

APPENDIX 4D

WISEWAY GROUP LIMITED

For the period ended 31 December 2022

Details of reporting period

Current reporting period	1 July 2022 to 31 December 2022
Prior reporting period	1 July 2021 to 31 December 2021

Results for announcement to the market

Wiseway Group Limited ("the Group") and its subsidiaries, presents its results for the period 1 July 2022 to 31 December 2022. The Group's revenue and earnings before interest, tax, depreciation and amortisation (EBITDA) for the six months ended 31 December 2022 were \$54,991,000 (1 July to 31 December 2021: \$77,887,000) and \$506,000 (1 July to 31 December 2021: \$5,835,000) respectively. The loss for the Group for the six months ended 31 December 2022 after providing for income tax amounted to \$3,652,000 (1 July to 31 December 2021: profit of \$1,753,000).

Reconciliation of statutory (loss)/profit for the period to EBITDA

	Six months ended 31 December 2022	Six months ended 31 December 2021	Movement
	\$'000	\$'000	\$'000
Profit/(loss) for the period	(3,652)	1,753	(5,405)
Interest	1,101	635	466
Depreciation expense	3,057	2,710	347
Tax Expense (Benefit)	-	737	(737)
EBITDA	<u>506</u>	<u>5,835</u>	<u>(5,329)</u>

	Six months ended 31 December 2022	Six months ended 31 December 2021	Movement
	\$'000	\$'000	\$'000
Statutory Financial Results			
Revenue from ordinary activities	54,991	77,887	(22,896)
Profit/(loss) from ordinary activities after tax	(3,652)	1,753	(5,405)
Net profit/(loss) for the period attributable to members	(3,652)	1,757	(5,409)

WISEWAY GROUP LIMITED
ABN 26 624 909 682

	Six months ended 31 December 2022	Six months ended 31 December 2021	Movement
	Cents	Cents	%
Basic earning per share	(2.18)	1.22	-279%
Diluted earning per share	(2.18)	1.22	-279%

Dividends

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

Net tangible assets

	Six months ended 31 December 2022	Six months ended 31 December 2021	Movement
	Cents	Cents	%
Net tangible assets per security	10.71	18.12	(40.9%)

Audit qualification or review

The financial statements have been reviewed by KPMG and the Independent Auditors' Review Report is included as part of the Interim Financial Report attached.

Attachments

This Appendix 4D is provided in accordance with ASX Listing Rule 4.2A and is to be read in conjunction with the Interim Financial Report for the current period ended 31 December 2022, where additional disclosures are provided, and any market announcements made by the Company in accordance with continuous disclosure obligations.

The interim financial report is attached below.

Signed in accordance with a resolution of the directors:



Astrid Raetze
Chair of the Board



Florence Tong
Managing Director

Dated at Sydney this 28th February 2023

Dated at Sydney this 28th February 2023

WISEWAY GROUP LIMITED
ABN 26 624 909 682

WISEWAY GROUP LIMITED

ABN 26 624 909 682

INTERIM FINANCIAL REPORT

31 DECEMBER 2022

CONTENTS

Directors' Report.....	3
Lead Auditor's Independence Declaration.....	6
Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income.....	7
Condensed Consolidated Interim Statement of Financial Position.....	8
Condensed Consolidated Interim Statement of Changes in Equity.....	9
Condensed Consolidated Interim Statement of Cash Flows.....	11
Notes to the Condensed Consolidated Interim Financial Statement.....	12
Directors' Declaration.....	23
Independent Auditor's Review Report.....	24
Corporate Directory.....	26

DIRECTORS' REPORT

The Directors present their report together with the consolidated interim financial statements of the Group, comprising of Wiseway Group Limited (the "Company") and its controlled entities, for the six months ended 31 December 2022 and the auditor's review report thereon.

1. Directors

The Directors of the Company at any time during or since the end of the financial reporting period are:

Name of Director	Position
Florence Tong	Managing Director
Astrid Raetze	Non-Executive Chair (existing director appointed as Chair on 27 February 2023)
Jim Tong	Non-Executive Director (appointed 27 February 2023)
Brandon Teo	Non-Executive Director
Ken Tong	Non-Executive Director (resigned 27 February 2023)

2. Principal activities

The principal activities of the Group during the financial reporting period were the movement of goods by freight to cater to the needs of those interstate or overseas. There were no significant changes in the nature of the activities of the Group during the financial reporting period.

3. Review of operations

a) Financial results

The Group's revenue and earnings before interest, tax, depreciation, and amortisation (EBITDA) for the six months ended 31 December 2022 were \$54,991,000 (1H2022: \$77,887,000) and EBITDA of \$506,000 (1H2022: \$5,835,000) respectively. The loss for the Group for the six months ended 31 December 2022 after providing for income tax amounted to \$3,652,000 (1H2022: profit of \$1,753,000).

	Six months ended 31 December 2022	Six months ended 31 December 2021	Movement
	\$'000	\$'000	\$'000
(Loss)/profit for the period	(3,652)	1,753	(5,405)
Interest	1,101	635	466
Depreciation expense	3,057	2,710	347
Tax Expense	-	737	(737)
EBITDA	<u>506</u>	<u>5,835</u>	<u>(5,329)</u>

DIRECTORS' REPORT (Continued)

3. Review of operations (continued)

b) Outlook

In 1H23, the Group has taken the necessary steps to accelerate its business turnaround efforts, improve its management capabilities, and take advantage of the opportunities that have followed Wiseway's strategic investment program.

Combined with a strengthened finance function, this has allowed for cross analysis of revenue streams and associated costs on a weekly basis enabling management and operations to act on the detailed picture that this work presents.

The strategic investment program of the Group has allowed our operations to expand to include 11 cities across five countries. The Group is expected to benefit from a strengthening of geopolitical relations between Australia and China under the new Australian Federal Government. This, combined with China's reopening from its 'Zero COVID' policy, has resulted in Wiseway observing encouraging increased demand from China for Australian products and the Group's highly regarded integrated freight and logistics offerings.

Wiseway's strategic investment program has also enabled the Group to reap benefits associated with shifts in consumer preferences and the ongoing rise of e-commerce. Our proprietary technology is the foundation of an ongoing integration of our operations with those of our business partners and other entities across the supply chain.

c) Covid-19 Update

As an essential service provider during the COVID-19 pandemic, Wiseway has continued to operate its import and export services between Australia and Asia, despite the ongoing and continued disruptions to the traditional trade pathways between the two regions, and ongoing lockdowns in our operations in China.

Despite that, Wiseway continues to lead in the trade industry and relations between Australia and the Asia Pacific, by offering its customers a combination of service options and alternative freight routes.

Wiseway continues to prioritise the safety and well-being of its staff in different regions, with carefully developed operational 'COVID-19 safe' procedures put in place. This has ensured a safe operating environment to employees and ensured safe, reliable, and high-quality service to its customers.

4. Events after the reporting period

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

5. Rounding

The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the condensed consolidated interim financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

DIRECTORS' REPORT (Continued)

6. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 6 and forms part of the Directors' report for the six months ended 31 December 2022.

Signed in accordance with a resolution of the directors:



Astrid Raetze
Chair of the Board



Florence Tong
Managing Director
Dated at Sydney this 28th February 2023

Dated at Sydney this 28th February 2023



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Wiseway Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Wiseway Group Limited for the half year period ended 31 December 2022 there have been:

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

KPMG

KPMG

Malcolm Kafer

Partner

Sydney

28 February 2023

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2022

		Six months ended 31 December 2022	Six months ended 31 December 2021
	Note	\$'000	\$,000
Revenue	6	54,991	77,887
Direct transport and logistics expenses		(39,373)	(59,246)
Employee benefit expenses	7	(10,273)	(10,716)
Occupancy expenses		(1,112)	(701)
Depreciation expense		(3,057)	(2,710)
Share-based payments expense		(6)	(21)
Administration and other expenses		(3,721)	(1,368)
Operating (loss)/profit		<u>(2,551)</u>	<u>3,125</u>
Finance costs		(1,101)	(635)
(Loss)/profit before tax		<u>(3,652)</u>	<u>2,490</u>
Income tax benefit / (expense)	8	-	(737)
(Loss)/profit for the period		<u>(3,652)</u>	<u>1,753</u>
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Foreign operations - foreign currency translation differences		66	(5)
Other comprehensive (loss) / income for the period		<u>66</u>	<u>(5)</u>
Total comprehensive (loss)/profit for the period		<u>(3,586)</u>	<u>1,748</u>
(Loss)/Profit attributable to:			
Owners of the Company		(3,652)	1,757
Non-controlling interests		-	(4)
		<u>(3,652)</u>	<u>1,753</u>
Total comprehensive (loss)/profit attributable to:			
Owners of the Company		(3,586)	1,752
Non-controlling interests		-	(4)
		<u>(3,586)</u>	<u>1,748</u>
Basic earnings per share (cents)		(2.18)	1.22
Diluted earnings per share (cents)		(2.18)	1.22

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

WISEWAY GROUP LIMITED

ABN 26 624 909 682

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	31 December 2022 \$'000	30 June 2022 \$'000
Assets			
Current assets			
Cash and cash equivalents	9	10,341	6,933
Trade and other receivables	10	12,768	9,507
Inventories		152	227
Other assets		4,475	3,677
Financial assets	11	-	740
Tax refundable		325	-
Total current assets		<u>28,061</u>	<u>21,084</u>
Non-current assets			
Other assets		2,766	3,196
Financial assets	11	133	451
Property, plant and equipment	12	<u>40,219</u>	<u>36,900</u>
Total non-current assets		<u>43,118</u>	<u>40,547</u>
Total assets		<u>71,179</u>	<u>61,631</u>
Liabilities			
Current liabilities			
Trade and other payables	13	13,227	7,659
Loans and borrowings	14	6,067	4,845
Employee benefits		1,284	1,667
Provisions		677	677
Current tax liabilities		-	226
Total current liabilities		<u>21,255</u>	<u>15,074</u>
Non-current liabilities			
Loans and borrowings	14	31,766	24,889
Employee benefits		236	188
Total non-current liabilities		<u>32,002</u>	<u>25,077</u>
Total liabilities		<u>53,257</u>	<u>40,151</u>
Net assets		<u>17,922</u>	<u>21,480</u>
Equity			
Share capital	15	30,066	30,044
Share-based payments reserve		1,541	1,535
Foreign currency translation reserve		96	30
Accumulated losses		(13,751)	(10,099)
Equity attributable to owners of the Company		<u>17,952</u>	<u>21,510</u>
Non-controlling interests		<u>(30)</u>	<u>(30)</u>
Total equity		<u>17,922</u>	<u>21,480</u>

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

WISEWAY GROUP LIMITED
 ABN 26 624 909 682

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2022

	Note	Share capital	Share-based payments reserve	Foreign Currency Translation reserve	Retained earnings / (Accumulated losses)	Total	Non-controlling interests	Total equity
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2022		30,044	1,535	30	(10,099)	21,510	(30)	21,480
Comprehensive income								
Loss for the period		-	-	-	(3,652)	(3,652)	-	(3,652)
Other comprehensive income for the period		-	-	66	-	66	-	66
Total comprehensive loss for the period		-	-	66	(3,652)	(3,586)	-	(3,586)
Transactions with owners, in capacity as owners								
Share capital contributed via employee share scheme/bonuses		22	-	-	-	22	-	22
Share-based payments		-	6	-	-	6	-	6
Dividends paid		-	-	-	-	-	-	-
Total transactions with the owners		22	6	-	-	28	-	28
Balance at 31 December 2022		30,066	1,541	96	(13,751)	17,952	(30)	17,922

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2022

Note	Share capital	Share-based payments reserve	Foreign Currency Translation reserve	Retained earnings / (Accumulated losses)	Total	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2021	26,027	1,488	4	(2,011)	25,508	(22)	25,486
Comprehensive income							
Profit for the period	-	-	-	1,757	1,757	(4)	1,753
Other comprehensive income for the period	-	-	(5)	-	(5)	-	(5)
Total comprehensive income for the period	-	-	26	1,757	1,753	(4)	1,748
Transactions with owners, in capacity as owners							
Share capital contributed via employee share scheme/bonuses	66	-	-	-	66		66
Consideration paid in shares for the acquisition of TAF-E	144	-	-	-	144		144
Share-based payments	-	21	-	-	21		21
Total transactions with the owners	210	21			231		231
Balance at 30 June 2022	26,237	1,509	(1)	(254)	27,492	(26)	27,465

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the six months ended 31 December 2022

	Note	Six months ended 31 December 2022 \$'000	Six months ended 31 December 2021 \$'000
Cash flows from operating activities			
Cash receipts from customers		52,131	78,732
Cash paid to suppliers and employees		<u>(50,838)</u>	<u>(79,860)</u>
Cash generated from operating activities		1,293	(1,128)
Interest paid		(1,007)	(635)
Interest Received	6	6	-
Income taxes paid		<u>(551)</u>	<u>-</u>
Net cash (used in)/from operating activities		<u>(259)</u>	<u>(1,763)</u>
Cash flows from investing activities			
Payments for purchase of business, net of cash acquired		-	(46)
Proceeds from sale of property, plant & equipment		634	-
Acquisition of property, plant and equipment		(320)	(172)
Proceeds from /(Payment) of term deposits		475	(722)
Proceeds from /(Payment) of other assets		<u>908</u>	<u>-</u>
Net cash from/(used) in investing activities		<u>1,697</u>	<u>(940)</u>
Cash flows from financing activities			
Proceeds from loans and borrowings		4,926	2,600
Repayment of loans and borrowings		(1,679)	(6,310)
Payment of lease liabilities		<u>(1,288)</u>	<u>(1,257)</u>
Net cash from/(used in) financing activities		<u>1,959</u>	<u>(4,967)</u>
Net increase/(decrease) in cash and cash equivalents		3,397	(7,670)
Cash and cash equivalents at beginning of the period		6,933	9,934
Effects of movements in exchange rates on cash held		11	(1)
Cash and cash equivalents at end of the period		<u>10,341</u>	<u>2,263</u>

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

For the six months ended 31 December 2022

1. Corporate information

The condensed consolidated interim financial statements for the six months ended 31 December 2022 comprises of Wiseway Group Limited (the "Company") and its controlled entities (the "Group"). The address of the Company's registered office is 39-43 Warren Avenue, Bankstown, NSW 2200. The Company is a listed public company, incorporated and domiciled in Australia.

2. Basis of preparation

These interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. They do not include all of the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2022. The full accounting policies of the Group are set out in the latest financial report for the year ended 30 June 2022.

The current period is for the six months ended 31 December 2022. The comparative half year is for the period 1 July 2021 to 31 December 2021.

These interim financial statements were authorised for issue by the Group's Board of Directors on 28 February 2023.

Going concern basis of accounting

These financial statements have been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The trading loss and the net cash outflow from operating activities have been driven by factors outside of management's control, including expanded COVID-19 lockdown measures in China and inflationary pressures.

Management believes that business performance will improve in calendar year 2023 following the ending of China's COVID-19 lockdown measures. Indications are that sales volumes are rising. Further, management has prepared a detailed cash flow forecast for the next 12 months which indicates that the Group has the ability to meet its debts as and when they fall due.

Even though the forecast based on normal trading activities indicates that the going concern basis of accounting remains appropriate, management continues with its implementation of measures to further support that conclusion, including right sizing of specific staff and assets, consolidation of contracted services and exploring additional financing opportunities.

Accordingly, the Directors have prepared the financial statements on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the six months ended 31 December 2022

3. Use of judgements and estimates

In preparing these interim financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

4. Changes in significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2022.

5. Operating segments

The Group manages its operations as a single business operation and there are no parts of the Group that qualify as operating segments under AASB 8 Operating Segments. The Managing Director and Chief Executive Officer (Chief Operating Decision Maker or 'CODM') assesses the financial performance of the Group on an integrated basis only and accordingly, the Group is managed on the basis of a single segment, being the provision of freight forwarding services.

For the six months ended 31 December 2022

6. Revenue

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group generates revenue primarily from the provision of freight forwarding services to its customers. Other sources of revenue include interest income from term deposits, proceeds from sale of property, plant and equipment and rental income.

	Six months ended 31 December 2022	Six months ended 31 December 2021
	\$'000	\$'000
Revenue from contracts with customers	54,056	77,576
Other revenue		
Interest income	6	1
Other income	929	310
	<u>935</u>	<u>311</u>
Total revenue	<u>54,991</u>	<u>77,887</u>

a) Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by service type.

	Six months ended 31 December 2022	Six months ended 31 December 2021
	\$'000	\$'000
Air freight - general cargo	22,105	44,287
Air freight - perishables	17,597	19,497
Sea freight	3,813	3,052
Road freight	2,890	3,178
Imports	7,651	7,562
	<u>54,056</u>	<u>77,576</u>

For the six months ended 31 December 2022

7. Employee benefit expenses

	Six months ended 31 December 2022	Six months ended 31 December 2021
	\$'000	\$'000
Salaries and wages	6,952	5,527
Contractor costs	2,739	4,102
Contributions to superannuation funds	553	418
(Decrease)/increase in employee benefits	(335)	139
Other employee expenses	364	530
	<u>10,273</u>	<u>10,716</u>

8. Income taxes

a) Amounts recognised in profit or loss

	Six months ended 31 December 2022	Six months ended 31 December 2021
	\$'000	\$'000
Current tax expense	-	807
Changes in estimates to prior year	-	-
	<u>-</u>	<u>807</u>
Deferred tax expense		
Deferred tax (benefit)/expense	-	(70)
Income tax (benefit)/expense	<u>-</u>	<u>737</u>

For the six months ended 31 December 2022

8. Income taxes (continued)

b) Reconciliation of effective tax rate

	Six months ended 31 December 2022	Six months ended 31 December 2021
	\$'000	\$'000
(Loss)/profit before tax	(3,652)	2,490
Group's effective tax rate of 30%	1,096	(747)
Tax effect of:		
Non-deductible expenses	-	(4)
Derecognition of deferred tax assets	(1,096)	-
Other	-	14
	-	(737)

9. Cash and Cash Equivalents

	31 December 2022	30 June 2022
	\$'000	\$'000
Bank balances	10,341	6,933

10. Trade and other receivables

	31 December 2022	30 June 2022
	\$'000	\$'000
Trade receivables	13,318	9,431
Less: Provision for doubtful debts	(1,554)	(1,250)
Net trade receivables	11,764	8,181
Net GST receivables	567	556
Loan from related party	237	155
Other receivables	200	615
	12,768	9,507

For the six months ended 31 December 2022

11. Financial assets

	31 December 2022 \$'000	30 June 2022 \$'000
Current		
Term deposit	-	740
Non-current		
Term deposit bank guarantee	133	451

12. Property, plant and equipment

	Land and buildings \$'000	Right-of- use assets \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Total \$'000
Cost						
Balance at 1 July 2022	11,327	21,295	6,963	4,167	13,938	57,690
Additions	-	8,178	-	260	102	8,540
Effect of changes in foreign currency rates	-	-	-	7	1	8
Disposals	-	(3,056)	-	-	(934)	(3,990)
Balance at 31 December 2022	11,327	26,417	6,963	4,434	13,107	62,248
Accumulated depreciation						
Balance at 1 July 2022	(1,846)	(6,254)	(2,527)	(1,713)	(8,450)	(20,790)
Effect of changes in foreign currency rates	-	1	-	59	-	60
Depreciation	(283)	(1,436)	(348)	(336)	(654)	(3,057)
Disposals	-	951	-	-	807	1,758
Balance at 31 December 2022	(2,129)	(6,738)	(2,875)	(1,990)	(8,297)	(22,029)
Carrying amounts at 31 December 2022	9,198	19,679	4,088	2,444	4,810	40,219

For the six months ended 31 December 2022

12. Property, plant and equipment (continued)

	Land and buildings	Right-of- use assets	Leasehold improvements	Plant and equipment	Motor vehicles	Total
Cost	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2021	11,327	20,121	6,907	3,894	13,800	56,049
Additions	-	1,280	56	259	193	1,788
Effect of changes in foreign currency rates	-	(106)	-	(2)	(1)	(109)
Addition through business combination	-	-	-	18	-	-
Disposals	-	-	-	(2)	(54)	(56)
Balance at 30 June 2022	11,327	21,295	6,963	4,167	13,938	57,690
Accumulated depreciation						
Balance at 1 July 2021	(1,280)	(3,970)	(1,841)	(1,146)	(6,965)	(15,202)
Effect of changes in foreign currency rates		18				18
Depreciation	(566)	(2,302)	(686)	(567)	(1,539)	(5,660)
Disposals					54	54
Balance at 30 June 2022	(1,846)	(6,254)	(2,527)	(1,713)	(8,450)	(20,790)
Carrying amounts at 30 June 2022	9,481	15,041	4,436	2,454	5,488	36,900

For the six months ended 31 December 2022

13. Trade and other payables

	31 December 2022	30 June 2022
	\$'000	\$'000
Trade payables	7,188	3,669
Other payables	6,039	3,990
	<u>13,227</u>	<u>7,659</u>

14. Loans and borrowings

	31 December 2022	30 June 2022
	\$'000	\$'000
Current liabilities		
Secured bank loans	3,493	2,760
Lease liabilities	2,574	2,085
	<u>6,067</u>	<u>4,845</u>
Non-current liabilities		
Secured bank loans	13,447	10,657
Lease liabilities	18,319	14,232
	<u>31,766</u>	<u>24,889</u>

The secured bank loans of \$16.94 million are secured over the assets of Wiseway Group Limited and Wiseway Logistics Pty Ltd including Land and Buildings and Motor Vehicles.

The vehicle loans mature between 36-60 months whilst the commercial property facility expires in 2025. Interest is fixed for motor vehicle loans with commercial property facility set equal to BBSY + 1.45% of drawn funds.

There are no covenants on the loan.

For the six months ended 31 December 2022

14. Loans and borrowings (continued)

a) Lease liabilities

Lease liabilities are payable as follows:

	Future minimum lease payments	Total future interest	Present value of minimum lease payments
	31 December 2022	31 December 2022	31 December 2022
	\$'000	\$'000	\$'000
Less than one year	3,548	(974)	2,574
Between one and five years	14,005	(3,128)	10,877
More than five years	8,583	(1,141)	7,442
	<u>26,136</u>	<u>(5,243)</u>	<u>20,893</u>

	Future minimum lease payments	Total future interest	Present value of minimum lease payments
	30 June 2022	30 June 2022	30 June 2022
	\$'000	\$'000	\$'000
Less than one year	3,355	(781)	2,574
Between one and five years	10,020	(1,996)	8,024
More than five years	6,351	(632)	5,719
	<u>19,726</u>	<u>(3,409)</u>	<u>16,317</u>

For the six months ended 31 December 2022

15. Capital and reserves

Date	Details	Ordinary shares	Issue Price	\$'000
1 July 2022	Opening Balance	167,293,872	-	30,044
1 December 2022	Share capital contributed via payment of bonuses paid in lieu of cash	-	0.07	22
31 December 2022	Closing Balance	<u>167,293,872</u>		<u>30,066</u>

Date	Details	Ordinary shares	Issue Price	\$'000
01-Jul-21	Opening balance	143,818,769	-	26,027
6-Aug-21	Shares issued in business combination (TAF)	400,000	0.36	144
01-Apr-22	Share capital contributed via payment of bonuses paid in lieu of cash	-	-	70
10-Jun-22	Ordinary shares issued - rights issue	23,075,103	0.17	3,923
10-Jun-22	Share transaction cost	-	-	(120)
30-Jun-22	Closing balance	<u>167,293,872</u>	-	<u>30,044</u>

16. Contingency

	31 December 2022	30 June 2022
	\$'000	\$'000
Bank guarantees	133	451
	<u>133</u>	<u>451</u>

The bank guarantees relate to term deposits provided as security for leases for rented premises and cargo flights.

For the six months ended 31 December 2022

17. Related parties

The Executive Directors, or their related parties, hold positions in other entities that result in them having control or joint control over these entities.

A number of these related parties transacted with the Group during the six months ended 31 December 2022.

RTF Investment Management Pty Limited as trustee for RFT Trust, a trust of which Roger Tong and Florence Tong are the beneficiaries, provided leased commercial premises to the Group on normal commercial terms and conditions. As at 31 December 2022, the rental expense payable to RFT Investment Management Pty Limited was \$903,723 (30 June 2022: \$28,908).

The Group has historically provided and/or received short-term loans to or from Roger Tong and Florence Tong. The loans are unsecured, repayable on demand and interest free. As at 31 December 2022 the outstanding balance due to Executive Directors was \$609 (30 June 2022: due from Executive Directors \$7,871).

18. Subsequent Events

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

DIRECTORS' DECLARATION

In the opinion of the directors of Wiseway Group Limited (the "Company"):

- a) the condensed consolidated interim financial statements and notes set out on pages 7 to 22 are in accordance with the Corporations Act 2001, including:
 - i. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001;
 - ii. giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the six month period ended on that date; and
- b) 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 the directors:



Astrid Raetze
Chair of the Board
Dated at Sydney this 28th February 2023



Florence Tong
Managing Director
Dated at Sydney this 28th February 2023



Independent Auditor's Review Report

To the shareholders of Wiseway Group Limited

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Wiseway Group Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Wiseway Group Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2022 and of its performance for the half year period ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed consolidated interim statement of financial position as at 31 December 2022;
- Condensed consolidated interim statement of profit or loss and other comprehensive income, Condensed consolidated interim statement of changes in equity and Condensed consolidated interim statement of cash flows for the half year period ended on that date
- Notes 1 to 18 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises Wiseway Group Limited (the Company) and the entities it controlled at the period end or from time to time during the half year period.

The half year period is the 6 months ended on 31 December 2022.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim 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 Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half year period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim 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.

KPMG

KPMG

Malcolm Kafer

Partner

Sydney

28 February 2023

CORPORATE DIRECTORY

Directors

Astrid Raetze
Independent Non-Executive Chair of the Board

Florence Tong
Executive Director and Managing Director

Brandon Teo
Independent Non-Executive Director

Jim Tong
Non-Executive Director

Company secretary
Ken Tong
Company Secretary

Registered Office

Wiseway Group Limited
39-43 Warren Avenue
Bankstown NSW 2000

Auditor

KPMG
Level 38, Tower 3
International Towers Sydney
300 Barangaroo Avenue
Sydney NSW 2000

Share Registry

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000