

# Rofina Group Limited and Controlled Entities

ACN 635 120 517

## Interim Financial Report For the Half-Year Ended 30 November 2021



This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 31 May 2021 and any public announcements made by Rofina Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

**Rofina Group Limited and Controlled Entities**

ACN 635 120 517

**CORPORATE DIRECTORY****Directors**

Boon Chin Soo – Executive Chairman  
Wei Yin Soo – Executive Director  
Jacky Tran Cheung – Non-Executive Director  
Chor Keat Ewe – Non-Executive Director  
Su Hian Tan – Non-Executive Director

**Company Secretary**

Su Hian Tan

**Registered Office and Principal Place of Business**

Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney NSW 2000

**Website**

<https://www.rofinagroup.com>

**Share Registry**

Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000

**Auditors**

Moore Australia Audit (WA)  
Level 15, Exchange Tower,  
2 The Esplanade,  
Perth WA 6000

**Stock Exchange Listing**

Rofina Group Limited shares are listed on the National Stock Exchange of Australia (NSX), Code: 218

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**Rofina Group Limited and Controlled Entities**

ACN 635 120 517

**Directors' Report**

30 November 2021

The Directors of Rofina Group Limited submit herewith the financial report for the consolidated entity for the half year ended 30 November 2021.

The following persons held office as Directors of Rofina Group Limited during the financial period until the date of this report:

Boon Chin Soo – Executive Chairman

Wei Yin Soo – Executive Director

Jacky Tran Cheung — Non-Executive Director

Chor Keat Ewe – Non-Executive Director

Su Hian Tan – Non-Executive Director

**Review of Operations**

The Group conducted a comprehensive review of the overall impact for the half year ended 30 November 2021. The consolidated loss after income tax for the half year ended 30 November 2021 was \$156,399 (2020: \$2,592,862). Profit before interest, tax, depreciation and amortisation was \$243,544 (2020: Loss of \$1,473,857).

In September 2021, the Malaysian Government announced phase 3 of the National Recovery Plan in various states in Malaysia to allow interstate travel from October 2021. As such, sales revenue increased significantly in the last two months of the current period.

In addition, with the implementation of cost reduction measures, the Group was able to reduce its monthly expenses in the current period.

As a result, the Group was able to reduce its losses significantly compared to the previous comparative period.

**Principal Activity**

During the half-year, the Group continued to operate in selling quality brands of travel goods, winter apparel and accessories through various sales channels including retail, business to business, e-commerce and wholesale, principally in Malaysia.

## **Rofina Group Limited and Controlled Entities**

ACN 635 120 517

### **Operating and Financial Review**

The consolidated loss after income tax for the half year ended was \$156,399 (2020: \$2,592,862).

The Directors have not recommended any dividends for the half-year ended 30 November 2021 and at the date of this report.

The Group's basic loss per share for the period was \$0.001 (2020: \$0.017).

The Group's working capital, being current assets less current liabilities at 30 November 2021, was net current liabilities of \$4,351,152 (31 May 2021: \$3,949,755).

In the Director's opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Please refer to the section below and note 1(c) for further information.

### **Likely developments and Business Strategies**

The business division continues to explore potential channels to expand its development pipeline. The Group intends to significantly expand its product offering that suits different consumer segments. The primary objective of the Group's capital management policies is to safeguard its ability to continue as a going concern, to provide returns for shareholders, fund capital expenditure, operating expenses, working capital needs and to pay its debt obligations. The growth plans of the Group can be summarised as follows:

#### ***(a) Storewide Aggressive Promotion Campaigns***

As the Malaysian Government announced Phase 3 of National Recovery Plan for various states in Malaysia in September 2021, the Group was able to reopen its retail outlets from October 2021. As a result, sales revenue increased significantly from October and November 2021 compared to the previous four months.

The Group will continue to employ targeted and focused advertising and promotion campaigns. From previous experience, the Group believes the success of its advertising campaigns will result in continuous future sales growth.

#### ***(b) Enhancing the growth for e-commerce platform***

Over the past year, the Group has been implementing sustainable online marketing strategies to strive through the pandemic. The Group believes that communicating aggressively and strategically through advertising and promotion via social media platforms can bring significant results in sales and branding.

As the Group constantly provides training to e-commerce employees to ensure they are ready to provide great service to all customers, the sales generated from e-commerce platform has grown compared to previous years, and is expected to continue into the future.

**Likely developments and Business Strategies (continued)**

***(c) Collaboration with new business partner***

Previously, the Group had to temporarily cease its promotional booth operation due to the pandemic and restrictions resulting from the Malaysian Government's Standard Operation Procedure (SOP). As the conditions surrounding the pandemic stabilise in Malaysia, the Group will resume its promotional booth operation in various malls across different states in Malaysia from 2022. According to previous experience, promotional booths will generate a higher revenue for the Group.

***(d) Implementation of cost reduction measures***

Over the past year, the Group has implemented various measures to reduce its operating costs. These cost reduction measures have resulted in a significant improvement in the operating position of the Group as compared to the previous comparative period, and is expected to continue into the future.

**Auditor's Independence Declaration**

The auditor's independence declaration for the half-year ended 30 November 2021 as required under section 307C of the Corporations Act 2001 has been received and immediately follows the Director's Report.

This report has been made in accordance with a resolution of the Board of Directors.



Boon Chin Soo, Chairman  
Malaysia

Dated: 11 February 2022

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF ROFINA GROUP LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 30 November 2021, there have been no contraventions of:

- a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b) 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 11<sup>th</sup> day of February 2022.

**Rofina Group Limited and Controlled Entities**

ACN 635 120 517

**Consolidated Statement of Profit or Loss and Other Comprehensive Income**

For the half year ended 30 November 2021

	Note	30 Nov 2021 \$	30 Nov 2020 \$
<b>Revenue</b>			
Revenue	2	463,167	708,053
Cost of Sales		(326,802)	(1,134,235)
Gross profit / (loss)		136,365	(426,182)
Other income	2	466,688	488,786
<b>Expenses</b>			
General and administration		(181,096)	(699,158)
Depreciation and amortisation		(331,866)	(844,361)
Employee benefit expenses		(140,304)	(650,312)
Fixed assets written off		(25,000)	-
Professional fees		(13,109)	(186,991)
Finance costs		(66,213)	(274,644)
<b>(Loss) before income tax</b>		(154,535)	(2,592,862)
Income tax expense		(1,864)	-
<b>(Loss) / income after income tax</b>		(156,399)	(2,592,862)
<b>Others comprehensive loss, net of income tax</b>			
Net movement in foreign currency translation reserve		(240,445)	(472,150)
<b>Total comprehensive loss for the period attributable to members of the parent entity</b>		(396,844)	(3,065,012)
<b>Losses per share of loss attributable to members of the parent entity</b>			
Basic loss per share	3	(0.001)	(0.017)
Diluted loss per share	3	(0.001)	(0.017)

The accompanying notes from part of these consolidated financial statements.



**Rofina Group Limited and Controlled Entities**  
ACN 635 120 517

**Consolidated Statement of Financial Position**  
As at 30 November 2021

	<b>Note</b>	<b>30 Nov 2021</b>	<b>31 May 2021</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		9,726	32,471
Trade and other receivables	4	375,972	414,909
Inventories		436,229	663,889
Other assets		5,209	16,389
<b>Subtotal</b>		<b>827,136</b>	<b>1,127,658</b>
Assets held for sale	8	347,155	-
<b>Total current assets</b>		<b>1,174,291</b>	<b>1,127,658</b>
<b>Non-current assets</b>			
Property, plant and equipment	5	1,020,787	1,048,504
Right of use assets	6	322,866	477,575
Investment properties	7	372,529	686,380
<b>Total non- current assets</b>		<b>1,716,182</b>	<b>2,212,459</b>
<b>Total assets</b>		<b>2,890,473</b>	<b>3,340,117</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	9	2,812,467	2,960,623
Borrowings	10	2,379,754	1,622,460
Lease Liabilities	6	333,222	494,330
<b>Total current liabilities</b>		<b>5,525,443</b>	<b>5,077,413</b>
<b>Non-current liabilities</b>			
Trade and other payables	9	104,017	-
Borrowings	10	614,364	1,173,077
Lease liabilities	6	40,578	86,712
<b>Total non-current liabilities</b>		<b>758,959</b>	<b>1,259,789</b>
<b>Total liabilities</b>		<b>6,284,402</b>	<b>6,337,202</b>
<b>Net liabilities</b>		<b>(3,393,929)</b>	<b>(2,997,085)</b>
<b>Equity</b>			
Issued capital	11	2,267,393	2,267,393
Accumulated losses		(5,408,259)	(5,251,860)
Foreign Currency Translation Reserve		(253,063)	(12,618)
<b>Total equity</b>		<b>(3,393,929)</b>	<b>(2,997,085)</b>

The accompanying notes from part of these consolidated financial statements.

**Consolidated Statement of Changes in Equity**

For the half year ended 30 November 2021

<b>2021</b>	<b>Issued Capital</b>	<b>Accumulated Losses</b>	<b>Translation Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 June 2021</b>	<b>2,267,393</b>	<b>(5,251,860)</b>	<b>(12,618)</b>	<b>(2,997,085)</b>
<b>Loss for the period</b>	-	<b>(156,399)</b>	-	<b>(156,399)</b>
<b>Other comprehensive loss for the period</b>	-	-	<b>(240,445)</b>	<b>(240,445)</b>
<b>Balance at 30 Nov 2021</b>	<b>2,267,393</b>	<b>(5,408,259)</b>	<b>(253,063)</b>	<b>(3,393,929)</b>

  

<b>2020</b>				
Balance at 1 June 2020	817,393	(2,029,866)	511	(1,211,962)
Prior period adjustment	-	-	291,992	291,992
Restated balance at 1 June 2020	817,393	(2,029,866)	292,503	(919,970)
Loss for the period	-	(2,592,862)	-	(2,592,862)
Other comprehensive loss for the period	-	-	(472,150)	(472,150)
Shares issued during the period	1,450,000	-	-	1,450,000
Balance at 30 Nov 2020	2,267,393	(4,622,728)	(179,647)	(2,534,982)

The accompanying notes form part of these consolidated financial statements.

**Consolidated Statement of Cash Flows**

For the half year ended 30 November 2021

	Note	30 Nov 2021 \$	30 Nov 2020 \$
<b>Cash Flows from Operating Activities</b>			
(Loss) after taxation		(156,399)	(2,592,862)
Depreciation and amortisation		331,866	844,361
PPE written-off		25,000	282,152
Bad debts written-off		1,295	26,623
Impairment loss on ROU asset		7,926	-
Lease finance costs		12,225	42,846
Income tax paid/(refund)		(9,315)	23,835
Decrease in trade and other receivables		38,937	501,877
Decrease in inventory		227,660	951,689
(Increase) in trade payables		(44,140)	(498,670)
<b>Net cash flows from / (used in) operating activities</b>		<b>435,055</b>	<b>(418,149)</b>
<b>Cash Flows from investing activities</b>			
Purchase of property, plant & equipment		(207,744)	(68,392)
<b>Net cash flows used in investing activities</b>		<b>(207,744)</b>	<b>(68,392)</b>
<b>Cash flows from financing activities</b>			
Net proceeds from bank borrowings and other loans		2,615	443,126
Proceeds from share issue		-	1,450,000
Lease payments		(219,466)	(629,783)
<b>Net cash flows (used in) / from financing activities</b>		<b>(216,851)</b>	<b>1,263,343</b>
<b>Increase in cash and cash equivalents</b>		<b>10,460</b>	<b>776,802</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>(372,184)</b>	<b>(973,243)</b>
Foreign exchange movement		(229,171)	(472,150)
<b>Cash and cash equivalents at end of the period</b>		<b>(590,895)</b>	<b>(668,591)</b>
<b>Reconciliation to statement of financial position</b>			
Cash and cash equivalents		9,726	60,146
Bank overdrafts		(600,621)	(728,737)
		<b>(590,895)</b>	<b>(668,591)</b>

The accompanying notes form part of these consolidated financial statements.

**Rofina Group Limited and Controlled Entities**

ACN 635 120 517

**Condensed Notes to the Consolidated Financial Statements**

For the half year ended 30 November 2021

**General Information**

The consolidated financial report covers Rofina Group Limited and its controlled entities (the Group). Rofina Group Limited is a for-profit company limited by shares, incorporated and domiciled in Australia and its shares are publicly traded on the National Stock Exchange.

The financial statements were authorised for issue, in accordance with a resolution of the Directors, on 11 February 2022.

**1. Summary of Significant Accounting Policies****(a) Basics of preparation**

These general purpose interim financial statements for the half-year reporting period ended 30 November 2021 have been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001. These financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

**(b) Accounting Policies**

This interim financial report is intended to provide users with an update on the latest financial statements of Rofina Group Limited and its controlled entities (referred to as the 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 May 2021, together with any public announcements made during the following half-year.

The same accounting policies and methods of computation have been followed in this interim 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.

**(c) Critical Accounting Estimates and Judgements**

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. The significant estimates and judgements made are described below.

**Condensed Notes to the Consolidated Financial Statements (continued)**

For the half year ended 30 November 2021

**1. Summary of Significant Accounting Policies (continued)**

**(c) Critical Accounting Estimates and Judgements (continued)**

**i) Assessment of Going concern**

At 30 November 2021, the Group had consolidated cash and cash equivalents of \$9,726, net current liabilities of \$4,351,152 and total liabilities of \$6,282,402, of which \$5,525,443 were repayable within one year.

This indicates the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. However, the Directors consider the Group will be able to meet its obligations as and when they fall due based on the following assumptions, which the Directors consider to be reasonable;

- The Group continues to enjoy rental reductions from its landlords, as well as COVID-related rent concessions amounting to \$314,327;
- The Group has the ability to sell its investment properties to help fund operations if required (refer to Note 14);
- The Group has negotiated deferred payment terms with its key suppliers;
- The Group obtained moratorium for loan repayments from its major bankers for a period of 6 months until April 2022; and
- The Group has refinanced its loans by extending the maturity date and reducing monthly repayments for at least six months after the end of the moratorium period.

As such, these financial statements have been prepared on a going concern basis. No adjustments have been made to the financial information relating to the recoverability or classification of the recorded asset amounts and classification of liabilities that may be necessary should the Group not continue as a going concern.

**ii) Assessment of impairment of inventories, property plant & equipment and investment property**

Reviews are made periodically by management on inventories to identify excess inventories, obsolescence and decline in net realisable value below cost. These reviews involve judgements and estimation uncertainty in forming expectation about future sales and demands. Any changes in these accounting estimates will result in revisions to the inventory value.

Although COVID-19 has caused a significant decline in sales revenue and margins, the selling price (net realisable value) of inventory is still greater than its cost. Therefore, the Group's inventory is not impaired.

Property, plant & equipment and investment property which is held at cost principally comprises buildings, store fixtures and fittings, computer equipment and motor vehicles. These are tested for impairment annually or when conditions dictate.

**Condensed Notes to the Consolidated Financial Statements (continued)**

For the half year ended 30 November 2021

**1. Summary of Significant Accounting Policies (continued)**

**(c) Critical Accounting Estimates and Judgements (continued)**

**ii) Assessment of impairment of inventories, property plant & equipment and investment property (continued)**

COVID-19 has had a significant impact on the economy (including property prices). Based on the Directors' review of market value of similar properties in the same location, the Group's investment property has a market value which exceeds its cost. Therefore, the Group's investment property is not impaired.

Due to COVID-19, the Group closed several stores during the period. As a result, plant and equipment assets, which consisted predominantly of leasehold improvements, were written off. As the remaining plant and equipment assets relate to stores that are operational and are generating sales, the Directors believe the recoverable amount of these assets is higher than their cost. Therefore, the Group's property, plant and equipment is not impaired.

**iii) Assessment of impairment of receivables**

The Group recognises loss allowance for expected credit losses on receivables based on an assessment of credit risk. Such assessment involved judgements and estimation uncertainty in analysing information about past events, current conditions, and forecasts of future economic conditions. Any changes in these accounting estimates will affect the carrying amounts of receivable.

Although COVID-19 has caused a significant decline in sales revenue, it has not impacted the recoverability of receivables due to the make-up and strong credit history of customers. As a result, no impairment loss was recognised for trade and other receivables during the period.

**Condensed Notes to the Consolidated Financial Statements (continued)**

For the half year ended 30 November 2021

**2. Revenue and other income**

	<b>30 Nov 2021</b>	<b>30 Nov 2020</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Sale of goods	<b>463,167</b>	708,053
Other income	<b>466,688</b>	488,786
	<b>929,855</b>	1,196,839

**3. Earnings per share**

	<b>30 Nov 2021</b>	<b>30 Nov 2020</b>
	<b>\$</b>	<b>\$</b>
Basic loss per share	<b>(0.001)</b>	(0.017)
Diluted loss per share	<b>(0.001)</b>	(0.017)
Loss attributable to the ordinary shareholders of the Company	<b>(156,399)</b>	(2,592,862)
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	<b>157,500,068</b>	150,250,068

**4. Trade and other receivables**

	<b>30 Nov 2021</b>	<b>31 May 2021</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	<b>26,967</b>	8,913
Other receivables, deposits and prepayments	<b>349,005</b>	405,996
	<b>375,972</b>	414,909

**Condensed Notes to the Consolidated Financial Statements (continued)**  
For the half year ended 30 November 2021

**5. Property, plant & equipment**

	<b>Buildings</b>	<b>Plant and equipment</b>	<b>Furniture, fixtures and fittings</b>	<b>Motor vehicles</b>	<b>Computer equipment</b>	<b>Total</b>
<b>30 Nov 2021</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>At Cost</b>	<b>680,577</b>	<b>376,672</b>	<b>790,862</b>	<b>-</b>	<b>205,615</b>	<b>2,053,726</b>
<b>Accumulated Depreciation</b>	<b>(71,460)</b>	<b>(246,312)</b>	<b>(583,199)</b>	<b>-</b>	<b>(131,968)</b>	<b>(1,032,939)</b>
	<b>609,117</b>	<b>130,360</b>	<b>207,663</b>	<b>-</b>	<b>73,647</b>	<b>1,020,787</b>
<b>31 May 2021</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>At Cost</b>	<b>640,202</b>	<b>378,552</b>	<b>786,708</b>	<b>35,269</b>	<b>193,417</b>	<b>2,034,148</b>
<b>Accumulated Depreciation</b>	<b>(60,819)</b>	<b>(228,801)</b>	<b>(544,548)</b>	<b>(35,269)</b>	<b>(116,207)</b>	<b>(985,644)</b>
	<b>579,383</b>	<b>149,751</b>	<b>242,160</b>	<b>-</b>	<b>77,210</b>	<b>1,048,504</b>



**Condensed Notes to the Consolidated Financial Statements (continued)**

For the half year ended 30 November 2021

**6. Leases**

	30 Nov 2021 \$	31 May 2021 \$
<b>Right of use assets</b>		
At cost	1,307,197	1,613,719
Accumulated amortisation	(984,331)	(1,034,543)
Impairment	-	(101,601)
Balance at the end of the period	<u>322,866</u>	<u>477,575</u>
 Movement in carrying amounts:		
Retail outlets:		
Balance at the start of the period	586,715	1,872,235
Depreciation expense	(255,923)	(879,615)
Impairment	-	(105,937)
Derecognition on early termination of leases	(7,926)	(409,108)
Balance at the end of period	<u>322,866</u>	<u>477,575</u>
 <b>Lease Liabilities</b>		
Future Lease Payments	383,930	598,135
Discounted at incremental borrowing rate	(10,130)	(17,093)
Balance at the end of the period	<u>373,800</u>	<u>581,042</u>
<i>Represented By:</i>		
<i>Current</i>	333,222	494,330
<i>Non-Current</i>	40,578	86,712
	<u>373,800</u>	<u>581,042</u>
 Related amount recognised in the Statement of profit or loss		
Depreciation charge related to right-of-use assets	255,923	879,615
Interest expense on lease liabilities	12,225	50,966
Variable lease payment expense	314,328	342,509
Total cash outflows for leases	<u>219,466</u>	<u>1,390,229</u>

**Condensed Notes to the Consolidated Financial Statements (continued)**

For the half year ended 30 November 2021

**7. Investment properties**

	<b>30 Nov 2021</b>	<b>31 May 2021</b>
	<b>\$</b>	<b>\$</b>
At cost	<b>780,219</b>	799,077
Accumulated depreciation	<b>(60,535)</b>	(112,697)
Reclassification to assets held for sale	<b>(347,155)</b>	-
	<b>372,529</b>	686,380

**8. Assets held for sale**

	<b>30 Nov 2021</b>	<b>31 May 2021</b>
	<b>\$</b>	<b>\$</b>
At beginning of period	-	-
Reclassification from investment property	<b>347,155</b>	-
At the end of period	<b>347,155</b>	-

During the half year ended 30 November 2021, the Directors made a decision to dispose one of the investment properties. Therefore, the balance was reclassified to assets held for sale. The property was disposed subsequent to period end (refer to note 14 for further details).

**9. Trade and other payables**

	<b>30 Nov 2021</b>	<b>31 May 2021</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Trade payables	<b>1,301,781</b>	1,240,012
Other payables and accruals	<b>1,510,686</b>	1,720,611
	<b>2,812,467</b>	2,960,623
<b>NON-CURRENT</b>		
Other payables and accruals	<b>104,017</b>	-
	<b>104,017</b>	-

**Condensed Notes to the Consolidated Financial Statements (continued)**

For the half year ended 30 November 2021

**10. Borrowings**

	30 Nov 2021 \$	31 May 2021 \$
<b>CURRENT</b>		
Bank borrowings and term loans	1,140,747	604,306
Bank overdrafts	600,621	404,655
Loan from Directors	638,386	613,499
	<u>2,379,754</u>	<u>1,622,460</u>
<b>NON-CURRENT</b>		
Bank borrowings and term loans	<u>614,364</u>	<u>1,173,077</u>

Bank borrowings and term loans are secured against certain property, plant and equipment and investment properties. The effective interest rates of loans and borrowings as at 30 November 2021 ranged from 3.4%-13% (2021: 2.95%-18%) per annum. All bank borrowings and term loans are to be repaid within 5 years.

Bank overdrafts are secured, short term in nature and repayable on demand. Their carrying amount approximates the remaining contractual undiscounted cashflows.

**11. Share Capital**

	30 Nov 2021		31 May 2021
Notes	Number of securities	\$	Number of securities
<b>(a) Share capital</b>			
Ordinary shares fully paid		2,267,393	817,393
Issued during the period		-	1,450,000
Total contributed equity		<u>2,267,393</u>	<u>2,267,393</u>
<b>(b) Movements in ordinary share capital</b>			
Beginning of the period	157,500,068	2,267,393	143,000,068
Issued during the period	-	-	14,500,000
End of the period	<u>157,500,068</u>	<u>2,267,393</u>	<u>157,500,068</u>

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of tax.

**Rofina Group Limited and Controlled Entities**

ACN 635 120 517

**Condensed Notes to the Consolidated Financial Statements (continued)**

For the half year ended 30 November 2021

**12. Related Party Disclosures**

The Group's main related parties are key management personnel including close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel of their close family members.

**a) Payable to related parties at 30 November 2021**

Directors' loans (payable by the Group) = \$638,386 (31 May 2021: \$613,499)

**b) Transactions occurring during the period**

Key management personnel remuneration (directors) = \$48,813 (30 Nov 2020: \$66,708)

**13. Contingent liabilities**

There were no material contingent liabilities as at 30 November 2021.

**14. Events subsequent to the end of the reporting period**

In December 2021, the Group entered into an agreement to sell one of its investment properties to Texxans General Merchandise (M) Sdn Bhd for RM1.1 million (A\$366,439).

There have been no other events subsequent to the end of the period which would have a material impact on the Group's financial statements for the half-year ended 30 November 2021.

**Condensed Notes to the Consolidated Financial Statements (continued)**

For the half year ended 30 November 2021

**15. Segment information**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis. Accordingly, management currently identified the Group as having only reportable segment, being the retail division operating principally in Malaysia, since the revenue of the Group is generated from customers domiciled in Malaysia.

**Revenue by geographical region**

Revenue attributable to external customers is disclosed below, based on location of the external customers:

	<b>30 Nov 2021</b>	<b>30 Nov 2020</b>
	\$	\$
Malaysia	463,167	708,053
Other countries	-	-
Total revenue	<b>463,167</b>	<b>708,053</b>

	<b>30 Nov 2021</b>	<b>31 May 2021</b>
	\$	\$
<b>Assets by geographical region</b>		
Malaysia	2,886,129	3,306,327
Other countries	4,344	33,790
Total assets	<b>2,890,473</b>	<b>3,340,117</b>

**Directors' Declaration**

In the Directors' opinion:

1. the financial statements and notes as set on pages 7 to 20 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 Group's financial position as at 30 November 2021 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company 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.



**Boon Chin Soo**

**Chairman**

**Date: 11 February 2022**

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF ROFINA GROUP LIMITED****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the financial report of Rofina Group Limited (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 November 2021, the consolidated statement of profit or loss and other comprehensive income, the 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 30 November 2021 and of its financial 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*.

**Material Uncertainty Related to Going Concern**

Without qualification to the conclusion expressed above, we draw attention to note 1(c) of the financial statements, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast doubt about the Group's ability to continue as a going concern for at least the next 12 months and, if it could not continue as a going concern, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business and at amounts other than as stated in the financial report.

**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 (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 ROFINA GROUP LIMITED (CONTINUED)**

### **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 Standards on Review Engagements *ASRE 2410: Review of Interim and Other Financial Reports 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:

- i. giving a true and fair view of the Group's financial position as at 30 November 2021 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*.

As the auditor of the Company, 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.

### **Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



WEN-SHIEN CHAI  
PARTNER



MOORE AUSTRALIA AUDIT (WA)  
CHARTERED ACCOUNTANTS

Signed at Perth this 11<sup>th</sup> day of February 2022.