

MIE Pay Limited
Appendix 3
Half-year report

1. Company details

Name of entity:	MIE Pay Limited
ABN:	57 629 754 874
Reporting period:	For the half-year ended 30 September 2021
Previous period:	For the half-year ended 30 September 2020

2. Results for announcement to the market

			NZ\$
Revenues from ordinary activities	down	11.4% to	130,938
Loss from ordinary activities after tax attributable to the owners of MIE Pay Limited	down	34.2% to	(894,204)
Loss for the half-year attributable to the owners of MIE Pay Limited	down	34.2% to	(894,204)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the consolidated entity after providing for income tax amounted to NZ\$894,204 (30 September 2020: NZ\$1,359,997).

An explanation of the results is included in the directors' report.

3. Net tangible assets

	30 September 2021 Cents	30 September 2020 Cents
Net tangible assets per ordinary security	<u>0.01</u>	<u>0.02</u>

Calculation based on ordinary shares issued of 319,957,144 as at 30 September 2021 and 319,957,144 as at 30 September 2020.

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Not applicable.

10. Accounting Standards

Australian Accounting Standards have been used in compiling the information contained in the Interim Report.

11. Audit qualification or review

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

MIE Pay Limited

ABN 57 629 754 874

Interim Report - 30 September 2021

MIE Pay Limited
Directors' report
For the half-year ended 30 September 2021

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of MIE Pay 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 30 September 2021.

Directors

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

Lei (Andy) Zhang
Jack Zhong Yin
Chen Chik (Nicholas) Ong
Hing Chow (Tony) Leung

Principal activities

The principal activities of the consolidated entity during the year were provision of digital payment solutions and online stores.

Review of operations

The Company is a technology driven payment company that facilitates online and offline commerce between retail merchants and end customers. Its operations are based in Auckland and Sydney.

Its primary business model is a fintech business building an innovative financial technology ecosystem, the core of which is an interactive payment platform which delivers an improved shopping or checkout experience with payments as a component. It is focused on lowering acceptance costs for merchants and aims to supplement the initial solution with value-added services.

The Company is also a service provider of online stores through its e-commerce platform, IE Mall.

During the half-year ended 30 September 2021, the comprehensive loss of the consolidated entity amounted to NZD 869,596 (30 September 2020: NZD 1,316,529).

Management is aware of the group's financial position and believes it is consistent with the business strategy of achieving higher market dominance, which requires high outlay during the early phases of the business life cycle.

Revenue from the interactive payment platform has declined since the pre-Covid September 2019 Half Year. This has been impacted by Covid 19 lockdowns and border closures and also by reduced demand in China and logistics challenges with disruptions to shipment and air flight delivery affecting daigou domestic activities for the Chinese market.

However, increased revenue was received from both software licence fees and e-commerce, reducing the impact of the previously mentioned revenue decline.

While the effects of the pandemic are likely to be reduced by increased vaccination and the expected reopening of borders in 2022, there remain uncertainties in the economy related to the Covid-19 outbreak and these uncertainties could further impact the consolidated entities operations.

Significant changes in the state of affairs

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


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.

MIE Pay Limited
Directors' report
For the half-year ended 30 September 2021

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



Lei Zhang
Director

14 December 2021

RSM Australia Partners

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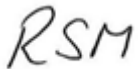
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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Mie Pay Limited for the half year ended 30 September 2021, 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 black ink that reads "RSM".

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink that reads "David Talbot".

David Talbot

Partner

Sydney, NSW

Dated: 14 December 2021

MIE Pay Limited

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For the half-year ended 30 September 2021

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MIE Pay Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 30 September 2021

		Consolidated	
		30	30
	Note	September	September
		2021	2020
		NZ\$	NZ\$
Revenue	4	130,938	147,831
Government grants		28,118	124,190
Interest revenue		817	55
Net foreign exchange gain		775	-
Expenses			
Commission expenses		(527)	(11,256)
Employees and consultants		(809,645)	(892,332)
Corporate overheads		(122,119)	(132,995)
Marketing and business development		(13,408)	(91,094)
Shared expenses from related parties		(45)	(86,373)
Depreciation and amortisation	5	(32,721)	(124,432)
Depreciation and amortisation (right-of-use asset)	5	(22,045)	-
IPO listing cost		-	(159,980)
Finance costs	5	(54,342)	(5,225)
Net foreign exchange losses	5	-	(128,386)
Loss before income tax expense		(894,204)	(1,359,997)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of MIE Pay Limited		(894,204)	(1,359,997)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		24,608	43,468
Other comprehensive income for the half-year, net of tax		24,608	43,468
Total comprehensive income for the half-year attributable to the owners of MIE Pay Limited		(869,596)	(1,316,529)
		Cents	Cents
Basic loss per share	6	(0.28)	(0.44)
Diluted loss per share	6	(0.28)	(0.44)

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

MIE Pay Limited
Consolidated statement of financial position
As at 30 September 2021

		Consolidated	
		30	
	Note	September	31 March
		2021	2021
		NZ\$	NZ\$
Assets			
Current assets			
Cash and cash equivalents		737,395	651,580
Trade and other receivables		154,945	611,572
Right-of-use assets		66,135	-
Prepayments		185,380	165,063
Total current assets		<u>1,143,855</u>	<u>1,428,215</u>
Non-current assets			
Property, plant and equipment		21,774	35,096
Software development costs		11,756	15,905
Other intangible assets		-	13,800
Total non-current assets		<u>33,530</u>	<u>64,801</u>
Total assets		<u>1,177,385</u>	<u>1,493,016</u>
Liabilities			
Current liabilities			
Trade and other payables		151,169	633,332
Lease liability - current		48,544	-
Income tax		2,254	2,254
Employee benefits		132,092	182,947
Total current liabilities		<u>334,059</u>	<u>818,533</u>
Non-current liabilities			
Borrowings	7	762,221	31,600
Lease liability - non current		26,764	-
Bonds held on POS machine		12,750	13,150
Total non-current liabilities		<u>801,735</u>	<u>44,750</u>
Total liabilities		<u>1,135,794</u>	<u>863,283</u>
Net assets		<u>41,591</u>	<u>629,733</u>
Equity			
Issued capital	8	6,753,134	6,753,134
Reserves		111,614	(194,449)
Accumulated losses		<u>(6,823,157)</u>	<u>(5,928,952)</u>
Total equity		<u>41,591</u>	<u>629,733</u>

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

MIE Pay Limited
Consolidated statement of changes in equity
For the half-year ended 30 September 2021

Consolidated	Issued capital NZ\$	Reserves NZ\$	Accumulated losses NZ\$	Total equity NZ\$
Balance at 1 April 2020	2,008,932	(184,060)	(2,732,592)	(907,720)
Loss after income tax expense for the half-year	-	-	(1,359,997)	(1,359,997)
Other comprehensive income for the half-year, net of tax	-	43,468	-	43,468
Total comprehensive income for the half-year	-	43,468	(1,359,997)	(1,316,529)
IPO listing costs	(13,164)	-	-	(13,164)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares	4,757,366	-	-	4,757,366
Balance at 30 September 2020	<u>6,753,134</u>	<u>(140,592)</u>	<u>(4,092,589)</u>	<u>2,519,953</u>
Consolidated	Issued capital NZ\$	Reserves NZ\$	Accumulated losses NZ\$	Total equity NZ\$
Balance at 1 April 2021	6,753,134	(194,449)	(5,928,953)	629,732
Loss after income tax expense for the half-year	-	-	(894,204)	(894,204)
Other comprehensive income for the half-year, net of tax	-	24,608	-	24,608
Total comprehensive income for the half-year	-	24,608	(894,204)	(869,596)
Convertible note reserve	-	281,455	-	281,455
Balance at 30 September 2021	<u>6,753,134</u>	<u>111,614</u>	<u>(6,823,157)</u>	<u>41,591</u>

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

MIE Pay Limited
Consolidated statement of cash flows
For the half-year ended 30 September 2021

	Consolidated	
	30	30
	September	September
	2021	2020
	NZ\$	NZ\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	287,174	97,841
Receipts of government grants	28,118	124,190
Payments to suppliers and employees (inclusive of GST)	(1,285,041)	(2,069,797)
	(969,749)	(1,847,766)
Interest received	817	55
Unrealised currency translation gains	25,526	-
Net cash used in operating activities	(943,406)	(1,847,711)
Cash flows from investing activities		
Payments for software development costs	(1,450)	(190,769)
Net cash used in investing activities	(1,450)	(190,769)
Cash flows from financing activities		
Proceeds from issue of shares	-	3,649,316
Receipts of government loans	-	31,600
Proceeds from convertible note	957,734	-
Repayment of loans (to)/from related parties	73,080	(277,162)
Net cash from financing activities	1,030,814	3,403,754
Net increase in cash and cash equivalents	85,958	1,365,274
Cash and cash equivalents at the beginning of the financial half-year	651,580	430,044
Effects of exchange rate changes on cash and cash equivalents	(143)	145
Cash and cash equivalents at the end of the financial half-year	<u>737,395</u>	<u>1,795,463</u>

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

MIE Pay Limited
Notes to the consolidated financial statements
For the half-year ended 30 September 2021

Note 1. General information

The financial statements cover MIE Pay Limited as a consolidated entity consisting of MIE Pay Limited and the entities it controlled at the end of, or during, the half-year. The functional currency of MIE Pay Limited is Australian dollars, which is predominantly where the economic activities of the group were undertaken as at 30 September 2021. The financial statements are presented in New Zealand dollars, which is MIE Pay Limited's presentation currency.

MIE Pay Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Level 10
420 George Street
Sydney NSW 2000

Principal place of business

Level 10
420 George Street
Sydney NSW 2000

A description of the nature of the consolidated entity'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 14 December 2021.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 30 September 2021 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 31 March 2021 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, except for the policies stated below.

Convertible debt

The proceeds used on issue of the Company's convertible debt are allocated into their liability and equity components. The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that does not include an option to convert. Subsequently, the debt component is accounted for as a financial liability measured at amortised cost until extinguished on conversion or maturity of the bond. The remainder of the proceeds is allocated to the conversion option and is recognised in the 'Convertible note reserve' within shareholders' equity, net of income tax effects.

New or amended Accounting Standards and Interpretations adopted

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

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

MIE Pay Limited
Notes to the consolidated financial statements
For the half-year ended 30 September 2021

Note 2. Significant accounting policies (continued)

Critical accounting judgements, estimates and assumptions

The following note regarding critical accounting judgements, estimates and assumptions remains relevant for the current interim reporting period.

Coronavirus (COVID-19) pandemic:

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Company revenue (exclusive of government grants) has declined since the coronavirus pandemic commenced but other factors have also contributed to this decline. While the effects of the pandemic are likely to be reduced by the introduction of vaccines and the expected reopening of borders in 2022, there remain uncertainties in the economy related to the Covid-19 outbreak and these uncertainties could further impact the consolidated entities operations.

Going concern basis of preparation

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 Company incurred a net loss of \$894,204 and net cash outflow from operating activities of \$943,406 during the period ended 30 September 2021. As of that date, the company had total net assets of \$41,591.

These factors indicate a material uncertainty which may cast significant doubt as to whether the company will 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 the amounts stated in the financial report.

The directors believe it is reasonably foreseeable that the company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following:

- The company is seeking to raise additional capital from the issue of convertible notes which will provide sufficient cash to cover operating expenses over the next 12 months; and
- The company has the ability to implement additional cost savings to maintain a positive cash balance over the next 12 months.

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 3. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into two operating segments based on geographic locations. These operating segments are based on the internal reports that are reviewed and used by the Chief Operating Decision Makers ('CODM') in assessing performance and in determining the allocation of resources to operating segments and assessing their performance.

MIE Pay Limited
Notes to the consolidated financial statements
For the half-year ended 30 September 2021

Note 3. Operating segments (continued)

Operating segment information

	Australia	New Zealand	Total
	NZ\$	NZ\$	NZ\$
Consolidated - 30 September 2021			
Revenue			
Sales to external customers	-	116,159	116,159
Share of cost recharge	-	14,779	14,779
Total segment revenue	-	130,938	130,938
<i>Unallocated revenue:</i>			
Interest revenue			817
Net foreign exchange gains			775
Total revenue			132,530
EBITDA	(245,482)	(539,614)	(785,096)
Depreciation and amortisation	-	(32,721)	(32,721)
Depreciation and amortisation (right-of-use asset)	-	(22,045)	(22,045)
Finance costs	(48,881)	(5,461)	(54,342)
Loss before income tax expense	(294,363)	(599,841)	(894,204)
Income tax expense			-
Loss after income tax expense			(894,204)
Assets			
Segment assets	27,109	412,881	439,990
<i>Unallocated assets:</i>			
Cash and cash equivalents			737,395
Total assets			1,177,385
Liabilities			
Segment liabilities	781,980	353,814	1,135,794
Total liabilities			1,135,794

MIE Pay Limited
Notes to the consolidated financial statements
For the half-year ended 30 September 2021

Note 3. Operating segments (continued)

	Australia	New Zealand	Total
	NZ\$	NZ\$	NZ\$
Consolidated - 30 September 2020			
Revenue			
Sales to external customers	-	83,539	83,539
Share of cost recharge	-	64,292	64,292
Total segment revenue	-	147,831	147,831
<i>Unallocated revenue:</i>			
Interest revenue			55
Total revenue			147,886
EBITDA	(547,352)	(682,988)	(1,230,340)
Depreciation and amortisation	-	(124,432)	(124,432)
Finance costs	(5,225)	-	(5,225)
Loss before income tax expense	(552,577)	(807,420)	(1,359,997)
Income tax expense			-
Loss after income tax expense			(1,359,997)
Assets			
Segment assets	88,078	1,550,003	1,638,081
<i>Unallocated assets:</i>			
Cash and cash equivalents			1,795,463
Total assets			3,433,544
Liabilities			
Segment liabilities	118,976	794,615	913,591
Total liabilities			913,591

Note 4. Revenue

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	30	30
	September	September
	2021	2020
	NZ\$	NZ\$
Rendering of services	116,159	83,539
Share of cost recharge	14,779	64,292
Revenue	130,938	147,831

MIE Pay Limited
Notes to the consolidated financial statements
For the half-year ended 30 September 2021

Note 4. Revenue (continued)

	Consolidated	
	30	30
	September	September
	2021	2020
	NZ\$	NZ\$
<i>Major service lines</i>		
Services fees	116,159	83,539
Other	14,779	64,292
	<u>130,938</u>	<u>147,831</u>
<i>Geographical regions</i>		
New Zealand	130,938	147,831
Australia	-	-
Rest of World	-	-
	<u>130,938</u>	<u>147,831</u>
<i>Timing of revenue recognition</i>		
Services transferred at a point in time	122,006	136,772
Services transferred over time	8,932	11,059
	<u>130,938</u>	<u>147,831</u>

Note 5. Expenses

	Consolidated	
	30	30
	September	September
	2021	2020
	NZ\$	NZ\$
Loss before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	54,342	5,225
<i>Net foreign exchange loss</i>		
Net foreign exchange loss	-	128,386
<i>Depreciation and amortisation</i>		
Depreciation and amortisation	32,721	124,432
Depreciation and amortisation (right-of-use asset)	22,045	-
	<u>54,766</u>	<u>124,432</u>

MIE Pay Limited
Notes to the consolidated financial statements
For the half-year ended 30 September 2021

Note 6. Loss per share

	Consolidated	
	30	30
	September	September
	2021	2020
	NZ\$	NZ\$
Loss after income tax attributable to the owners of MIE Pay Limited	<u>(894,204)</u>	<u>(1,359,997)</u>
	Cents	Cents
Basic loss per share	(0.28)	(0.44)
Diluted loss per share	(0.28)	(0.44)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>319,957,144</u>	<u>306,768,761</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>319,957,144</u>	<u>306,768,761</u>

Note 7. Non-current liabilities - Borrowings

	Consolidated	
	30	31 March
	September	2021
	2021	2021
	NZ\$	NZ\$
Loan	31,600	31,600
Convertible notes payable	<u>730,621</u>	<u>-</u>
	<u>762,221</u>	<u>31,600</u>

On 29 June 2021, the consolidated entity entered into a convertible loan agreement pursuant to which it borrowed AU\$920,000 with the following terms. Interest is payable at the rate of 8% per annum. The repayment date is 29 June 2023. The principal sum and interest accrued from the drawdown date of 29 June 2021 may be converted to shares at the lender's election anytime during the conversion period, being 29 June 2022 to 28 June 2023. If the lender does not elect to convert, the borrower must repay the principal sum and interest accrued from the drawdown date.

Note 8. Equity - issued capital

	Consolidated	
	30	30
	September	September
	2021	2021
	Shares	NZ\$
Ordinary shares - fully paid	<u>319,957,144</u>	<u>6,753,134</u>

MIE Pay Limited
Notes to the consolidated financial statements
For the half-year ended 30 September 2021

Note 8. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	NZ\$
Balance	1 April 2019	257,666,667		1,045,488
Issue of shares	31 October 2019	5,000,000	NZ\$0.1100	543,020
Issue of shares	18 November 2019	8,333,333	NZ\$0.0600	543,020
Share issue costs		-	NZ\$0.0004	(122,596)
Balance	31 March 2020	271,000,000	NZ\$0.0000	2,008,932
Issue of shares	18 May 2020	15,857,143	NZ\$0.0759	1,202,818
Issue of shares	21 May 2020	33,100,001	NZ\$0.1086	3,554,548
Share issue costs		-	NZ\$0.0001	(13,164)
Balance	30 September 2021	<u>319,957,144</u>		<u>6,753,134</u>

Share buy-back

There is no current on-market share buy-back.

Note 9. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 10. Contingent assets and contingent liabilities

In the opinion of the Directors, the company did not have any contingencies at 30 September 2021 (30 September 2020 :None)

Note 11. Related party transactions

a) Related parties

Name of entity	Principal activities	Country of incorporation
PAL Tech Limited (formerly IE Financial Services Limited)	Former holding company	New Zealand
IE Money Limited	Currency exchange services	New Zealand
IE Finance Limited	Lending and financing	New Zealand
IE Property Lending Limited	Lending and financing	New Zealand
IE Technology Limited	Software development	New Zealand
IE Management Services	Management services of the Pal Tech group	New Zealand

In December 2018 the MyPay New Zealand Limited, which was then a wholly owned subsidiary of IE Financial Services Limited (now PAL Tech Limited), was sold to MIE Pay NZ Limited, a wholly owned New Zealand subsidiary of an Australian holding company, MIE Pay Limited ("MIE Pay"). MIE Pay listed on the National Stock Exchange of Australia ("NSX") on 18 May 2020. PAL Tech Limited and its subsidiaries are related parties by virtue of common shareholders and management.

MIE Pay Limited
Notes to the consolidated financial statements
For the half-year ended 30 September 2021

Note 11. Related party transactions (continued)

b) Balances with related parties

	30 September 2021	30 September 2020
Related party receivables		
IE Finance Limited (common shareholders)	-	119,618
IE Money Limited (common shareholders)	46,000	160,873
Lei Zhang (shareholder)	-	1,340
	<u>46,000</u>	<u>281,831</u>
	30 September 2021	30 September 2020
Related party payables		
Pal Tech Limited (common shareholders)	-	85,618
IE Technology Limited (common shareholders)	-	102,376
	<u>-</u>	<u>187,994</u>

c) Transactions with related parties

	30 September 2021	30 September 2020
Income		
Intercompany Revenue from IE Money Limited for software license fees	60,000	-
Intercompany Recharge to IE Finance Limited	8,542	11,913
Intercompany Recharge to IEMoney Limited	6,236	52,379
	<u>74,778</u>	<u>64,292</u>
	30 September 2021	30 September 2020
Related party expenses		
Settlement of Expenses by IE Money Limited on behalf of Mypay Limited	-	7,103
Settlement of Expenses by IE Technology Limited on behalf of Mypay Limited	45	79,270
	<u>45</u>	<u>86,373</u>

MIE Pay Limited
Notes to the consolidated financial statements
For the half-year ended 30 September 2021

Note 12. Events after the reporting period

Covid 19 Impact

Due to the coronavirus pandemic New Zealand's borders have been closed since 20 March 2020. During the September 2021 half year, New Zealand has been at lockdown alert level 3 or higher from 18 August 2021. Similar border closures and lockdowns have occurred in Australia.

The border closures affected Mie Pay Limited's trade with Chinese tourists and business people and the lockdowns meant that for parts of this financial half year Mie Pay Limited's customers were forced to shut down their operations and could not trade.

For the six months to 30 September 2021, revenue for Mie Pay Limited was down by 11% on the comparative prior year period and down by 24% from the pre-Covid September 2019 Half Year. While there were other reasons impacting this revenue decline, the coronavirus pandemic was a contributing factor.

While the economic effects of the pandemic are likely to be reduced by increased vaccination and the expected reopening of borders in 2022, there remain uncertainties in the economy related to the Covid-19 outbreak and these uncertainties could further impact the consolidated entities operations.

No other matter or circumstance has arisen since 30 September 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

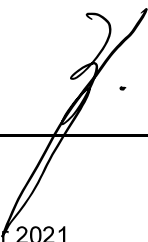
MIE Pay Limited
Directors' declaration
For the half-year ended 30 September 2021

In the directors' opinion:

- 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;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 September 2021 and of its performance for the financial half-year ended on that date; and
- 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



Lei Zhang
Director

14 December 2021

RSM Australia Partners

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www.rsm.com.au**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MIE PAY LIMITED****Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Mie Pay Limited which comprises the consolidated statement of financial position as at 30 September 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement 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 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 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Company incurred a net loss of NZD 894,204 and net cash outflows from operating activities of NZD 943,406 during the period ended 30 September 2021 and, as of that date, the Company's total assets exceeded its total liabilities by NZD 41,591. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 30 September 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Mie Pay 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.

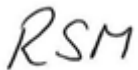
Independence

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 Mie Pay Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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 Mie Pay Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the entity's financial position as at 30 September 2021 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*.

A handwritten signature in dark ink that reads 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in dark ink that reads 'David Talbot'.

David Talbot
Partner

Sydney, NSW

Dated: 14 December 2021