

# Half Year Report of Rectifier Technologies Ltd for the Period Ended 31 December 2020

(ACN 058 010 692)

*This Half Year Report is provided to the Australian Stock Exchange (ASX) under ASX Listing Rule 4.2A.*

Current Reporting Period: Financial Period ended 31 December 2020

Previous Corresponding Period: Financial Period ended 31 December 2019

*The Information contained in this Half Year Report should be read in conjunction with the most recent financial report.*

**Rectifier Technologies Ltd**  
**Results For Announcement To The Market**  
**For the Half Year Ended 31 December 2020**

**Revenue and Net Profit/(Loss)**

		Percentage Change %	Amount
Revenue from ordinary activities	Down	37.45%	To 6,737,100
Profit(loss) from ordinary activities after tax attributable to members	Down	55.26%	To 593,384
Profit attributable to members	Down	55.26%	To 593,384

**Dividends (Distributions)**

	Amount per security	Franked amount per security
Final dividend (for 30 June 2020 financial year)	0.1 ¢	0.1 ¢
Interim dividend	nil ¢	nil ¢
Record date for determining entitlements to the dividend:		
• final dividend (for 30 June 2020 financial year)		30 October 2020
• interim dividend		n/a

**Brief Explanation of Revenue, Net Profit/(Loss) and Dividends (Distributions)**

- Revenue from ordinary activities decreased by 37.45% to \$6,737,100 and net profit after tax decreased by \$732,826 to a profit of \$593,384. Refer to the Financial Statements for commentary.
- Fully franked dividend \$1,375,701.07 paid in the period (declared for 30 June 2020 financial year) .

**Rectifier Technologies Ltd**  
**Results For Announcement To The Market**  
**For the Half Year Ended 31 December 2020**

**5. Net Tangible Assets Per Security**

	<u>2020</u>	<u>2019</u>
Net tangible assets per security <sup>1</sup>	0.606¢	0.661¢

**6. Dividends**

No interim dividend declared. Fully franked dividend \$1,375,701.07 paid during the period for 30 June 2020 financial year.

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<sup>1</sup> Net tangible assets include the right-of-use assets.



# **RECTIFIER TECHNOLOGIES LTD**

ABN: 82 058 010 692

**HALF-YEAR CONSOLIDATED  
FINANCIAL STATEMENTS  
31 DECEMBER 2020**

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## **COMPANY PARTICULARS**

### ***BOARD OF DIRECTORS***

Mr. Yingming Wang (Chairman)

Mr. Yanbin Wang

Mr. Valentino Vescovi

Mr. Nigel Machin

### ***SECRETARY***

Mr. Justyn Stedwell

### ***REGISTERED OFFICE***

97 Highbury Road

Burwood, Victoria 3125

Telephone: 03 9896 7550

Facsimile: 03 9896 7566

### ***SHARE REGISTRY***

Computershare Investor Services Pty Ltd

452 Johnston Street

ABBOTSFORD, VIC 3067

### ***AUDITORS***

Grant Thornton Audit Pty Ltd

Collins Square, Tower 5

727 Collins Street

MELBOURNE, VIC 3008

### ***BANKERS***

ANZ Banking Group Limited

10 Main Street, Box Hill

MELBOURNE, VIC 3128

### ***FINANCIERS***

ANZ Banking Group Limited

10 Main Street, Box Hill

MELBOURNE, VIC 3128

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# Rectifier Technologies Ltd and Controlled Entities

ABN 82 058 010 692

## DIRECTORS' REPORT

Your directors submit the financial report of Rectifier Technologies Ltd (the company) and its controlled entities (the Group) for the half year ended 31 December 2020.

### Directors

The names of directors who held office during and since the end of the half-year (unless otherwise stated):

- Mr. Yingming Wang (Non-Executive)
- Mr. Valentino Vescovi (Non-Executive)
- Mr. Yanbin Wang (Executive)
- Mr. Nigel Machin (Director and Head of Power Engineer)

### Financial Results

For the half year report as at 31 December 2020, the Company has reported a net profit after tax of \$593,384 compared to a net profit after tax of \$1,326,210 in the previous corresponding period with a decrease of \$732,826. Revenue from ordinary activities decreased from \$10,770,813 in the previous corresponding period to \$6,737,100. At the EBITDA level, the result decreased to a profit of \$1,167,922 from a profit of \$2,560,105 in the previous corresponding period, the gross margin has increased to 54%.

A lower result reported in the current half year reporting period compared to the previous corresponding period was due to the continuing effects of the COVID-19 outbreak on the global economy. As the world recovers, and restrictions are lifted, the Company expects a restoration to the former financial performance.

The results for the 6 months to 31 December 2020 compared with those of the previous corresponding period are shown in the following table (\$'000).

	December 2020	December 2019
Revenue from Ordinary Activities	6,737	10,771
Gross Profit	3,619	5,188
Gross Margin	54%	48%
EBITDA	1,168	2,560
Interest	(78)	(83)
Depreciation/Amortisation	(266)	(222)
Profit/(Loss) Before Tax	824	2,255
Income Tax Benefit/(Expense)	(231)	(929)
Net Profit/(Loss)	593	1,326

## Rectifier Technologies Ltd and Controlled Entities

ABN 82 058 010 692

### DIRECTORS' REPORT (CONTINUED)

#### Dividend Distribution

On 31 August 2020, the Company declared to pay a 0.1 cent (\$0.001) per share fully franked dividend. Total amount of \$1,375,701 was distributed to shareholders on 8 December 2020.

#### Review of Operations

The Company has continued to successfully navigate the COVID-19 period, which is characterised by the unpredictability of Government actions to curb the virus spread in the various regions we operate in. There was an understandable softening of sales in the year from major customers as they themselves recover. Our solid business fundamentals and strong reserves continue to mitigate the impact on our business as our sales begin to recover.

#### Outlook

The Company remains optimistic as the industries we supply products to show signs of recovery, although slow. The strategy therefore is to focus on product development so that our new products are ready for the market when more business activity resumes later in the calendar year.

The e-Mobility industry remains an area of focus for the Company. Strong electric vehicle (EV) growth forecasts are supported by new and existing policies introduced to encourage its uptake. Charging networks, where our products are used, will consequently increase as a function of EV growth.

Our engineering group is working towards releasing our major developments in 2021, including our 'RT22 50KW EV Charger Module', 'Highbury DC Bi-Directional Charger', and high-voltage input rectifier for the defence industry. We have also engaged a development partner to work with us to create a cloud/mobile platform to support our EV Charger products. Ahead of the product release, our sales and marketing team is promoting the 'RT22 50KW EV Charger Module' and, 'Highbury DC Bi-Directional Charger' to potential distributors and OEMs in the e-Mobility space and are seeing good interest in the market.

#### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4 and forms part of the directors' report for the half-year ended 31 December 2020.

This report is signed in accordance with a resolution of the Board of Directors.



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Yanbin Wang

Director

Dated this 26<sup>th</sup> day of February 2021



## Auditor's Independence Declaration

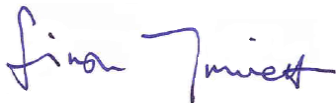
### To the Directors of Rectifier Technologies Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Rectifier Technologies Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



S C Trivett  
Partner – Audit & Assurance

Melbourne, 26 February 2021

**Rectifier Technologies Ltd and Controlled Entities**

**ABN 82 058 010 692**

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

	31 December 2020 \$	31 December 2019 \$
Revenue	6,737,100	10,770,813
Other income	663,615	273,118
Changes in inventories of finished goods and work in progress	168,221	(2,057,607)
Raw materials and consumables used	(2,538,249)	(1,881,280)
Employee benefits expense	(2,511,473)	(2,557,844)
Share options expense	-	(630,000)
Depreciation expense	(265,983)	(221,888)
Finance costs	(77,854)	(89,839)
Other expenses	(1,351,293)	(1,349,867)
Profit before income tax expense	824,084	2,255,606
Income tax expense	(230,700)	(929,396)
<b>Net profit after income tax attributable to owners of Rectifier Technologies Limited</b>	<b>593,384</b>	<b>1,326,210</b>
<b>Other comprehensive income</b>		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Foreign currency translation differences	(167,382)	17,666
<b>Total comprehensive income</b>	<b>426,002</b>	<b>1,343,876</b>
Basic profit per share (cents per share)	0.04	0.10
Diluted profit per share (cents per share)	0.04	0.10

The accompanying notes form part of these financial statements.

**Rectifier Technologies Ltd and Controlled Entities**

**ABN 82 058 010 692**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

	31 December 2020 \$	30 June 2020 \$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	5,486,459	6,873,680
Trade and other receivables	1,406,609	1,676,228
Inventories	2,127,170	2,555,080
Current tax assets	463,520	726,598
<b>TOTAL CURRENT ASSETS</b>	<b>9,483,758</b>	<b>11,831,586</b>
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	5,402,398	5,651,766
Deferred tax assets	452,501	452,501
<b>TOTAL NON-CURRENT ASSETS</b>	<b>5,854,899</b>	<b>6,104,267</b>
<b>TOTAL ASSETS</b>	<b>15,338,657</b>	<b>17,935,853</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	1,179,512	2,251,184
Interest bearing liabilities	425,855	461,891
Provisions	671,303	608,773
Current tax liability	565,462	1,143,210
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,842,132</b>	<b>4,465,058</b>
<b>NON-CURRENT LIABILITIES</b>		
Interest bearing liabilities	3,266,197	3,429,810
Deferred tax liabilities	372,240	375,160
Provisions	71,149	69,987
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>3,709,586</b>	<b>3,874,957</b>
<b>TOTAL LIABILITIES</b>	<b>6,551,718</b>	<b>8,340,015</b>
<b>NET ASSETS</b>	<b>8,786,939</b>	<b>9,595,838</b>
<b>EQUITY</b>		
Issued capital	39,992,575	39,851,775
Reserves	504,446	671,828
Accumulated losses	(31,710,082)	(30,927,765)
<b>TOTAL EQUITY</b>	<b>8,786,939</b>	<b>9,595,838</b>

The accompanying notes form part of these financial statements.

**Rectifier Technologies Ltd and Controlled Entities**

**ABN 82 058 010 692**

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

	Share Capital Ordinary \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Options Reserve \$	Total \$
<b>Balance at 1.7.2020</b>	39,851,775	(30,927,765)	41,828	630,000	9,595,838
Profit for the half-year	-	593,384	-	-	593,384
<b>Other comprehensive income</b>					
Foreign currency translation difference	-	-	(167,382)	-	(167,382)
<b>Total comprehensive income for the half-year</b>	-	593,384	(167,382)	-	426,002
<b>Transactions with owners in their capacity as owners</b>					
Shares Issued	140,800	-	-	-	140,800
Dividend Paid	-	(1,375,701)	-	-	(1,375,701)
<b>Balance at 31.12.2020</b>	39,992,575	(31,710,082)	(125,554)	630,000	8,786,939
<b>Balance at 1.7.2019</b>	39,816,575	(32,749,403)	177,734	-	7,244,906
Profit for the half-year	-	1,326,210	-	-	1,326,210
<b>Other comprehensive income</b>					
Foreign currency translation difference	-	-	17,666	-	17,666
<b>Total comprehensive income for the half-year</b>	-	1,326,210	17,666	-	1,343,876
<b>Transactions with owners in their capacity as owners</b>					
Shares Issued	35,200	-	-	-	35,200
Options reserve – share based payment	-	-	-	630,000	630,000
<b>Balance at 31.12.2019</b>	39,851,775	(31,423,193)	195,400	630,000	9,253,982

The accompanying notes form part of these financial statements.

**Rectifier Technologies Ltd and Controlled Entities****ABN 82 058 010 692****CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	31 December 2020 \$	31 December 2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	7,673,054	9,343,729
Payments to suppliers and employees	(6,729,066)	(5,412,127)
Interest received	2,594	7,228
Finance costs	(257)	(69,911)
Tax paid	(546,731)	(635,883)
Net cash provided by/(used in) operating activities	<u>399,594</u>	<u>3,233,036</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for plant and equipment	(244,425)	(1,450,023)
Proceeds from sale of plant and equipment	125	-
Net cash used in investing activities	<u>(244,300)</u>	<u>(1,450,023)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(1,375,701)	-
Proceeds from share issue	140,800	35,200
Proceeds from debt	177,305	961,805
Repayment of borrowings	(100,125)	(236,394)
Repayment of lease liability	(193,984)	(163,431)
Net cash provided by financing activities	<u>(1,351,705)</u>	<u>597,180</u>
Net increase/(decrease) in cash and cash equivalents	(1,196,411)	2,380,193
Cash and cash equivalents at 1 July	6,873,680	2,834,440
Effect of exchange rate fluctuations on cash held	(190,810)	883,948
Cash and cash equivalents at 31 December	<u>5,486,459</u>	<u>6,098,581</u>

The accompanying notes form part of these financial statements.

## Rectifier Technologies Ltd and Controlled Entities

ABN 82 058 010 692

### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

#### NOTE 1: BASIS OF PREPARATION

These general purpose financial statements for the half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Act 2001.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2020 and any public announcements made by Rectifier Technologies Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

##### (a) Significant Accounting Policies

The same accounting policies and methods of computation have been followed in these half-year financial statements as compared with the most recent annual financial statements.

##### (b) Estimates and Judgements

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurements of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2020.

#### NOTE 2: DIVIDENDS

On 31 August 2020. The company declared to pay a 0.1 cent (\$0.001) per share fully franked dividend. Total distribution amount was \$1,375,701.

The key proposed dates in relation to the dividend are as follows:

Ex Date - 29 October 2020

Record Date - 30 October 2020

Payment date - 8 December 2020

## Rectifier Technologies Ltd and Controlled Entities

ABN 82 058 010 692

### TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

#### NOTE 3: SEGMENT INFORMATION

Segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the chief operating decision maker (executive management committee that makes strategic decisions). This has resulted in the manufacturing segment being disaggregated into 4 reportable segments being electronic components manufacturing, industrial power supplies (electricity generation/distribution and defence), industrial power supplies (transport and telecommunication) and industrial power supplies (electric vehicles).

#### **Description of segments**

Management has determined the operating segments based on reports reviewed by the executive management committee for making strategic decision. The executive management committee comprises the chief executive officer and divisional managers. The committee monitors the business based on product and geographic factors and have identified 4 reportable segments.

#### **Electronic Components**

Under this segment, Rectifier Technologies Pacific Pty Ltd and Rectifier Technologies Malaysia Sdn Bhd which is based in Malaysia (operations transferred from Protran Technologies Pty Ltd during the year of 2014/2015) manufactures and distributes electronic components for a number of industries.

#### **Industrial Power Supplies (Electricity generation/distribution and Defence)**

Under this segment, Rectifier Technologies Pacific Pty Ltd and Rectifier Technologies Malaysia Sdn Bhd manufacture and distribute rectifiers, controllers, accessories and complete systems for the power generation, distribution industries and defence. Rectifier Technologies Singapore Pte Ltd only focuses on distribution.

#### **Industrial Power Supplies (Transport and Telecommunication)**

Under this segment, Rectifier Technologies Pacific Pty Ltd and Rectifier Technologies Malaysia Sdn Bhd manufacture and distribute power supplies for the transport industries and telecommunications. Rectifier Technologies Singapore Pte Ltd only focuses on distribution.

#### **Industrial Power Supplies (Electric vehicles)**

Under this segment, Rectifier Technologies Pacific Pty Ltd and Rectifier Technologies Malaysia Sdn Bhd manufacture and distribute electric vehicle chargers, battery chargers and power supplies for a number of industries. Rectifier Technologies Singapore Pte Ltd only focuses on distribution.

#### **Segment information**

Segment result shown in the segment information is measured as EBITDA prior to impairment expense. Segment information provided to the executive management committee for the half-year ended 31 December 2020, is as follows:

## Rectifier Technologies Ltd and Controlled Entities

ABN 82 058 010 692

### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

#### NOTE 3: SEGMENT INFORMATION

Half-year ended	Electronic Components	Industrial Power Supplies (E/D)	Industrial Power Supplies (T&T)	Industrial Power Supplies (EV)	Total
<b>31-Dec-20</b>	\$	\$	\$	\$	\$
Total segment revenue	151,812	3,291,821	1,624,360	6,536,725	11,604,718
Inter-segment revenue	-	(832,233)	(656,466)	(2,678,715)	(4,167,414)
Revenue from external customers	151,812	2,459,588	967,894	3,858,010	7,437,304
Segment Result (EBITDA)	22,850	370,201	145,681	580,682	1,119,414
Half-year ended	Electronic Components	Industrial Power Supplies (E&D)	Industrial Power Supplies (T&T)	Industrial Power Supplies (EV)	Total
<b>31-Dec-19</b>	\$	\$	\$	\$	\$
Total segment revenue	119,985	3,866,971	1,491,562	13,118,647	18,597,165
Inter-segment revenue	-	(1,684,343)	(595,746)	(5,273,464)	(7,553,553)
Revenue from external customers	119,985	2,182,628	895,816	7,845,183	11,043,612
Segment Result (EBITDA)	49,082	892,844	366,450	3,209,214	4,517,590
<b>Total segment assets</b>					
31-Dec-20	349,482	5,662,149	2,228,160	8,881,420	17,121,211
31-Dec-19	279,188	5,078,653	2,084,432	18,254,579	25,696,852



# Rectifier Technologies Ltd and Controlled Entities

ABN 82 058 010 692

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

### NOTE 3: SEGMENT INFORMATION

Reconciliation of segment result to profit/(loss) before income tax is as follows:

	Consolidated	
	31 December 2020	31 December 2019
	\$	\$
<b>Segment Result</b>	<b>1,119,414</b>	<b>4,517,590</b>
Corporate Cost (excluding finance, depreciation and amortisation expense)	48,507	(1,957,485)
Interest / Finance costs	(77,854)	(82,611)
Depreciation & Amortisation	(265,983)	(221,888)
<b>Profit/(Loss) before income tax from continuing operations</b>	<b>824,084</b>	<b>2,255,606</b>

### NOTE 4: CONTINGENT LIABILITIES

There are no contingent liabilities or contingent assets as at 31 December 2020.

### NOTE 5: CONTRIBUTED EQUITY

	31 December 2020 \$	31 December 2019 \$
Opening balance 1 July	39,851,775	39,816,575
Shares issued	140,800	35,200
Closing balance 31 December	<u>39,992,575</u>	<u>39,851,775</u>

	Number	Number
Opening balance 1 July	1,368,660,602	1,366,900,602
Shares issued	7,040,000	1,760,000
Closing balance 31 December	<u>1,375,700,602</u>	<u>1,368,660,602</u>

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**Rectifier Technologies Ltd and Controlled Entities**

**ABN 82 058 010 692**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

**NOTE 6: EVENTS SUBSEQUENT TO BALANCE DATE**

There have been no events subsequent to the end of the reporting period that require additional disclosure.

**NOTE 7: COMMITMENTS**

Rectifier Technologies Malaysia Sdn Bhd has non-cancellable purchase commitments of \$630,361 and estimated delivery in the next few months.

**Rectifier Technologies Ltd and Controlled Entities**

**ABN 82 058 010 692**

**DIRECTORS' DECLARATION**

The directors of the company declare that:

(a) in the directors' opinion, the financial statements and notes for the half-year ended 31 December 2020 are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2020 and its performance for the six-month period ended on that date; and

(ii) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and

(b) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



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Yanbin Wang

Director

Melbourne

Dated this 26<sup>th</sup> day of February, 2021

# Independent Auditor's Review Report

## To the Members of Rectifier Technologies Limited

### Report on the review of the half-year financial report

#### Conclusion

We have reviewed the accompanying half-year financial report of Rectifier Technologies Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a description of accounting policies, other selected explanatory notes, 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 Rectifier Technologies Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Rectifier Technologies Limited'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*.

#### 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.

#### 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*.

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.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



S C Trivett  
Partner – Audit & Assurance

Melbourne, 26 February 2021