Interim Financial Report
for the half year ended 31 December 2021

Contents

Directors' Report

The Directors present their report together with the Consolidated Interim Financial Report for the six months ended 31 December 2021 and the Independent Review Report thereon.

Directors

The Directors of Southern Cross Electrical Engineering Limited ("SCEE Group" or "the Company") during the interim period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Non-executive Directors

Mr Derek Parkin (Chairman)

Mr Simon Buchhorn

Mr Karl Paganin

Mr Paul Chisholm

Executive Directors

Mr Graeme Dunn (Managing Director)

Mr David Hammond (retired 5 November 2021)

Review of operations

Results for the half year ended 31 December 2021

Revenue for the half year was $253.0m, up 87% on the prior corresponding period and represents another record half year revenue for the Group surpassing the then record revenues of $234.8m in the second half of the 2021 financial year.

This was achieved despite subdued activity levels in parts of the East Coast business, with activity in the resources sector at high levels and contributions in the current period from the Trivantage businesses which were acquired in December 2020 and continue to perform strongly.

All three sectors increased on the prior corresponding period with key contributors as follows:

- Resources – revenue for the half year was $126m, more than triple the $39m in the prior corresponding period, making resources the largest sector for the first time since H1 in FY17. This growth was primarily driven by high levels of activity at the Albemarle Kemerton Lithium Plant and Rio Tinto Gudai-Darri but also included contributions from the BHP Villages Security Project awarded during the period and general works for Rio Tinto and BHP.
- Commercial – revenue for the half year was $81m, up from $64m in the prior corresponding period, with Trivantage's supermarket services business contributing in the current period. Activity on Sydney commercial buildings projects was impacted during the period by lockdowns, coronavirus restrictions and workforce isolation requirements however activity is now picking up.

- Infrastructure – revenue for the half year was $46m, up from $32m in the prior corresponding period. The Sydney Metro Pitt Street Station project remains in the early stages and work continues at the Next DC S3 data centre. The contribution from Trivantage included projects in the water and prison sectors while SCEE Electrical continues to deliver works under the Ergon Energy Queensland Service Agreement.

This increase in activity was delivered by a record workforce of approximately 2,000 with over 200 workers added during the period, predominantly on Western Australian resources projects.

Gross profit for the half year of $33.3m was up 54% on the prior corresponding period despite the H1 FY21 gross profit of $21.7m including JobKeeper receipts of $6.6m.

Overheads were $19.5m compared to $12.2m in the prior corresponding period with the increase mainly due to the inclusion of Trivantage overheads in the current period. As a percentage of revenue overheads decreased from 9.0% in H1 FY21 to 7.7% in the current period.

EBITDA for the half year of $14.1m was up 46% on the prior corresponding period. NPAT of $6.7m was up 48% and included $1.1m of intangibles amortisation for the Trivantage acquisition.

The Board has declared a fully franked interim dividend of 1.0 cent per share.

The cash balance at 31 December was $49.9m, only slightly down from the opening balance of $51.0m despite funding Trivantage deferred consideration of $10.0m in September and the FY21 final dividend of $10.2m in November. The Group remains debt free.

Capital expenditure for the period was $1.2m and is expected to remain at low levels.

The Decmil arbitration process is now at the pleading phase with a hearing expected in late 2022.

<u>Outlook</u>

The order book at 31 December was $550m, up from $430m at the start of the period, and a record for the Group.

The Group continues to win work across its core markets and announced over $200m of contract awards in the period including Western Sydney International Airport, which at over $100m is the largest award in the Group’s history, and the BHP Village Security project which is drawing on capabilities from across the Group’s businesses.

In the resources sector work continues at the Kemerton Lithium Plant, Rio Tinto Gudai-Darri and the BHP Villages project while the Rio Tinto Gove Refinery project is coming to an end. Further awards in the iron ore sector and mining camp safety upgrades are in advanced stages of negotiations.

The effects of the spread of Omicron in WA remain uncertain at the present time and are being closely monitored. SCEE will continue to follow client site requirements.

The pipeline in the sector remains strong with new opportunities presenting in resources sector across multiple commodities including iron ore, lithium and nickel in the medium term and LNG, fertilizers and hydrogen further out.

The infrastructure sector is now the largest component of the order book following the award of Western Sydney International Airport. The project will run for several years and has potential for further growth, plus other packages at the airport, as well as general commercial and infrastructure opportunities as the Western Sydney Aerotropolis region develops.

The Sydney Metro Pitt Street Station project will ramp up in the second half and bidding is in progress on further Sydney Metro opportunities. The infrastructure pipeline is strong with record levels of transport infrastructure spend sanctioned on the east and west coasts and multiple NSW hospital developments, government buildings, schools and datacentres all being bid.

In the commercial sector the impacts of coronavirus lockdowns and restrictions in NSW are passing and activity is picking up.

Tendering in the sector is much stronger than in recent times and significant near term wins are anticipated. We continue to bid on mixed commercial-residential and retail opportunities in Canberra and Perth. Woolworths and Coles continue to invest heavily in store renewals and new store formats which is expected to drive activity levels for Trivantage.

Full year guidance is reaffirmed at revenue of circa $500m and EBITDA in the range of $29m-$33m.

Strategy

SCEE primarily sees itself as an electrical contractor diversified across the resources, commercial and infrastructure sectors.

Our growth strategy continues to be to deepen our presence in those sectors and broaden our geographic diversity. This includes particularly targeting maintenance and recurring earnings. The acquisition of Trivantage has substantially increased SCEE's exposure to service and maintenance style work. We continue to investigate further acquisition opportunities.

SCEE is now positioning itself to leverage opportunities across the global decarbonisation chain including:

- Supporting the decarbonisation of resources operations – such as battery, solar and wind projects for multiple mining companies;
- Assisting meeting the demand for commodities required for global decarbonisation – lithium, copper, nickel and hydrogen developments; and
- Offering its services across a diverse and growing range of decarbonisation initiatives – including solar farms, recycling plants, refrigeration power efficiencies, green buildings design optimisation and electric vehicle charging systems.

Dividend

The Directors have declared a fully franked interim dividend for the six months ended 31 December 2021 of 1.0 cent per share (31 December 2020: no dividend).

Rounding off

The Company 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 consolidated interim financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 19 and forms part of the directors' report for the six months ended 31 December 2021.

Signed in accordance with a resolution of the directors:

Derek Parkin
Chairman
Perth
25 February 2022

Consolidated Statement of Comprehensive Income

	Note	31 Dec 2021 $'000	31 Dec 2020 $'000
Contract revenue		252,953	135,396
Contract expenses		(219,644)	(113,700)
Gross profit		**33,309**	**21,696**
Other income		252	229
Employee benefits expenses		(11,178)	(6,664)
Occupancy expenses		(1,468)	(625)
Administration expenses		(5,142)	(4,360)
Other expenses		(1,664)	(594)
Depreciation expense		(1,768)	(1,320)
Right-of-use asset amortisation expense		(1,412)	(1,024)
Other amortisation expenses		(1,116)	(2)
Profit from operating activities		**9,813**	**7,336**
Finance income	7	130	264
Finance expense	7	(1,078)	(768)
Net finance expense	**7**	**(948)**	**(504)**
Profit before income tax		**8,865**	**6,832**
Income tax expense		(2,165)	(2,312)
Profit after income tax for the period		**6,700**	**4,520**
Other comprehensive income		-	-
Other comprehensive income net of income tax		**-**	**-**
Total comprehensive income for the period		**6,700**	**4,520**
Attributable to			
Owners of the Company		**6,700**	**4,520**
Earnings per share			
- Basic earnings per share (cents per share)		2.63	1.82
- Diluted earnings per share (cents per share)		2.61	1.73

Consolidated Statement of Financial Position

	Note	31 Dec 2021 $'000	30 Jun 2021 $'000
Assets			
Current Assets			
Cash and cash equivalents		49,857	51,006
Trade and other receivables	8	134,824	147,703
Inventories		2,303	1,796
Prepayments		3,032	1,089
Tax receivable		240	-
Total current assets		**190,256**	**201,594**
Non-current assets			
Property, plant and equipment		10,800	12,664
Right-of-use assets		12,975	7,992
Intangible assets		113,815	114,986
Total non-current assets		**137,590**	**135,642**
Total assets		**327,846**	**337, 236**
Liabilities			
Current liabilities			
Trade and other payables	9	106,072	102,094
Provisions		19,114	17,878
Deferred acquisition consideration	15	5,564	9,954
Lease liability		2,688	2,585
Tax payable		-	5,704
Total current liabilities		**133,438**	**138,215**
Non-current liabilities			
Lease liability		10,603	5,687
Deferred acquisition consideration	15	4,785	10,206
Provisions		594	405
Deferred tax liability		10,496	11,550
Total non-current liabilities		**26,478**	**27,848**
Total liabilities		**159,916**	**166,063**
Net assets		**167,930**	**171,173**
Equity			
Share capital		115,886	109,967
Retained earnings		51,622	55,160
Reserves		422	6,046
Total equity		**167,930**	**171,173**

Consolidated Statement of Changes in Equity

	Note	Share Capital $'000	Retained Earnings $'000	Share Based Payments Reserve $'000	Translation Reserve $'000	Deferred Acquisition Consideration Reserve $'000	Total Equity $'000
Balance as at 1 July 2021		109,967	55,160	1,060	(514)	5,500	171,173
Total comprehensive income for the period							
Profit for the period		-	6,700	-	-	-	6,700
Total comprehensive income		**-**	**6,700**	**-**	**-**	**-**	**6,700**
Equity transactions with owners:							
Dividends	13	-	(10,163)	-	-	-	(10,163)
Payment of deferred consideration (net)		5,493	-	-	-	(5,500)	(7)
Dividend re-investment and share placements, net	13	205	(220)	-	-	-	(15)
Performance rights exercised in shares (net of tax)		221	-	(221)	-	-	-
Performance rights for cash in lieu of shares (net of tax)		-	-	(81)	-	-	(81)
Equity-settled share based payments	11	-	-	323	-	-	323
Performance rights (net of tax)		-	145	(145)	-	-	-
Total transactions with owners		**5,919**	**(10,238)**	**(124)**	**-**	**(5,500)**	**(9,943)**
Balance as at 31 December 2021		**115,886**	**51,622**	**936**	**(514)**	**-**	**167,930**

	Note	Share Capital $'000	Retained Earnings $'000	Share Based Payments Reserve $'000	Translation Reserve $'000	Deferred Acquisition Consideration Reserve $'000	Total Equity $'000
Balance as at 1 July 2020		109,767	48,498	622	(514)	-	158,373
Total comprehensive income for the period							
Profit for the period		-	4,520	-	-	-	4,520
Total comprehensive income		-	4,520	-	-	-	4,520
Equity transactions with owners:							
Dividends	13	-	(7,428)	-	-	-	(7,428)
Dividend re-investments, net		200	-	-	-	-	200
Deferred acquisition consideration		-	-	-	-	5,500	5,500
Equity-settled share based payments		-	-	234	-	-	234
Performance rights (net of tax)		-	329	(329)	-	-	-
Total transactions with owners		200	(7,099)	(95)	0	5,500	(1,494)
Balance as at 31 December 2020		**109,967**	**45,919**	**527**	**(514)**	**5,500**	**161,399**

Consolidated Statement of Cash Flows

	Note	31 Dec 2021 $'000	31 Dec 2020 $'000
Cash flows from operating activities			
Cash receipts from customers		265,679	167,163
Cash paid to suppliers and employees		(236,904)	(143,046)
Government grants (Job Keeper) received		-	7,659
Interest received		130	264
Interest paid		(889)	(768)
Income taxes paid		(7,129)	(3,641)
Net cash from operating activities	10	**20,887**	**27,631**
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired		(10,000)	(21,264)
Acquisition of property, plant and equipment		(1,245)	(358)
Proceeds from the sale of assets		888	313
Net cash used in investing activities		**(10,357)**	**(21,309)**
Cash flows from financing activities			
Dividends paid	13	(10,163)	(7,428)
Principal portion of lease liability payments		(1,412)	(1,024)
Performance rights exercised for cash in lieu of shares		(82)	-
Issue of ordinary shares net of transaction costs		(22)	199
Net cash used in financing activities		**(11,679)**	**(8,253)**
Net increase/(decrease) in cash and cash equivalents		**(1,149)**	**(1,931)**
Cash and cash equivalents at 1 July		51,006	55,272
Cash and cash equivalents at 31 December		**49,857**	**53,341**

Notes to the Consolidated Interim Financial Statements

1. Reporting entity

Southern Cross Electrical Engineering Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the six months ended 31 December 2021 comprises the Company and its subsidiaries (together referred to as the "Group").

The consolidated annual financial report of the Group as at and for the year ended 30 June 2021 is available upon request from the Company's registered office at 225 St Georges Terrace, Perth, Western Australia or at www.scee.com.au.

2. Statement of compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The consolidated interim financial report does not include all of the information required for a full annual financial report and should be read in conjunction with the consolidated annual financial report of the Group as at and for the year ended 30 June 2021.

The consolidated interim financial report was approved by the Board of Directors on 25 February 2022.

The Company 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 consolidated interim financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

3. Estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, 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 that applied to the consolidated financial report as at and for the year ended 30 June 2021.

4. Significant accounting policies

The principal accounting policies adopted in the preparation of the interim financial report are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2021. The Group did not early adopt any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group did not adopt any new and/or revised standards, amendments or interpretations from 1 July 2021 which had a material effect on the financial position or performance of the Group.

5. Financial risk management

During the six months ended 31 December 2021 the Group's financial risk management objectives and policies were consistent with that disclosed in the consolidated financial report as at and for the year ended 30 June 2021.

6. Segment reporting

Revenue is principally derived by the Group from the provision of electrical services through construction and services contracts to customers in the following sectors: Commercial, Resources and Infrastructure. The Group provides its services through the three key segments of SCEE, Heyday, and Trivantage.

The directors believe that the aggregation of the operating segments is appropriate as they:

- have similar economic characteristics;
- perform similar services using similar business processes;
- provide their services to a similar client base;
- have a centralised pool of shared assets and services; and
- operate in similar regulatory environments.

All segments have therefore been aggregated to form one operating segment.

7. Finance income and expenses

	31 Dec 2021 $'000	31 Dec 2020 $'000
Interest income on bank deposits	130	264
Finance income	130	264
Bank charges	(380)	(421)
Bank guarantee and surety bond fees	(262)	(223)
Interest expense on deferred consideration	(189)	-
Interest expense on borrowings	(32)	(36)
Lease liability interest	(215)	(88)
Finance expenses	(1,078)	(768)
Net finance expense	(948)	(504)

8. Trade and other receivables

	31 Dec 2021 $'000	30 Jun 2021 $'000
Trade receivables	54,082	68,250
Sundry debtors	209	315
Provision for impairment of trade receivables	(112)	(112)
Contract assets (i)	80,518	79,049
Retentions	127	201
	134,824	147,703

(i) Contract assets represents the unbilled amount expected to be collected from customers for contract work performed to date. Cost includes all expenditure related directly to specific projects. Recognised profit is based on the percentage of completion method and is determined using the costs incurred to date and the total forecast contract costs.

8. Trade and other receivables (continued)

The timing of cash inflows for contract assets is dependent on the status of processes underway to gain acceptance from customers as to the enforceability of recognised modifications resulting from contractual claims and variations. The Group pursues various options with customers to accelerate the inflow of cash including, but not limited to, negotiations, security of payment adjudications and arbitration involving the support of legal counsel and external consultants. Accordingly, there remains a risk that settlement of contract assets takes longer than 12 months.

9. Trade and other payables

	31 Dec 2021 $'000	30 Jun 2021 $'000
Trade payables	26,623	31,066
Contract liabilities (i)	35,163	36,114
Accrued expenses	38,034	29,410
Goods and services tax payable	5,741	4,672
Retentions payable	511	832
	106,072	102,094

(i) Contract liabilities represents unearned revenue which arises when the Group has invoiced the client in advance of performing the contracted services. Contract liabilities fluctuate based on progress of completion of contracts.

10. Reconciliation of cash flows from operating activities

	31 Dec 2021 $'000	31 Dec 2020 $'000
Cash flows from operating activities		
Profit after income tax for the period	**6,700**	**4,520**
Adjustments for:		
Depreciation and amortisation	4,296	2,346
Profit on sale of assets	543	(108)
Equity-settled share based payment transactions	323	234
(Increase)/decrease in assets:		
Change in trade and other receivables	12,880	17,902
Change in inventories	(507)	250
Change in prepayments	(1,943)	(909)
Change in tax receivable	(240)	-
Increase/(decrease) in liabilities:		
Change in trade and other payables	3,979	4,058
Change in provisions and employee benefits	1,425	667
Change in deferred consideration	189	-
Change in income tax payable	(5,704)	(3,517)
Change in deferred income tax	(1,054)	2,188
Net cash from operating activities	**20,887**	**27,631**

11. Share based payments

During the six-month period ended 31 December 2021, the Company issued 1,317,170 performance rights in respect of the 2022 financial year. The Performance Rights issued, under the Company's Senior Management Long Term Incentive Plan, vest over the period to 30 June 2024 and have a fair value at grant date of $0.41 and $0.61 for the TSR and EPS components, respectively. The fair value of the TSR Performance rights has been measured using the Monte-Carlo simulation while the EPS Performance rights has been measured using the Binomial Tree methodology.

The movement in share based payments reserve during the period reflects the amounts expensed in respect of the FY2022 grant of $323,000, exercised rights of $302,000, and the expiry of prior year grants amounting to $145,000.

12. Related parties – Key management personnel

The share based payments disclosed in note 11 included the share issues to key management personnel during the six months ended 31 December 2021. Graeme Dunn was issued 605,821 Performance Rights and Chris Douglass was issued 359,477 Performance Rights.

The Performance Rights issued to Graeme Dunn were approved by shareholders at the Company's Annual General Meeting on 26 October 2021.

Other arrangements with related parties continue to be in place on the same basis as at 30 June 2021. For full disclosure on these transactions, refer to the 30 June 2021 annual financial report.

13. Dividends

The following dividends were declared and paid by the Company:

	31 Dec 2021 $'000	31 Dec 2020 $'000
Final 2021 ordinary fully franked at 4.00 cents per share	10,383	-
Final 2020 ordinary fully franked at 3.00 cents per share	-	7,428

14. Contingencies

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	31 Dec 2021 $'000	30 Jun 2021 $'000
Credit facilities utilised		
Bank Guarantees	35,662	33,813
Surety Bonds	34,268	33,089

15. Deferred acquisition consideration

The group holds deferred acquisition consideration liabilities of $10,349,000 (30 June 2021: $20,160,000) which are classified as fair value hierarchy level 3, in which fair values are based on valuation techniques that include inputs that are not based on observable market data (unobservable inputs).

The reduction in the period of $9,811,000 of deferred acquisition consideration liabilities included a reduction of $10,000,000 for the payment of deferred acquisition consideration and an increase of $189,000 for the unwinding of the deferred consideration interest discount.

The fair value of the deferred acquisition consideration liabilities is based on the expected payments to be made which are determined by the valuation technique of considering possible scenarios of forecast EBIT, the amount to be paid under each scenario and the probability of each scenario for the acquired entities. For these scenarios, the significant unobservable inputs include forecast annual revenue growth rate and forecast EBIT margin.

There have been no transfers of fair value hierarchy levels during the period.

16. Events after the balance sheet date

There have been no events after the balance sheet date that have a material impact on the financial report.

Directors' Declaration

In the opinion of the directors of Southern Cross Electrical Engineering Limited ("the Company"):

1. the financial statements and notes set out on pages 7 to 15, are in accordance with the Corporations Act 2001 including:

    a. giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the six month period ended on that date; and

    b. complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

2. 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

Derek Parkin
Chairman
Perth
25 February 2022

Independent Auditor's Review Report

To the shareholders of Southern Cross Electrical Engineering Limited

Conclusion

We have reviewed the accompanying ***Interim Financial Report*** of Southern Cross Electrical Engineering 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 Southern Cross Electrical Engineering 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 2021 and of its performance for the half-year 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:

- Consolidated statement of financial position as at 31 December 2021.
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the half-year ended on that date.
- Notes 1 to 16 comprising a summary of significant accounting policies and other explanatory information.
- The Directors' Declaration.

The ***Group*** comprises Southern Cross Electrical Engineering Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half-year period.

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; and*
- 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 Company’s financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of the 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

R Gambitta
Partner

Perth

25 February 2022

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

To the Directors of Southern Cross Electrical Engineering Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Southern Cross Electrical Engineering Limited for the half-year ended 31 December 2021 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

R Gambitta
Partner

Perth

25 February 2022