



**I SYNERGY GROUP LIMITED**

ACN: 613 927 361

**CONSOLIDATED INTERIM REPORT**  
**for the half-year ended 30 June 2021**



**APPENDIX 4D  
HALF-YEAR REPORT****1. Company details**

Name of entity:	I Synergy Group Limited
ABN:	51 613 927 361
Reporting period:	For the half-year ended 30 June 2021
Previous period:	For the half-year ended 30 June 2020

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

		AUD\$		AUD\$
Revenue from ordinary activities	Down	70.14%	to	1,074,124
Profit from ordinary activities after tax attributable to the owners of I Synergy Group Limited	up	106.22%	to	62,058
Profit for the year attributable to the owners of I Synergy Group Limited	up	104.21%	to	36,880

**Dividend**

No dividend was recommended by the directors for the half-year ended 30 June 2021.

**Brief explanation of any figures reported above**

Please refer to review of operations and activities in the director's report and half year results announcement in this half year report

**3. Net tangible assets**

	Reporting period Cents	Previous period Cents
Net tangible liabilities per ordinary shares	(0.65)	(0.39)

**4. Control gained over entities**

Not applicable.

**5. Loss of control over entities**

Not applicable.

# I SYNERGY GROUP LIMITED

ACN: 613 927 361

## APPENDIX 4D HALF-YEAR REPORT

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### 6. Details of associates and joint ventures entities

Not applicable.

### 7. Foreign entities to disclose which accounting standards are used in compiling the report

The financial statements of the Group have been prepared in accordance with Australian Accounting Standards issued by Australian Accounting Standards Board, which is also comply with International Financial Reporting Standards.

### 8. Audit qualification or review

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

The financial statements have been reviewed by the auditors and are not subject to any audit dispute or qualification.

### 9. Attachments

*Details of attachments (if any):*

The Interim Report of I Synergy Group Limited for the half-year ended 30 June 2021 is attached.

### 10. Signed

Signed  \_\_\_\_\_

Date: 31 August 2021

Dato' Teo Chee Hong  
Director

# I SYNERGY GROUP LIMITED

ACN: 613 927 361

## CONSOLIDATED INTERIM REPORT

for the half-year ended 30 June 2021

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# I SYNERGY GROUP LIMITED

ACN: 613 927 361

## CORPORATE DIRECTORY

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Directors	Dato' Teo Chee Hong Derrick De Souza Jeffrey Lee
Company Secretary	Harry Miller
Registered office	Ground Floor 16 Ord Street West Perth WA 6005 Phone: +618 9482 0500
Principal place of business	Malaysia Unit 20-10, Tower A The Vertical Business Suite Avenue 3, Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur Malaysia Phone: +603 2242 1333  Indonesia DBS Bank Tower 28 Floor Unit 2820-2821, Ciputra World One Jalan Prof. Dr. Satrio Kav 3-5, Jakarta Selatan 12940 Indonesia. Phone: +62 2988 8260
Share register	Automic Registry Services Level 12, 267 St Georges Terrace Perth WA 6000
Auditor	Rothsay Audit & Assurance Pty Ltd Level 1/12 O'Connell Street Sydney NSW 2000
Stock exchange listing	I Synergy Group Limited shares are listed on the Australian Securities Exchange (ASX code: IS3)
Website	<a href="http://www.i-synergygroup.com">www.i-synergygroup.com</a>
Corporate Governance Statement	<a href="http://www.i-synergygroup.com">www.i-synergygroup.com</a>



**DIRECTORS' REPORT  
HALF-YEAR ENDED 30 JUNE 2021**

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The directors present their report, together with the financial statements, on the Group (referred to hereafter as the 'Consolidated entity') for the half-year ended 30 June 2021.

**Directors**

The following persons were directors of I Synergy Group Limited ('the Company') during the financial period and up to the date of this report, unless otherwise stated:

Dato Teo Chee Hong (Executive Chairman)  
Derrick De Souza (Non-executive Director)  
Jeffrey Lee (Non-executive Director)

**Company Secretary**

Harry Miller

**Principal activities**

The Group's principal activities are providing affiliate marketing solutions to advertisers and affiliates. There was no significant change in the nature of activities of the Company during the financial year.

**Share buy-back**

There is no share buy-back taken place during the financial period.

**Dividends**

No dividend was recommended by the directors of the Company for the financial period.

**Review of operations**

For the half-year ended 30 June 2021, the revenue experienced a decline of 70.14% compared to the previous half-year to AUD\$1,074,124 from AUD\$3,597,985.

The decline in revenue is primarily due to the global pandemic COVID-19 which has impact the core business income stream of software activation, license rights and program fee from the sign up of new affiliates. The imposed Movement Control Order (MCO) in countries which the Group is operating in has further affected business activities of training and affiliate events which decreased new affiliates sign up.

Despite the performance observed above, the Group has taken the offensive and introduced an economic stimulus package for key stakeholders of affiliates, advertisers and users. Majority of the business activities have been moved online with automation of processes. This strategy is significant in managing expenses during this uncertain time while continuing to stimulate the market. This resulted in the Group's profit after taxation to AUD\$144,184 from loss after taxation AUD\$807,628 in the previous corresponding half-year. The Management has been optimistic that the Group's products and services are well-placed for acceptance more than ever and would contribute positively for the time coming.



**DIRECTORS' REPORT  
HALF-YEAR ENDED 30 JUNE 2021**

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**Significant changes in the state of affairs**

On 2 June 2021, ISI has formally entered into a Binding Agreement ("Agreement") to dispose of its MSS Retail Loyalty Program Business ("MSS Loyalty Program") to Omni Street Sdn. Bhd. ("Omni").

The sale of the MSS Loyalty Program will better enable the Company to streamline the core business and ensure the focus is primarily on affiliate marketing.

The consideration to be paid by Omni for the acquisition of the Company's MSS Loyalty Program Business is a total of RM90,000 (AUD equivalent: AUD28,163) and is comprised of the following:

- i. RM10,000 (AUD equivalent: \$3,129) to be paid within 10 business days of the signing of the Agreement; and
- ii. RM80,000 (AUD equivalent: \$25,034) to be paid on Settlement.

**Auditor's independence declaration**

The lead auditor's independence declaration for the half-year ended 30 June 2021 has been received and can be found on page 4 of the Interim Report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

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Dato' Teo Chee Hong  
Director  
31 August 2020

**AUDITOR'S INDEPENDENCE DECLARATION**

**UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001***

As lead auditor of the review of I Synergy Group Limited for the half-year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of I Synergy Group Limited and the entities it controlled during the half-year.

**Rothsay Audit & Assurance Pty Ltd**



**Daniel Dalla**  
Director  
31 August 2021





**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 30 JUNE 2021**

		<b>The Group</b>	
	<b>Note</b>	<b>30 Jun 2021 AUD\$</b>	<b>30 Jun 2020 AUD\$</b>
Revenue	5	1,074,124	3,597,985
Cost of sales		(509,796)	(2,428,945)
Gross profit		564,328	1,169,040
Other income		435,511	52,399
Selling and distribution expenses		(16,540)	(34,931)
Administrative expenses		(836,166)	(1,988,377)
Finance cost		(2,949)	(5,759)
Profit/(Loss) before taxation	6	144,184	(807,628)
Income tax expense	7	-	-
Profit/(Loss) after taxation for the period		144,184	(807,628)
Other comprehensive (expenses)/income			
<u>Items that may be reclassified subsequently to profit or loss</u>			
Foreign currency translation differences		(35,814)	79,164
Total comprehensive income/(expenses) for the period		108,370	(728,464)
Profit/(Loss) after taxation attributable to:			
Non-controlling interest		82,126	190,294
Owners of the Company		62,058	(997,922)
		144,184	(807,628)
Total comprehensive income/(expense) for the period attributable to:			
Non-controlling interest		71,490	147,154
Owners of the Company		36,880	(875,618)
		108,370	(728,464)
		<b>Cents</b>	<b>Cents</b>
Basic profit/(loss) per share	8	0.03	(0.54)
Diluted profit/(loss) per share	8	0.03	(0.54)

The annexed notes form an integral part of these financial statements.

**I SYNERGY GROUP LIMITED**

ACN: 613 927 361

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2021**

		The Group	
	Note	30 Jun 2021 AUD\$	31 Dec 2020 AUD\$
<b>ASSETS</b>			
<u>Current Assets</u>			
Cash and cash equivalents	9	2,472,786	4,950,699
Inventories	10	3,674	14,825
Trade receivables	11	(15,098)	86,719
Other receivables, deposits and prepayments	12	307,026	437,149
Current tax asset		323,773	279,199
		3,092,161	5,768,591
<u>Non-Current Assets</u>			
Equipment	14	659,629	692,669
Deferred tax asset	15	919,252	922,541
Right-of-use assets	16	102,453	133,979
Goodwill on consolidation	17	237,721	237,721
Development costs	18	224,828	120,771
		2,143,883	2,107,681
<b>TOTAL ASSETS</b>		<b>5,236,044</b>	<b>7,876,272</b>
<b>LIABILITIES</b>			
<u>Current Liabilities</u>			
Trade payables	19	37,237	822,799
Other payables and accruals	20	671,495	1,561,840
Current tax liability		113,494	113,900
Deferred revenue	21	1,085,116	1,088,998
Lease liabilities	22	66,612	53,805
		1,973,954	3,641,342
<u>Non-Current Liabilities</u>			
Other payables	20	59,365	59,577
Deferred revenue	21	3,422,780	3,989,409
Lease liabilities	22	48,524	88,327
Deferred tax liabilities	23	16,243	16,301
		3,546,912	4,153,614
<b>TOTAL LIABILITIES</b>		<b>5,520,866</b>	<b>7,794,956</b>
<b>NET (LIABILITIES)/ASSETS</b>		<b>(284,822)</b>	<b>81,316</b>

The annexed notes form an integral part of these financial statements.

**I SYNERGY GROUP LIMITED**

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2021**

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		The Group	
	Note	30 Jun 2021 AUD\$	31 Dec 2020 AUD\$
EQUITY			
Share capital	24	2,442,013	2,442,013
Merger deficit	25	(1,042,123)	(1,042,123)
Foreign exchange translation reserve	26	255,398	280,576
Option reserve	27	136,712	136,712
Accumulated losses		(3,172,712)	(3,234,770)
		<hr/>	<hr/>
Equity attributable to owners of the Company		(1,380,712)	(1,417,592)
Non-controlling interest		1,095,890	1,498,908
		<hr/>	<hr/>
TOTAL EQUITY		(284,822)	81,316

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The annexed notes form an integral part of these financial statements.

**I SYNERGY GROUP LIMITED**

ACN: 613 927 361

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2021**

<b>The Group</b>	<b>Share Capital AUD\$</b>	<b>Merger Deficit * AUD\$</b>	<b>Foreign Exchange Translation Reserve AUD\$</b>	<b>Option Reserve AUD\$</b>	<b>Retained Earnings AUD\$</b>	<b>Attributable To Owners Of The Company AUD\$</b>	<b>Non- Controlling Interest AUD\$</b>	<b>Total Equity AUD\$</b>
Balance at 1.1.2021	2,442,013	(1,042,123)	280,576	136,712	(3,234,770)	(1,417,592)	1,498,908	81,316
Profit after taxation for the financial period	-	-	-	-	62,058	62,058	82,126	144,184
Other comprehensive expenses for the financial period, net of tax:								
- Foreign currency translation differences	-	-	(25,178)	-	-	(25,178)	(10,636)	(35,814)
Total comprehensive (expenses)/income for the financial period	-	-	(25,178)	-	62,058	36,880	71,490	108,370
Contributions by and distributions to owners of the Company:								
- Dividend by a subsidiary to non-controlling interest	-	-	-	-	-	-	(474,508)	(474,508)
Total transactions with owners	-	-	-	-	-	-	(474,508)	(474,508)
Balance at 30.6.2021	2,442,013	(1,042,123)	255,398	136,712	(3,172,712)	(1,380,712)	1,095,890	(284,822)

*Note:*

\* - arising from merger accounting.

The annexed notes form an integral part of these financial statements.

**I SYNERGY GROUP LIMITED**

ACN: 613 927 361

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2021 (CONT'D)**

<b>The Group</b>	<b>Share Capital AUD\$</b>	<b>Merger Deficit * AUD\$</b>	<b>Foreign Exchange Translation Reserve AUD\$</b>	<b>Option Reserve AUD\$</b>	<b>Retained Earnings AUD\$</b>	<b>Attributable To Owners Of The Company AUD\$</b>	<b>Non-Controlling Interest AUD\$</b>	<b>Total Equity AUD\$</b>
Balance at 1.1.2020	2,442,013	(1,042,123)	5,512	513,438	(2,227,046)	(308,206)	1,218,056	909,850
(Loss)/Profit after taxation for the financial period	-	-	-	-	(997,922)	(997,922)	190,294	(807,628)
Other comprehensive income/(expenses) for the financial period, net of tax:								
- Foreign currency translation differences	-	-	122,304	-	-	122,304	(43,140)	79,164
Total comprehensive income/(expenses) for the financial period	-	-	122,304	-	(997,922)	(875,618)	147,154	(728,464)
Contributions by and distributions to owners of the Company:								
- Options to employees	-	-	-	82,914	-	82,914	-	82,914
- Options lapsed	-	-	-	(424,078)	424,078	-	-	-
Total transactions with owners	-	-	-	(341,164)	424,078	82,914	-	82,914
Balance at 30.6.2020	2,442,013	(1,042,123)	127,816	172,274	(2,800,890)	(1,100,910)	1,365,210	264,300

**Note:**

\* - arising from merger accounting.

The annexed notes form an integral part of these financial statements.

**I SYNERGY GROUP LIMITED**

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**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED  
30 JUNE 2021**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Sale from customers	766,681	3,215,100
Payments to suppliers and employees	(2,947,755)	(3,772,045)
Cash used in from operations	(2,181,074)	(556,945)
Interest paid	(2,949)	(5,258)
Income tax paid	(45,039)	(59,432)
Net cash used in operating activities	(2,229,062)	(621,635)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	17,208	52,258
Proceeds from disposal of business	412,631	-
Proceeds from disposal of equipment	6,289	4,365
Purchase of equipment	(67,703)	(9,213)
Purchase of development cost	(120,419)	-
Consideration paid for acquisition of a subsidiary	-	(81,366)
Net cash from/(used in) investing activities	248,006	(33,956)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	-	-
Dividend paid by a subsidiary to non-controlling interest	(474,508)	-
Repayment of lease liabilities	(26,135)	(221,875)
Net cash used in financing activities	(500,643)	(221,875)
Net decrease in cash and cash equivalents	(2,481,699)	(877,466)
Effects of exchange rate changes on cash and cash equivalents	3,786	(43,896)
Cash and cash equivalents at the beginning of the financial period	4,950,699	6,219,824
Cash and cash equivalents at the end of the financial period	2,472,786	5,298,462

The annexed notes form an integral part of these financial statements.



## I SYNERGY GROUP LIMITED

ACN: 613 927 361

### NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 JUNE 2021

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#### 1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Corporations Act 2001. The domicile of the Company is Australia. The registered office and principal place of business are as follows:-

Registered office : Ground Floor, 16 Ord Street,  
West Perth, WA 6005.

Principal place of business : Unit 20-10, Tower A, The Vertical Business Suite,  
Avenue 3, Bangsar South,  
No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 31 August 2021.

#### 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries were involved in providing affiliate marketing solutions to advertisers and affiliates. There was no significant change in the nature of activities of the Company during the period.

#### 3. BASIS OF PREPARATION

The financial statements cover I Synergy Group Limited as a consolidated entity ("the Group") consisting of I Synergy Group Limited and the entities it controlled at the end of, or during, the half-year ended 30 June 2021.

These general purpose financial statements for the interim half-year reporting period ended 30 June 2021 ("Consolidated Interim Financial Report") have been prepared in accordance with AASB 134: Interim Financial Reporting and the Corporations Act 2001. International Financial Reporting Standards (IFRS) form the basis of Australian Accounting Standards (AASB) adopted by the Australian Accounting Standards Board ('AASB'). The Consolidated Interim Financial Report also comply with International Accounting Standards IAS 34: Interim Financial Reporting.

The Consolidated Interim Financial Report does not include all of the information required for an annual financial report and should be read in conjunction with the Consolidated Annual Financial Report of the I Synergy Group Limited for the financial year ended 31 December 2020. This report should also be read in conjunction with any public announcements made by the Company in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency. For the purposes of the Consolidated Interim Financial Report, the presentation currency used is Australian Dollars ("AUD\$"), unless otherwise stated.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021**

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**4. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted by the Group in this Consolidated Interim Financial Report are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**5. REVENUE**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
<u>Revenue recognised at a point in time</u>		
Software activation	325,321	2,246,583
Training	47,065	394,428
Affiliate program fees	53,755	93,567
Seminar and event	2,408	74,214
Merchandise sales	4,558	5,191
Website and software development fee	50,824	-
	483,931	2,813,983
<u>Revenue recognised over time</u>		
License right to access	546,242	718,882
Subscription fee	43,951	65,120
	590,193	784,002
	1,074,124	3,597,985



**I SYNERGY GROUP LIMITED**

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****6. PROFIT/(LOSS) BEFORE TAXATION**

	The Group	
	30 Jun 2021	30 Jun 2020
	AUD\$	AUD\$
Loss before taxation is arrived at after charging/(crediting):-		
Amortisation of development costs	17,323	-
Bad debts written off	-	6,129
Depreciation of equipment	88,088	154,799
Depreciation of right of use	30,635	159,555
Directors' remuneration	69,454	149,428
Equipment written off	3,034	263,183
Interest expense on financial liability not at FVTPL:		
- lease liabilities	2,949	5,759
Loss on disposal of equipment	-	3,747
Rental of equipment	3,806	3,341
Rental of premises	85,122	7,303
Staff costs:		
- salaries, bonuses, commissions and allowances	351,945	705,602
- defined contribution plan	38,897	62,582
- others	12,080	19,094
Gain on disposal of business	(412,631)	-
Interest income on financial assets that are:		
- at FVTPL	(12,894)	(45,877)
- not at FVTPL	(4,314)	(6,381)



**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021**

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**7. INCOME TAX EXPENSE**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Income tax expense:		
- for the financial period	-	-
- under provision in previous financial years	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

A reconciliation of the income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to the income tax expense at the effective tax rate of the Group is as follows:-

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Profit/(Loss) before taxation	144,184	(807,628)
	<hr/>	<hr/>
Tax at the statutory tax rates	34,603	(193,831)
Tax effects of:-		
Tax incentive for pioneer products	(65,858)	(160,073)
Non-deductible expenses	51,337	188,545
Non-taxable income	(17,749)	(10,023)
Deferred tax assets not recognised	(2,333)	175,382
	<hr/>	<hr/>
Income tax expense for the financial period	-	-
	<hr/>	<hr/>

**I SYNERGY GROUP LIMITED**

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****8. PROFIT/(LOSS) PER SHARE**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Profit/(Loss) after taxation	144,184	(807,628)
Non-controlling interest	(82,126)	(190,294)
Profit/(Loss) after taxation attributable to the owners of the parent	<u>62,058</u>	<u>(997,922)</u>
	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>Number</b>	<b>Number</b>
<u>Basic profit/(loss) per share</u>		
Weighted average number of ordinary shares used in calculating basic profit/(loss) per share	183,268,088	183,068,088
	<b>Cents</b>	<b>Cents</b>
Basic profit/(loss) per share	<u>0.03</u>	<u>(0.54)</u>
	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>Number</b>	<b>Number</b>
<u>Diluted profit/(loss) per share</u>		
Weighted average number of ordinary shares used in calculating basic loss per share	183,268,088	183,068,088
	<b>Cents</b>	<b>Cents</b>
Diluted loss per share	<u>0.03</u>	<u>(0.54)</u>

**9. CASH AND CASH EQUIVALENTS**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Short-term investments with financial institutions, at fair value	1,150,847	1,868,904
Cash and bank balances	1,321,939	3,081,795
	<u>2,472,786</u>	<u>4,950,699</u>
Market value of short-term investments	<u>1,150,847</u>	<u>1,868,904</u>

The short-term investments are highly liquid investments in fixed income securities, Islamic money market fund and money market instruments that are readily convertible to known amounts of cash.



**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021**

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**10. INVENTORIES**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
At cost:-		
Merchandise held for sale	3,674	14,825
	<hr/>	<hr/>
Recognised in profit or loss:		
Inventories recognised as cost of sales	8,011	8,859
	<hr/>	<hr/>

None of the inventories are stated at net realisable value.

**11. TRADE RECEIVABLES**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Trade receivables	433,524	536,945
Allowance for expected credit losses	(448,622)	(450,226)
	<hr/>	<hr/>
	(15,098)	86,719
	<hr/>	<hr/>
Allowances for expected credit losses:		
At 1.1 2021/2020	(450,226)	(383,953)
Addition during the financial period/year	-	(102,939)
Foreign exchange translation differences	1,604	36,666
	<hr/>	<hr/>
At 30.6.2021/31.12.2020	(448,622)	(450,226)
	<hr/>	<hr/>

The Group's normal trade credit terms range from 30 to 60 (2019 - 30 to 60) days.

**12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Other receivables	64,963	106,545
Deposits	205,852	115,303
Prepayments	36,211	215,301
	<hr/>	<hr/>
	307,026	437,149
	<hr/>	<hr/>

**I SYNERGY GROUP LIMITED**

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****13. CONTROLLED ENTITIES**

Details of the subsidiaries are as follows:-

	Country of Incorporation	Effective Equity Interest		Principal Activities
		30 Jun 2021 %	31 Dec 2020 %	
I Synergy (Singapore) Pte Ltd ("ISS")	Singapore	100	100	Investment holding.
<i>Held by ISS</i>				
I Synergy Consolidated Sdn Bhd ("ISC")	Malaysia	100	100	Investment holding.
PT Inovatif Sinergi Internasional ("PTISI")	Indonesia	100	100	Business of affiliate marketing and related affiliate management services for commercial industry.
<i>Held by ISC</i>				
I Synergy International (M) Sdn Bhd ("ISI")	Malaysia	100	100	Business of affiliate marketing and related affiliate management services for commercial industry.
I Synergy Universal Sdn Bhd ("ISU")	Malaysia	70	70	Research, development, maintenance and commercialisation of proprietary affiliate marketing platform.
I Synergy Edutech Sdn Bhd ("ISE")	Malaysia	100	100	Research, development, maintenance and commercialisation of proprietary learning management system.
I Synergy Rewards Sdn Bhd ("ISR")	Malaysia	100	100	Dormant.
Ocean Nexus Sdn Bhd ("ONSB")	Malaysia	100	100	Customised software design and development services and solutions.

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****14. EQUIPMENT**

	At 1.1.2021 AUD\$	Additions AUD\$	Written Off AUD\$	Disposal AUD\$	Depreciation Charges AUD\$	Foreign Currency Translation Difference AUD\$	At 30.6.2021 AUD\$
<b>The Group</b>							
Computers, handphone and printer	298,677	67,703	-	(3,163)	(48,929)	(877)	313,411
Furniture and fittings	17,414	-	(1,706)	-	(1,276)	(182)	14,250
Merchant equipment	-	-	-	-	-	-	-
Motor vehicles	200,611	-	-	-	(24,056)	(1,039)	175,516
Office equipment	53,299	-	(1,328)	(3,126)	(6,060)	(575)	42,210
Renovation	122,668	-	-	-	(7,767)	(659)	114,242
Signboard	-	-	-	-	-	-	-
	692,669	67,703	(3,034)	(6,289)	(88,088)	(3,332)	659,629

	At 1.1.2020 AUD\$	Additions AUD\$	Acquisition of a subsidiary AUD\$	Written Off AUD\$	Disposal AUD\$	Depreciation Charges AUD\$	Foreign Currency Translation Difference AUD\$	At 31.12.2020 AUD\$
<b>The Group</b>								
Computers, handphone and printer	317,108	124,754	-	(18,744)	(381)	(99,028)	(25,032)	298,677
Furniture and fittings	58,005	1,027	-	(21,280)	(10,348)	(7,852)	(2,138)	17,414
Merchant equipment	104,447	-	-	(89,810)	-	(13,602)	(1,035)	-
Motor vehicles	187,917	69,047	-	-	-	(39,848)	(16,505)	200,611
Office equipment	164,920	-	-	(65,641)	(18,386)	(21,085)	(6,509)	53,299
Renovation	620,251	949	3,976	(446,440)	(2,030)	(43,191)	(10,847)	122,668
Signboard	20,498	-	-	(18,037)	-	(1,575)	(886)	-
	1,473,146	195,777	3,976	(659,952)	(31,145)	(226,181)	(62,952)	692,669

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****14. EQUIPMENT (CONT'D)**

<b>The Group</b>	<b>At Cost AUD\$</b>	<b>Accumulated Depreciation AUD\$</b>	<b>Net Book Value AUD\$</b>
<b>30.6.2021</b>			
Computers, handphone and printer	662,881	(349,470)	313,411
Furniture and fittings	40,830	(26,580)	14,250
Merchant equipment	-	-	-
Motor vehicles	289,233	(113,717)	175,516
Office equipment	84,014	(41,804)	42,210
Renovation	167,389	(53,147)	114,242
Signboard	528	(528)	-
	<b>1,244,875</b>	<b>(585,246)</b>	<b>659,629</b>
<b>31.12.2020</b>			
Computers, handphone and printer	605,918	(307,241)	298,677
Furniture and fittings	44,283	(26,869)	17,414
Merchant equipment	-	-	-
Motor vehicles	429,924	(229,313)	200,611
Office equipment	90,764	(37,465)	53,299
Renovation	154,138	(31,470)	122,668
Signboard	528	(528)	-
	<b>1,325,555</b>	<b>(632,886)</b>	<b>692,669</b>

The motor vehicles with a total net book value of AUD\$97,745 (31.12.2019 - AUD\$194,241) are held in trust by a director of the Company.

**I SYNERGY GROUP LIMITED**

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****15. DEFERRED TAX ASSETS**

	The Group	
	30 Jun 2021 AUD\$	31 Dec 2020 AUD\$
At 1.1.2021/2020	922,541	999,782
Recognised in profit or loss	-	-
Foreign currency translation differences	(3,289)	(77,241)
At 30.6.2021/31.12.2020	919,252	922,541

The deferred tax assets represented by:-

	The Group	
	30 Jun 2021 AUD\$	31 Dec 2020 AUD\$
Deductible temporary differences arising from tax paid in advance on the software platform license fees received in advance from affiliates – Deferred Revenue	709,614	712,153
Deductible temporary differences arising from tax paid in advance on the prepaid credit fees received in advance from merchants	94,835	95,174
Impairment loss on receivables	107,867	108,253
Accelerated capital allowance over depreciation	6,936	6,961
	919,252	922,541

**16. RIGHT-OF-USE ASSETS**

The Group	At 1.1.2021 AUD\$	Depreciation Charges AUD\$	Foreign Currency Translation Difference AUD\$	At 30.6.2021 AUD\$
<i>Carrying Amount</i>				
Office premises	6,751	(1,991)	(58)	4,702
Motor vehicles	127,228	(28,644)	(833)	97,751
	133,979	(30,635)	(891)	102,453

  

The Group	At 1.1.2020 AUD\$	Additions AUD\$	Depreciation Charges AUD\$	Derecognition due to lease termination AUD\$	Foreign Currency Translation Difference AUD\$	At 31.12.2020 AUD\$
<i>Carrying Amount</i>						
Office premises	331,013	233,085	(372,288)	(182,031)	(3,028)	6,751
Motor vehicles	201,027	-	(62,521)	-	(11,278)	127,228
	532,040	233,085	(434,809)	(182,031)	(14,306)	133,979





**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021**

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**16. RIGHT-OF-USE ASSETS (CONT'D)**

The Group leases various office premises and motor vehicles of which the leasing activities are summarised below:-

- (i) Office premises                      The Group has leased a number of properties that run between 1 year and 2 years, with an option to renew the lease after that date.
- (ii) Motor vehicle                        The Group has leased its motor vehicles under hire purchase arrangements. The lease are secured by the leased assets. The Group has an option to purchase the assets at the expiry of the lease period at an insignificant amount.

The motor vehicles with a total net book value of AUD\$97,474 (2020 - AUD\$126,164) are held in trust by a director of the Company.

**17. GOODWILL ON CONSOLIDATION**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
At 1.1.2021/2020	237,721	-
Acquisition of a subsidiary	-	237,721
At 30.6.2021/31.12.2020	<u>237,721</u>	<u>237,721</u>

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****18. DEVELOPMENT COSTS**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Cost:		
At 1.1.2021/2020	124,977	-
Additions during the financial period/year	120,419	134,099
Foreign currency translation differences	1,179	(9,122)
	246,575	124,977
Accumulated amortisation:		
At 1.1.2021/2020	(4,206)	-
Amortisation during the financial period/year	(17,323)	(4,512)
Foreign currency translation differences	(218)	306
	(21,747)	(4,206)
At 30.6.2021/31.12.2020	224,828	120,771
Included in additions during the financial period/year are:		
Staff costs	120,419	134,099

The development costs are in respect of the software development of the affiliate marketing solutions and other related services.

**19. TRADE PAYABLES**

The normal trade credit terms granted to the Group range from 30 to 60 (31.12.2020 - 30 to 60) days.

**20. OTHER PAYABLES AND ACCRUALS**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
<u>Current</u>		
Other payables	527,033	1,284,847
Deposits received	20,476	77,130
Accruals	123,986	199,863
	671,495	1,561,840
<u>Non-current</u>		
Other payables	59,365	59,577

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****21. OTHER PAYABLES AND ACCRUALS (CONT'D)**

Included in other payables of the Group is commission payable to affiliates amounting to approximately AUD\$303,156 (31.12.2020 – AUD\$651,230).

The other payables (non-current) represent balance purchase price acquisition of a subsidiary which repayable in 2022 and 2023 and measured at amortised cost at an imputed rate of 4.62% (2019 – 4.62%) per annum. The amount owing is to be settled in cash.

**21. DEFERRED REVENUE**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
License right to access:		
Current liabilities	1,085,116	1,088,998
Non-current liabilities	3,422,780	3,989,409
	4,507,896	5,078,407

Deferred revenue represents the amount of transaction price received upfront and allocated to performance obligation in respect of software platform licences that are unsatisfied as at the end of the reporting period. The software platform license provides for the rights to access the Group's affiliate marketing system as it exists throughout the licensed period. Licences that provide access are performance obligations satisfied over a certain period of time (between 3 years to 10 years) and, therefore, deferred revenue is recognised over that licensed period.

The significant changes in the deferred revenue balance during the financial year are summarised below:-

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Deferred revenue balance at the beginning of the financial period/year recognised as revenue	545,055	1,250,388

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****22. LEASE LIABILITIES**

	The Group	
	30 Jun 2021 AUD\$	31 Dec 2020 AUD\$
At 1.1.2021/2020	142,132	515,066
Initial application of AASB 16	-	-
Additions	-	136,229
Repayment of principal	(26,135)	(303,939)
Derecognition due to lease termination	-	(189,748)
Foreign currency translation differences	(861)	(15,476)
	115,136	142,132
At 30.6.2021/31.12.2020	115,136	142,132
Analysed by:-		
Current liabilities	66,612	53,805
Non-current liabilities	48,524	88,327
	115,136	142,132
	115,136	142,132

**23. DEFERRED TAX LIABILITIES**

	The Group	
	30 Jun 2021 AUD\$	31 Dec 2020 AUD\$
At 1.1.2021/2020	16,301	-
Recognised in profit or loss	-	17,491
Foreign currency translation differences	(58)	(1,190)
	16,243	16,301
At 30.6.2021/2020	16,243	16,301

The deferred tax liabilities relate to temporary differences between depreciation and capital allowances on qualifying costs of equipment.

**24. SHARE CAPITAL**

	The Group/The Company			
	30 Jun 2021 Number of Shares	31 Dec 2020	30 Jun 2021 AUD\$	31 Dec 2020 AUD\$
<b>Fully Paid-Up Ordinary Shares</b>	183,268,088	183,268,088	2,442,013	2,442,013
	183,268,088	183,268,088	2,442,013	2,442,013

**25. MERGER DEFICIT**

The merger deficit relates to the subsidiaries which were consolidated under the merger method of accounting.

The merger deficit arose from the difference between the nominal value of shares issued for the acquisition of subsidiaries and the nominal value of the shares acquired.



**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021**

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**26. FOREIGN EXCHANGE TRANSLATION RESERVE**

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries.

**27. OPTION RESERVE**

The option reserve represents the equity-settled option granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled option and is reduced by the expiry or exercise of the options and performance rights.

The Group provides benefits to employees of the Group in the form of share-based payments, whereby the employees render services in exchange for share options and performance rights over shares. There is no equity-settled share-based payment expense during the financial period (31.12.2020 - AUD\$82,914).

No person to whom the share option and performance rights has been granted above has any right to participate by virtue of the option in any share issue of the any other company.

The number of options exercisable as at the end of the reporting period was 3,626,667 (31.12.2020 – 2,673,333).

There is no equity-settled option granted during the financial period (31.12.2020 – nil).

**28. SIGNIFICANT RELATED PARTY DISCLOSURES**

(a) Identities of Related Parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****28. SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)**

## (b) Related Party Transactions and Balances

The Group carried out the following transactions with the related parties during the financial period:-

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Triple Gem Sdn Bhd (Director-related entity of Dato' Teo Chee Hong)		
- Office rental	79,546	95,425
	<u>79,546</u>	<u>95,425</u>

All transactions were made on normal commercial terms and conditions and at market rates.

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

## (c) Key Management Personnel Compensation

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Key management personnel compensation (including directors' remuneration):		
- short-term employee benefits	131,967	216,154
- define contribution plan	11,973	18,436
	<u>143,940</u>	<u>234,590</u>

**29. CAPITAL COMMITMENT**

	<b>The Group</b>	
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>AUD\$</b>	<b>AUD\$</b>
Purchase of equipment	17,532	15,015
	<u>17,532</u>	<u>15,015</u>

**I SYNERGY GROUP LIMITED**

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****30. OPERATING SEGMENTS****30.1 BUSINESS SEGMENT**

The Group operates predominantly in one business segment (affiliate marketing solutions). Accordingly, the information by business segment is not presented.

**30.2 GEOGRAPHICAL INFORMATION**

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments (but including deferred tax assets).

Group	Revenue		Non-current Assets	
	30 Jun 2021 AUD\$	30 Jun 2020 AUD\$	30 Jun 2021 AUD\$	31 Dec 2020 AUD\$
Indonesia	1,984	80,938	52,719	63,042
Malaysia	1,072,140	3,517,047	2,091,164	2,044,639
	<u>1,074,124</u>	<u>3,597,985</u>	<u>2,143,883</u>	<u>2,107,681</u>

**30.3 MAJOR CUSTOMERS**

There is no single customer that contributed 10% or more to the Group's revenue.

**30.4 DISAGGREGATION OF REVENUE**

Revenue from contracts with customers is disaggregated by primary geographical market and timing of revenue recognition as below:-

	Indonesia AUD\$	Malaysia AUD\$	Group AUD\$
<b>30.6.2021</b>			
At a point of time	1,984	481,947	483,931
Over time	-	590,193	590,193
	<u>1,984</u>	<u>1,072,140</u>	<u>1,074,124</u>
<b>30.6.2020</b>			
At a point of time	80,938	2,733,045	2,813,983
Over time	-	784,002	784,002
	<u>80,938</u>	<u>3,517,047</u>	<u>3,597,985</u>



**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2021**

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**31. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD**

- (a) On 2 June 2021, ISI has formally entered into a Binding Agreement (“Agreement”) to dispose of its MSS Retail Loyalty Program Business (“MSS Loyalty Program”) to Omni Street Sdn. Bhd. (“Omni”).

The sale of the MSS Loyalty Program will better enable the Company to streamline the core business and ensure the focus is primarily on affiliate marketing.

The consideration to be paid by Omni for the acquisition of the Company’s MSS Loyalty Program Business is a total of RM90,000 (AUD equivalent: AUD28,163) and is comprised of the following:

- i. RM10,000 (AUD equivalent: \$3,129) to be paid within 10 business days of the signing of the Agreement; and
- ii. RM80,000 (AUD equivalent: \$25,034) to be paid on Settlement.

The Company intends to use the funds received from the sale for general working capital purposes.

- (b) The Coronavirus (COVID-19) pandemic continues to impact communities and businesses throughout the world including Malaysia, and the communities where the Group operates. The pandemic will likely have a financial impact for the Group in the 2021 financial year and beyond. The scale, timing and duration of the potential impacts on the Group are unknown, however could materially impact the carrying value or amounts realised in respect of: receivables, equipment, deferred tax asset and other assets and liabilities (including recognition of additional liabilities such as onerous contracts) disclosed in the 30 June 2021 financial report. The Group cannot, however, reasonably estimate the impact of these potential items at this time. The Group continues to monitor market developments and will reflect any relevant impacts in the appropriate future reporting periods.
- (c) On 19 August 2021, 900,000 Options were issued to Directors exercisable at AUD\$0.30, expiring 3 years from issue date and vested equally over 3 years.





## I SYNERGY GROUP LIMITED

ACN: 613 927 361

### DIRECTORS' DECLARATION

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In accordance with a resolution of the directors of I Synergy Group Limited, the directors of the Company declare that:

1. the Consolidated Interim Financial Report and notes are in accordance with the Corporations Act 2001, including:
  - a. comply with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
  - b. give a true and fair view of the financial position as at 30 June 2021 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 Group will be able to pay its debts as and when they become due and payable.

This declaration is made in on behalf of the directors, and accordance with a resolution of the Board of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Teo Chee Hong'.

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Dato' Teo Chee Hong  
Director  
31 August 2021

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF

I SYNERGY GROUP LIMITED

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of I Synergy Group Limited ("the Company"), and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit and 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 summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group 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.

Directors' Responsibility 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 the 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.



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
I SYNERGY GROUP LIMITED (continued)

**Auditor's Responsibility for the Review of the Half-Year 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 30 June 2021 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.

**Rothsay Audit & Assurance Pty Ltd**

**Daniel Dalla**  
**Director**  
**31 August 2021**