

Appendix 4D

Half-yearly report
RLF AgTech Limited
ABN 43 622 055 216

1. Company details

Name of entity: RLF AgTech Limited
ABN: 43 622 055 216
Reporting period: For the half-year ended 31 December 2022
Previous period: For the half-year ended 31 December 2021

2. Results for announcement to the market

	31 Dec 2022	31 Dec 2021	% change
Revenues from ordinary activities	2,778,000	3,297,000	(15.7%)
Loss from continuing operations after tax attributable to the owners of RLF AgTech Limited	(3,029,000)	(2,893,000)	4.7%
Loss for the half-year attributable to the owners of RLF AgTech Limited	(3,242,000)	(3,427,000)	(5.1%)

3. Net tangible assets per security

	31 Dec 2022 Cents	31 Dec 2021 Cents
Net tangible (liability)/asset per ordinary security	<u>1.57</u>	<u>0.02</u>

4. Dividends

No dividends were paid during the current or previous financial years and no dividends have been declared subsequent to the financial year end and up to the date of this report.

5. Dividend reinvestment plans

There are no dividend or distribution reinvestment plans in operation.

6. Foreign entities

The Company's had applied the International Financial Reporting Standards to its wholly owned foreign entities.

7. Gain or loss of control over entities

There were no entities over which control was gained or lost during the half-year ended 31 December 2022.

8. 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 Interim Report.

9. Attachments

Details of attachments (if any):

The Interim Report of RLF AgTech Limited for the half-year ended 31 December 2022 is attached.

10. Signed



Ken Hancock
Managing Director and CEO (Global)
Perth
Date: 28th February 2023



**EMPOWERING FARMERS
NOURISHING PEOPLE
RESTORING THE EARTH**

**HALF YEAR REPORT 31 DECEMBER 2022
ABN 43 622 055 216**

**HALF-YEAR FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

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Directors

Mr Donald McLay
Mr Ken Hancock
Mr Gavin Ball
Dr Lu Shen
Ms Liza Carpene
Mr Paul McKenzie

Non-Executive Chairman
Managing Director
Executive Director
Executive Director
Non-Executive Director
Non-Executive Director

Company Secretary

Mr Ben Donovan

Principal and Registered Office

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Website: www.rlfagtech.com

Share Registry

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Auditor

Moore Australia Audit (WA)
Level 15 Exchange Tower
2 The Esplanade, Perth WA 6000
Telephone: +61 8 9225 5355

ASX Code

RLF - ordinary shares



UPDATE FROM MD & CEO

“ RLF AgTech remains on track for record growth for FY23 whilst also investing heavily in opportunities in new markets and carbon. We are looking forward to what the Company will deliver for our shareholders and customers in the future.”



KEY HIGHLIGHTS

- Strong cash balance for 31 December 2022 of \$5.1M.
- Gross Profit 56% - increase of 14% on prior corresponding half year FY22.
- Half year cash receipts up 38% on prior corresponding half year FY22.
- Increase in stock levels of 200% from 30 June 2022.
- Release of breakthrough Veridium™ Seed Priming Technology (VSPT).
- Establishment of our Vietnam Representative Office as part of our South-East Asian distribution expansion strategy.
- RLF Carbon continuing to advance discussions for the commercialisation of Australian carbon farming projects and development of Australian Carbon Credit Units (ACCUs).

I am pleased to update our new and existing shareholders of the progress of RLF AgTech for the half year 31 December 2022. We have had an extremely busy six months on the back of record revenue in FY22 of \$10.7 million as the Company continues to work towards achieving further growth this financial year.

During the half year to December 2022, we see indications of another significant growth increase for the full year with cash receipts already up 38% on the prior corresponding half year along with an increase in stock levels of 200% as we move into our seasonal peak period. This has all happened despite the challenging times our business in China faced from continued COVID-19 disruptions, which now appear to be behind us. These disruptions impacted the timing of delivering products before the end of December to customers, which affected our revenues by 16%. Since January 2023, our operations in China have returned to normal levels of operating activity, as the country removed their extensive COVID-19 restrictions. Despite this reduction in revenues, we have improved our gross profit to 56% in comparison to the prior half year of 42% and this indicating stabilisation of raw material prices.

Whilst our operational business in China has been returning to normality, the RLF AgTech team has continued to focus on other areas of growth such as the expansion of our South-East Asian team including the development of a Representative Office in Vietnam. We have also continued to develop our distribution network in Cambodia, Thailand, Philippines and Turkey where the Company has delivered product to major distributor TIM Plant Care.

In addition to our South East Asian new market strategy, I travelled to North America to develop our market entrance strategy into the USA and broader Americas, which the Company intends to commence in this current half year period. I also travelled to Europe and the United Kingdom to consider market development opportunities, and attended important global agriculture conferences including the Annual Agricultural Retailers Conference & Expo where large corporations including NuFarm, Syngenta and John Deere were in attendance, and the Global AgInvesting Conference where various large natural capital investment funds and corporates presented their views of the global carbon market.

Both of these major conferences were focused on the key global issues the Company is dedicated to alleviating which are:

- a) increasing food production to feed the world's growing population through an increased plant yield;**
- b) delivering higher quality and more nutrient dense food; and**
- c) reducing harmful nitrous oxide and carbon emissions.**

The Company's innovative and proven technology will assist farmers to cut soil applied chemical fertilisers.

In the agricultural sector globally, there is a rapidly increasing focus on major economies adapting farming practices to generate and monetise additional soil carbon by allowing farms to act as carbon sinks that sequester and store carbon dioxide. This presents a very significant opportunity for the Company which we intend to capitalise on. The Company has filed a provisional patent for Accumulating Soil Carbon that incorporates the use of our advanced crop nutrition technologies to grow and monetise soil carbon in the world's largest row crops including grains, pulses and oilseeds. We have continued to expand our commercial and technical teams and increased our research programs to support our growth plans in these key areas and have made some significant advances in this regard.

RLF Carbon is continuing discussions with the Commonwealth Bank regarding the Letter of Intent signed in FY22 and have also been approached by other global banking parties and potential offtake partners that are looking to secure long agreements for supply of carbon credits. We are advancing these negotiations to find the right strategic parties to this substantial part of our future business. We have actively undertaken site visits to agricultural regions with potential partners to assist with due diligence by visually demonstrating RLF's carbon sequestration potential and technical methodology. The mandates from world governments for significant emissions reductions from industry by 2030 and 2050 has firmed our belief that agriculture can play a critical role in in the global drive to net zero.

We believe that all our initiatives and strategy to deliver solutions for the world's farmers to increase yield, reduce harmful chemical fertilisers and reduce emissions will not only generate wealth for our shareholders but also help the world become healthier and more sustainable in its farming practices. Whilst we have seen many parties attempt to enter this space, I am of the firm belief that RLF AgTech remains one of the world's foremost companies able to deliver a real and substantial solution to this immense challenge and the ability to capitalise on this enormous opportunity this represents.

I commend the efforts of the RLF AgTech team for growing the Company this far and your support in believing in our business.

A handwritten signature in black ink, appearing to be 'Ken Hancock', written in a cursive style.

RLF AgTech MD & CEO

Ken Hancock



The Directors of RLF AgTech Ltd present their report on RLF AgTech Ltd ("Company" or "RLF AgTech") and the entities it controlled ("Consolidated Entity" or "Group") at the end of, or during, the half-year ended 31 December 2022.

Directors

The names and details of the Directors in office during the half-year ended 31 December 2022 and until the date of this financial report are as follows. The Directors were in office for the entire period unless otherwise stated.

Mr Donald McLay
Mr Ken Hancock
Mr Gavin Ball
Dr Lu Shen
Ms Liza Carpene
Mr Paul McKenzie

Principal Activities

The principal continuing activity of the Group is the development and sale of crop nutrition products for commercial agriculture.

Review of Operations

Operating Result

The loss from continuing operations for the half-year ended 31 December 2022 after providing for income tax amounted to \$3,029,000 (2021: \$2,893,000).

Key Highlights

During the half year ended 31 December 2022, the Company achieved the following:

- Cash receipts from sales was \$6 million, a 38% increase from the corresponding half year ended 31 December 2021.
- On 23 September 2022, the Company launched its Veridium™ Seed Priming technology which has been shown in performance trials to increase yields, quality and improvements in farm economics.
- In September 2022, the Group shipped its first container of product to Cambodia under its new distribution agreement with Total Agree (Cambodia) Co. Ltd., signed on 9 June 2022.
- In November 2022, the Group received Government approval for its Representative Office status in Vietnam led by in-country manager, Nhan (Frank) Lu, and further supporting the Company's strategic plans for expansion in South East Asia.
- RLF Carbon continued work towards its initial objective to commence a commercial farming pilot program for carbon in soil that may lead to future ACCU revenue generation and act as the basis for the commercialisation of its carbon business supported by the provisional patent for the "A Method for Accumulating Carbon in Soils".

Continued Demand for RLF AgTech Products for the Upcoming Season

During the half year ended 31 December 2022, the Company progressed several key growth initiatives, including the expansion of its regional distribution network as a basis for the establishment of new product sales distribution to further support continued sales growth. The Company experienced strong support in forward orders which has delivered record cash receipts for the December half year of \$6.0 million, up 38% from the corresponding half year ended 31 December 2021. This was achieved at the same time as the Company increased its on hand inventory levels with the purchase of \$2.3 million of raw materials in preparation for the upcoming seasonal peak sales period, occurring in the second half of the financial year 2023. This encouraging result was achieved despite it being a highly challenging sales environment created by COVID-19 and the “Zero-COVID” restrictions applied throughout China. The Company feels that it has now successfully navigated these major disruptions to the business.

Looking-forward the Company is now quickly getting back to pre-COVID normal, with the easing of restrictions enabling a return to sales and marketing activities, catch-up on the delayed placement of sales orders, and getting over the reduced capacity in the delivery of customer orders. The Company is encouraged to see that the continued product demand and the strong growth during the half year given these trying circumstances.

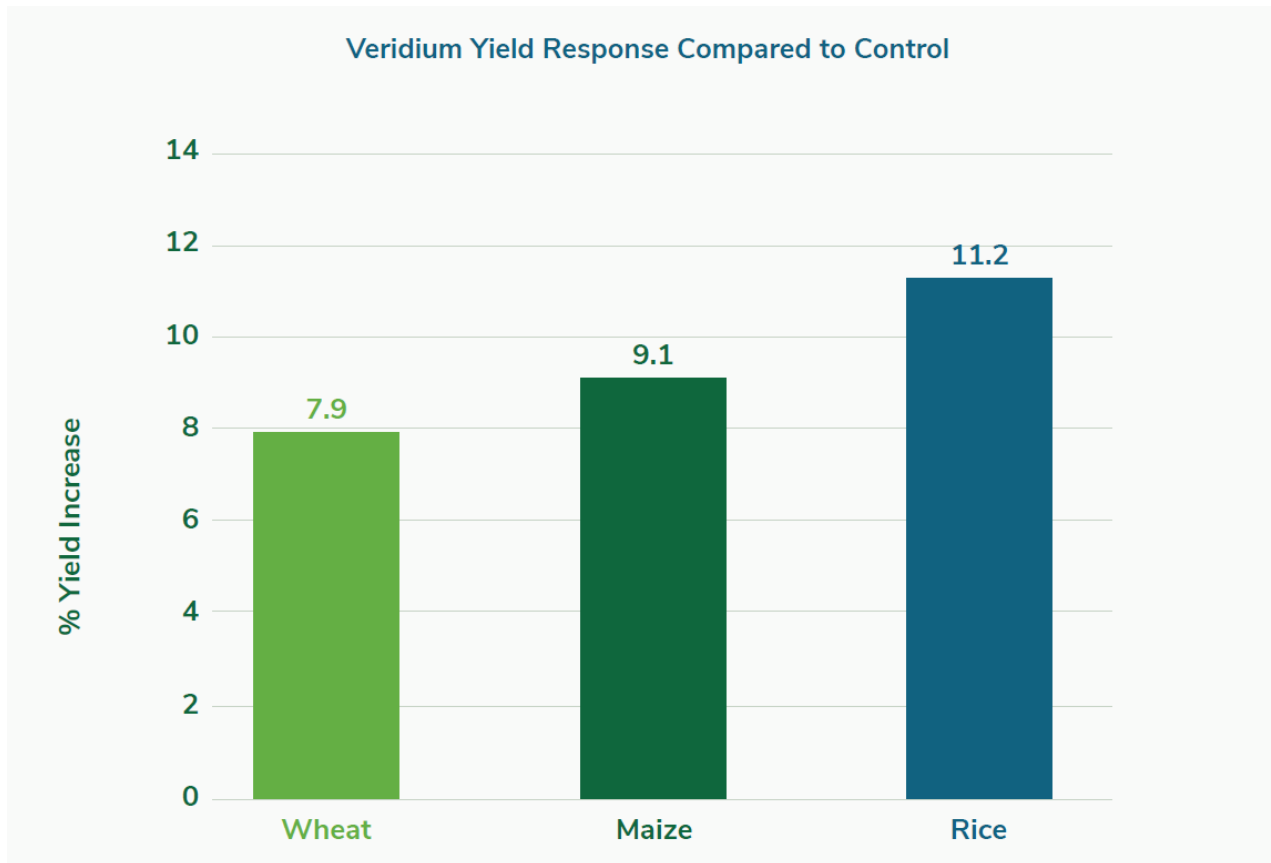
The Company historically achieves approximately 70% of its sales revenues between January and June each year. The significant increase in forward orders has the RLF AgTech sales team highly motivated to further drive sales during the upcoming peak season.

RLF AgTech's breakthrough Veridium™ Seed Priming Technology

The Company further expanded its advanced technical product offer for the expanding global seed treatment market with the release of its new Veridium™ Seed Priming technology. Unlike typical seed treatments, which coat the outside of the seed, Veridium™ is uniquely imbibed inside the seed. Veridium™ is made to achieve increased early crop vigour and strength, which sets up the plant for improvements in yield and quality whilst increasing root size and activities resulting in a positive impact on soil carbon and soil health. Trials of Veridium™ have demonstrated an 11% increase in yields and that approximately 100 grams of the Veridium™ applied on rice seed has yielded more than an additional one tonne of grain per hectare.

As mentioned in our announcement on 16 September 2022, if the achieved 11% yield increase was extrapolated across the world's rice crops of 742M tonnes annually, the expected yield increase could potentially feed an additional 1.3 billion people every year.

A number of trials were conducted throughout China. These being in Jilin Province on corn (maize), Inner Mongolia on wheat and Anhui Province on rice. Veridium™ Seed Priming technology was used at an application rate of 5ml per kg of seed which on a rice crop is approximately 112ml per hectare at a rate equivalent to 22.5kgs of rice seed per hectare.



The release of Veridium™ Seed Priming technology is seen as a critical part of supporting the future requirements of food supply and security and as a positive contribution to overcoming the world's escalating hunger crisis. Veridium™ Seed Priming technology is best used as part of an integrated crop nutrition program, which means that farmers can reduce the amount of soil applied granular fertiliser being a large part of current farm input costs and being the main culprit in the generation and release into the atmosphere of the harmful greenhouse gas nitrous oxide (NOX).

First order fulfilled under distribution agreement with Total Agree (Cambodia) Co. Ltd.

In July 2022, RLF AgTech's XFoliar 2 product arrived in Cambodia and was transported to distribution facilities located just outside Phnom Penh. Received by the in-country distributor Total Agree (Cambodia) Co. Ltd., the product is the first shipment under the recently signed distribution agreement (announced on 9 June 2022) and has a value of US\$146,000 (approximately A\$230,000). Sale and distribution of this product has commenced into the regional Cambodian agricultural dealers and farm shops, ready for application this season, mostly on the nation's rice crops.

XFoliar 2, or X2 as it is known, is part of a two-stage application product mix, adding valuable potassium, phosphorus and other vital nutrients, to the rice crop during weeks 7-12 of growth. X2 ensures that the rice crops have the required nutrition at the right time, stimulating the vital functions within growth and grain-filling, to ensure the crops' yield potential. RLF AgTech originally developed the XFoliar 1 and XFoliar 2 products for rice crops in Vietnam and looks forward to the same success in Cambodian rice crops.

Opening of Representative Office in Vietnam

In November 2022, authorisation and approval was provided by the Vietnamese Government to establish its Representative Office. This authorisation provides the Company with a formal legal standing in Vietnam, allowing functions such as trading operations, employment of personnel and ownership of valuable product registrations.

The Company has appointed Nhan (Frank) Lu, as the RLF AgTech Regional Manager in Vietnam and Authorised Representative. Mr Lu will be responsible for the RLF AgTech operation in-country, including management and support of its valuable distributor partners. Under Mr Lu's local leadership, RLF AgTech intends to seek deeper market penetration by leveraging its ability to increase farm yields, improve crop quality and nutritional values, reduce the use of traditional fertilisers and improve soil resilience and health, whilst generating significant additional returns for farmers.

This is part of the Company's sales expansion strategy into new significant and emerging agriculture markets.

RLF Carbon

RLF Carbon continues to progress its discussions with the Commonwealth Bank of Australia, with whom the Company has executed a letter of intent (LOI) for a potential strategic carbon partnership. The Company has also been approached by other global banking parties and has met with representatives of potential offtake partners that are seeking to secure long term agreements for the supply of carbon credits. The Company is making preparations to register and commence its first carbon in soil pilot program, and is actively recruiting for the position of Head of Carbon.

RLF Carbon notes the continued momentum for the expansion of soil carbon projects in Australia and internationally, to generate carbon credits to be utilised as a natural and cost-effective way to remove carbon dioxide from the atmosphere. In Australia, RLF Carbon is continuing to invest in research and development and further trials to support its future commercialisation by sequestering carbon to agricultural soils.

Dividends

No dividends were paid or proposed to be paid to members during the half-year ended 31 December 2022.

Significant Changes in the State of Affairs

Entity structure and KMP personnel remain unchanged during the half-year ended 31 December 2022.

After Balance Date Events

There has been no matter or circumstance that has arisen since 31 December 2022 that has significantly affected, or may significantly affect:

- the Group's operations in future financial years;
- the result of those operations in future financial years; or
- the Group's state of affairs in future financial years.

Likely Developments and Expected Results of Operation

The Group will continue to increase its production and sales of crop nutrition products in its existing markets and will continue to expand business internationally. The Company is also engaging in research and development projects to build soil health and potentially reduce net carbon emissions for its growers by using RLF products.

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 35 of the interim financial report.

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



Ken Hancock
Managing Director
28 February 2023

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

		31 December 2022 \$'000	31 December 2021 \$'000
	Notes		
Revenue			
Sales		2,778	3,297
Cost of sale of goods		(1,209)	(1,914)
Gross profit		1,569	1,383
Other Revenue			
Other income		8	4
Expenses			
Operating expenses	3	(1,730)	(990)
Administration expenses	4	(615)	(718)
Professional fees		(169)	(512)
Corporate and compliance costs		(141)	(23)
Wages and Directors fees	5, 20	(1,215)	(879)
R&D expenditure		(402)	-
Business Development		(117)	-
Depreciation and amortisation expense		(91)	(87)
Share based payments		-	(982)
Finance costs		(24)	(89)
Total Expenses		(4,504)	(4,280)
Loss before income tax		(2,927)	(2,893)
Income tax expense	6	(102)	-
Loss for the period		(3,029)	(2,893)
Other comprehensive income for the period			
<i>Items that may be classified to profit or loss</i>			
Exchange differences on translation of foreign operations		(213)	(534)
Total Comprehensive loss for the period attributable to the members of RLF AgTech Ltd		(3,242)	(3,427)
Loss per share for the period attributable to the Members of RLF AgTech Ltd			
Basic loss per share(cents)	17	(1.64)	(2.16)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

		31 December 2022 \$'000	30 June 2022 \$'000
CURRENT ASSETS			
Cash and cash equivalents		5,146	7,999
Trade and other receivables	7	1,305	870
Inventory	8	4,729	2,214
Other current assets		152	74
TOTAL CURRENT ASSETS		11,332	11,157
NON-CURRENT ASSETS			
Trade and other receivables	7,21	216	216
Right-of-use assets	9	458	436
Intangible assets	11	6,108	6,110
Investment		4	-
Property, plant and equipment	10	555	480
TOTAL NON-CURRENT ASSETS		7,341	7,242
TOTAL ASSETS		18,673	18,399
CURRENT LIABILITIES			
Trade and other payables	12	929	1,427
Contract liabilities	13	3,592	-
Lease liabilities	9	156	121
Provisions	14	154	84
Income tax payable		9	9
TOTAL CURRENT LIABILITIES		4,840	1,641
NON-CURRENT LIABILITIES			
Trade and other payables	12,21	4,061	3,735
Borrowings		400	400
Lease liabilities	9	299	312
Provisions	14	25	48
TOTAL NON-CURRENT LIABILITIES		4,785	4,495
TOTAL LIABILITIES		9,625	6,136
NET ASSETS		9,048	12,263
EQUITY			
Share capital		17,197	17,170
Reserves	16	5,156	5,369
Accumulated losses		(13,305)	(10,276)
TOTAL EQUITY		9,048	12,263

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

Attributable to equity holders of the Group in \$'000 dollars	Share capital	Share based payment Reserves	Group Reorganisation Reserve	Foreign Currency Translation Reserve	Accumulated losses	Total
Balance at 1 July 2022	17,170	1,967	4,969	(1,567)	(10,276)	12,263
Loss after income tax for the half-year	-	-	-	-	(3,029)	(3,029)
Other comprehensive loss	-	-	-	(213)	-	(213)
Total comprehensive loss for the period	-	-	-	(213)	(3,029)	(3,242)
Transactions with owners, recorded directly in equity						
<i>Contributions by and distributions to owners</i>						
Reversal of prior year IPO related costs	27	-	-	-	-	27
Total contributions by and distributions to owners	27	-	-	-	-	27
Balance at 31 December 2022	17,197	1,967	4,969	(1,780)	(13,305)	9,048

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

Attributable to equity holders of the Group in \$'000 dollars	Share capital	Share based payment Reserves	Group Reorganisation Reserve	Convertible Notes reserve	Foreign Currency Translation Reserve	Accumulated losses	Total
Balance at 1 July 2021	2,559	1,187	4,969	-	(1,024)	(7,276)	415
Loss after income tax for the half-year	-	-	-	-	-	(2,893)	(2,893)
Other comprehensive loss	-	-	-	-	(533)	-	(533)
Total comprehensive loss for the period	-	-	-	-	(533)	(2,893)	(3,426)
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Shares issued for conversion of performance rights	544	-	-	-	-	-	544
Shares issued for payment of advisory services	188	-	-	-	-	-	188
Shares issued for consideration of RLF IP Co Pty Ltd and RLF Distribution Co Pty Ltd	3,770	-	-	-	-	-	3,770
IPO related costs	(198)	-	-	-	-	-	(198)
Convertible note – equity component	-	-	-	462	-	-	462
Issue of share-based payments	-	438	-	-	-	-	438
Total contributions by and distributions to owners	4,304	438	-	462	-	-	5,204
Balance at 31 December 2021	6,863	1,625	4,969	462	(1,557)	(10,169)	2,193

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER**

	Notes	31 December 2022 \$'000	31 December 2021 \$'000
			(Restated)
Cash flows from operating activities			
Receipts from customers		6,045	4,371*
Cash paid to suppliers and employees		(8,086)	(5,034)*
Interest and other finance costs paid		(15)	(17)
Income tax paid	6	(102)	-
Other – Related party payments		-	(233)
Net cash (used in) operating activities		(2,158)	(913)
Cash flows from investing activities			
Payments for property, plant and equipment	10	(174)	(14)
Payments for intangible assets – Acquisition of RLF IP Co Pty Ltd and RLF Distribution Co Pty Ltd		-	(2,059)
Net cash (used in) investing activities		(174)	(2,073)
Cash flows from financing activities			
Proceeds from issue of convertible notes		-	3,000
Transaction costs paid from issue of convertible notes		-	(206)
Proceeds from Borrowings		-	250
Repayment of Borrowings	12	(487)	-
Repayment of lease liabilities	9	(96)	(92)
Payment of IPO related costs		(4)	(115)
Net cash provided by (used in) financing activities		(587)	2,837
Net decrease used in cash and cash equivalents		(2,919)	(149)
Effects of exchange rate changes on cash and cash equivalents		66	79
Cash and cash equivalents at 1 July		7,999	2,075
Cash and cash equivalents at 31 December		5,146	2,005

*Refer to Note 15 for details of the restatement to the 31 December 2021 comparatives.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Corporate Information

RLF AgTech Ltd is an ASX listed (ASX: RLF) public Company limited by shares and incorporated in Australia. The nature of operations and principal activities of the Company and its controlled entities are described in the Directors' Report.

Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with Australian Accounting Standards ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year financial report does not include notes of the type normally included in an annual financial report and therefore cannot be expected to provide a full understanding of the financial performance, financial position, financing and investing activities of the Group as the full financial report. Accordingly, this half-year financial report is to be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made during the following half-year.

For the purpose of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

The consolidated half-year financial report was approved by the Board of Directors on 28 February 2023.

Basis of preparation

The consolidated general purpose financial statements have been prepared on the basis of historical cost modified, where applicable, by the measurement at fair value of selected financial assets and financial liabilities. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's annual financial report for the financial year ended 30 June 2022.

Rounding of Amounts

In accordance with ASIC Corporations Instrument 2016/191, the amounts in the financial report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

Impact of standards issued but not yet applied by the Group

Below is the list of the standards effective for the first time as at 31 December 2022. The Group anticipated no material impacts (amounts recognised and/or disclosed) arising from initial application of those standards issued but not yet applied at that date.

STANDARD	OVERVIEW OF CHANGES
AASB 1 <i>First Time Adoption of Australian Accounting Standards</i>	Simplifies the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.
AASB 3 <i>Business Combinations</i>	Updates a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
AASB 9 <i>Financial Instruments</i>	Clarifies the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
AASB 116 <i>Property, Plant and Equipment</i>	Requires an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset.
AASB 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i>	Specifies the costs that an entity includes when assessing whether a contract will be loss-making.
AASB 141 <i>Agriculture</i>	Removes the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

Use of estimates and judgements

The preparation of the half-year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense.

The judgements, estimates and assumptions applied in the half-year financial report, 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 2022.

NOTE 2. SEGMENT INFORMATION

The Directors (who are identified as the Chief Operating Decision Maker (CODM)) assess performance and determine the allocation of resources based on the internal reports which are organised in one operating segment for the manufacturing and sale of liquid fertilisers in Asia. As a result, there is only one operating segment and the statement of profit or loss and other comprehensive income and the statement of financial position is reflective of this operating segment.

Major customers

During the half-year ended 31 December 2022, approximately 8% (2021: 15%) of the Group's external revenue was derived from sale of goods to one customer.

Disaggregation of Revenue

The disaggregation of revenue for the Group is based on the type of sales for one category namely sales of liquid fertiliser in Asia:

	Sales of liquid fertiliser \$'000	Total \$'000
2022		
Timing of revenue recognition		
At a point in time	2,778	2,778
Over time	-	-
	<hr/>	<hr/>
2021		
Timing of revenue recognition		
At a point in time	3,297	3,297
Over time	-	-
	<hr/>	<hr/>
	3,297	3,297

Segment Assets

	\$'000
Closing Balance 31 December 2022	18,673
Closing Balance 30 June 2022	18,399

NOTE 3. OPERATING EXPENSES

	31 December	31 December
	2022	2021
	\$'000	\$'000
Advertising and promotion expense	472	440
Wages, salaries and on costs	514	-
Transportation expense	271	210
Travelling expense	452	328
Other	21	12
Total operating expenses	1,730	990

NOTE 4. ADMINISTRATION EXPENSES

	31 December	31 December
	2022	2021
	\$'000	\$'000
Consulting fees	30	68
Distribution fee expense*	-	110
Insurances	71	-
Motor vehicle expense	16	13
Office and Rental expenses	63	98
Research and development expenses*	-	194
Salary oncosts	124	136
Travelling and entertainment expenses	167	36
Other administration expenses	144	63
Total administration expenses	615	718

*The distribution and research and development expenses have been incurred with related parties of the Group. Please refer to Note 21 for more information.

NOTE 5. WAGES AND DIRECTORS FEES

	31 December	31 December
	2022	2021
	\$'000	\$'000
Wages, salaries and oncosts	573	548
Directors' fees	642	331
	1,215	879

NOTE 6. INCOME TAX EXPENSE

	31 December 2022 \$'000	31 December 2021 \$'000
The components of tax expense comprise:		
Prior years' tax adjustment – China*	102	-
Current tax	-	-
Total income tax expense	102	-

*During the half-year ended 31 December 2022, the Company's Chinese subsidiary, Rural Liquid Fertilisers (Kaifeng) Co., Limited ("RLF Kaifeng") underwent a review of its historical tax returns (tax review) by the local tax authority in the Henan Province where the Group's manufacturing facility is located. The tax review included the tax treatment of fees for IP and distribution rights previously owned and invoiced by Rural Liquid Fertilisers Pty Ltd and RLF Global Pty Ltd to RLF Kaifeng. These fees, which were for services that formed part of the ordinary course of business through operating and distribution agreements, were deemed foreign related party transactions and as such, were subject to income tax assessment within China's tax laws and regulations. The outcome of this tax review meant a re-adjustment to RLF Kaifeng's tax deductions for the calendar years 2019, 2020 and 2021 (ie. financial years ended 30 June 2019, 2020, 2021 and 2022) which resulted in the RLF Kaifeng utilising its tax losses and becoming profitable for tax purposes. The amount of tax paid during the half year ended 31 December 2022 was RMB 475,638 income tax (equivalent to A\$ 102,000 based on an exchange rate of RMB:AUD 0.2137). There was also an additional tax penalty fee of \$14,687 which has been recognised as administration expenses in the Statement of Profit or Loss and Other Comprehensive Income. The Group will adopt the tax treatment of related party transactions in future income tax years upon the advice and guidance from the local tax authority and the Group's tax advisors.

NOTE 7. TRADE AND OTHER RECEIVABLES

	31 December 2022 \$'000	30 June 2022 \$'000
Current		
Trade receivables	625	162
GST/VAT receivables, net	554	188
Note receivables	-	411
Other receivables	126	109
	1,305	870
Non Current		
Related party trade receivables*	216	216
Total	1,521	1,086

*Please refer to note 21 for more information.

Due to the short term nature of the trade and other receivables, their carrying amount is considered to be the same as their fair value. The Group measures its trade and other receivables at amortised cost. None of these are past due or impaired.

The Group applies the simplified approach in providing for expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience and analysis of the debtors current and future financial position. There has been no change in the estimation process used during the current financial period.

NOTE 8. INVENTORY

	31 December 2022 \$'000	30 June 2022 \$'000
Raw material	3,018	1,603
Finished goods	424	241
Work in progress	1,287	370
Total inventory	4,729	2,214

NOTE 9. RIGHT-OF-USE (“ROU”) ASSETS AND LEASE LIABILITIES

The Group's lease portfolio includes leases which carries an average term of 4 years.

(a) Carrying value

	31 December 2022 \$'000	30 June 2022 \$'000
Balance at beginning of period/full year	881	881
Recognition of the new lease*	118	-
Derecognition of the expired lease *	(103)	-
Accumulated depreciation	(438)	(445)
Balance at end of period/full year	458	436

*The Group's Shanghai office renewed the lease agreement for another 3 years with the current landlord in October 2022.

Reconciliation

	31 December 2022 \$'000	30 June 2022 \$'000
Net carrying amount as at beginning of period/full year	436	663
Recognition of the new lease	118	-
Depreciation expense during the period	(96)	(227)
Net carrying amount end of period/full year	458	436

NOTE 9. RIGHT-OF-USE (“ROU”) ASSETS AND LEASE LIABILITIES (CONTINUED)
(b) AASB 16 related amounts recognised in Consolidated Statement of Profit and Loss and Other Comprehensive Income Statement

	31 December 2022 \$'000	31 December 2021 \$'000
Interest expense for the half-year ended 31 December	13	17

(c) Total half-yearly cash outflows for leases

	31 December 2022 \$'000	31 December 2021 \$'000
Repayment of lease liabilities	96	92

(d) Lease Liabilities

The carrying value and reconciliation of the Group’s lease liabilities are as follows:

Carrying value	Premises \$'000
Current liabilities	156
Non-current liabilities	299
Carrying value as at 31 December 2022	<u>455</u>
Reconciliation	Premises \$'000
Opening balance 1 July 2022	433
Less: principal repayments	(96)
Add: Additional liability from the renewed lease	118
Closing Balance as at 31 December 2022	<u>455</u>

(e) Options to extend or terminate

The Group uses retrospective evaluation in determining the lease term where the contract contains options to extend or terminate the lease.

NOTE 10. PROPERTY, PLANT AND EQUIPMENT

	31 December 2022 \$'000	30 June 2022 \$'000
Office equipment		
At cost	36	29
Accumulated Depreciation	(28)	(28)
	8	1
Plant and Equipment		
At cost	1,950	1,884
Accumulated depreciation	(1,437)	(1,416)
	513	468
Motor vehicles		
At cost	116	93
Accumulated depreciation	(88)	(88)
	28	5
Electronic Equipment		
At cost	37	36
Accumulated depreciation	(31)	(30)
	6	6
Total		
At cost	2,139	2,042
Accumulated depreciation	(1,584)	(1,562)
	555	480

NOTE 10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Movement in carrying amounts for each class of property, plant and equipment between the beginning and end of the half-year:

	Motor vehicle \$'000	Office equipment \$'000	Plant & equipment \$'000	Electronic equipment \$'000	Total \$'000
Balance at 1 July 2022	5	1	468	6	480
Addition	25	20	106	23	174
Written off	-	(11)	-	(23)	(34)
Depreciation expense	(1)	(1)	(52)	(1)	(55)
Foreign currency translation difference	(1)	(1)	(9)	1	(10)
Balance at 31 December 2022	28	8	513	6	555

	Motor vehicle \$'000	Office equipment \$'000	Plant & equipment \$'000	Electronic equipment \$'000	Total \$'000
Balance at 1 July 2021	4	4	549	9	566
Addition	-	-	23	4	27
Disposal	-	-	(1)	(2)	(3)
Depreciation expense	-	(3)	(132)	(4)	(139)
Foreign currency translation difference	1	-	29	(1)	29
Balance at 30 June 2022	5	1	468	6	480

NOTE 11. INTANGIBLE ASSETS

	31 December 2022 \$'000	30 June 2022 \$'000
Software		
At cost	16	16
Accumulated Amortisation	(15)	(13)
	1	3
Intellectual Property and Distribution Rights		
At cost	6,107	6,107
Total Intangible Assets	6,108	6,110

NOTE 11. INTANGIBLE ASSETS (CONTINUED)

	31 December 2022 \$'000	30 June 2022 \$'000
Reconciliation		
<i>Software</i>		
Carrying amount at beginning of the period/year	3	5
Amortisation	(1)	(3)
Foreign currency translation movement	(1)	1
Carrying amount at the end of the period/year	1	3
<i>Intellectual Property and Distribution Rights</i>		
Carrying amount at beginning of the period/year	6,107	-
Additions	-	6,107
Carrying amount at the end of the period/year	6,107	6,107

NOTE 12. TRADE AND OTHER PAYABLES

	31 December 2022 \$'000	30 June 2022 \$'000
Current		
Trade payables*	688	402
VAT payables, net	76	607
Other payables	129	-
Related party trade payables	36	418
	929	1,427
Non-Current		
Related party trade payables	4,061	3,735

*During the half year ended 31 December 2022, a loan amount of RMB 2,000,000 (equivalent to A\$ 487,000 based on an exchange rate of RMB:AUD 0.2435) was re-paid to Shu Ai Hua. This loan was disclosed as a trade payable as at 30 June 2022 and was re-paid in July 2022. The details of this loan were as follows:

On 16 March 2021, the Company entered into a loan agreement on the following terms:

- Borrower: RLF China (Kaifeng) Co. Ltd.
- Term: 6 months or less from date of agreement or unless otherwise agreed (term was extended to July 2022)
- Purpose: Working capital
- Interest: 12% per annum

NOTE 12. TRADE AND OTHER PAYABLES (CONTINUED)

- Interest repayment: Monthly in arrears
- Security: Secured by company guarantee provided by RLF China (HK) Limited (a wholly subsidiary of RLF AgTech Ltd)

NOTE 13. CONTRACT LIABILITY

	31 December	30 June
	2022	2022
	\$'000	\$'000
Contract Liabilities related to customer deposits in advance	3,592	-
Total Contract Liabilities	3,592	-

Amounts relating to contract liabilities are balances received from customers before the Group has performed its obligation to transfer goods to the customers. The Group has previously recognised other current liabilities for the receipts. Any amount previously recognised as a contract liability will be reduced at the point at which the goods are delivered. As at 31 December 2022, contract liabilities included customer deposits in advance of \$3,592,000 (June 2022: \$nil). The amounts recognised as a contract liability will generally be utilised within the next reporting period.

NOTE 14. PROVISION

	31 December	30 June
	2022	2022
	\$'000	\$'000
Employee Benefits		
Current	154	84
Non-Current	25	48
	179	132

Leave obligations

The leave obligations cover the Group's liabilities for long service leave and annual leave which are classified as either long-term benefits or short-term benefits. The total current employee benefits include all of the accrued annual leave and the unconditional entitlements to long service leave where employees have completed the required period of service. The remaining employee benefits are classified as non-current.

NOTE 15. CASH FLOW FROM OPERATING ACTIVITIES - RESTATED COMPARATIVES

During the financial year ended 30 June 2022, the Group recognised an overstatement of cash receipts and an understatement of cash paid to suppliers and employees for the equivalent amount of \$1,636,000. This discrepancy which affected the half year end 31 December 2021, was in relation to a discrepancy of movement between what was received as customer receipts and payments to suppliers. The table below outlines the impact on the net cash used in operating activities disclosed within the Statement of Consolidated Cash Flows for the half year ended 31 December 2021:

Cash flows from operating activities	Previous	Adjustment	Restated
<i>All in \$'000s</i>			
Receipts from customers	6,007	(1,636)	4,371
Cash paid to suppliers and employees	(6,670)	1,636	(5,034)

NOTE 16. RESERVES

	31 December	30 June
	2022	2022
	\$'000	\$'000
Share based payments Reserve	1,967	1,967
Group reorganisation Reserve	4,969	4,969
Foreign Currency Translation Reserve	(1,780)	(1,567)
	5,156	5,369

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NOTE 17. LOSS PER SHARE

	31 December 2022 \$	31 December 2021 \$
(a) Reconciliation of loss used in calculating Loss Per Share		
<i>Basic loss per share</i>		
Loss attributable to the ordinary equity holders used in calculating basic loss per share	(3,029,000)	(2,893,000)
(b) Weighted average number of shares used as the Denominator		
Ordinary shares used as the denominator in calculating basic loss per share	184,933,300	134,203,095
(c) Loss per share		
Basic loss per share	(1.64)	(2.16)

There are no potential ordinary shares that are dilutive, therefore not included in the calculation of diluted loss per share.

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NOTE 18. CONTROLLED ENTITIES

Name of entity	Country of incorporation	Class of Shares	31 December	31 December
			2022	2021
RLF IP Co Pty Ltd*	Australia	Ordinary	100%	100%
RLF Distribution Co Pty Ltd*	Australia	Ordinary	100%	100%
International Agri Investments Pty Ltd	Australia	Ordinary	100%	100%
RLF Carbon Pty Ltd**	Australia	Ordinary	100%	100%
RLF China (HK) Limited	Hong Kong	Ordinary	100%	100%
RLF Chemical Fertilisers (Shanghai) Co.,Ltd	China	Ordinary	100%	100%
Rural Liquid Fertilisers China (Kaifeng) Co., Ltd	China	Ordinary	100%	100%

*RLF IP Co and RLF Distribution Co were acquired from RLF Australia and RLF Global during the half-year ended 31 December 2021.

**RLF Carbon Pty Ltd was incorporated on 21 October 2021.

NOTE 19. EVENTS OCCURRING AFTER THE REPORTING DATE

There has been no matter or circumstance that has arisen since 31 December 2022 that has significantly affected, or may significantly affect:

- the Group's operations in future financial years;
- the result of those operations in future financial years; or
- the Group's state of affairs in future financial years.

NOTE 20. KEY MANAGEMENT PERSONNEL COMPENSATION

As disclosed in note 6 of this financial report, the retrospective tax review of RLF Kaifeng's tax returns for the calendar years 2019, 2020 and 2021 (ie. financial years ended 30 June 2019, 2020, 2021 and 2022) by the local tax authority of the Henan Province included a review of the consultancy services provided by RLF AgTech to RLF Kaifeng. The Consultancy Agreement ("Agreement") outlines the services provided by RLF AgTech to its subsidiary which includes management and technical advice for the operational support of its business in China.

The persons deemed associated with this Agreement during the calendar years 2019, 2020 and 2021 were Dr Lu Shen, Mr Kenneth Hancock and another employee (Employee) of the Company. Dr Shen and Mr Hancock are both directors of the Company and are also directors of RLF Kaifeng. The Employee of the Company is registered as a supervisor under the RLF Kaifeng company register. Dr Shen is a resident in Hong Kong and Mr Hancock and the Employee are residents in Australia. Due to the nature of Dr Shen, Mr Hancock and the Employee's registered positions in China for RLF Kaifeng, the local tax authority assessed the consultancy fees billed from the Company to RLF Kaifeng and had determined the fees were assessable under personal income withholding tax for each of the registered persons in RLF Kaifeng.

NOTE 20. KEY MANAGEMENT PERSONNEL COMPENSATION (CONTINUED)

To that end, the local tax authority issued RLF Kaifeng a tax assessment in the amount of RMB 686,764 (equivalent to A\$ 192,818 based on an exchange rate of RMB:AUD 0.2137) and which was paid in November 2022. The tax payment was treated as a wages cost for the half year ended 31 December 2022.

The assessable remuneration for Dr Shen, Mr Hancock and the Employee in relation to RLF Kaifeng tax assessment was as follows:

	CY2019	CY2020	CY2021	Total
Lu Shen*				
Assessable remuneration	141,376	167,278	173,171	481,825
Personal withholding tax paid	(27,257)	(35,698)	(37,760)	(100,715)
Kenneth Hancock**				
Assessable remuneration	101,511	101,511	101,511	304,533
Personal withholding tax paid	(15,351)	(15,351)	(15,350)	(46,052)
Employee				
Assessable remuneration	101,511	101,511	101,511	304,533
Personal withholding tax paid	(15,351)	(15,350)	(15,350)	(46,051)
Total Personal withholding tax paid	(57,959)	(66,399)	(68,460)	(192,818)

*The assessable remuneration for Dr Shen is inclusive of the fees paid under his CEO Executive Services agreement. Please refer to the remuneration report disclosed in the financial year end 30 June 2022 for more information on Dr Shen's CEO Executive Services agreement.

**The assessable remuneration for Mr Hancock is exclusive of the fees paid under his consultancy agreement and he did not benefit from this additional remuneration reported in China. Please refer to the remuneration report disclosed in the financial year end 30 June 2022 for more information on Mr Hancock's consultancy agreement.

In addition to the tax payable above, the local tax authority also charged an additional penalty late fee of \$46,480 which has been recognised as administration expenses in the Statement of Profit or Loss and Other Comprehensive Income.

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NOTE 21. RELATED PARTY TRANSACTIONS

Key management personnel

Ken Hancock	Managing Director and CEO (Global) of RLF AgTech Ltd
Gavin Ball	Executive Director of RLF AgTech Ltd
Lu Shen (Mike)	Executive Director and CEO (Asia) of RLF AgTech Ltd

Other related entities

Alan Roy Hancock	Father of Kenneth Hancock
RLF Global Pty Ltd (“RLF Global”)	Kenneth Graeme Hancock, Alan Roy Hancock and Gavin Neil Ball are directors of this entity
Rural Liquid Fertilisers Pty Ltd (“RLF Australia”)	Kenneth Graeme Hancock and Alan Roy Hancock are directors of this entity
Rural Liquid Fertilisers (Thailand) Co., Limited	This entity is 49% owned by the Group. Thai nationals own 51%.
Capital Corporation (Holdings) Pty Ltd	Gavin Neil Ball is the director of this company
Huntington Investment Pty Ltd	Kenneth Hancock is the director of this company
Magicorp Pty Ltd	Gavin Neil Ball is the director of this company
Sourcefit Inc.	Entity associated with Gavin Neil Ball is a substantial shareholder of this company

The Company has entered into several agreements with RLF Australia and RLF Global and a summary of these agreements are as follows:

- **Australian Distribution Agreement** - RLF Australia has retained the rights to distribute RLF Plant Nutrition Products in Australia only. The Company will receive a royalty fee from RLF Australia for RLF Plant Nutrition Products sold in Australia. RLF AgTech owns the rights to sell RLF Plant Nutrition Products in Australia where the customer is participating in a scheme to generate carbon credits involving a proprietary methodology promoted by the Company.
- **Toll Manufacturing Agreement** – RLF AgTech may engage RLF Australia on a non-exclusive basis as a toller to use its experience and know-how to formulate proprietary product activators for certain RLF Plant Nutrition Products and other agreed RLF Plant Nutrition Products or manufacturing inputs. RLF AgTech will pay RLF Australia a tolling fee for these manufacturing services.
- **Office Services Agreement** – RLF AgTech and RLF Australia shares office space and administrative services. RLF AgTech pays RLF Australia a monthly fee for these shared services and reimbursement of any other costs in relation to travel and office administration costs.

NOTE 21. RELATED PARTY TRANSACTIONS (CONTINUED)

- Aggregated Payables Deferred Agreement** - RLF Australia and RLF Global have agreed to allow the RLF AgTech and its related bodies corporate to defer payment of certain historical fees owed to RLF Australia and RLF Global relating to royalties, toll manufacturing fees and services.

Mr Gavin Ball is a director of Capital Corporation (Holdings) Pty Ltd that receives payment for director fees. Mr Ball is also a director of Magicorp Pty Ltd and a substantial holder of Sourcefit Inc, that receives payment for contracting and administration expenses.

Mr Ken Hancock is a director of Huntington Investments Pty Ltd that receives payment for director fees.

(a) Transactions with related parties:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties during the period:

Other related parties	31 December 2022 \$'000	31 December 2021 \$'000
<i>Sale of goods:</i>		
Sale of goods to RLF Australia	-	103
<i>Purchase of goods:</i>		
Purchase of goods from RLF Australia	117	44
<i>Fees Charged between Related Parties:</i>		
Manufacturing fee charged by RLF Australia	-	231
Research & Development Fees charged by RLF Australia	-	186
Distribution fee charged by RLF Global	-	93
Director fee and other fees charged by Capital Corporation (Holdings) Pty Ltd	126	90
Director fee charged by Huntington Investment Pty Ltd	138	-
Rental charged by RLF Australia	20	19
Expenses reimbursed to RLF Australia	18	-
Marketing service charged by Magicorp	1	4
Consulting and Marketing service charged by Sourcefit Inc	49	7

Balances outstanding relating to the transactions above are disclosed in Note 21(c) below.

NOTE 21. RELATED PARTY TRANSACTIONS (CONTINUED)
(b) Amounts receivable from related parties:

Other receivables	31 December 2022 \$'000	30 June 2022 \$'000
(i) Trade receivables:		
Beginning of the period/year	216	311
Amounts off-set	-	(332)
Amounts paid	-	-
Amounts owing	-	216
Foreign currency translation difference	-	21
End of the period/year	216	216

(c) Amounts payable to related parties:

Other payables	31 December 2022 \$'000	30 June 2022 \$'000
(i) Trade payables:		
Beginning of the period/year	4,153	4,153
Amounts incurred	469	1,184
Amounts off-set	-	(332)
Amounts paid	(591)	(641)
Foreign currency translation difference	67	(211)
End of the period/year	4,097	4,153
Current	36	418
Non-Current	4,061	3,735
Total	4,097	4,153

Other than as disclosed above and elsewhere in the financial report above, there were no other related party transactions for the half-year ended 31 December 2022.

The Directors of the Company declare that:

1. The interim consolidated financial statements and condensed notes for the half-year ended 31 December 2022 as set out on pages 11 to 33 are in accordance with the Corporations Act 2001 and other professional reporting requirements including:
 - (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
 - (b) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (c) complying with International Financial Reporting Standards as disclosed in Note 1.
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 accordance with a resolution of the Board of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.



Ken Hancock
Managing Director
28 February 2023

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION
307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF
RLF AGTECH LTD**

I declare that to the best of my knowledge and belief, during the half-year ended 31 December 2022, there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.



WEN-SHIEN CHAI
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 28th day of February 2023.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF RLF AGTECH LTD****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the accompanying half-year financial report of RLF AgTech Ltd (the Company) and its controlled entities (Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

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:

- i. giving a true and fair view of the Group's financial position as at 31 December 2022 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 Auditing Standards on Review Engagements *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 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.

Responsibility of the Directors 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 (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.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF RLF AGTECH LTD (CONTINUED)****Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- i. giving a true and fair view of the Group's financial position as at 31 December 2022 and 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*.

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.



WEN-SHIEN CHAI
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 28th day of February 2023.