1. Name of Entity

3D Metalforge Limited (ABN 53 644 780 281)

Reporting Period	**Half-year ended 30 June 2021**
Previous Corresponding **Reporting Period**	**N/A - incorporated on 1st October 2020**

2. Results for Announcement to Market

Financial results	**Up / Down**	**Change %**	**2021 $**	**2020 $**
Revenue from ordinary activities	-	- %	380,335	-
(Loss) after tax from ordinary activities attributable to members	-	- %	(2,041,614)	-
(Loss) attributable to members	-	- %	(2,041,614)	-

Final and interim dividends	It is not proposed that either a final or interim dividend be paid.
Record date for determining entitlements to the dividend	N/A
Brief explanation of any of the figures reported above	The Company was incorporated on 1st October 2020, there were no figures from previous corresponding reporting period. On 17 February 2021, the Company completed the acquisition of 3DInfra Pte Ltd and its subsidiaries. The acquisition has been accounted for with reference to common controlled entities. The Group has adopted the predecessor accounting method to form one enlarged group.

3. Net Tangible Asset Backing per Ordinary Share

	Cents
Net tangible asset backing per ordinary share – current reporting period	0.76
Net tangible asset backing per ordinary share – previous reporting period	N/A

4. Control Gained Over Entities

Details of entities over which control has been gained or lost	3DInfra Pte Ltd – control gained 17th February 2021 3D Metalforge Pte Ltd – control gained 17th February 2021 3D Matters Pte Ltd – control gained 17th February 2021

	3D Metalforge (USA) Pte Ltd – control gained 17th February 2021 3D Metalforge LLC – control gained 17th February 2021 Contribution of these entities to the Group Loss after tax from ordinary activities (1,547,783).

5. Dividends Paid and Payable

Details of dividends or distribution payments	No dividends or distributions are payable.

6. Dividend Reinvestment Plans

Details of dividend or distribution reinvestment plans	N/A

7. Details of Associates

Details of associates and joint venture entities	N/A

8. Foreign Entities

Foreign entities to disclose which accounting standards are used in compiling the report	All entities within the Group comply with International Financial Reporting Standards.

9. Review Opinion

Details of any audit dispute or qualification	There are no audit disputes or qualifications to the review opinion.

M. Waterhouse

Matthew Waterhouse
Managing Director
31 August 2021

3D METALFORGE LIMITED

AND ITS CONTROLLED ENTITIES

ACN 644 780 281

CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 30 JUNE 2021

Table of Contents

CORPORATE INFORMATION

Directors

Michael Spence	Non-Executive Chairman
Matthew Waterhouse	Managing Director & CEO
Samantha Tough	Non-Executive Director
Geoffrey Piggott	Non-Executive Director
David Buckley	Non-Executive Director

Company Secretary
Deborah Ho

Registered Office / Principal Place of Business
Ground Floor, 16 Ord Street
West Perth, WA 6005
Telephone: + 61 8 9482 0500
Facsimile: +61 8 9482 0505

Website
www.3dmetalforge.com

Share Register
Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney, NSW 2000
Telephone: +61 2 9696 5414
Email: hello@automic.com.au

Auditor
Grant Thornton Audit Pty Ltd
Level 43, 152-158 St Georges Terrace
Perth WA 6000

Solicitors
Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Stock Exchange Listing
3D Metalforge Limited shares are listed on the Australian Securities Exchange (ASX code: 3MF)

DIRECTORS' REPORT

The Directors present their report, together with the consolidated financial report for 3D Metalforge Limited ("**3MF**") or the ("**Company**") and its controlled entities ("**Group**"), for the half-year ended 30 June 2021.

DIRECTORS
The names of Directors in office at any time during or since the end of the half-year ended 30 June 2021 were as follows:

Name	Position	Date Appointed	Date Resigned
Michael Spence	Non-Executive Chairman	11 December 2020	-
Matthew Waterhouse	Managing Director & CEO	1 October 2020	-
Samantha Tough	Non-Executive Director	11 December 2020	-
Geoffrey Piggott	Non-Executive Director	26 November 2020	-
David Buckley	Non-Executive Director	1 August 2021	-

PRINCIPAL ACTIVITIES
3D Metalforge Limited is a developer of intelligent technology and processes to integrate additive manufacturing ("AM") printers, software and material to supply customers with a range of AM services including diagnostics to identify suitable part of 3D printing, advanced part design and engineering, part printing in a wide range of materials, comprehensive AM training, and secure part design and print file storage.

REVIEW OF OPERATIONS
The half-year ended 30 June 2021 was a period of continued development and growth for the Company, which comprised listing on the ASX in March 2021.

On 17 February 2021, the Company completed the acquisition of 3DInfra Pte Ltd, pursuant to the Implementation Agreement entered into by the parties on 18 November 2020. In consideration, 130,000,000 shares were issued to the Vendors (or nominees).

Corporate
- Successfully raised $10 million via a capital raise to high quality domestic, international and sophisticated investors, resulting in listing on the Australian Securities Exchange (ASX) on 2 March 2021.

Operations
- Technological advancements were made towards expanding 3MF's larger format printing capabilities, which led to the commissioning of the Hybrid Wire Arc printer (H-WAAM), capable of faster and larger format metal printing.
- 3MF commissioned the world's first on-site additive manufacturing facility for port applications, developed in conjunction with PSA Corporation (PSA). This is a 15-month contract, valued at A$387k, for the production of 3D metal parts in the Port of Singapore's entire port operation. The contract is an example of the Company's ability to make clients' supply chains more sustainable, reducing material waste, energy usage and lowering CO2 emissions.
- Expanded in the USA with a 20,000 sq.ft additive manufacturing flagship facility in Houston to tap into the largest centre for oil and gas globally.
- Appointed experienced industrial sales and marketing professional to progress into the Australian and New Zealand markets.

Approved as a qualified manufacturing partner to Flowserve, one of the world's largest manufacturers of pumps, valves and seals, whereby Flowserve's APAC customers have the option to purchase 3MF's pump impeller parts.

RESULTS OF THE PERIOD

The Company incurred a net loss after tax for the half year ended 30 June 2021 of $2,041,614. As at 30 June 2021, the Company had a net current asset position of $3,654,323.

The Company achieved total revenue of $380,335 (30 June 2020: $nil). Sales revenue derived primarily from manufacturing and selling AM parts and services.

As at 30 June 2021, the Company had $6,101,358 in cash and cash equivalents.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 25 February 2021, the Company was admitted to the official list of the ASX. The Company raised $10 million by issuing 50,000,000 fully paid ordinary shares at $0.20 per share. The Company's securities commenced trading on the 2 March 2021.

The Company used the IPO funds in a way consistent with its business objectives, as outlined in the IPO prospectus dated February 2021.

DIVIDENDS

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

EVENTS SUBSEQUENT TO REPORTING PERIOD

Subsequent to 30 June 2021, the Company achieved the following:

- Mr David Buckley was appointed as an Independent Non-Executive Director of the Company, bringing over 30 years of financial and global leadership experience. Mr. Buckley holds a number of non-executive positions and is currently Chairman of Royal Bank of Canada (Europe), Chairman of Redwood Bank, Chairman of Archax Ltd, and former Non-executive Director of CIBC World Markets plc. Former executive positions include European CFO for Morgan Stanley, Chief Executive of Morgan Stanley Bank International and International Treasurer and European Head of the Global Banking Group for Goldman Sachs.
- Recertification received to the ISO 9001:2015 standard, demonstrating the Company's continual commitment to quality production. The qualification will support discussions with partners and future customers.
- Joined the Additive Manufacturer Green Trade Association (AMGTA), a non-profit trade group founded to promote the environmental benefits of additive manufacturing to key industries and the public.

AUDITOR'S INDEPENDENCE DECLARATION

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

Signed in accordance with a resolution of the Directors

M. Waterhouse

Matthew Waterhouse
Managing Director
31 August 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2021

	Note	30 June 2021 $
Revenue	14	380,335
Other income	15	164,561
Depreciation and amortisation expense		(415,378)
Cost of materials		(423,013)
Employee expenses		(729,994)
Legal and professional fees		(444,772)
Other expenses		(521,767)
Operating loss		**(1,990,028)**
Interest expenses		(51,586)
Loss for the year before income tax		**(2,041,614)**
Income tax expenses		**-**
Loss for the year after income tax		**(2,041,614)**
Other comprehensive income: **Items that may be reclassified subsequently to profit or loss**		
Foreign currency translation		(67,834)
Total comprehensive loss for the year, net of tax		**(2,109,448)**
Basic and diluted loss per share (cents)	16	(1.44)

The accompanying notes form part of this financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Note	30 June 2021 $	31 Dec 2020 $
Current assets			
Cash and cash equivalents		6,101,358	53,509
Trade and other receivables	7	245,629	510,761
Inventories		88,179	-
Prepayments		262,336	-
Total current assets		**6,697,502**	**564,270**
Non-current assets			
Plant and equipment	8	348,977	-
Right of use assets	9	1,800,968	-
Intangible assets		468,928	-
Other receivables		239,705	-
Total non-current assets		**2,858,578**	**-**
Total assets		**9,556,080**	**564,270**
Current liabilities			
Trade and other payables		1,596,142	193,509
Lease liabilities	11	685,732	-
Loans and borrowings	10	761,305	-
Total current liabilities		**3,043,179**	**193,509**
Non-current liabilities			
Lease liabilities	11	1,117,296	-
Other payables		170,161	-
Premium funding		21,284	-
Loans and borrowings	10	1,488,834	-
Total non-current liabilities		**2,797,575**	**-**
Total liabilities		**5,840,754**	**193,509**
Net assets		**3,715,326**	**370,761**
Equity			
Share capital	12	36,043,609	692,809
Accumulated losses		(2,511,919)	(470,305)
Reserves	13	(29,816,364)	148,257
Total equity		**3,715,326**	**370,761**

The accompanying notes form part of this financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2021

	Share capital	Share-based payment reserves	Common Control Reserve	Translation reserves	Accumulated losses	Total equity
	$	$	$	$	$	$
Incorporated at 1 October 2020	3	-	-	-	-	3
Loss for the period	-	-	-	-	(470,305)	(470,305)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	3	-	-	-	(470,305)	(470,302)
Shares issued	753,619	-	-	-	-	753,619
Share issue costs	(60,813)	-	-	-	-	(60,813)
Share based payment	-	148,257	-	-	-	148,257
Balance at 31 December 2020	**692,809**	**148,257**	**-**	**-**	**(470,305)**	**370,761**
Loss for the period	-	-	-	-	(2,041,614)	(2,041,614)
Other comprehensive loss	-	-	-	(67,834)	-	(67,834)
Total comprehensive loss for the year	-	-	-	(67,834)	(2,041,614)	(2,109,448)
Initial public offer – Public Offer	10,000,000	-	-	-	-	10,000,000
Initial public offer – Consideration Offer - Acquisition of 3DInfra Pte Ltd	26,000,000	-	(29,896,787)	-	-	(3,896,787)
Initial public offer – Lead Manager	100,000	-	-	-	-	100,000
Share issue costs	(749,200)	-	-	-	-	(749,200)
Balance at 30 June 2021	**36,043,609**	**148,257**	**(29,896,787)**	**(67,834)**	**(2,511,919)**	**3,715,326**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 JUNE 2021

	Note	30 June 2021 $
Cash flows from operating activities		
Loss before tax		**(2,041,614)**
Adjustments for:		
Depreciation of plant and equipment		68,291
Depreciation of right-of-use assets		283,286
Amortisation of intangible assets		63,801
Interest expenses		65,185
Allowance for doubtful trade debts		(2,580)
Exchange differences		(61,395)
Operating cash flows before changes in Working capital:		**(1,625,026)**
Trade and other receivables		306,270
Prepayment		(50,332)
Inventories		(38,924)
Trade and other payables		(542,617)
Cash used in operating activities		**(1,950,629)**
Interest paid		(51,586)
Net cash flows		**(2,002,215)**
Cash flows from investing activities:		
Cash from acquisition of 3DInfra		75,111
Purchase of plant and equipment		(179,042)
Purchase of right of use assets		(54,629)
Purchase of intangible assets		(125,403)
Net cash flows used in investing activities		**(283,963)**
Cash flows from financing activities:		
Proceeds from acquisition of bank loans and external borrowings		(564,319)
Proceeds from Initial Public Offering net of costs		9,350,800
Repayment of bank loans		(21,580)
Repayment of related parties		(123,664)
Repayment of external parties		(148,397)
Repayment of lease liabilities		(158,813)
Net cash flows from financing activities		**8,334,027**
Net increase in cash and cash equivalents		**6,047,849**
Cash and cash equivalents at beginning of the financial year		53,509
Cash and cash equivalents at end of the financial year		**6,101,358**

The accompanying notes form part of this financial report

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

General Information and Basis of Preparation

These half-year financial statements have been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 Interim Financial Reporting. Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

These financial statements and notes represent those of 3D Metalforge Limited ('the Group"). The Group was incorporated on 1 October 2020 resulting on no comparative balances being presented in the Statement of Profit or Loss and other comprehensive income and the Statement of Cash flows.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2020 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

The consolidated interim financial report has been approved and authorised for issue by the Board of Directors on the 31 August 2021.

NOTE 2: NEW AND REVISED STANDARDS THAT ARE EFFECTIVE FOR THESE FINANCIAL STATEMENTS

There are no accounting pronouncements which have become effective from 1 January 2021 that have a significant impact on the Group's interim condensed consolidated financial statements.

NOTE 3: IMPACT OF STANDARDS ISSUED BUT NOT YET APPLIED

The following new accounting standards and interpretations have been published that are not mandatory for 30 June 2021 reporting periods, have not been early adopted by the Group, and are as follows:

i) AASB 138 Intangible Assets - Agenda Decision

The Agenda Decision requires that management capitalise those elements of expenditure that meet the definition of an "Intangible Asset" as defined by AASB 138 Intangible Assets and recognise any additional amounts as an expense as the entity benefits from the expenditure – either

by applying AASB 138 or applying another accounting standard.

The Agenda Decision then clarified:

- The nature of expenditure that met the definition of an Intangible Asset;
- Methods of differentiating between Intangible Assets and expenses; and
- The pattern in which the entity benefits from expenditure that does not qualify as an Intangible Asset.

When this policy is first adopted for the reporting period ending 31 December 2021, there will be no material impact on the transactions and balances recognised in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 3: IMPACT OF STANDARDS ISSUED BUT NOT YET APPLIED (CONT)

ii) Amendments to AASB 101: Classification of Liabilities as Current or Non-current

The amendment specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Group's assessment of the impact of the new standard is not expected to have a material impact on the entity in future reporting periods.

iii) Amendments to AASB 3 Business Combinations - Reference to the Conceptual Framework

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of AASB 137 or AASB Interpretation 21 Levies, if incurred separately. At the same time, the Board decided to clarify existing guidance in AASB 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

iv) Onerous Contracts - Costs of Fulfilling a Contract - Amendements to AASB 137

The amendments to AASB 137 specific which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

v) AASB 9 Financial Instruments – Fees in the ’10 per cent’ test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 3: IMPACT OF STANDARDS ISSUED BUT NOT YET APPLIED (CONT)

paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Group.

NOTE 4: SIGNIFICANT ACCOUNTING POLCIES

The Interim Financial Statements have been prepared in accordance with the accounting policies adopted in the Group's most recent annual financial statements for the year ended 31 December 2020. The additional accounting policies adopted in the preparation of the interim financial statements are set out below.

Business Combinations

This is the first annual period in which the Group has transacted a business combination, and therefore the first annual period in which a business combinations accounting policy is disclosed.

Business combinations occur where control over another business is obtained and the results in the consolidation of its assets and liabilities. The business combination during the period was a common control transaction, as the conditions in AASB 3: Business Combinations apply, in that all businesses were controlled by the same party before and after the transaction, and the control was not considered transitory. Therefore, this business combination is scoped out under AASB 3 paragraph 3, and therefore a suitable accounting policy needs to be determined in accordance with the hierarchy in AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors. This hierarchy looks for a policy that provides users of the financial statements with relevant and reliable information about the financial position and performance of the reporting entity.

Therefore an accounting choice is available for the accounting of this business combination. The choice is to either apply the purchase method (applying a fair value approach to the acquisition value) or to apply the pooling of interest method where the combination is recorded at historical book values.

Given the continuing control of the businesses, the Directors consider that it is appropriate to use the pooling of interest method to account for the transaction using the historical book values of the acquired assets and liabilities rather than reassessing these to more subjective and uncertain fair values. The comparative period has been restated, as if the transaction took place at the beginning of the earliest comparative period.

Given the continuing common control of the ultimate parent of the businesses, the Directors consider that is appropriate to use the pooling of interest method to account for the transaction using the carrying value at the date of acquisition for the acquired assets and liabilities rather than remeasuring to more subjective and uncertain fair values. The Directors have elected to not restate comparatives.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 4: SIGNIFICANT ACCOUNTING POLCIES (CONT)

Foreign currency translation

Functional and presentation currency

The consolidated financial statements are presented in Australian Dollars ($AUD), which is also the functional currency of the Parent Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective Group Entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the date of the transaction), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Segment reporting

The Group has three business segments based on the its geographical offices, Australia, Singapore, the United States.

Each of these operating segments is managed separately as each requires different marketing approaches and other resources. All inter-segment transfers are carried out at arm's length prices based on prices charged to resellers.

Property, plant and equipment

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 4: SIGNIFICANT ACCOUNTING POLCIES (CONT)

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Leasehold improvements:	10%-33%
Plant and equipment:	10%-33%
Furniture, fixtures and fittings:	10% - 33%
Tools and low value assets	18.8%-33%
Software and technology	33%
Motor vehicles	20% - 25%

Depreciation rates and methods shall be reviewed at least annually and, where changed, shall be accounted for as a change in accounting estimate. Where depreciation rates or methods are changed, the net written down value of the asset is depreciated from the date of the change in accordance with the new depreciation rate or method. Depreciation recognised in prior financial years shall not be changed, that is, the change in depreciation rate or method shall be accounted for on a 'prospective' basis.

Assets held under leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Leased assets

The Group as lessee

For any new contracts entered into, the Group considers whether a contract is or contains a lease. A lease is defined as a 'contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract

the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

In respect of leased properties, at lease commencement date the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). All

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 4: SIGNIFICANT ACCOUNTING POLCIES (CONT)

other leased assets are recorded under property, plant and equipment according to the category of asset.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The lease liability is presented as a separate line in the consolidated statement of financial position.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government assistance which does not have conditions attached specifically relating to the operating activities of the Group is recognised in accordance with the accounting policies above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 4: SIGNIFICANT ACCOUNTING POLCIES (CONT)

Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sale of 3D design

The Group supplies 3D design. Revenue is recognised at a point in time when the designs are delivered to the customer.

(b) Sale of 3D design and printing

The Group supplies 3D design and printing services. Revenue is recognised at a point in time when the 3D products are delivered to the customer.

Critical Accounting Judgements, Estimates and Assumptions

When preparing the Interim Financial Report, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Interim Financial Report, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 31 December 2020. The only exceptions are the estimate of income tax liabilities which is determined in the Interim Financial Statements using the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 5 : ACQUISITION OF 3DINFRA PTE LTD

On 17 February 2021, the Company completed the 100% acquisition of ordinary shares of 3DInfra Pte Ltd (“3DInfra”) for a total consideration of 130,000,000 ordinary share of the Company.

The Board of Directors of the merged entity comprise of Michael Spence as non-executive chairman; Samantha Tough and Geoffrey Piggott as independent directors, and Matthew Waterhouse, a director of 3DInfra, was also was appointed as the Chief Executive Officer. The 3DInfra management team has assumed responsibility of the management of the merged entity.

The acquisition has been accounted for with reference to common controlled entities. The Group has adopted the predecessor accounting method to form one enlarged group. The Company has recorded the excess consideration above the net assets of 3DInfra to a common control reserve.

As consideration for the acquisition of 100% of the issued 3Dinfra securities, 3D Metalforge Limited issued 130,000,000 ordinary shares at $0.20 representing total consideration of $26,000,000.

The following total consideration and fair value of net identifiable liabilities at acquisition date.

	$
Fair value of consideration transferred	**26,000,000**
Fair value of identifiable assets and liabilities held at acquisition date	
Cash and cash equivalents	75,111
Trade receivables	287,654
Other assets	212,004
Inventories	49,255
Other receivable	57,987
Property, plant and equipment	244,667
Right of use assets	763,527
Intangible assets	407,326
Trade and other payables	(2,818,840)
Provisions	(67,380)
Borrowings	(3,108,098)
Total fair value of identifiable net liabilities	**(3,896,787)**
Common control reserve	**29,896,787**

NOTE 6: DIVIDENDS

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 7. TRADE AND OTHER RECEIVABLES

	30 June 2021 $	31 Dec 2020 $
Trade and other receivables	245,629	510,761
Less expected credit losses	-	-
	245,629	**510,761**

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

The following tables show the movements in property, plant and equipment:

	Computer equipment	Furniture and fittings	Office equipment	Plant and machinery	Renovations	Total
	$	$	$	$	$	$
Cost						
Balance at 1 January 2021	-	-	-	-	-	-
Acquisition through business combination	11,662	463	52	223,133	9,357	244,667
Additions during the period	37,082	39,559	13,369	74,916	9,969	174,895
Exchange difference	197	5	2	3,783	158	4,145
At 30 June 2021	**48,941**	**40,027**	**13,423**	**301,832**	**19,484**	**423,707**
Accumulated depreciation						
Balance at 1 January	-	-	-	-	-	-
Depreciation	(4,983)	(964)	(381)	(65,150)	(3,252)	(74,340)
At 30 June 2021	**(4,983)**	**(964)**	**(381)**	**(65,150)**	**(3,252)**	**(74,340)**
Net carrying amount						
At 30 June 2021	**43,958**	**39,063**	**13,042**	**236,682**	**16,232**	**348,977**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 9. RIGHT-OF-USE ASSET

The following tables show the movements in right-of-use assets:

	Office premises $	Plant and machinery $	Office equipment $	Vehicle $	Total $
Cost					
Balance at 1 January 2021	-	-	-	-	-
Acquisition through business combination	226,210	537,317	-	-	763,527
Additions during the period	1,266,097	-	8,641	31,999	1,306,737
Exchange difference	4,114	9,876	-	-	13,990
Balance at 30 June 2021	**1,496,421**	**547,193**	**8,641**	**31,999**	**2,084,254**
Accumulated depreciation					
Balance at 1 January 2021	-	-	-	-	-
Depreciation	(81,896)	(198,580)	(144)	(2,666)	(283,286)
Balance at 30 June 2021	**(81,896)**	**(198,580)**	**(144)**	**(2,666)**	**(283,286)**
Net carrying amount					
At 30 June 2021	**1,414,525**	**348,613**	**8,497**	**29,333**	**1,800,968**

The right-of-use assets relates to the leases for the office premises and additive manufacturing printers in Singapore.

NOTE 10. BORROWINGS

	30 June 2021 $	31 Dec 2020 $
Current		
Amounts due to director	60,347	-
Amount due to related parties	98,931	-
Amount due to third parties	484,233	-
Amount due to bank	117,794	-
	761,305	**-**
Non-current		
Amounts due to director	126,662	-
Amount due to related parties	657,891	-
Amount due to third parties	293,913	-
Amount due to bank	410,368	-
	1,488,834	**-**
	2,250,139	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 11. LEASE LIABILITIES

	30 June 2021 $	31 Dec 2020 $
Current	685,732	-
Non-current	1,117,296	-
	1,803,028	**-**

The right-of-use assets relates to the leases for the office premises and additive manufacturing printers in Singapore. The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 30 June 2021 were as follows:

	Minimum lease payments						
30 June 2021	**Within one year**	**One to two years**	**Two to three years**	**Three to four years**	**Four to five years**	**After five years**	**Total**
Lease payments	718,752	273,637	275,989	282,377	288,611	47,909	1,887,275
Finance charges	33,020	21,063	15,686	10,098	4,255	125	84,247
Total	**685,732**	**252,574**	**260,303**	**272,279**	**284,356**	**47,784**	**1,803,028**

Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

NOTE 12. ISSUED CAPITAL

	30 June 2021		31 December 2020	
	No. of Shares	A$	No. of Shares	$
Fully paid ordinary shares	**190,119,285**	**36,043,609**	**9,619,285**	**692,809**

Movement in ordinary share capital	Date	No. of Shares	Issue Price $	$
Balance as at 1 October 2020		**-**		**-**
Incorporation of Company [1]	1 Oct 2020	3	1.00	3
Issue of shares – seed [2]	26 Nov 2020	3,619,282	0.001	3,619
Issue of shares – pre-IPO [3]	27 Nov 2020	6,000,000	0.125	750,000
Share issue costs		-	-	(60,813)
Balance as at 31 December 2020		**9,619,285**		**692,809**

[1] Upon incorporation of the Company on the 1 October 2020, 3 shares were issued at $1 per share.
[2] On 26 November 2020, 3,619,282 shares were issued at $0.001 per share, pursuant to a subscription agreement and seed capital raise.
[3] On 27 November 2020, 6,000,000 shares were issued at $0.125 per share, pursuant to a pre-IPO capital raise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 12. ISSUED CAPITAL (CONT)

Movement in ordinary share capital	Date	No. of Shares	Issue Price $	$
Balance at 1 January 2021		**9,619,285**		**692,809**
Initial public offer – Public Offer [4]	17 Feb 2021	50,000,000	0.20	10,000,000
Initial public offer – Consideration Offer Acquisition of 3DInfra Pte Ltd [5]	17 Feb 2021	130,000,000	0.20	26,000,000
Initial public offer – Lead Manager [6]	17 Feb 2021	500,000	0.20	100,000
Share issue costs		-	-	(749,200)
Balance at 30 June 2021		**190,119,285**		**36,043,609**

[4] On 17 February 2021, 50,000,000 fully paid ordinary shares were issued pursuant to the Public Offer
[5] Concurrently with the Public Offer, 130,000,000 fully paid ordinary to the Vendors (or nominees) were issued pursuant to the Consideration Offer
[6] Concurrently with the Public Offer, 500,000 fully paid ordinary shares were issued to the Lead Manager, Alto Capital (or its nominees), pursuant to the Lead Manager Offer.

NOTE 13. RESERVES

	30 June 2021 $	31 Dec 2020 $
Common control reserve	(29,896,787)	-
Share based payment reserve	148,257	148,257
Foreign currency translation reserve	(67,834)	-
	(29,816,364)	**148,257**

Common Control Reserve
On 17 February 2021, the Company acquired 100% of 3DInfra Pte Ltd. The acquisition has been accounted for with reference to common controlled entities. The Group has adopted the predecessor accounting method to form one enlarged group. The Company has recorded the excess consideration above the net assets of 3DInfra Pte Ltd to a common control reserve in February 2021.

Share Based Payment Reserve

	No. of Options	$
Share-based payment reserve as at 30 June 2021	**1,300,000**	**148,257**
Movement in share-based payment reserve		
Balance at 1 January 2021	1,300,000	148,257
No movements during the period	-	-
Balance at 30 June 2021	**1,300,000**	**148,257**

No options were granted or issued in the period ended 30 June 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 14. REVENUE

All sales of goods is recognized at a point in time. The Group's revenue disaggregated by primary geographical markets is as follows :

	30 June 2021 $	30 June 2020 $
Australia	-	-
Singapore	304,640	
United States	75,640	
	380,335	**-**

NOTE 15. OTHER INCOME

	30 June 2021 $	30 June 2020 $
Grant Income	161,627	-
Write back of bad debts	2,580	
Interest	354	
	164,561	**-**

NOTE 16. LOSS PER SHARE

	30 June 2021 $
Comprehensive loss after income tax	(2,041,614)
	No.
Weight average number of ordinary shares	141,470,278
	Cents
Basic and diluted loss per shares	(1.44)

As the Group incurred a loss for the period, the options on issue have an anti-dilutive effect, therefore the diluted EPS is equal to the basic EPS. A total of 1,300,000 share options which could potentially dilute EPS in the future have been excluded from the diluted EPS calculation because they are anti-dilutive for the current year presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 17. SEGMENT REPORTING

The Group has identified its operating segments based on the internal reports that are used by the board in assessing performance and in determining the allocation of resources. The Board has identified three relevant business segments based on the Group's geographical offices, Australia, Singapore, and the United States. The following tables are an analysis of the Group's revenue and results by reportable segment for the half year ended 30 June 2021.

	Australia A$	Singapore A$	United States A$	Consolidated A$
Profit and Loss				
30 June 2021				
Gross Revenue	-	316,205	64,130	380,335
Grant Income	-	161,627	-	161,627
Other Income	354	2,580	-	2,934
Total Revenue	**354**	**480,412**	**64,130**	**544,896**
Loss for the Year	**(493,831)**	**(1,364,588)**	**(183,195)**	**(2,041,614)**

	Australia A$	Singapore A$	United States A$	Consolidated A$
Financial Position				
30 June 2021				
Current Assets	3,959,543	2,203,381	534,578	6,697,502
Non-Current Assets	-	2,703,556	155,022	2,858,578
Total Assets	**3,959,543**	**4,609,937**	**689,600**	**9,556,080**
Total Liabilities	**71,814**	**5,511,904**	**257,036**	**5,840,754**

NOTE 18. CONTINGENT ASSETS AND LIABILITIES

There were no contingent liabilities or contingent assets as at 30 June 2021.

NOTE 19. EVENTS SUBSEQUENT TO REPORTING PERIOD

The Directors are not aware of any other matter or circumstance that has arisen since the end of the half year that, in their opinion, has significantly affected or may significantly affect in future financial years, the operations of the Group, the results of those operations or the Group's state of affairs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 20. FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of financial assets and financial liabilities in each category are as follows:

30 June 2021	Amortized Cost $	Total $
Financial Assets		
Cash and cash equivalents	6,101,358	6,101,358
Trade and other receivable	485,334	485,334
Prepayment	262,336	262,336
Total financial assets	**6,849,028**	**6,849,028**
Financial Liabilities		
Trade and other payable	1,787,587	1,787,587
Borrowings	2,250,139	2,250,139
Lease Liabilities	1,803,028	1,803,028
Total financial liabilities	**5,840,754**	**5,840,754**

31 December 2020	Amortized Cost $	Total $
Financial Assets		
Cash and cash equivalents	53,509	53,509
Trade and other receivable	510,761	510,761
Total financial assets	**564,270**	**564,270**
Financial Liabilities		
Trade and other payable	–	–
Borrowings	–	–
Lease Liabilities	–	–
Total financial liabilities	–	–

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of 3D Metalforge Limited, I state that in the opinion of the directors:

1. the interim financial statements and notes of the Company and its subsidiaries (collectively the Group) are in accordance with the Corporations Act 2001, including:

   (b) giving a true and fair view of the Group's financial position as at 30 June 2021 and its performance for the half-year then ended on that date; and

   (a) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

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

On behalf of the board

Matthew Waterhouse
Managing Director
31 August 2021

Central Park, Level 43,
152-158 St Georges Terrace
Perth WA 6000

Correspondence to:
PO Box 7757
Cloisters Square
Perth WA 6850

T +61 8 9480 2000
E info.wa@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration

To the Directors of 3D Metalforge Ltd

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of 3D Metalforge Ltd for the half-year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

L A Stella
Partner – Audit & Assurance

Perth, 31 August 2021

Grant Thornton

Central Park, Level 43,
152-158 St Georges Terrace
Perth WA 6000

Correspondence to:
PO Box 7757
Cloisters Square
Perth WA 6850

T +61 8 9480 2000
E info.wa@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Review Report

To the Members of 3D Metalforge Ltd

Report on the review of the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of 3D Metalforge Ltd and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021 and 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 description of accounting policies, 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 accompanying half-year financial report of 3D Metalforge Ltd does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the [name of entity's] financial position as at 31 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 the *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 (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 the Code.

Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group'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.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

L A Stella
Partner – Audit & Assurance

Perth, 31 August 2021