

SARAMANIS LIMITED
AND CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT

30 JUNE 2021

SARAMANIS LIMITED AND CONTROLLED ENTITIES

A.C.N 603108925

Interim Financial Report

APPENDIX 3 - INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 JUNE 2021

Result for Announcement to the Market

Reporting Period: Half year from 1 January 2021 to 30 June 2021

Previous Corresponding Period: Half year from 1 January 2020 to 30 June 2020

Key Information

		Half-year Ended 30 June 2021 \$
Revenue from ordinary activities	Increased 21% to	50,876
Loss after tax from ordinary activities	Increased 39% to	(413,086)
Loss attributable to members of the parent	Increased 39% to	(413,086)

There were no dividends paid or proposed during the period ended in June 2021.

Explanation of Key Information

On 14 December 2020, Saramanis Limited disposed its shareholding interest in Superior Sutera Sdn Bhd for a nominal consideration.

On 6 March 2020, the Company issued 14,783,075 fully paid ordinary shares (at an issue price of \$0.016 per share) valued at \$236,529 in consideration for a loan issued during the year from an existing shareholder.

On 13 January 2021, two new wholly owned subsidiary companies; Saramanis CPPC Sdn Bhd (Formerly known as Future Farmers Sdn Bhd) and Saramanis Farming Solution Sdn Bhd (Formerly known as Future Yield Sdn Bhd) changed their name.

The Group's revenue for the 6 months ended 30 June 2021 was \$50,876 which was flat compared to the 30 June 2020 half year period. Saramanis Seedlings Sdn Bhd being the main operational company reported a 6 months loss after tax of \$298,878. During the same period, Saramanis Sdn Bhd and Saramanis Limited being the investment holding companies in Malaysia and Australia respectively, incurred total expenses of \$50,392 and Saramanis TGM Sdn Bhd, Saramanis Agropine Sdn Bhd, Saramanis Pacific Sdn Bhd, Saramanis CPPC Sdn Bhd and Saramanis Farming Solution Sdn Bhd incurred total expenses of \$81,773 mainly due to ongoing company half yearly expenses as well as ongoing NSX expenses. This contributed to a group net loss of \$114,208 for the half year ended 30 June 2021.

The performance of the Group was impacted by Movement Control Order (MCO) enforced by Malaysian Government combatting the COVID 19 pandemic. As such, the revenue of the group for the first 6 months of this year was flat compared to the previous period and the operational costs has increased resulting in higher losses. The Group expects revenue to decrease in the remaining period of 2021 when compared to the previous corresponding period resulted of MCO effect.

Net Tangible Assets per Share

Half-year Ended 30 June 2021 cents/Share	Half-year Ended 30 June 2020 cents/Share
(0.10)	(0.28)

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Dividend Reinvestment Plans

The Group does not have any dividend reinvestment plans.

Review of Financials

The attached financial statements have been reviewed for the period ended 30 June 2021. The review report is attached at page 20, which includes a Material Uncertainty Paragraph Related to Going Concern

Attachment

The half year financial report of Saramanis Limited and its controlled entities is attached.

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DIRECTOR'S REPORT

Your directors present their report on the consolidated entity (referred to herein as the (Group) consisting of Saramanis Limited and its controlled entities for the half year ended 30 June 2021.

Directors

The names of directors who held office during or since the end of the half-year:

Datu Robert Lian BALANGALIBUN

Jason Tze Yun JONG

Anson Fucong QIAO

Mei Kwan WONG (appointed on 25 June 2021)

Tong Gee Pun (resigned on 25 June 2021)

Principal Activities

The Group principally engages in the business of cultivating and supplying pineapple seedlings and pineapple suckers in Malaysia and other agricultural products such as coconut and durian.

Review of Operations

On 14 December 2020, Saramanis Limited disposed its shareholding interest in Superior Sutera Sdn Bhd for a nominal consideration.

On 6 March 2020, the Company issued 14,783,075 fully paid ordinary shares (at an issue price of \$0.016 per share) valued at \$236,529 in consideration for a loan issued during the year from an existing shareholder.

On 13 January 2021, two new 100% owned subsidiary companies of Saramanis CPPC Sdn Bhd (Formerly known as Future Farmers Sdn Bhd) and Saramanis Farming Solution Sdn Bhd (Formerly known as Future Yield Sdn Bhd) changed their name.

The Group's revenue for the 6 months ended 30 June 2021 was \$50,876 which was flat compared to the 30 June 2020 half year period. Saramanis Seedlings Sdn Bhd being the main operational company reported a 6 months loss after tax of \$298,878. During the same period, Saramanis Sdn Bhd and Saramanis Limited being the investment holding companies in Malaysia and Australia respectively, incurred total expenses of \$50,392 and Saramanis TGM Sdn Bhd, Saramanis Agropine Sdn Bhd, Saramanis Pacific Sdn Bhd, Saramanis CPPC Sdn Bhd and Saramanis Farming Solution Sdn Bhd incurred total expenses of \$81,773 mainly due to ongoing company half yearly expenses as well as ongoing NSX expenses. This contributed in a group net loss of \$413,086 for the half year ended 30 June 2021.

The performance of Group was impacted by Movement Control Order (MCO) enforced by Malaysian Government fighting COVID 19 pandemic. As such, the revenue of the group for the first 6 months of this year was flat compared to the previous period but the operation cost has increased resulting in higher losses. The Group expects revenue to decrease in the remaining period of 2021 when compared to the previous corresponding period resulted of MCO effect.

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Auditor's Independence Declaration

The lead auditor's independence declaration pursuant to Section 307C of the Corporations Act 2001 is set out on page 6

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

A handwritten signature in black ink, appearing to be 'Jason Tze Yun JONG', with a long horizontal stroke extending to the right.


Director: Jason Tze Yun JONG

Dated this 13th day of October 2021, Malaysia

**AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF SARAMANIS LIMITED**

We declare that, to the best of our knowledge and belief, during the half year ended 30 June 2021 there have been:

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



Walker Wayland NSW
Chartered Accountants



Wali Aziz
Partner

Dated this 13th day of October 2021
Sydney

SARAMANIS LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR
THE HALF-YEAR ENDED 30 JUNE 2021

	Note	Consolidated Group	
		Half-year Ended	Half-year Ended
		30-Jun-21	30-Jun-20
		\$	\$
Revenue from continuing operations			
Sales revenue		50,876	41,948
Interest income		44	111
Revaluation on biological assets		-	60,319
Total Revenue		50,920	102,378
Expenses from continuing operations			
Cost of goods sold		(111,079)	(62,241)
Employee and contractor expense		(65,729)	(75,257)
Depreciation expense		(31,138)	(30,724)
Depreciation over right use of assets		(35,278)	(26,690)
Professional fees		(90,812)	(78,325)
Director's other emoluments		(31,390)	(31,902)
Petrol, parking and tolls		(5,999)	(11,322)
Upkeep of machinery		(30,179)	(19,042)
Upkeep of motor vehicles		(8,267)	(12,486)
Lease interest over leased assets		(2,771)	(1,191)
Lease interest over right use of assets		(6,845)	(11,505)
Impairment of biological assets		(25,827)	(39,303)
Revaluation loss on biological assets		(16,350)	-
Other expenses		(2,342)	(332)
Total expenses		(464,006)	(400,320)
Loss before income tax		(413,086)	(297,942)
Income tax benefit		-	-
Loss from continuing operations		(413,086)	(297,942)
Loss for the period		(413,086)	(297,942)
Other comprehensive income			
Foreign currency movement from translation of foreign subsidiaries		(44,023)	18,111
Other comprehensive income loss for the period, net of tax		(44,023)	18,111
Total comprehensive loss for the period, net of tax		(457,109)	(279,831)

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

	Consolidated Group	
	Half-year Ended	Half-year Ended
	30-Jun-21	30-Jun-20
	\$	\$
Loss attributable to:		
- members of the parent entity	(413,086)	(297,702)
- outside equity interests	-	(240)
	<u>(413,086)</u>	<u>(297,942)</u>
Total comprehensive loss attributable to:		
- members of the parent entity	(457,109)	(279,591)
- outside equity interests	-	(240)
	<u>(457,109)</u>	<u>(279,831)</u>
Earnings per share		
From continuing and discontinued operations:		
- Basic earnings per share (cents)	(0.08)	(0.07)
- Diluted earnings per share (cents)	(0.08)	(0.06)

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

		Consolidated Group	
	Note	As at 30-Jun 2021 \$	As at 31-Dec 2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	12	12,456	27,166
Trade receivables	3	1,271	4,461
Inventories		16,196	15,574
Biological Assets	4	44,268	244,182
Other Assets		34,659	39,235
Tax assets	10	3,867	-
TOTAL CURRENT ASSETS		112,717	330,618
NON-CURRENT ASSETS			
Property, plant and equipment	5	202,024	230,436
Biological Assets	4	225,740	-
Right of use assets	6	194,221	148,776
TOTAL NON-CURRENT ASSETS		621,985	379,212
TOTAL ASSETS		734,702	709,830
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	138,311	142,577
Loans and borrowings	8	1,451,192	995,391
Lease liabilities	9	86,737	70,696
TOTAL CURRENT LIABILITIES		1,676,240	1,208,664
NON-CURRENT LIABILITIES			
Lease liabilities	9	112,752	98,347
TOTAL NON-CURRENT LIABILITIES		112,752	98,347
TOTAL LIABILITIES		1,788,992	1,307,011
NET LIABILITIES		(1,054,290)	(597,181)
SHAREHOLDERS' DEFICIENCY			
Issued capital	11	4,459,950	4,459,950
Accumulated losses		(5,819,905)	(5,406,819)
Minority interest		-	-
Foreign currency translation reserve		305,665	349,688
TOTAL DEFICIENCY		(1,054,290)	(597,181)

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

	Ordinary Share Capital \$	Accumulated losses \$	Foreign Currency Translation Reserve \$	Minority Interest \$	Total \$
Balance at 1 January 2020	3,177,031	(4,558,559)	322,919	(4,673)	(1,063,282)
Comprehensive income					
Loss for the period, net of tax	-	(297,702)	-	(240)	(297,942)
Foreign currency translation	-	-	18,111	-	18,111
Total comprehensive loss for the period, net of tax	-	(297,702)	18,111	(240)	(279,831)
Issue of capital	236,529				236,529
Transfer from acquisition of minority interest	-	(1,997)	-	1,997	-
Balance at 30 June 2020	3,413,560	(4,858,258)	341,030	(2,916)	(1,106,584)
Balance at 1 January 2021	4,459,950	(5,406,819)	349,688	-	(597,181)
Comprehensive income					
Loss for the period, net of tax	-	(413,086)	-		(413,086)
Foreign currency translation	-	-	(44,023)	-	(44,023)
Total comprehensive loss for the period, net of tax	-	(413,086)	(44,023)	-	(457,109)
Issue of capital	-	-	-	-	-
Transfer from acquisition of minority interest	-	-	-	-	-
Balance at 30 June 2021	4,459,950	(5,819,905)	305,665	-	(1,054,290)

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

	Notes	Half-Year Ended 30 June 2021 \$	Half-Year Ended 30 June 2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating activities		55,602	60,199
Payments to suppliers and employees		(1,236,950)	(392,194)
Interest received		44	111
Interest paid		(9,616)	(12,696)
Income tax paid		-	(228,762)
Net cash used in operating activities		(1,190,920)	(573,342)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(78,644)	(1,480)
Net cash used in investing activities		(78,644)	(1,480)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from related parties loan		1,244,633	519,054
Net proceeds / (repayment) from lease		6,746	26,724
Net cash provided by financing activities		1,251,379	545,778
NET (DECREASE) / INCREASE IN CASH HELD		(18,185)	(29,044)
Cash and cash equivalents at beginning of period		27,166	104,065
Effects of changes in exchange rates		3,475	(6,850)
Cash and cash equivalents at end of period	12	12,456	68,171

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 30 June 2021 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the annual financial statements of Saramanis Limited and its controlled entities (referred to as the “consolidated group” or “Group”). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2020, together with any public announcements made during the half-year.

These interim financial statements were authorised for issue on 13th October 2021.

b. Going Concern Basis of Accounting

The Group has incurred a loss after tax for the period of \$413,086 (30 June 2020: loss of \$297,942 loss). The Group has also incurred operating cash outflow of \$1,190,920 (30 June 2020: cash outflow of \$573,342). As at 30 June 2021 the Group has net current asset deficiency of \$1,563,523 (31 December 2020: deficiency of \$878,046). Saramanis Seedlings Sdn Bhd has experienced a flat revenue compared to the 30 June 2020 half-year period as performance was impacted by Movement Control Order (MCO) enforced by Malaysian Government fighting COVID 19 pandemic. As such, the revenue of the group for the first 6 months of this year was flat compared to the previous period but the operation costs have increased resulting in higher losses. The Group expects revenue to decrease in the remaining period of 2021 when to the previous corresponding period resulted of MCO effect.

The above matters give rise to material uncertainties that casts significant doubt over the Group’s ability to continue as a going concern.

The continuing viability of the Group and its ability to meet its debts and commitments as they fall due is dependent upon the Group being successful in all of the following areas:

- Further funding to be obtained from new or existing shareholders to assist with the repayment of short-term liabilities as and when they fall due,
- Generating positive cash flows from operational activities,
- The ability of the new management team to be successful in pineapple plantations and growing sales volume for pineapple suckers.
- The repayment of the loans from Directors and Shareholders amounting to \$1,451,192 as at 30 June 2021 to be deferred until the Group has sufficient cash reserve.

Should the Group not achieve either or all of the above, this may impact the Group’s ability to continue as a going concern, Going Concern may be impacted and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report.

Notwithstanding the above, the Directors’ have received letters of ongoing financial support from two major shareholders and management have prepared detailed cash flow forecasts for the Group for the period to 30 December 2022 (which assumes funding provided from shareholders)

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and a detailed business plan, which indicates an improvement in operational performance resulting from pineapple plantation sales

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

b. Going Concern Basis of Accounting (cont.)

Accordingly, the directors believe that the Group is working towards positive outcomes in the matters referred to above and that the group will be in a position to realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. Accordingly, the financial report has been prepared on a going concern basis.

In the event that the Group does not achieve the conditions stated by the Directors, the ability of the Company and therefore the Group to continue as a Going Concern may be impacted and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report.

No adjustments have been made to the recoverability and classification of recorded asset values and the amount and classification of liabilities that might be necessary should the Group and company not continue as going concerns.

c. Accounting Policies

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

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

NOTE 2: DIVIDENDS

No dividends have been paid or declared during the period.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

NOTE 3: TRADE RECEIVABLE

	30 June 2021	31 Dec 2020
	\$	\$
CURRENT		
Trade receivables	1,271	17,837
Provision for impairment	-	(13,376)
	<u>1,271</u>	<u>4,461</u>

NOTE 4: BIOLOGICAL ASSETS

	30 June 2021	31 Dec 2020
	\$	\$
Biological assets (pineapple and coconut) at fair value - current	88,537	79,859
Provision for Impairment – Current	(44,269)	408,504
	<u>44,268</u>	<u>244,181</u>
Biological assets (pineapple and coconut) at fair value – Non current	451,480	-
Provision for Impairment – Non-Current	(225,740)	-
	<u>225,740</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

	30 June 2021	31 Dec 2020
	\$	\$
Plant and equipment		
At cost	265,548	263,008
Accumulated depreciation	(196,175)	(178,164)
	<u>69,373</u>	<u>84,844</u>
 Motor Vehicles		
At cost	58,869	58,706
Accumulated depreciation	(52,550)	(51,473)
	<u>6,319</u>	<u>7,233</u>
 Office Equipment, furniture and fittings		
At cost	61,936	59,356
Accumulated depreciation	(31,708)	(27,772)
	<u>30,228</u>	<u>31,584</u>
 Leasehold improvements		
At cost	219,502	218,894
Accumulated depreciation	(123,398)	(112,119)
	<u>96,104</u>	<u>106,775</u>
 Total Property, Plant & Equipment	<u>202,024</u>	<u>230,436</u>

NOTE 6: RIGHT OF USE ASSETS

	30 June 2021	31 Dec 2020
	\$	\$
Leasehold land		
At cost	219,362	128,328
Accumulated depreciation	(167,761)	(54,219)
	<u>51,601</u>	<u>74,109</u>
 Machinery		
At cost	164,051	80,128
Accumulated depreciation	(21,431)	(5,461)
	<u>142,620</u>	<u>74,667</u>
 Total Right of Use Assets	<u>194,221</u>	<u>148,776</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

NOTE 7: TRADE AND OTHER PAYABLES

	30 June 2021	31 Dec 2020
	\$	\$
CURRENT		
Unsecured liabilities:		
Trade payables	10,723	19,993
Sundry payables and accrued expenses	127,588	122,584
	<u>138,311</u>	<u>142,577</u>

NOTE 8: LOANS AND BORROWINGS

		30 June 2021	31 Dec 2020
		\$	\$
	Notes		
CURRENT			
Loans from Directors – unsecured	(i)	206,559	64,444
Loan from shareholders – unsecured	(ii)	1,244,633	930,947
		<u>1,451,192</u>	<u>995,391</u>

(I) Loans from directors are unsecured, non-interest bearing and no fixed payments terms.

(II) This liability pertains to a loan from Wong Mei Kwan (shareholder), Wong Kok Kee (shareholder) and Wong Siew Chun (shareholders), amounting to RM2,825,957 (AUD907,697), RM548,990 (AUD176,336) and RM500,000 (AUD160,600) respectively as at 30 June 2021. these liabilities are unsecured, non-interest bearing and no fixed payment terms.

NOTE 9: LEASE LIABILITIES

	30 June 2021	31 Dec 2020
	\$	\$
CURRENT		
Lease liabilities over right of use assets	<u>86,737</u>	<u>70,696</u>
NON CURRENT		
Lease liabilities over right of use assets	<u>112,752</u>	<u>98,347</u>

Where lease liabilities were taken for plant and equipment, these lease liabilities are secured by the underlying leased assets.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

NOTE 10: CURRENT TAX ASSETS / (LIABILITIES)

	30 June 2021	31 Dec 2020
	\$	\$
Income tax assets / (liabilities)	3,867	-

NOTE 11: ISSUED CAPITAL

	30 June 2021	31 Dec 2020
	No.	No.
Ordinary shares on issue		
Balance at beginning of the period	506,862,011	425,966,500
Issue of share on 6 March 2020	-	14,783,075
Issue of shares 19 October 2020	-	66,112,436
Balance at end of the period	506,862,011	506,862,011
	\$	\$
Balance at beginning of the period	4,459,950	3,177,031
Issue of share on 6 March 2020 at \$0.016	-	236,529
Issue of share on 19 October 2020 at \$0.0158	-	1,046,390
Balance at end of the period	4,459,950	4,459,950

On 6 March 2020, the Company issued 14,783,075 fully paid ordinary share valued at \$236,529 in consideration for a loan issued during the year from an existing shareholder.

On 19 October 2020, the company issued 66,112,436 fully paid ordinary share valued at \$1,046,390 in consideration for a loan issued during the year from an existing shareholder.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

NOTE 12: CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of cash flows are made up as follows

	30 June 2021	31 Dec 2020
	\$	\$
Cash and cash equivalents	<u>12,456</u>	<u>27,166</u>

NOTE 13: CONTINGENT ASSETS AND LIABILITIES

There have been no changes to contingent assets and liabilities since the last annual reporting period.

NOTE 14: EVENTS OCCURING AFTER BALANCE SHEET DATE

The Group has been affected by the COVID-19 pandemic which affected the ability to Group's ability to conduct sales activities due to the people movement restrictions imposed by the Malaysian government. The Group continues to monitor the impact of COVID-19 subsequent to year end. No other matters have arisen since 30 June 2021 that have significantly affected the Group operations in future financial years, the result of those operations in future financial years or the Group state of affairs in future financial years.

NOTE 15: RELATED PARTY TRANSACTIONS

The following transaction occurred with related parties

- Transaction with director, refer to Note 8
- Hiring charges paid to director – Jason Jung Tze Yun amounted to \$5,782 (2020: \$12,416)
- Loan from shareholder – Wong Kok Kee amounted to \$176,336 (2020: \$ 0)
- Loan from shareholder – Wong Mei Kwan amounted to \$907,697 (2020: \$833,837)
- Loan from shareholder – Wong Siew Chun amounted to \$160,600 (2020: \$97,110)
- Loan from director – Tong Gee Pun amounted to \$44,968 (2020: \$45,318)
- Loan from director – Jason Jong Tze Yun amounted to \$161,591 (2020: \$19,126)

Loan from shareholders and directors are non-interest bearing, unsecured and no fixed payment terms and are on arms length terms and conditions that are favourable to the Group.

Apart from the above there are no other transactions with director related entities

NOTE 16: OPERATING SEGMENTS

The Group has only one (1) reportable business segment, which is the pineapple plantation in Sarawak, Malaysia.

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DIRECTOR'S DECLARATION

In accordance with a resolution of the directors of Saramanis Limited, the directors of the company declare that;

1. The financial statements and notes, as set out on pages 7 to 18, are in accordance with the *Corporations Act 2001*, including;
 - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the half-year ended on that date.
2. In the director's opinion there are reasonable grounds to believe that the company and consolidated entity will be able to pay their debts as and when they become due and payable.



Jason Tze Yun JONG
Director
Dated this 13th day of October 2021
Malaysia

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SARAMANIS LIMITED

Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Saramanis Limited and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or 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, a description of significant accounting policies, other selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Saramanis Limited 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 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 *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.

Material Uncertainty regarding Going Concern

Without modifying our conclusion, we draw attention to the following matter. As a result of the matters disclosed in Note 1b) "Going Concern basis of accounting" of the financial report, there are material uncertainties that cast significant doubt as to whether the Group can continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report. The ability of the Group to continue as a going concern is dependent upon the Group being successful in all of the following areas:

- a) management being successful in operating pineapple plantations in order to generate adequate sales to derive positive cash flows from operational activities in future periods, and
- b) obtaining continued financial support from directors and shareholders and/or receiving funds from the issue of ordinary shares.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Group are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation 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 presented fairly, in all material respects, in accordance with the *Corporations Act 2001*. As the auditor of Saramanis 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 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.

A handwritten signature in black ink that reads 'Walker Wayland NSW'.

Walker Wayland NSW
Chartered Accountants

A handwritten signature in black ink, appearing to be 'Wali Aziz'.

Wali Aziz
Partner

Dated this 13th day of October 2021
Sydney