



Kresta Holdings Limited
ACN 008 675 803

Half-Year Financial Report

30 June 2021

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Corporate information

ABN 26 008 675 803

Directors

Xianfeng Lu, Executive Chairman
MingMing Zhang, Executive Director
Linling Ye, Non-executive Director

Company Secretary

Tao Li

Registered Office and Principal Place of Business

380 Victoria Road
Malaga WA 6090
Australia
Phone: +61 8 6370 2614
Website: www.kresta.com.au

Share Register

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth WA 6000
Phone: +61 8 9323 2000

Kresta Holdings Limited was removed from the Australian Securities Exchange (ASX) official listing on 16 September 2020.

Bankers

Commonwealth Bank of Australia Limited
Level 2
300 Murray Street
Perth WA 6000

Auditors

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco
WA 6008

Solicitors

K&L Gates
Level 32, 44 St Georges Terrace
Perth WA 6000

Directors' report

The directors of Kresta Holdings Limited and its subsidiaries ("The Group") submit their report for the half-year ended 30 June 2021.

Directors

The names of the Company's directors in office during the half-year and until the date of this report are:

Xianfeng Lu (Executive Chairman)

MingMing Zhang (Director)

Linling Ye (Non-executive Director)

The directors were in office from the beginning of the half-year until the date of this report, unless otherwise stated.

Principal activities

The principal activities during the half-year of entities within the Group was the distribution and retailing of window coverings, treatments and components.

There have been no significant changes in the nature of those activities during the period.

Review and results of operations

The Group has been a leading retailer of window furnishings for over 40 years. It markets and sells through a large number of outlets located throughout Australia and also has a presence in New Zealand. The Group sources finished products from local and overseas contract suppliers at competitive prices and acceptable delivery time to customers. The Group has been focusing on product delivery including increased efficiency and accuracy via its self-developed customer management software and has been improving in product lead time since 2019.

The Group recorded revenue of \$16,930,000 (2020: \$12,413,000) which was 36.39% higher than the corresponding period. The performance of the first half of 2020 was greatly affected by the outbreak of Covid-19. However, the Group has been in the stage of recovery from the pandemic since early 2021.

The Group recorded a net profit for the period of \$1,197,000 which compared with a net loss after tax of \$128,000 for the comparative period.

On a cashflow basis, the Company recorded a cash outflow of \$307,000 reflecting the operating performance of the business. Cash at the end of the period was \$1,709,000.

Events after reporting date

Subsequent to half year end, the world and local community has been continuously impacted by COVID-19 pandemic. The Group has been continuing to monitor the impact of COVID-19 on its operations and has been trying to minimise the impact and is well placed financially to sustain short term disruptions to its operations.

The Group has followed the various measures undertaken by the government to prevent the spread of COVID-19 through lockdowns, social isolation and distancing measures. Given the better control of COVID-19 in Australia and various grants and financial supports by Australian government, the Group is in a stable position to continue its operation and strategic plan.

Other than the matters raised above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Rounding

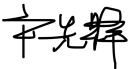
The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) unless otherwise stated under the option available to the Group under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Group is an entity to which the ASIC Instrument applies.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporation Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

Signed in accordance with a resolution of the directors.



Xianfeng Lu
Executive Chairman
30 September 2021
Perth

To the Board of Directors

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

As lead audit Partner for the audit of the financial statements Kresta Holdings Limited for the financial year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully


HALL CHADWICK WA AUDIT PTY LTD


CHRIS NICOLOFF CA
Partner

Dated this 30th day of September 2021

Condensed consolidated statement of comprehensive income

For the half-year ended 30 June 2021

		Consolidated	
	Note	June 2021 \$000	June 2020 \$000
Continuing operations			
Revenue from contracts with customers	3a	16,930	12,413
Revenue		16,930	12,413
Other income	3b	1,418	3,615
Changes in inventories of finished goods		-	(280)
Finished goods and consumables used		(8,063)	(5,899)
Employee benefits expense	3c	(5,125)	(5,253)
Depreciation and amortisation charge	3d	(1,306)	(1,735)
Other expenses	3e	(2,324)	(2,563)
Results from operating activities		1,530	298
Finance income		6	2
Finance costs		(339)	(428)
Net finance expense	3f	(333)	(426)
Profit/(Loss) before income tax		1,197	(128)
Income tax benefit/(expense)		-	-
Net Profit/(loss) for the period from continuing operations		1,197	(128)
Discontinued operations			
Loss after tax for the period from discontinued operations		-	-
Net profit/(loss) for the period		1,197	(128)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net foreign currency translation		-	4
Other comprehensive income		-	4
Total comprehensive profit/(loss) for the period		1,197	(124)
Total comprehensive profit/(loss) attributable to owners of the Group		1,197	(124)
Earnings/(Loss) per share for profit/(loss) attributable to the ordinary equity holders of the parent:			
Basic earnings/(loss) per share (cents per share)			
- Continuing operations		0.80	(0.09)
		0.80	(0.09)

KRESTA HOLDINGS LIMITED – HALF YEAR REPORT

	June 2021 \$000	June 2020 \$000
Diluted earnings/(loss) per share (cents per share)		
- Continuing operations	0.80	(0.09)
	<u>0.80</u>	<u>(0.09)</u>

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed consolidated statement of financial position

As of 30 June 2021

		Consolidated	
	Note	June 2021 \$000	December 2020 \$000
ASSETS			
Current assets			
Cash and cash equivalents	4	1,709	1,985
Trade and other receivables		144	340
Inventories	5	649	551
Prepayments		125	339
Total current assets		2,627	3,215
Non-current assets			
Property, plant and equipment		362	505
Right of use asset	12	6,692	10,112
Intangible assets and goodwill		115	55
Other assets	6	2,046	1,968
Total non-current assets		9,215	12,640
TOTAL ASSETS		11,842	15,855
LIABILITIES			
Current liabilities			
Trade and other payables	8	6,896	5,444
Interest-bearing loans and borrowings	11	123	3
Provisions		1,194	1,163
Lease liabilities	12	2,147	2,571
Total current liabilities		10,360	9,181
Non-current liabilities			
Interest-bearing loans and borrowings	11	10,524	13,749
Provisions		457	476
Lease liabilities	12	5,994	9,170
Total non-current liabilities		16,975	23,395
TOTAL LIABILITIES		27,335	32,576
NET LIABILITIES		(15,493)	(16,721)
EQUITY			
Contributed equity	10	12,892	12,892
Reserves		(99)	(130)
Accumulated losses		(28,286)	(29,483)
TOTAL EQUITY		(15,493)	(16,721)

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

Condensed consolidated statement of changes in equity

For the half-year ended 30 June 2021

	Ordinary shares	Employee equity benefits reserve	Foreign currency translation reserve	Accumulated losses	Total
	\$000	\$000	\$000	\$000	\$000
at 1 January 2021	12,892	495	(625)	(29,483)	(16,721)
Profit for the period	-	-	-	1,197	1,197
Other comprehensive profit	-	-	31	-	31
Total comprehensive profit for the period	-	-	31	1,197	1,228
at 30 June 2021	12,892	495	(594)	(28,286)	(15,493)
Previously reported balances at 1 January 2020	12,892	495	(591)	(29,761)	(16,965)
Adjustments to balances in accordance with AASB 16	-	-	-	(997)	(997)
Restated balances at 1 January 2020	12,892	495	(591)	(30,758)	(17,962)
Loss for the period	-	-	-	(128)	(128)
Other comprehensive profit	-	-	4	-	4
Total comprehensive loss for the period	-	-	4	(128)	(124)
at 30 June 2020	12,892	495	(587)	(30,886)	(18,086)

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

Condensed consolidated statement of cash flows

For the half-year ended 30 June 2021

	Note	Consolidated	
		June 2021	June 2020
		\$000	\$000
Cash flows from operating activities			
Receipts from customers		20,838	15,015
Payments to suppliers and employees		(20,439)	(18,439)
Interest received	3f	6	2
Interest paid	3f	(339)	(428)
Government subsidies		1,030	1,311
Income tax paid		-	(80)
Net cash flows from/(used in) in operating activities		1,096	(2,619)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	102
Purchase of property, plant and equipment		(135)	(15)
Net cash flows (used in)/from investing activities		(135)	87
Cash flows from financing activities			
Proceeds from borrowings		-	2,500
Lease payments		(1,268)	(878)
Net cash flows (used in)/from financing activities		(1,268)	1,622
Net decrease in cash and cash equivalents		(307)	(910)
Net foreign exchange differences		31	-
Cash and cash equivalents at beginning of period		1,985	2,384
Cash and cash equivalents at end of period	4	1,709	1,474

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

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2021

1. Corporate information

This consolidated half-year report of Kresta Holdings Limited and its subsidiaries (collectively, the Group) for the half-year ended 30 June 2021 was authorised for issue in accordance with a resolution of the directors on 30 September 2021.

Kresta Holdings Limited is a company limited by shares incorporated in Australia whose shares were publicly traded on the Australian Stock Exchange. However, it was removed from the Australian Securities Exchange (ASX) official listing on 16 September 2020. Kresta Holdings Limited is a company domiciled in Australia. The address of the Company's registered office is 380 Victoria Road Malaga WA 6090.

The Group is a for-profit entity and the nature of the operations and principal activities of the Group are described in the directors' report.

2. Basis of preparation and accounting policies

(a) Basis of preparation

This half-year financial report for the half-year ended 30 June 2021 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year report does not include all the information and disclosures required in the annual financial report and should be read in conjunction with the Group's Annual Report for the year ended 31 December 2020.

The half-year financial report has been prepared on a historical cost basis. The half-year report is presented in Australian Dollars which is the Group's functional and presentation currency. All values are rounded to the nearest (\$000) except where otherwise indicated.

(b) Going concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a profit for the period of \$1,197,000 (2020: loss \$128,000) and net cash outflow of \$307,000 (2020: outflow \$910,000).

As of 30 June 2021, the Group has a working capital deficit of \$7,733,000 (2020: deficit \$5,966,000).

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to secure funds by raising capital from equity markets and managing cash flow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern. In the event the above matters are not achieved, the Group will be required to raise funds for working capital from debt or equity sources.

Following the removal from the official listing on 16 September 2020, the management has confidence that it is reasonable to sign the accounts on a going concern basis. With the changes from 30 June 2021 accounts sign-off, the following factors were considered in reaching this position:

- Financial support from the parent company Dream Curtain Holdings in the form of interest-bearing loan and the director, Xianfeng Lu personally remain in place
- Continued support from the Group's main creditor
- Business support from state governments in the form of subsidies and grants following the lockdowns in various states especially in the second half of 2021
- Rent relief and deferral introduced by various state governments
- The Group's continuing efforts in cost reduction
- Sales are expected to increase by 10% in 2022 compared to 2021 with the assumption that the government is going to open up the international border by the end of 2021

- The shutdown of a few non-performing stores has a direct impact on overhead costs
- In 2021 and beyond, the property market in Western Australia is expected to perform well and remains strong for the next 2 to 3 years where the market turnover is 65 days compared to 95 days 2 years ago

On 30 November 2020, the Supplement to the Deed of Parent Company Support was signed with Dream Curtain Holdings Co. Limited which is the parent company to consolidate the debts owed to major overseas creditors with total debts of more than \$13.7m.

This Supplement to the Deed was effective from 30 November 2020 until 31 December 2022. The interest is calculated at 1.5% p.a. commencing 31 October 2020 and is not required to be repaid until the expiry of the Supplement to the Deed.

Dream Curtain has also agreed to provide \$10 million of advancement should Kresta require any funds in the future under the Deed of parent company support which was signed on 28 October 2019.

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Group's history of raising capital to date, the directors are confident of the Group's ability to raise additional funds as and when they are required.

Should the Group be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

(c) Compliance with IFRS

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(d) New accounting standards and interpretations

(i) Standards and interpretations applicable to 30 June 2021

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

(ii) Standards and interpretations in issue not yet adopted

The Directors have reviewed all the new and revised standards and interpretations in issue not yet adopted for the half-year ended 30 June 2021. As a result of this review the Directors have determined there is no material impact of the new and revised standards and interpretations on the company and therefore no material change to Group accounting policies.

(e) Significant accounting judgments and estimates

The preparation of half-year report requires management to make 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 judgements, estimates and assumptions applied in the interim financial statement including key sources of estimation uncertainty were the same applied in the Group's last financial statements for the year ended 31 December 2020.

3. Revenue, income and expenses**Consolidated**

	June 2021 \$000	June 2020 \$000
(a) Revenue from contracts with customers		
The disaggregation of the Group's revenue from contracts with customers		
Installation of window coverings, treatments and components	16,930	12,413
	<u>16,930</u>	<u>12,413</u>
No reconciling items between revenue from contracts with customers and segments and segments disclosure		
(b) Other income		
Other income	388	2,304
Jobkeeper payment	1,030	1,311
	<u>1,418</u>	<u>3,615</u>
(c) Employee benefits expense		
Wages and salaries	4,027	4,597
Superannuation expense	335	383
Subcontractors fees and related expenses	1	1
Other employee benefits expense	762	272
	<u>5,125</u>	<u>5,253</u>
(d) Depreciation and amortisation charge		
Depreciation	143	226
Right of use amortisation	1,088	1,438
Amortisation of IT software	75	71
	<u>1,306</u>	<u>1,735</u>
(e) Other expenses		
Advertising	969	1,006
Property rent	62	44
Property outgoings	546	557
Communication expenses	174	204
Banking and transaction expenses	76	95
Foreign exchange losses	41	61
Other expenses	456	596
	<u>2,324</u>	<u>2,563</u>

(f) Net finance expense

	June 2021 \$000	June 2020 \$000
Finance income	6	2
Finance charges payable under finance loans	(240)	(323)
Related party loan and trade payables	(99)	(97)
Other	-	(8)
Finance costs	(339)	(428)
	(333)	(426)

4. Cash and cash equivalents

For the purpose of the half-year cash flows, cash and cash equivalent are comprised of the following:

	Consolidated	
	June 2021 \$000	December 2020 \$000
Cash at bank and on hand	1,709	1,985
Total cash and cash equivalents	1,709	1,985

Cash at bank earns interest at floating rates based on daily bank deposit rates. The carrying amounts of cash and cash equivalents approximate fair value.

5. Inventories

During the six months ended 30 June 2021, the Group decreased the obsolete stock provision to \$nil. (December 2020: \$nil).

	Consolidated	
	June 2021 \$000	December 2020 \$000
At lower of cost and net realisable value:		
Finished goods – at realisable value	649	551
Total inventories	649	551

6. Other assets

	Consolidated	
	June 2021 \$000	December 2020 \$000
Bank guarantee	1,026	952
Security deposit	1,020	1,016
Total other assets	2,046	1,968

7. Financial assets and financial liabilities**Fair Values**

The directors have concluded that the fair value of the financial assets and liabilities are not materially different to and approximate their carrying values. As of 30 June 2021, the Group had the same classes of financial instruments measured at fair value as disclosed in the 31 December 2020 annual report.

8. Trade and other payables

	June 2021 \$000	December 2020 \$000
Current		
Trade payables	2,849	1,439
Other payables	515	391
Customer deposits	3,323	3,488
Goods and service tax	209	126
	6,896	5,444

9. Dividends paid and proposed

No dividends were paid or proposed during the half – year (30 June 2020: \$nil)

10. Contributed equity**Ordinary Shares**

	June 2021 \$000	December 2020 \$000
Issued capital - ordinary shares	12,892	12,892

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Movement in ordinary shares on issue

	No. of shares	\$000
As of 1 January 2021	150,258,518	12,892
Shares issued during the period	-	-
As of 30 June 2021	150,258,518	12,892

11. Interest-bearing loans and borrowings

	Consolidated	
	June 2021 \$000	December 2020 \$000
Current		
Insurance finance loan (b)	123	3
	123	3
Non-current		
Related Party Loan (a)	10,524	13,749
	10,524	13,749

(a) Related Party Loan

On 28 October 2019, Van Dairy had transferred its 84.35% shareholding and loans to Dream Curtain Holdings Co., Limited (DCH) under an internal restructuring. DCH has agreed to help with Kresta's debts in favour of all other creditors of Kresta in order that Kresta may continue trading. DCH has also agreed to provide further \$10 million advancement should Kresta require.

On 30 November 2020, the Supplement to the Deed of Parent Company Support was signed for the purpose of consolidating various debts. Under this agreement, DCH has agreed to takeover the debts that Kresta owed to the major suppliers. The Supplement to the Deed was effective from 30 November 2020 until 31 December 2022 with the interest calculated at 1.5% commencing 31 October 2020. Kresta is not required to repay the loan until the expiry of the Supplement to the Deed.

(b) Insurance finance loan

Insurance finance loan is an unsecured loan that has a fixed rate of 3.35% (2020: 2.16%) and which is payable by 30 March 2022.

12. Right-of-use assets and lease liabilities

	Consolidated	
	June 2021 \$000	December 2020 \$000
Right-of-use Assets		
Non-current	6,692	10,112
Lease liabilities		
Current	2,147	2,571
Non-current	5,994	9,170
	8,141	11,741

13. Contingencies

There has been no change in contingent liabilities since annual reporting period (31 December 2020: \$nil).

14. Related party transactions

During the half year the group has been purchasing its finished goods from related parties Ningbo Zhexiang Trading Co., Limited.

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the half year are unsecured and interest free for the usual credit terms and settlement occurs in cash. There have been no guarantees received for any related party payables.

15. Operating Segments

The Group has identified its operating segment based on the management reports that are reviewed and used by the executive management team (chief operating decisions makers) in assessing performance and in determining the allocation of resources. Management has identified a single operating segment, which is manufacture and sales of window coverings and no segment report has therefore been included in the financial statements.

16. Events occurring after the reporting date

Subsequent to half year end, the world and local community has been continuously impacted by COVID-19 pandemic. The Group has been continuing to monitor the impact of COVID-19 on its operations and has been trying to minimise the impact and is well placed financially to sustain short term disruptions to its operations. Given the better control of COVID-19 in Australia and job keeper payment support by Australian government, the Group is in a stable position to continue its operation and strategic plan.

Other than the matters raised above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Directors' declaration

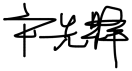
In accordance with a resolution of the directors of Kresta Holdings Limited, I state that:

In the opinion of the directors:

- (a) The financial statements and notes of Kresta Holdings Limited for the half-year ended 30 June 2021 are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the Group's financial position as of 30 June 2021 and of its performance for the half-year ended on that date; and
 - (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*
- (b) There are reasonable grounds to believe that Kresta Holdings Limited will be able to pay its debts as and when they become due and payable subject to the matters detailed in Note 2(b).

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

On behalf of the board



Xianfeng Lu
Executive Chairman

Perth, 30 September 2021

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF KRESTA HOLDINGS LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Kresta Holdings Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Kresta Holdings Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Kresta Holdings Limited financial position as at 30 June 2021 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

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 Company 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 that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations 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 Financial Report

The directors of the Kresta Holdings Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that 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 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 Consolidated Entity's financial position as at 30 June 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

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.


HALL CHADWICK WA AUDIT PTY LTD
Chartered Accountants


CHRIS NICOLOFF CA
Partner

Dated at Perth this 30th day of September 2021