

## 1. Company details

Name of entity:	AdvanceTC Limited
ACN:	600 238 444
Reporting period:	For the half-year ended 30 June 2023
Previous period:	For the half-year ended 30 June 2022

## 2. Results For Announcement To the Market

	Half-Year To 30 June 2023 MYR		Half-Year To 30 June 2022 MYR
Revenues from ordinary activities	-	No change	-
Total Net Loss from Ordinary Operating Activities after Tax	2,360,161	Up 6% from	2,232,598
Net Loss Attributable to Members of the Parent	2,263,861	Up 6% from	2,141,764
Loss per share	(0.01)	No change	(0.01)
Negative Net Tangible Assets per Ordinary Share (NTA Backing - MYR)	(61.74)	Down 33% from	(91.72)

## 3. Brief Explanation of Results

The period was focused on raising adequate equity to finance the development and commercialisation of the Group's new products. Further detail on operating performance and outlook is held in the Directors' Report.

## 4. Dividends

There were no dividends paid, recommended, or declared during the current financial period nor were there any in the previous financial period.

## 5. Dividend Reinvestment Plans

Not applicable

## 6. Details of Subsidiaries

During the period from 1 January 2023 to 30 June 2023, AdvanceTC Limited has not gained or lost control over any entities.

## 7. Details of Associates and Joint Venture Entities

During the period from 1 January 2023 to 30 June 2023, AdvanceTC Limited had no interest in any Associates or Joint Venture Entities.

## 8. Details of Foreign Entities

During the period ended 30 June 2023, foreign entities that have been included in the consolidated group of AdvanceTC Limited have continued to be accounted for in accordance with International Financial Reporting Standards.

9. Auditors' review

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report. The auditor, LNP Audit and Assurance Pty Ltd issued a disclaimer on the review conclusion in relation to going concern.

10. Attachments

The Interim Report of AdvanceTC Limited for the half-year ended 30 June 2023 is attached.

11. Signed



Cheng Pheng Loi  
Chief Executive Officer

13 September 2023

# AdvanceTC Limited and Controlled Entities

ACN 600 238 444

Interim Financial Report for the Half-Year Ended 30 June 2023

**AdvanceTC Limited and controlled entities**

ACN 600 238 444

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**AdvanceTC Limited and controlled entities**

ACN 600 238 444

**Corporate Information****For The Half Year Ended 30 June 2023****Directors**

Cheng Pheng Loi

Gim Keong Lee

Jonathan Yeow Koon Loi

Chee Tuck Cho

Chee Seng Cho

Jeffrey William King

Bi Shan Teoh (appointed as Non-Executive Director 14 April 2023)

**Company Secretary**

Chee Seng Cho

**Registered Office**

Level 8

210 George Street

SYDNEY NSW 2000

Australia

**Principal Place of Business**

B-02-08, Sunway Nexis,

Jalan PJU 5/1,

Kota Damansara,

47810 Petaling Jaya, Selangor D.E.

Malaysia

**Share Registry**

Boardroom Pty Ltd

Level 8

210 George Street

SYDNEY NSW 2000

Australia

**Solicitors**

Messrs Hall & Wilcox

Level 11, Rialto South Tower

525 Collins Street

Melbourne VIC 3000

Australia

**Bankers**

HSBC Malaysia Berhad

8<sup>th</sup> Floor, South Tower

No 2, Leboh Ampang,

50100 Kuala Lumpur, Malaysia

Commonwealth Bank of Australia

48, Martin Place Branch

Sydney NSW 2000

**Auditors**

LNP Audit and Assurance Pty Ltd

Level 8, 309 Kent Street,

Sydney NSW 2000

AUSTRALIA

AdvanceTC Limited shares are listed on the National Stock Exchange of Australia (NSX code A88)

## **Directors' Report**

### **For The Half Year Ended 30 June 2023**

The Directors present their report, together with the interim consolidated financial statements of the Group, being AdvanceTC Limited (the Company) and its controlled entities, (the Group), as at the end of and during the six months period ended 30 June 2023 (the period).

#### **Directors**

The following persons were directors of AdvanceTC Limited during the whole of the financial six months and up to the date of this report, unless otherwise stated:

Cheng Pheng Loi  
Gim Keong Lee  
Jonathan Yeow Koon Loi  
Chee Tuck Cho  
Chee Seng Cho  
Jeffrey William King  
Bi Shan Teoh (appointed as Non-Executive Director 14 April 2023)

#### **Principal Activity**

The principal activity of the Group during the financial period was the design, development and commercialisation of high tech mobile wireless computing and telecommunication devices including its proprietary software and mobile application services primarily based in Malaysia. There were no significant changes in the nature of the principal activity during the period.

#### **Review of operations**

*Financial performance* - The consolidated comprehensive loss after income tax for the six-month period ended 30 June 2023 was MYR 2,360,161 (six months to June 2022: loss of MYR 2,232,598).

*Financial position and going concern* - As of 30 June 2023, the Group had cash and cash equivalents of MYR 155,164, net liabilities of MYR 7,267,091, net current liabilities of MYR 4,265,617, total liabilities of MYR 8,716,563, of which MYR 5,611,594 were repayable within one year. These conditions together with the factors set out below, give rise to a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

The ability of the Group to continue as a going concern is dependent upon being able to manage its liquidity requirements to meet the levels of expenditure required to continue to develop and bring to market the next generation of integrated mobile communication devices and to meet the Group's other operational working capital requirements until such a time that the Group can achieve sustainable revenue and profitability, by taking some or all the following actions:

- Continued and ongoing support from the Directors and existing shareholders;
- Exploring new sources of funding through potential listing on the NASDAQ exchange in the US; and
- Making agreements with creditors to defer payment of liabilities. At 30 June 2023, the Group has obtained written agreements of moratoriums on repayments of creditors totalling MYR 3,032,621 to defer settlement to after December 2024. The Directors expect that this and potential ongoing support will continue.

While the financial condition of the Group gives rise to a material uncertainty in relation to the Group's ability to realise its assets and settle its liabilities at the amounts stated in the financial information, on the basis of the above actions, the Directors consider the Group will be able to meet its obligations as and when they fall due. Accordingly, these financial statements have been prepared on a going concern basis.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the Group not be able to achieve the matters set out above and thus be able to continue as a going concern.

#### **Significant changes in the state of affairs**

In the Directors' opinion, there have been no significant changes in the state of affairs of the Group during the financial year other than those noted in this condensed financial report.

**Directors' Report**  
**For The Half Year Ended 30 June 2023**

**Operations outlook**

The Directors do not believe it is possible or appropriate to make a prediction on the future course of markets or the performance of future plans and strategies. Accordingly, the Directors do not provide a forecast of the likely results of the Group's activities.

However, the Directors remain confident that with the successful execution of the Group's production and commercialisation plans, the Group performance will correspondingly improve and strengthen.

The Directors continue to pursue plans to list the Company on the NASDAQ stock exchange in order to raise working capital to meet its commercialisation and sales and distribution plans. In the meantime, the Company is working on its marketing strategy to promote global sales and management plans to set up global marketing centres in Malaysia, France, Dubai, Australia and USA that will also provide logistics and technical support.

Developments on the Group's progress in capital raising will be announced to the market as they occur.

**Matters subsequent to the end of the financial year**

The interim financial report for the six months ended 30 June 2023 was authorised for issue in accordance with a resolution of the Directors on 13 September 2023.

Except for the matters stated above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

**Auditor's Independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

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:



Cheng Pheng Loi

Director

Dated this 13th Day of September 2023

ABN 65 155 188 837

L8 309 Kent Street Sydney NSW 2000

L24 570 Bourke Street Melbourne VIC 3000

L14 167 Eagle Street Brisbane QLD 4000

1300 551 266

[www.lnpaudit.com](http://www.lnpaudit.com)

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

As lead auditor of AdvanceTC Limited for the period ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
2. no contraventions of any applicable code of professional conduct in relation to the review.

LNP Audit and Assurance Pty Ltd



Anthony Rose  
Director

Sydney, 13 September 2023



**Consolidated Condensed Statement of Profit or Loss and Other Comprehensive Income  
For the Half Year Ended 30 June 2023**

	Note	30 Jun 2023 MYR	30 Jun 2022 MYR
Revenue and other income		-	-
Employee benefits		(1,474,837)	(707,967)
Professional fees		(406,013)	(402,733)
Marketing expenses		(242,198)	(809,768)
Finance costs		(117,990)	-
Administration expenses		(83,007)	(119,576)
Research expenses		-	(116,958)
Information technology expenses		(13,092)	(75,596)
<b>Loss before income tax</b>		<b>(2,360,161)</b>	<b>(2,232,598)</b>
Income tax		-	-
<b>Loss for the period</b>		<b>(2,360,161)</b>	<b>(2,232,598)</b>
Other comprehensive income for the period, net of tax		-	-
<b>Total comprehensive loss for the period</b>		<b>(2,360,161)</b>	<b>(2,232,598)</b>
Loss attributable to:			
Members of the parent entity		(2,263,861)	(2,141,764)
Non-controlling interests		(96,300)	(90,834)
		<b>(2,360,161)</b>	<b>(2,232,598)</b>
Total comprehensive loss attributable to:			
Members of the parent entity		(2,263,861)	(2,141,764)
Non-controlling interests		(96,300)	(90,834)
		<b>(2,360,161)</b>	<b>(2,232,598)</b>
Basic and Diluted loss per share (MYR per share)	4	(0.01)	(0.01)

**Consolidated Condensed Statement of Financial Position  
As At 30 June 2023**

			(Restated)
	Note	30 Jun 2023	31 Dec 2022
		MYR	MYR
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents		155,164	224,569
Other receivables and prepayments		89,960	100,642
Other assets	6	1,100,853	841,578
TOTAL CURRENT ASSETS		1,345,977	1,166,789
NON-CURRENT ASSETS			
Plant and equipment		15,676	20,785
Right of use asset		87,819	102,060
TOTAL NON-CURRENT ASSETS		103,495	122,845
TOTAL ASSETS		1,449,472	1,289,634
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	7	3,194,883	3,313,093
Convertible notes*	8	2,385,013	2,270,000
Lease liability		31,698	30,047
TOTAL CURRENT LIABILITIES		5,611,594	5,613,140
NON-CURRENT LIABILITIES			
Related party and other payables	7	3,032,621	494,402
Lease liability		72,348	89,022
TOTAL NON-CURRENT LIABILITIES		3,104,969	583,424
TOTAL LIABILITIES		8,716,563	6,196,564
NET LIABILITIES		(7,267,091)	(4,906,930)
<b>EQUITY</b>			
Share capital	9	51,711,549	51,711,549
Accumulated losses		(55,961,575)	(53,697,714)
(Deficit)/surplus attributable to Members of the parent entity		(4,250,026)	(1,986,165)
Non-controlling interests		(3,017,065)	(2,920,765)
TOTAL DEFICIT		(7,267,091)	(4,906,930)

\*The classification of convertible notes was restated from equity to liabilities on 31 December 2022, refer note 8.

**Consolidated Condensed Statement of Changes in Equity  
For the Half Year Ended 30 June 2023**

	Ordinary Shares MYR	Accumulated losses MYR	Non- Controlling Interests MYR	Total Equity MYR
<b>30 June 2023</b>				
Balance at 1 January 2023	53,981,549	(53,697,714)	(2,920,765)	(2,636,930)
Restatement of prior period error – convertible notes	(2,270,000)	-	-	(2,270,000)
<b>Restated balance at 1 January 2023</b>	<b>51,711,549</b>	<b>(53,697,714)</b>	<b>(2,920,765)</b>	<b>(4,906,930)</b>
Total comprehensive loss for the period	-	(2,263,861)	(96,300)	(2,360,161)
Share issued during the period	-	-	-	-
Balance at 30 June 2023	<b>51,711,549</b>	<b>(55,961,575)</b>	<b>(3,017,065)</b>	<b>(7,267,091)</b>
<b>30 June 2022</b>				
Balance at 1 January 2022	47,625,615	(47,811,029)	(2,683,576)	(2,868,990)
Total comprehensive loss for the period	-	(2,141,764)	(90,834)	(2,232,598)
Shares issued during the period	210,000	-	-	210,000
Balance at 30 June 2022	<b>47,835,615</b>	<b>(49,952,793)</b>	<b>(2,774,410)</b>	<b>(4,891,588)</b>

**Consolidated Condensed Statement of Cash Flows  
For the Half Year Ended 30 June 2023**

	Note	30 Jun 2023 MYR	30 Jun 2022 MYR
Payments to suppliers and employees		(69,405)	(67,234)
<b>Net cash used in operating activities</b>		<b>(69,405)</b>	<b>(67,234)</b>
Payments for purchases of property, plant and equipment		-	(2,500)
<b>Net cash used in investing activities</b>		<b>-</b>	<b>(2,500)</b>
Issue of shares		-	210,000
<b>Net cash provided by financing activities</b>		<b>-</b>	<b>210,000</b>
<b>Net (decrease) / increase in cash held</b>		<b>(69,405)</b>	<b>140,266</b>
Cash and cash equivalents at beginning of period		<b>224,569</b>	140,191
<b>Cash and cash equivalents at end of period</b>		<b>155,164</b>	<b>280,457</b>

## Notes to the Condensed Financial Statements For the Half Year Ended 30 June 2023

### 1. Basis of Preparation

The consolidated interim financial statements (the 'interim financial report') are those of AdvanceTC Limited (the 'Company') and its controlled entities (together the 'Group') for the six-month period ended 30 June 2023. AdvanceTC Limited is a for-profit company limited by shares and incorporated in Australia whose shares are publicly traded on the National Stock Exchange of Australia.

This interim financial report for the reporting period ended 30 June 2023 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The interim financial report is intended to provide users with an update on the latest annual financial statements of the Group. As such it does not contain information that represents relatively insignificant changes occurring during the year within the Group. This financial report does not include all the notes normally included in an annual financial report. 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 2022, together with any public announcements made during the period.

### 2. Summary of Significant Accounting Policies

The accounting policies adopted in the preparation of the financial statements for the half-year ended 30 June 2023 are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the period ended 31 December 2022. The new accounting standards and amendments issued, but not yet effective, which have been early adopted by the Group in this Financial Report are; Amendments to AASB 101: Classification of Liabilities as Current or Non-Current. The new standards and amendments, when applied in future periods, are not expected to have a material impact on the financial position of the Group.

### 3. Critical Accounting Estimates and Judgments

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 as follows.

#### (a) Recoverability of deposits paid to supplier

At 30 June 2023, the Group holds deposits with a supplier of MYR 1,100,853 for the purpose of purchasing satellite mobile phone devices. The recoverability is dependent upon a production and delivery schedule agreed with the supplier and related party entity. Management has assessed its recoverability and believes that, as set out in the agreement, the goods will be received within the required time frame and that deposits held with the supplier will be returned in full were the business relationship to discontinue.

#### (b) Going concern

The Group incurred a net loss of MYR 2,360,161 during the six months ended 30 June 2023 and as of that date, the Group had cash and cash equivalents of MYR 155,164 net liabilities of MYR 7,267,091, net current liabilities of MYR 4,265,617, total liabilities of MYR 8,716,563, of which MYR 5,611,594 were repayable within one year. These conditions together with the factors set out below, give rise to a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

The ability of the Group to continue as a going concern is dependent upon being able to manage its liquidity requirements to meet the levels of expenditure required to continue to develop and bring to market the next generation of integrated mobile communication devices and to meet the Group's other operational working capital requirements until such a time that the Group can achieve sustainable revenue and profitability, by taking some or all the following actions:

- Continued and ongoing support from the Directors and existing shareholders;
- Exploring new sources of funding through potential listing on the NASDAQ exchange in the US; and
- Making agreements with creditors to defer payment of liabilities. At 30 June 2023, the Group has obtained written agreements of moratoriums on repayments of creditors totalling MYR 3,032,621 to defer settlement to after December 2024. The Directors expect that this and potential ongoing support will continue.

While the financial condition of the Group gives rise to a material uncertainty in relation to the Group's ability to realise its assets and settle its liabilities at the amounts stated in the financial information, on the basis of the above actions, the Directors consider the Group will be able to meet its obligations as and when they fall due. Accordingly, these financial statements have been prepared on a going concern basis.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the Group not be able to achieve the matters set out above and thus be able to continue as a going concern.

Notes to the Condensed Financial Statements  
For the Half Year Ended 30 June 2023

4. Loss per Share

	30 Jun 2023 MYR	30 Jun 2022 MYR
Loss used to calculate basic and diluted loss per share	<u>(2,360,161)</u>	<u>(2,232,598)</u>
	30 Jun 2023 No.	30 Jun 2022 No.
Weighted average number ordinary shares outstanding during the period used in calculating basic and diluted loss per share	<u>436,223,677</u>	<u>429,713,784</u>

5. Dividends

There were no dividends paid or recommended during the six-month period. There are no franking credits available to the shareholders of the Company as at 30 June 2023 (31 December 2022: Nil).

6. Other assets

	30 Jun 2023 MYR	31 Dec 2022 MYR
CURRENT		
Advance deposits paid to related party	<u>1,100,853</u>	<u>841,578</u>
	<u>1,100,853</u>	<u>841,578</u>

Other assets comprise of deposits paid in advance to a manufacturer (being a related entity) of the mobile satellite phones to deliver certain units under a specified agreement.

7. Trade and other payables

	30 Jun 2023 MYR	31 Dec 2022 MYR
CURRENT		
Trade payables	161,461	161,461
Advances received for future orders (b)	1,108,264	1,108,264
Other payables and accruals (a)	<u>1,925,158</u>	<u>2,043,368</u>
	<u>3,194,883</u>	<u>3,313,093</u>
NON-CURRENT		
Related party and other payables (c)	<u>3,032,621</u>	<u>494,402</u>
	<u>3,032,621</u>	<u>494,402</u>

(a) Amounts included in other payables are accruals and advances payable, which are unsecured and interest free.

(b) Advances for future orders represent deposits held in advance of sales of satellite mobile devices was expected in April 2023. However, as at 30 June 2023, the Group has not moved into commercial production and therefore the advances has not been reclassified to revenue.

(c) The Group has obtained written agreements of moratoriums on repayments of creditors totalling MYR 3,032,621 to defer settlement at least 12 months after the balance date.

**Notes to the Condensed Financial Statements  
For the Half Year Ended 30 June 2023**

**3. Convertible notes**

	30 Jun 2023 MYR	31 Dec 2022 MYR
CURRENT		
Convertible notes	2,385,013	2,270,000
	<u>2,385,013</u>	<u>2,270,000</u>

***Restatement of convertible notes***

During the period, it was identified that the classification of convertible notes as equity was incorrect. Management reassessed the accounting based on the provisions of the underlying contract and the notes, including any accrued interest at period end, have been classified as liabilities.

**9. Issued Capital**

	30 Jun 2023 MYR	31 Dec 2022 MYR
Paid-up Capital		
436,223,677 (31 December 2022: 436,223,677) Ordinary shares	51,711,549	51,711,549
	<u>51,711,549</u>	<u>51,711,549</u>

**Ordinary shares**

	30 Jun 23 No.	31 Dec 22 No.	30 Jun 23 MYR	31 Dec 22 MYR
At the beginning of the period	436,223,677	429,413,787	51,711,549	47,625,615
Shares issued and paid during the period	-	6,809,890	-	4,085,934
Total paid up capital at the end of the reporting period	<u>436,223,677</u>	<u>436,223,677</u>	<u>51,711,549</u>	<u>51,711,549</u>
Shares issued and not paid – held in an escrow	12,437,952	12,437,952	-	-
<b>At the end of the reporting period</b>	<b>448,661,629</b>	<b>448,661,629</b>	<b>51,711,549</b>	<b>51,711,549</b>

Pursuant to a share purchase agreement in 2020, the Company issued 35,000,000 shares to various shareholders of which 22,562,045 were fully paid as of 30 June 2023. The remaining 12,437,952 shares are held in an escrow and are payable to the Company in monthly instalments for the escrow to be released.

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote. Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

**10. Commitments and contingencies**

The Group is committed to continue development of its technology and bring it to market. The Group intends to fund this by additional share issues as disclosed elsewhere in this report. No future capital expenditure has been committed under existing contracts at 30 June 2023 (31 December 2022: None)

**11. Segment Reporting**

An operating segment is a component of the Group that engages in business activities whose operating results are reviewed regularly by the Group's Board who are the Chief Operating Decision Makers, and for which discrete financial information is available.

The Group is currently involved in raising of capital to fund its development and production and thus has a single operating segment.

**Notes to the Condensed Financial Statements  
For the Half Year Ended 30 June 2023**

**12. Related parties**

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 or their close family members.

The following transactions occurred with related parties:

	30 Jun 2023 MYR	31 Dec 2022 MYR
<b>Payable to or receivable from related parties at period end</b>		
Directors' loans and fee accruals (Payables)	472,412	311,040
Top ATC Industries Sdn Bhd (Payables)	3,032,621	494,402
Top ATC Industries Sdn Bhd (Convertible notes payable including interest)	2,385,013	-
Cilicon Ltd (Receivables)	1,100,853	841,578

Loans and payable balances with Director related entities are unsecured, non-interest bearing, and subject to moratoriums on repayment as described in note 7.

	30 Jun 2023 MYR	30 Jun 2022 MYR
<b>Transactions occurring during the period:</b>		
Key management personnel remuneration	992,600	354,600

**13. Events after reporting period**

Refer to the Directors' report for other matters occurring after the period end. Except for the matters stated therein, no other matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.



**Directors' Declaration**  
**Half Year Ended 30 June 2023**

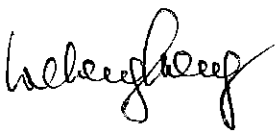
The Directors of the Company declare that:

The half-year financial statements and notes, as set out on pages 5 to 12 are in accordance with the Corporations Act 2001 including:

- complying with Accounting Standards AASB134: Interim Financial Reporting and the Corporations regulation 2001; and
- giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the half-year ended on that date.

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

This declaration is made in accordance with a resolution of the Board of Directors.



Cheng Pheng Loi

Director

Dated this 13th Day of September 2023

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ADVANCETC LIMITED

### REPORT ON THE HALF-YEAR FINANCIAL REPORT

#### **Conclusion**

We were engaged to review the half-year condensed financial report of AdvanceTC Limited and its controlled entities (the 'Group'), which comprises the consolidated condensed statement of financial position as at 30 June 2023, the consolidated condensed statement of profit or loss and other comprehensive income, the consolidated condensed statement of changes in equity and the consolidated condensed statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the Directors' Declaration of the Group.

We do not express a conclusion on the accompanying condensed half-year financial report of the Group. Due to the significance of the matters described in the Basis of Disclaimer of Conclusion section of our report, we have not been able to perform sufficient appropriate review procedures necessary to provide a basis for a review conclusion on the half-year financial report.

#### **Basis for Disclaimer of Conclusion**

##### *Going concern*

Note 3(b) to the half-year financial report discloses conditions that indicate the existence of material uncertainties relating to the continuing use of the going concern assumption in preparation of these financial report. We have been unable to obtain sufficient appropriate review evidence to support management's assessment of the Group's ability to continue as a going concern.

We consider the impact of the above matter to be material and pervasive to the condensed consolidated financial statements of the Group.

We were engaged to perform our review in accordance with ASRE 2410 *Review of Financial Report Performance by the Independent Auditor of the Entity*. Our responsibilities under those standards 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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our review of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporation Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

## ***Responsibility of the Directors for the half-year Financial Report***

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## ***Auditor's Responsibility for the Review of the half-year Financial Report***

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Company's financial position as at 30 June 2023 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*.

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.

LNP Audit and Assurance Pty Ltd



Anthony Rose  
Director

Sydney, 13 September 2023