services Ltd and its controlled entities are an Innovative Digital Services Consultancy provider. There is only one reportable segment based on the aggregation criteria in AASB 8 Operating Segments.

RXP SERVICES LIMITED
ABN: 30 146 959 917
Notes to the Financial Statements
Half-Year ended 31 December 2020

Note 5: Receivables

	31 Dec	30 June
	2020	2020
	\$'000	\$'000
Accrued income	9,000	9,784
Trade receivables	10,887	12,247
Allowance for credit losses	(55)	(63)
	<u>19,832</u>	<u>21,968</u>

Note 6: Other current assets

Prepayments	1,100	1,450
Deposits held	2	52
Other receivables	150	40
	<u>1,252</u>	<u>1,542</u>

Note 7: Right-of-use assets

Lease assets

Carrying amount of lease assets, by class of underlying asset:

Buildings under lease arrangements

At cost	9,656	7,965
Accumulated depreciation	(3,294)	(2,197)
Total carrying amount of lease assets	<u>6,362</u>	<u>5,768</u>

Reconciliation of the carrying amount of lease assets at the beginning and end of the half-year:

Buildings under lease arrangements

Opening carrying amount	5,768	-
Initial recognition of AASB 116 1 July 2019	-	3,322
Additions	1,691	4,643
Depreciation	(1,097)	(2,197)
Closing carrying amount	<u>6,362</u>	<u>5,768</u>

Lease liabilities

Current lease liabilities	2,761	2,745
Non-current lease liabilities	4,538	4,015
Total carrying amount of lease liabilities	<u>7,299</u>	<u>6,760</u>

Lease expenses and cashflows

Interest expense on lease liabilities	(175)	(304)
Expense relating to leases of 12-months or less (for which a lease asset and lease liability has not been recognised)	(326)	(276)
Depreciation expense on lease assets	(1,097)	(2,197)
Total cash outflow in relation to leases	<u>(1,328)</u>	<u>(2,338)</u>

RXP SERVICES LIMITED
ABN: 30 146 959 917
Notes to the Financial Statements
Half-Year ended 31 December 2020

Note 8: Borrowings

	31 Dec 2020 \$'000	30 June 2020 \$'000
Non-Current		
<i>Secured</i>		
Bank loans	18,500	19,000
	18,500	19,000

(a) Terms and conditions and assets pledging as security relating to the above financial instruments

The terms of the facility are as disclosed in the 2020 Annual Financial Report.

Note 9: Share capital

Movements in ordinary share capital

	Number of shares	\$'000
Balance as at 30 June 2020	161,097,185	93,621
Shares issued	12,022,193	4,027
Share issue expenses, net of tax	-	(140)
Balance as at 31 December 2020	173,119,378	97,508

Shares issued during the period relate to a fully underwritten Dividend Reinvestment Plan.

Further information relating to the Dividend Reinvestment Plan is provided in RXP Services Limited's ASX Announcements released on 20 August 2020 and 9 October 2020.

Note 10: Discontinued Operations

As disclosed in the 2020 Annual Financial Report following an unsuccessful program to locate a buyer for its Hong Kong subsidiary, RXP Services Pty Ltd management undertook a process to formally wind down operations and as at 30 June 2020 the Hong Kong subsidiary, RXP Services Pty Ltd ceased trading.

The assets and liabilities of the Hong Kong business have been realised in the normal course of business and have not been presented as held for sale in the period ended 31 December 2020 as a result.

Financial performance and cash flows for the comparative half-year ended 31 December 2019, are shown as a discontinued operation in the financial report.

RXP SERVICES LIMITED
ABN: 30 146 959 917
Notes to the Financial Statements
Half-Year ended 31 December 2020

Note 10: Discontinued Operations (continued)

The results of the discontinued operation for the period are presented below:

	31 Dec 2020 \$'000	31 Dec 2019 \$'000
(i) Financial performance information		
Revenue	-	1,841
Expenses	-	(2,054)
<i>Loss before income tax</i>	-	(213)
Income tax benefit	-	12
<i>Loss after income tax of discontinued operations</i>	-	(201)
	31 Dec 2020 \$'000	31 Dec 2019 \$'000
(ii) Cash flow information		
Net cash (used in) / provided by operating activities	-	(182)
Net cash provided by / (used in) investing activities	-	-
Net cash provided by / (used in) financing activities	-	-
<i>Net cash (outflow)</i>	-	(182)

Note 11: Contingent liabilities

A contingent liability exists in relation to certain contractual obligations which are subject to the successful completion of the Scheme of Arrangement. Success fees of \$800,000 will be payable to Corporate Finance advisers of the Company, as well as Executive bonus components of \$1,580,689 payable to executives in accordance with change of control provisions in Executive contracts. Refer to Note 12 for additional details of the Scheme of Arrangement.

As at the date of this report there are no other contingent liabilities, other than noted above.

Note 12: Scheme Implementation Deed

On 11 November 2020, RXP received a binding offer from Capgemini Australia Pty Limited to acquire 100% of the share capital of RXP Services Limited by way of a Scheme of Arrangement. Further information regarding the potential acquisition of 100% of the share capital of RXP Services Limited is provided in RXP Services Limited's ASX Announcement released on 11 November 2020.

On 29 January 2021 Court approval of the Scheme Booklet was received.

On 1 February 2021, the Scheme Booklet was registered with the Australian Securities and Investments Commission and sent to shareholders. A copy of the Scheme Booklet is provided in RXP Services Limited's ASX Announcement released on 1 February 2021.

Incurred transaction costs associated with the Scheme of Arrangement are expensed through the profit or loss.

Note 13: Subsequent events

Refer to Note 12 for details of subsequent events relating to the Scheme Implementation Deed.

There have been no other events subsequent to 31 December 2020.

RXP SERVICES LIMITED

ABN: 30 146 959 917

Directors' Declaration

Half-Year ended 31 December 2020

Directors' Declaration

The Directors declare that:

1. In the Directors' opinion, the financial statements and notes thereto, as set out on pages 9 to 18, are in accordance with the Corporations Act 2001, including:
 - (a) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2020 and of its performance for the half-year ended on that date.
2. In the Directors' opinion there are reasonable grounds, at the date of this declaration, to believe that RXP Services Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



.....
Ross Fielding
Director



.....
John Pittard
Director

Melbourne, 9 February 2021

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
RXP SERVICES LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of RXP Services Limited "the Company" and its controlled entities "the Group", which comprises the condensed consolidated statement of financial position as at 31 December 2020, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year 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

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 2020 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of RXP Services Limited and controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
RXP SERVICES LIMITED**

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of RXP Services Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of RXP Services Limited and controlled entities 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 2020 and of its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



F V RUSSO
Partner



PITCHER PARTNERS
Melbourne

9th February 2021