

Appendix 4D & Interim Financial Statements

for the Half-Year ended
31 December 2020

creditclear limited

ABN: 48 604 797 033

ASX Code: CCR

Appendix 4D – Half-Yearly report

Reporting Period

Reporting period: For the half-year ended 31 December 2020

Previous period: For the half-year ended 31 December 2019

Results for Announcement to the Market

Key Information

	Half-year Ended 31 December 2020 \$000	Half-year Ended 31 December 2019 \$000	% Change
Revenue from ordinary activities	4,885	1,285	280%
Profit / (Loss) after tax from ordinary activities attributable to members	(3,990)	(1,754)	-127%
Net profit / (loss) attributable to members	(3,990)	(1,754)	-127%

The group raised \$15,000,000 in accordance with the prospectus dated 15 September 2020 and was admitted to the Australian Stock Exchange on 27 October 2020.

Dividends

There were no dividends paid, proposed or declared during the current or previous financial period.

Dividend Reinvestment Plans

Not applicable.

Net tangible assets per security

	Half-year Ended 31 December 2020 \$/Share	Half-year Ended 31 December 2019 \$/Share
Net tangible assets per security	0.05	0.01

Control Gained or Lost over Entities in the Half-year

Not applicable

Investments in Associates and Joint Ventures

Not applicable

Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Half Year Financial Report.

Signed

Signed  _____

Lewis James Romano

Director

25 February 2021

Directors' Report

Your directors submit the financial report of the Consolidated Group for the half-year ended 31 December 2020.

Directors

The following persons were directors during the entire half-year and up to the date of this report, unless otherwise stated:

Gerd Guido Schenkel
Mark James Casey
Christine Christian (appointed 19 November 2020)
Lewis James Romano
Marcus Colin Price
Francesco Michael Romano (resigned 19 August 2020)
Hugh Walter Robertson (resigned 19 August 2020)

Principal Activities

The principal activities of the Group during the financial period were the development and implementation of the receivables management system and the provision of receivable collection services. The Group also provides commercial legal services as part of its full end to end receivable management service.

Dividends

There were no dividends paid, proposed or declared during the current or previous financial period.

Review of Operations

Revenue from customers for the six months ending 31 December 2020 increased 280% to \$4.880 million (December 2019 \$1.285 m). The prior corresponding only includes one month of Credit Solutions activity which was acquired on 1 December 2019.

Earnings/losses before interest, tax depreciation and amortisation (EBITDA) was a loss of \$2.780 million (December 2019 \$1.554 million). The increase in the loss was due to revenue being impacted by clients reducing collection activity during COVID 19, investment in the digital collection system as well as costs relating to the listing of the company on 27 October 2020.

The Board and Executives continue to focus on developing digital collections technology to enhance the customer experience and optimise receivables management for our clients.

Significant changes in the state of affairs

The following significant changes in the state of affairs of the Group occurred during the financial period:

- (i) The Group raised \$15,000,000 and was admitted to the Australian Stock Exchange on 27 October 2020 as a public listed company.
- (ii) The company qualified and received government stimulus payments (JobKeeper/Cash Booster) totalling \$823,500.

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

Matters subsequent to the end of the financial period

No circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in the future financial years.

Rounding of Amounts

The Consolidated Group has applied the relief available to it in *ASIC Corporations (Rounding in Financial/Directors' Reports)*

Directors' Report

Instrument 2016/191 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest \$1,000.

Auditors Independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporation Act 2001 is set out immediately after this directors' report.

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

Director 
Lewis James Romano

Date: 25 February 2021

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CREDIT CLEAR LIMITED & CONTROLLED ENTITIES**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2020, there have been:

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



MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257



GEORGE S DAKIS
Partner
Audit and Assurance

Melbourne, Victoria

25 February 2021

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General information

The financial statements cover Credit Clear Limited as a consolidated entity consisting of Credit Clear Limited and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Credit Clear Limited's functional and presentation currency.

Credit Clear Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 February 2021.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Consolidated Group		
	Note	Half-year Ended	Half-year Ended
		31 December	31 December
		2020	2019
	\$000	\$000	
Revenue from customers		4,885	1,285
Revenue - other		945	-
Interest Income		4	1
Employee benefits expense		(4,232)	(1,486)
Legal Fees		(634)	(120)
Consultancy		(682)	(340)
Share based payments	6	(448)	-
Other expenses		(2,618)	(894)
EBITDA		(2,780)	(1,554)
Depreciation and amortisation expense		(1,166)	(188)
EBIT		(3,946)	(1,742)
Interest Expense		(44)	(12)
Profit/(loss) before income tax		(3,990)	(1,754)
Income tax expense	4	-	-
Net profit/(loss) for the period		(3,990)	(1,754)
Other comprehensive income/(loss)		-	-
Total comprehensive income/(loss) for the period		(3,990)	(1,754)

attributable to the owners of Credit Clear Limited.

Earnings per share

	Cents	Cents
	\$	\$
- basic earnings per share (cents)	(0.02)	(0.01)
- diluted earnings per share (cents)	(0.02)	(0.01)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note	Consolidated Group	
		As at 31 December 2020 \$000	As at 30 June 2020 \$000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		12,820	2,190
Financial Assets		442	533
Trade and other receivables		1,509	1,552
Other assets		480	856
TOTAL CURRENT ASSETS		15,251	5,131
NON-CURRENT ASSETS			
Financial Assets		317	-
Right of use assets		1,034	1,399
Property, plant and equipment		68	48
Intangible assets		6,453	7,279
TOTAL NON-CURRENT ASSETS		7,872	8,726
TOTAL ASSETS		23,123	13,857
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		1,084	1,766
Lease liabilities		477	591
Provisions for employee benefits		620	562
Other liabilities		474	1,158
TOTAL CURRENT LIABILITIES		2,655	4,077
NON-CURRENT LIABILITIES			
Lease liabilities		579	815
Provisions for employee benefits		140	91
TOTAL NON-CURRENT LIABILITIES		719	906
TOTAL LIABILITIES		3,374	4,983
NET ASSETS		19,749	8,874
EQUITY			
Issued capital	5	35,747	21,179
Reserves		493	195
Accumulated losses		(16,491)	(12,500)
TOTAL EQUITY		19,749	8,874

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

Consolidated Group

	Note	Ordinary Share Capital \$000	Retained Earnings \$000	Reserves \$000	Total \$000
Balance at 1 July 2019		10,530	(8,214)	-	2,316
Comprehensive income/(loss)					
Loss for the period		-	(1,754)	-	(1,754)
Total comprehensive income/(loss) for the period		-	(1,754)	-	(1,754)
Transactions with owners, in their capacity as owners, and other transfers (Shares Issued)					
Transaction Costs		(474)	-	-	(474)
Dividends recognised for the period		-	-	-	-
Total transactions with owners and other transfers		10,651	-	-	10,651
Balance at 31 December 2019		21,181	(9,969)	-	11,212
Balance at 1 July 2020		21,179	(12,501)	195	8,873
Comprehensive income/(loss)					
Loss for the period		-	(3,990)	-	(3,990)
Total comprehensive income/(loss) for the period		-	(3,990)	-	(3,990)
Transactions with owners, in their capacity as owners, and other transfers					
Share based payments		150	-	298	448
Shares issued during the period		15,340	-	-	15,340
Transaction Costs		(922)	-	-	(922)
Dividends recognised for the period		-	-	-	-
Total transactions with owners and other transfers		14,568	-	298	14,866
Balance at 31 December 2020	5	35,747	(16,491)	493	19,749

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASHFLOW FOR THE
HALF-YEAR ENDED 31 DECEMBER 2020**

	Note	Consolidated Group Half-year Ended	
		31 December 2020	31 December 2019
		\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		4,880	1,291
Payments to suppliers and employees		(8,749)	(2,426)
Short-term, low-value and variable lease payments		(87)	(35)
Interest received		4	-
Interest paid		(6)	(17)
Government stimulus payments received		824	-
R&D Tax Incentive received		435	-
Income tax paid		-	-
Net cash (used in)/generated by operating activities		<u>(2,699)</u>	<u>(1,187)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(33)	(2)
Payment for purchase of business	2	<u>(284)</u>	<u>(5,000)</u>
Net cash (used in)/generated by investing activities		<u>(317)</u>	<u>(5,002)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares, net of transaction costs		14,078	8,526
Repayment of borrowings – others		(84)	(156)
Repayment of lease liabilities		<u>(347)</u>	<u>(42)</u>
Net cash (used in)/generated by financing activities		<u>13,647</u>	<u>8,328</u>
Net increase/(decrease) in cash held		10,631	2,139
Cash and cash equivalents at beginning of period		2,189	1,474
Cash acquired from purchase of business		-	36
Cash and cash equivalents at end of period		<u><u>12,820</u></u>	<u><u>3,650</u></u>

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 December 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2020 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Credit Clear Limited and its controlled entities (referred to as the “Consolidated Group” or “Group”). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2020, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 25 February 2021.

b. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

NOTE 2: BUSINESS COMBINATIONS

On 1 December 2019 (during the prior half year), the Group acquired the business of Credit Solutions Pty Ltd & controlled entities (Credit Solutions Group) in addition to obtaining a 100% interest in Oakbridge Lawyers Pty Ltd. This resulted in Credit Clear Limited acquiring the assets and assumed liabilities of Credit Solutions Group in addition to obtaining control of Oakbridge Lawyers Pty Ltd.

A deferred consideration amount of \$284,422 was paid during the financial period which is in accordance with the business purchase agreement. Additionally, 1,360,000 shares were issued as part of the contingent consideration. The deal is now fully settled.

NOTE 3: OPERATING SEGMENTS

Identification of reportable operating segments

The group has identified its operating segments to be the two major areas of services provided to customers; Receivable collections and Legal Services.

Receivable Collections: represents the provision of receivable collection services using a combination of technology solutions as well as traditional collection methods.

Legal Services: provides specialised credit legal services, which when combined with the Receivables Collections business, allows Credit Clear to provide a full service end to end offering for its clients.

Head Office is not an operating segment, it represents Group overheads, corporate head office, Group tax balances, financing, payroll and treasury functions.

Revenue Categorisation

Revenue is generated by the Group and is categorised into the reportable segments disclosed below. Sales to external customers are recognised when the performance obligations are delivered over time. Once a contract has been entered into, the Group has an enforceable right to payment for work completed to date. Therefore, revenue is recognised over time. Additional billings are recognized when the performance obligations are delivered over time and are included within the sales to external customers.

These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments. The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

	Collections		Legal Services		Head Office		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue								
Sales to external Clients	3,749	1,178	1,136	108	-	-	4,885	1,286
Other Income	162	-	-	-	783	-	945	-
Interest Income	-	-	-	-	4	1	4	1
Total revenue and other income	3,911	1,178	1,136	108	787	1	5,834	1,287
Gross margin	2,122	1,057	386	48	-	-	2,508	1,105
Overheads	(2,668)	(2,236)	(557)	(132)	(2,063)	(291)	(5,288)	(2,659)
EBITDA							(2,780)	(1,554)
Depreciation and Amortisation					(1,166)	(188)	(1,166)	(188)
EBIT							(3,946)	(1,742)
Interest Expense					(44)	(12)	(44)	(12)
Loss before income tax expense							(3,990)	(1,754)
Income tax expense							-	-
Loss after income tax expense							(3,990)	(1,754)

Segment assets	2,582	1,116	246	482	20,295	13,275	23,123	14,873
Segment liabilities	1,956	1,052	361	745	1,057	1,863	3,374	3,660
Net assets/liabilities	626	64	(115)	(263)	19,238	11,412	19,749	11,213

NOTE 4: INCOME TAX EXPENSE

The Group has an unrecognised deferred tax asset totalling \$3,012,633 (December 2019: \$1,992,666). The Group has not recognised a deferred tax asset on the basis that the group has not yet generated taxable profits to apply against these accumulated losses.

NOTE 5: EQUITY – ISSUED CAPITAL

	31 Dec 2020	30 Jun 2020	31 Dec 2020	30 Jun 2020
	Shares	Shares	\$000	\$000
Ordinary shares – fully paid	225,686,746	180,409,603	35,747	21,179

Movements in ordinary share capital:

Details	Date	Shares	Issue Price	\$000
Balance	1 July 2020	180,409,603		21,179
Issue of shares as part of Credit				
Solutions acquisitions	18 August 2020	1,360,000	\$0.25	340
Issue of Performance Shares	19 August 2020	500,000	\$0.30	150
Issue of shares for Rights issue	19 August 2020	560,000	\$0.00	-
Issue of shares – IPO	27 October 2020	42,857,143	\$0.35	150,000
IPO transaction costs	27 October 2020			(922)
Balance		225,686,746		35,747

NOTE 6: SHARE BASED PAYMENTS

The Group established the Credit Clear Limited Equity Incentive Plan on 19 August 2020 as a long-term incentive scheme to recognise talent and motivate employees to strive for Group performance. The purpose of the EIP is to allow the Board to make offers to employees, contractors, non-executive directors and other persons declared by the board to acquire securities in Credit Clear and to otherwise incentivise employees.

During the half year ending 31 December 2020, the company issued 27,410,000 options to directors and employees. Options were issued to the participant at no cost. Each option entitles the holder on exercise to one share in the company at exercise price per option as listed in the tables below. The exercise of these options is subject to certain tenure based and performance conditions. Vesting conditions are attached to options which are issued to management and employees. There are no performance conditions attached to options issued to non-executive directors. The options carry no entitlements to voting rights or dividends of the Group. There were no options that vested during the half-year.

Non-Executive Director share options

The company issued 6,800,000 options to non-executive directors during the period and are granted subject to the participant remaining a director of Credit Clear Limited until the vesting date which is on 8 October 2022. The options lapse when a director ceases their directorship with the Group. In accordance with ASX guidelines, there are no performance conditions attached to options issued to non-executive directors.

Options granted to non-executive directors are as follows:

Issue Date	Number	Exercise Price	Vesting Date
8 October 2020	5,300,000	\$0.50	8 October 2022
19 November 2020	1,500,000	\$0.50	8 October 2022

Employee share option scheme

All employees are entitled to participate in the share option scheme. Employees were granted options that vest if the share price is equal to or greater than the price set for the respective vesting dates. Should the performance criteria not be met, the options which were available for vesting for that respective year shall be considered forfeited.

Options granted to employees are as follows:

Issue Date	Number	Exercise Price	Vesting Date	Vesting Condition (share price)
1 October 2020	2,000,000	\$0.50	1 October 2022	\$0.60
1 October 2020	2,000,000	\$0.55	1 October 2022	\$0.72
1 October 2020	2,000,000	\$0.60	1 October 2023	\$0.94
1 October 2020	2,000,000	\$0.65	1 October 2024	\$1.17
1 October 2020	2,000,000	\$0.70	1 October 2025	\$1.46
8 October 2020	10,610,000	\$0.50	8 October 2022	\$0.60

NOTE 7: CONTINGENCIES

(a) Contingent Liabilities

The Group had the following contingent liabilities at the end of the reporting period:

1. The Company refers to the legal proceedings (Proceedings) commenced against it and others by Mr Brian George Osborne and his associated entities (Plaintiffs).

On 11 December 2020 in relation to the Proceedings, the Company filed and served a third party notice (Notice) on its management liability insurer for the relevant insurance period (Insurer) seeking indemnity in respect of any sums (including legal costs) which the Court may order the Company to pay to the Plaintiffs in connection with the Proceedings.

A number of other defendants in the Proceedings, which were parties to a separate contract of insurance with the Insurer, also brought claims against the Insurer in the Notice.

With the exception of granting limited amount of cover under a specific policy extension, the Insurer otherwise denied liability to the Company in respect of Plaintiff's claim and the Company's legal costs.

The Company notes that under the terms of the indemnity between it and Mr Mark Casey (Casey Indemnity), Mr Casey has indemnified the Company against (among other things) any loss in connection with the Notice (including any and all legal costs).

A Court ordered mediation in respect of the Proceedings occurred on 9 February 2021. The Company is not at liberty to disclose the nature of the discussions, save to note that the parties are engaged in ongoing settlement discussions.

2. On 15 July 2020 proceedings were commenced by originating process in the Supreme Court of Victoria by Trent Marshall McKendrick and ACN 604 594 621 Pty Ltd (formerly C Capital Pty Ltd) (C Capital Pty Ltd) against the Company, Casey Consulting Services Pty Ltd as trustee for the Casey Consulting Services Trust (Casey Consulting) and Romano Family Holdings Pty Ltd as trustee for the Lewis Romano Family Trust. The litigation concerns the circumstances in which Mr McKendrick ceased involvement with the Company, the value at which C Capital Pty Ltd sold its shares to Casey Consulting and the validity of a separation agreement and intellectual property assignment agreement which were all executed in 2016.

The Company has sought legal advice from Senior Counsel. Based on the information available at the timing of the claim, the Company believes that this claim lacks merit.

(b) Contingent Assets

The Group has the following contingent asset at the end of the reporting date:

As noted in the contingent liabilities notes above, the Group is currently in legal proceedings with Brian George Osborne, the former CEO of Credit Clear Pty Ltd. At reporting date, Credit Clear Limited has received a letter of indemnification from its current director, Mark Casey. The Company has also received a signed indemnity from Mr Casey.

Should Brian Osborne obtain a successful judgement and obtain orders requiring shares in Credit Clear limited to be transferred to him, Mark Casey has confirmed via a signed agreement to the Directors of the company that he will transfer shares owed to Brian Osborne out of his personal shareholding in Credit Clear Limited. The number of shares to be transferred will be limited to the extent necessary to prevent dilutionary effect on:

1. Those shareholders who were first issued shares from 20 June 2018 as part of a capital raise and/or rights issue: and
2. Those shareholders who were already shareholders prior to 20 June 2018 but in respect of only those shares received by them from 20 June 2018 as part of a capital raise and/or rights issue.

The signed indemnity from Mr Casey indemnifies the Company and its shareholders against share dilution on the same terms as described above. The signed indemnity also indemnifies the Company and its shareholders against any loss and damage suffered or incurred by them in connection with the Statement of Claim filed by Osborne and his controlled entities (including any order of the court and legal costs) and the action taken by them in cancelling the shares held by Wilborne Holdings Pty Ltd pursuant to section 258D of the Corporations Act 2001 (Cth) and the removal of Osborne as a director of the Company.

NOTE 8: EVENTS AFTER THE END OF THE INTERIM PERIOD

The outbreak and spread of Corona Virus (COVID-19) has disrupted many businesses both domestically and globally. As a result of this outbreak, there are further potential accounting, financial reporting and commercial implications that may arise, which management continue to monitor and manage. The directors believe the group remains financially resilient but are aware of the potential for further detrimental impacts and continue to manage these challenges, facts and circumstances as known.

Except for the above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Directors' Declaration

In accordance with a resolution of the directors of Credit Clear Limited, the directors of the Entity declare that:

1. The financial statements and notes, as set out on pages 9 to 19, 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 Group's financial position 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 to believe that the Entity will be able to pay its debts as and when they become due and payable.

Director



Lewis James Romano

Dated this 25th day of February 2021

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF CREDIT CLEAR LIMITED & CONTROLLED ENTITIES

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Credit Clear Limited & Controlled Entities (**the Group**), which comprises the condensed statement of financial position as at 31 December 2020, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, the condensed 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.

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 the Group is not in accordance with the *Corporations Act 2001*, including:

- a. 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
- b. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 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 Standards on Review Engagements ASRE 2410: *Review of Interim and Other Financial Reports 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:

- a. 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
- b. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of the Group, 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 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.

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 the Group, would be in the same terms if provided to the directors as at the time of this auditor's review report.



MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257



GEORGE S DAKIS
Partner
Audit and Assurance

Melbourne, Victoria

25 February 2021