

APPENDIX 4D

Half year report

1. Company details

Name of entity:	333D Limited (ASX: T3D)
ABN:	24 118 159 881
Reporting period:	Half-year ended 31 December 2019
Previous period:	Half-year ended 31 December 2018

2. Results for announcement to the market

Revenues from ordinary activities	Down	56%	to	\$ 142,621
Loss from ordinary activities after tax attributable to the members of 333D Limited	Down	105%	to	(48,346)
Loss for the half-year attributable to the members of 333D Limited	Down	105%	to	(48,346)

	Amount Cents per share	Franked Cents per share
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Dividends

Final dividend for the year ended 30 June 2019	-	-
Interim dividend for the year ended 30 June 2020	-	-

No dividend has been declared by the directors.

Comments

The net loss attributable to members amounted to \$48,346 (31 December 2018: profit after tax \$922,350) for the half-year.

3. Net tangible asset (NTA) backing per share

	2019 Cents per share	2018 Cents per share
Net tangible assets per ordinary security	(0.09)	(0.16)

4. Entities over which control gained during the period

Nil

5. Entities over which control lost during the period

None

6. Details of associates and joint venture entities

	Percentage holding		Contribution to loss	
	2019	2018	2019	2018
	%	%	\$	\$
3D Graphtec Industries Pty Ltd	50%	50%	-	-
Profit (loss) from ordinary activities before income tax	-	-	-	-
Income tax on operating activities	-	-	-	-

3D Graphtec Industries Pty Ltd is a joint venture established between Kibaran Resources Ltd and 3D Industries Pty Ltd to research and develop graphite and graphene applications for 3D printing. 3D Graphtec Industries Pty Ltd did not undertake any activity during the period.

7. Audit qualification or review

The financial statements have been subject to a review by the auditors and the review report is included as part of the interim financial report.

The review conclusion contains a "material uncertainty" paragraph in relation to going concern.

8. Attachments

The interim financial report for the half-year ended 31 December 2019 is attached.



John Conidi
Executive Chairman

Melbourne
28 February 2020

333D Limited and controlled entities

ABN 24 118 159 881

Interim Financial Report

for the half-year ended 31 December 2019

333D Limited and controlled entities

Directors' report

Half-year ended 31 December 2019

The directors present their report, together with the financial statements, on the consolidated entity consisting of 333D Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2019.

Directors

The following persons were directors of 333D Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

John Conidi

Dr. Nigel Finch

Tim Naylor (resigned 5 August 2019)

Dr. Richard Petty (appointed 5 August 2019)

Principal activities

During the financial half-year the principal activity of the consolidated entity was the commercialisation of its 3D printing capabilities.

Review of operations

The net loss attributable to members amounted to \$48,346 (31 December 2018: profit after tax \$922,350) for the half-year.

During the period the Company's main priority was to manage and reduce the cash costs of running the business. Consequently, the Company was able to institute the following measures that reduced cash outflow. These share based payments for directors in lieu of director's fees, bringing in-house the accounting function and reducing staff numbers. The Company's AFL Mini League product continued to provide the majority of revenue mainly through its third party distribution network.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Events after balance sheet date

No events after balance date.

333D Limited and controlled entities

Directors' report

Half-year ended 31 December 2019

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 immediately after this directors' 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:

A handwritten signature in black ink, appearing to read 'J. Conidi', written in a cursive style.

John Conidi

Director

28 February 2020

Melbourne

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of 333D Limited and its controlled entities for the half year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

A handwritten signature in blue ink, appearing to be "RSM".

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to be "R B Miano".

R B MIANO
Partner

Dated: 28 February 2020
Melbourne, Victoria

333D Limited and controlled entities

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Half-year ended 31 December 2019

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General information

The financial statements cover 333D Limited as a consolidated entity consisting of 333D Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is 333D Limited's functional and presentation currency.

333D Limited is an ASX listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
Level 7 411 Collins Street MELBOURNE VIC 3000	10 Beith Street BRUNSWICK VIC 3056

A description of the nature of 333D's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 February 2020.

333D Limited and controlled entities
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2019

	Consolidated	
	Dec 2019	Dec 2018
Note	\$	\$
Income		
Revenue	142,621	320,683
Other income	5	1,569,453
	<u>565,560</u>	<u>1,890,136</u>
Expenses		
Raw materials and consumables used	(68,324)	(60,710)
Royalties	(56,711)	(20,783)
Employee benefits expense	(49,958)	(155,212)
Depreciation and amortisation expense	-	(16,169)
Occupancy expense	(20,563)	(47,790)
Administrative expense	(111,706)	(283,308)
Other expenses	(14,851)	(195,640)
Share based payment expense	(184,770)	(101,734)
Finance costs	(107,023)	(86,439)
	<u>(613,906)</u>	<u>(967,785)</u>
Profit (loss) before income tax expense	<u>(48,346)</u>	<u>922,350</u>
Income tax expense	-	-
Profit (loss) after income tax expense for the period	<u>(48,346)</u>	<u>922,350</u>
Other comprehensive income/(loss)	-	101,734
Total comprehensive income/(loss) for the period	<u>(48,346)</u>	<u>1,024,084</u>
Profit (loss) for the year is attributable to:		
Owners of 333D Limited	(48,346)	922,350
Total comprehensive income/(loss) for the period is attributable to:		
Owners of 333D Limited	(48,346)	1,024,084
	<u>Cents</u>	<u>Cents</u>
Basic earnings per share	(0.005)	0.001
Diluted earnings per share	(0.005)	0.001

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

333D Limited and controlled entities
Statement of financial position
As at 31 December 2019

	Note	Consolidated	
		31 Dec 2019	30 Jun 2019
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		134,470	31,259
Trade and other receivables		25,183	30,364
Other assets		12,442	9,642
		<u>172,095</u>	<u>71,263</u>
Non-current assets			
Receivables		2,240	2,241
		<u>2,240</u>	<u>2,241</u>
Total assets		<u>174,335</u>	<u>73,504</u>
Liabilities			
Current liabilities			
Trade and other payables		672,925	694,383
Short-term borrowings	6	1,305,000	1,305,000
Short-term employee benefits		3,427	17,563
Other liabilities		860	860
		<u>1,982,212</u>	<u>2,017,807</u>
Non-current liabilities			
Long-term employee benefits		2,731	2,731
		<u>2,731</u>	<u>2,731</u>
Total liabilities		<u>1,984,943</u>	<u>2,020,538</u>
Net assets/(liabilities)		<u>(1,810,608)</u>	<u>(1,947,033)</u>
Equity			
Issued capital	7	5,305,923	5,121,153
Reserves		1,159,359	1,159,359
Retained profits (losses)		(8,275,891)	(8,227,545)
Total equity		<u>(1,810,608)</u>	<u>(1,947,033)</u>

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

333D Limited and controlled entities
Statement of changes in equity
For the half-year ended 31 December 2019

	Consolidated			
	Issued capital	Retained profits	Reserves	Total equity
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance as 1 July 2018	5,121,153	(8,601,987)	1,057,625	(2,423,209)
Profit (loss) after income tax expense for the half-year	-	922,350	-	922,350
Other comprehensive income for the half-year	-	-	101,734	101,734
Balance at 31 December 2018	<u><u>5,121,153</u></u>	<u><u>(7,679,637)</u></u>	<u><u>1,159,359</u></u>	<u><u>(1,399,125)</u></u>
Balance as 1 July 2019	5,121,153	(8,227,545)	1,159,359	(1,947,033)
Issue of shares	184,770	-	-	184,770
Profit (loss) after income tax expense for the half-year	-	(48,346)	-	(48,346)
Other comprehensive income for the half-year	-	-	-	-
Balance at 31 December 2019	<u><u>5,305,923</u></u>	<u><u>(8,275,891)</u></u>	<u><u>1,159,359</u></u>	<u><u>(1,810,608)</u></u>

333D Limited and controlled entities
Statement of cash flows
For the half-year ended 31 December 2019

	Consolidated	
	Dec 2019	Dec 2018
	\$	\$
	<u> </u>	<u> </u>
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	147,475	405,820
Payments to suppliers and employees (inclusive of GST)	(453,951)	(1,106,505)
Interest received	-	98
Other income - R&D tax offsets received	422,939	1,169,453
Interest and other finance costs paid	(13,250)	(86,439)
	<u>103,213</u>	<u>382,427</u>
Cash flows from financing activities		
Proceeds from borrowings	-	100,000
Repayment of borrowings	-	(280,149)
	<u>-</u>	<u>(180,149)</u>
Net increase/(decrease) in cash and cash equivalents	103,213	202,278
Cash and cash equivalents at the beginning of the financial period	31,257	17,596
Cash and cash equivalents at the end of the financial period	<u><u>134,470</u></u>	<u><u>219,874</u></u>

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2019 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

AASB 16 was adopted using the modified retrospective approach and as such comparatives have not been restated. Right-of-use assets are measured at an amount equal to the lease liability. The consolidated entity has applied AASB 16 practical expedient and elected not to recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term. As the consolidated entity only have short term leases that are less than 12 months, these have been expensed directly to the profit or loss for the period ended 31 December 2019.

Note 2. Operating segments

The company is in the process of commercialising its 3D printing operations and as such, there are not presently any operating segments with discrete financial information. The company also operates in one geographic location, being Australia. The Board of Directors review internal management reports that are consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows presented in this interim financial report.

Note 3. Going concern basis of accounting

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss after tax of \$48,346 for the period ended 31 December 2019. As at that date the consolidated entity has net current liabilities of \$1,810,117 and net liabilities of \$1,810,608.

These factors indicate material uncertainty that may cast significant doubt as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

Note 3. Going concern basis of accounting (continued)

Despite this uncertainty, the directors believe there are reasonable grounds to believe the consolidated entity will continue as going concern subject to successful implementation of the following strategies:

- Successful negotiation of the repayment terms for the LAX Consulting loan of \$600,000 disclosed in note 6 to the financial report, which is currently being negotiated;
- The Director have provided confirmation that repayment of the loan of \$705,000 payable to the director and related entities disclosed in note 6 to the financial report, will not be sought until the consolidated entity is in a position to fund these amounts;
- Successful lodgement and receipt in relation to the company's claim for research and development costs for the year ended 30 June 2020, which at this point in time cannot be reliably estimated.

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

Note 4. Revenue

Revenue during the period related to the sale of good and services of mini league products recognised at the point of delivery.

	Consolidated	
	2019	2018
Note	\$	\$
Note 5. Other income		
R&D tax offset	422,939	1,206,449
Net foreign exchange gains	-	(6,740)
Interest	-	98
Gain on disposal of asset	-	363,636
Other	-	6,010
	<u>422,939</u>	<u>1,569,453</u>

Interest revenue is recognised as interest accrues using the effective interest rate method.

Other income is recognised when it is received or when the right to receive payment is established.

	Consolidated	
	31 Dec 2019 \$	30 Jun 2019 \$
Note 6. Borrowings		
<i>Current</i>		
Advances from related parties (<i>note a</i>) (<i>note b</i>)	705,000	705,000
Debt facility (<i>note c</i>)	600,000	600,000
	<u>1,305,000</u>	<u>1,305,000</u>

Borrowings are initially recognised at the fair value of the consideration received, net of transaction costs, and subsequently measured at amortised cost using the effective interest method.

	31 Dec 2019 \$	30 Jun 2019 \$
	Available debt facility at the reporting date as follows:	
Used	<u>600,000</u>	<u>600,000</u>
	<u>600,000</u>	<u>600,000</u>

Note a

Advances from related parties

This amount includes a loan for \$305,000 from a director, John Conidi. This loan is unsecured and interest is paid monthly at a rate of 15%. This loan must be repaid within one month of being called by the lender.

A further \$100,000 in loan was provided by a related party in July 2018. This loan is secured and interest is paid at a rate of 12%. The loan has been extended to 30 June 2020.

Note b

Convertible Note

This amount includes convertible notes of \$300,000 to be paid in full at the end of the term, being 1 June 2020. The note is to be repaid in cash, with the lender having the discretion to convert the notes to equity at any time. The headline coupon rate is 12%. Interest is paid at six monthly intervals. The Company also has an option to repay after 12 months using equity, subject to certain conditions linked to the Company's share price performance.

Note c

Debt facility

During the financial year ended 30 June 2019, a \$400,000 payment was made reducing the debt to \$600,000. In the event of default, interest is retrospectively payable at a rate of 20%. The facility is secured by a floating charge over the assets of the consolidated entity. The facility has been extended to 30 June 2020.

Note 7. Share capital	Number of shares	\$
Balance at 30 June 2019	881,226,174	5,121,152
Share-based payments	184,769,890	184,770
Balance at 31 December 2019	<u>1,065,996,064</u>	<u>5,305,922</u>

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 8. Earnings per share	2019 Number	2018 Number
Weighted average number of ordinary shares used in calculating earnings per share	<u>895,361,575</u>	<u>881,226,174</u>

Basic earnings per share is calculated by dividing the loss attributable to the owners of 333D Limited, by the weighted average number of ordinary shares outstanding during the financial period

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 9. Contingent liabilities

There were no contingent liabilities at 31 December 2019 (2018: Nil).

Note 10. Events after the reporting date

There are no events after the reporting date.

333D Limited and controlled entities

Directors' declaration

Half-year ended 31 December 2019

In the directors' opinion:

- a) the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- b) the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the financial half-year ended on that date; and
- c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution 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 'J. Conidi', is written over a light grey grid background.

John Conidi
Director

28 February 2020
Melbourne

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT To the Members of 333D Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of 333D Limited which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and 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 of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of 333D Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of 333D Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 in the financial report, which indicates that as at 31 December 2019, the consolidated entity's current liabilities exceeded its current assets by \$1,810,117. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of 333D Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



RSM AUSTRALIA PARTNERS



R B MIANO
Partner

Dated: 28 February 2020
Melbourne, Victoria