Appendix 4D

hipages Group Holdings Limited
ABN 67 644 430 839

Reporting period	The half year ended 31 December 2021
Previous reporting period	The half year ended 31 December 2020

Results for announcement to market

		31/12/2021	Change		31/12/2020
		A$'000	A$'000	%	A$'000
Revenue					
Revenue from continuing ordinary activities	up	30,137	3,195	12%	26,942
Total sales revenue	up	30,137	3,195	12%	26,942
Total revenue	up	30,137	3,195	12%	26,942
Net loss for the period attributable to members	down	(830)	5,026	(86%)	(5,856)
Net Tangible Assets			$ per share		$ per share
Net tangible asset backing per ordinary security(1)	down	(0.037)	(0.193)	(124%)	0.156

Dividends
No dividend will be paid for the half year ended 31 December 2021

1. Net tangible assets represents Net asset less Right-of-Use assets, Intangible assets, and Deferred tax assets. The calculation is based upon the weighted average number of shares on issue during the period.

Review of Operations

A review of the Group's operations during the half year ended 31 December 2021 and the results of those operations are included in the 31 December 2021 Directors' report.

Change in ownership of controlled entities and associates

Effective 8 December 2021, the Group acquired 100% of the issued share capital of the New Zealand domiciled MyQuote Limited, trading as Builderscrack for $11.8m funded through cash reserves and an equity component.

There were no other changes in ownership of controlled entities.

Effective 3 November 2021, the Group acquired 25% of the issued share capital of Bricks+Agent for $6.25m plus acquisition costs funded through cash reserves. Bricks+Agent is one of Australia's leading property management technology platforms.

Appendix 4D

Dividend reinvestment plans

There are no dividend reinvestment plans in place.

Additional Appendix 4D disclosures

Additional Appendix 4D disclosure requirements can be found in the attached Consolidated interim financial report and the Directors report for the half year ended 31 December 2021.

The report is based on the Consolidated Interim Financial Report for the half year ended 31 December 2021 which has been reviewed by PwC with the independent Auditors Review Report included in the Interim financial report.

hipages Group Holdings Limited
Interim Financial Report
for the half year ended 31 December 2021

ABN 67 644 430 839

Contents

Directors' report

The Directors of hipages Group Holdings Limited present their report together with the consolidated financial statements of hipages Group Holdings Limited (referred to hereafter as hipages, the Company or the Group) consisting of hipages Group Holdings Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2021 and the independent auditor's report thereon.

Company restructure

During the half year ended 31 December 2020 hipages Group Holdings Limited was incorporated on 18 September 2020 and became the parent company of hipages Group Pty Limited in a restructure where existing shareholders exchanged their shares in hipages Group Pty Limited for shares in the Company.

Prior to the restructure, hipages Group Pty Limited was the parent company of the Group. The restructure has been accounted for as a capital reorganisation and did not result in a business combination for accounting purposes. Financial information of the Company has been presented as a continuation of hipages Group Pty Limited. Accordingly, the assets and liabilities continued to be recorded at their existing values in the Consolidated statement of financial position. In addition, the Consolidated statement of profit and loss for hipages Group Holdings Limited is a continuation of the existing Consolidated statement of profit an loss for hipages Group Pty Limited.

Prior period financial information contained within this report represents the consolidated historical financial information for hipages Group Pty Limited.

Directors

The names of the directors of hipages Group Holdings Limited in office during the period ended 31 December 2021 and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Chris Knoblanche	Chairman and Non-Executive Director	Appointed 18 September 2020
Robert Sharon-Zipser	Co-founder, Chief Executive Officer and Director	Appointed 18 September 2020
Stacey Brown	Non-Executive Director	Appointed 18 September 2020
Nicholas Gray	Non-Executive Director	Appointed 2 October 2020
Inese Kingsmill	Non-Executive Director	Appointed 1 October 2020

Company secretary

Kylie Quinlivan	Appointed 28 October 2021
Andrew Whitten	Appointed 15 December 2020 – Resigned 30 November 2021
Oonagh McEldowney	Appointed 18 September 2020 – Resigned 6 August 2021

Principal activities

Australia

hipages Group creates effortless solutions that help tradies streamline and grow their business and delight their customers. It is the owner of Australia's largest online tradie marketplace and Software-as-a-Service (SaaS) provider, hipages, connecting tradies with residential and commercial consumers across the country. The platform helps tradies grow their business by providing job leads from homeowners and organisations looking for qualified professionals, while enabling them to optimise their business through our SaaS product. To date, over three million Australians have changed the way they find, hire and manage trusted tradies with hipages, ultimately providing more work to approximately 31,000 trade businesses subscribed to the platform.

New Zealand

Effective 8 December 2021, the Group acquired 100% of the issued share capital of the New Zealand domiciled My Quote Limited , trading as Builderscrack is New Zealand's leading online tradie platform enabling consumers to connect with trade service providers.

Review of operations

Highlights

- Strengthened ANZ market leadership position with Builderscrack acquisition and strategic investment in Bricks + Agent, TAM increased to ~$136b
- Further release of Tradiecore's functionality, with payments solution next to be delivered
- Supported tradie customers through COVID-19 restrictions and disruptions throughout H1
- Recurring revenue up 14% vs. pcp to $28.8m, 17% excluding the impact of customer support initiatives, with MRR up by 15% to $5.3m
- Total revenue up 12% vs. pcp, 15% excluding the impact of customer support initiatives
- EBITDA margin of 14% in line with expectations, expected to return to FY21 levels by the end of H2
- Subscription tradies up 19% vs. pcp to 34.3k[1], up 7% LFL
- Strong ARPU[2] growth of 13% vs. pcp with hipages ARPU in Australia up 19% to $1,771
- Robust balance sheet and positive operating cash flow with net cash of $15.4m[3]
- Tradie demand strengthening in H2, with registrations and yields increasing

1. Includes 3.3k New Zealand paying tradies acquired through the acquisition of Builderscrack.
2. Average Annual Revenue Per Unit (i.e. Tradie ARPU) is the annual operating revenue divided by the average of the opening and closing number of total hipages tradies and paying Builderscrack tradies for the period. hipages Group ARPU of $1,672 is the blended result of hipages' ARPU of $1,771 and Builderscrack's ARPU of $704 for one-month post-completion.
3. Including cash on hand of $13.1m and funds on deposit of $2.3m.

Key Financial and Operating Metrics

Financial Metrics	H1 FY22	H1 FY21	pcp %[4]	LFL %[5]
Total Revenue ($m)	**30.1**	26.9	**12%**	**11%**
Recurring Revenue ($m)	**28.8**	25.3	**14%**	**14%**
Recurring revenue % total	**95%**	94%	**1%**	**2%**
Operating expenses ($m)	**(25.9)**	(20.3)	**28%**	**28%**
EBITDA before significant items($m)[6]	**4.2**	6.9	**(39%)**	**(40%)**
EBITDA margin	**14%**	26%	**(12%)**	**(12%)**
NPAT[7] ($m)	**(0.8)**	1.5	**(153%)**	**(149%)**
Key Operational Metrics				
MRR ($m)	**5.3**	4.6	**15%**	**14%**
Job volume (m)	**0.80**	0.77	**4%**	**3%**
Subscription tradies (000s)[7]	**34.3**	28.8	**19%**	**7%**
ARPU ($)	**1,672**	1,483	**13%**	**19%**

Summary of Group performance	Total H1 FY22 $'000	Total H1 FY21 $'000	change %
Sales revenue			
Contracts with customers - continuing operations	**29,505**	26,267	**13%**
Rental income	**632**	675	**(6%)**
	30,137	26,942	**12%**
Statutory EBITDA(8) (from continuing operations)	**3,809**	**1,407**	**171%**
Add back Other items which are one off in nature:			
Transaction costs related to IPO	**-**	4,780	**(100%)**
Non-recurring remuneration	**367**	565	**(35%)**
Net loss on conversion of convertible notes	**-**	472	**(100%)**
Public company costs	**-**	(345)	**(100%)**
Pro forma EBITDA before significant items(9)	**4,176**	6,879	**(39%)**

4. Includes impact of one month of Builderscrack performance post-completion on 8 December 2021.
5. Presented on a like-for-like basis with hipages Group preceding the acquisition of Builderscrack.
6. Pro-Forma EBITDA and NPAT in H1 FY21 adjusted for one-off IPO related costs and non-recurring interest on debt retired on IPO.
7. Includes tradies committed to a monthly subscription product from hipages and Builderscrack paying tradies who generated at least one work invoice over the last 12 months.
8. hipages Financial Report complies with Australian Accounting Standards and International Financial Reporting Standards. The underlying (non-IFRS) EBITDA before significant items is unaudited but is derived from the financial statements reviewed by PwC by removing the impact of one-off certain items. hipages believe this reflects a more meaningful measure of the Group's underlying performance.
9. The statutory results have been adjusted for pro forma one-off items on the basis that management believe this reflects a more meaningful measure of the Group's underlying performance.

Summary of Group performance	Total H1 FY22 $'000	Total H1 FY21 $'000	change %
Statutory net loss after tax (from continuing operations)	**(830)**	**(5,856)**	**(86%)**
Add back Other items which are one off in nature:			
Non-recurring interest and gain / losses on debt repaid on IPO	-	2,932	**(100%)**
Public company costs	-	(345)	**(100%)**
Transaction costs related to IPO	-	4,780	**(100%)**
Pro forma net (loss) / profit after tax[9]	**(830)**	1,511	**(>100%)**

	H1 FY22 $'000	H1 FY21 $'000	% change
Net cash /(debt)	**13,121**	29,211	**(55.1%)**

In the first half, hipages Group delivered total revenue growth of 12% vs. pcp, or 15% excluding the impact of customer support initiatives. Recurring revenue grew by 14% vs. pcp, or 17% excluding the impact of customer support initiatives. MRR increased by 15% to $5.3m.

In FY22 the Company is stepping up its investment to strengthen its market leadership position in Australia and New Zealand. EBITDA margin of 14% was in line with expectations.

Record job volumes in Q2 drove overall job volumes for the half to increase by 4% vs. pcp and Subscription Tradies grew by 19% on the pcp, or 7% on a LFL basis.

ARPU grew by 19% to $1,771[10] for hipages in Australia, or 13% overall, as tradies continue to join at higher yields. hipages Group believes this level of ARPU growth is sustainable moving forward.

Executing the strategy

hipages Group made good progress on delivering its strategy in H1, acquiring a 25% strategic interest in Bricks + Agent, one of Australia's leading property management technology platforms and 100% of Builderscrack, New Zealand's leading online tradie marketplace, which made hipages Group the trans-Tasman market leader for online tradie marketplaces[11].

In H1, Bricks + Agent signed exclusive partnership contracts with leading property management groups Raine & Horne, Belle Property and First National, while also adding new functionality including invoice automation to its platform.

hipages Group also continued to release enhanced functionality for Tradiecore, with new features such as scheduling now launched and a payments solution under development. These features have the potential to expand the TAM and diversify revenues, with Tradiecore a central component of the hipages Group ecosystem.

9. The statutory results have been adjusted for pro forma one-off items on the basis that management believe this reflects a more meaningful measure of the Group's underlying performance.

10. hipages Group ARPU of $1,672 is the blended result of hipages' ARPU of $1,771 and Builderscrack's ARPU of $704 for one-month post-completion.

11. Based on home services jobs posted monthly on the hipages platform in Australia and on the Builderscrack platform in New Zealand.

Investing for growth

hipages Group believes investment in brand and technology is key to strengthening its market leadership.

Increased brand investment across both sides of the marketplace in H1 continued to drive strong consumer and customer brand awareness of 58% and 59% respectively. Jobs from unpaid channels accounted for 78% of total jobs and 67% of jobs came from repeat customers, further showing the strength of the hipages brand. Consumer advertising was complemented by targeted radio, television and digital advertising activity to reach tradies which will continue in the second half.

Technology development spend increased as the Company continued to invest in its development team and technology architecture to support its growth, with the increased level of investment to continue in the second half.

To build the capability required of a category winner, the Company continues to partner with global technology leaders, including Stripe for its payment solution to be launched later this year, and Zuora for its new billing platform to be implemented in FY23.

Net Debt

At 31 December 2021, hipages was in a strong financial position with cash and funds on deposit of $15.4m[12] (31 December 2020: $31.5m[13]) and no debt.

Outlook

The Australian trade industry's recovery has been delayed by the Omicron outbreak as a result of this and the extension of customer retention initiatives, hipages Group expects a further moderate impact to FY22 revenue, with slower growth in Q3 before a return to double-digit growth in Q4, subject to market conditions continuing to improve..

Pleasingly, the Company has seen a strong rebound in demand already in H2, with new tradie registrations up ~48% vs. Q2. Inbound yields are also increasing and tracking in line with expectations and total subscription tradies are expected to grow in the second half.

Margins are expected to continue to improve, returning to FY21 levels by the end of H2 before increased operating leverage drives significant margin expansion in FY23.

hipages Group is constantly evolving its products, and as part of the next iteration of its product strategy, it is implementing new product features which provide more flexibility and value for its subscription tradie customers. These features are expected to improve retention while maintaining the committed recurring revenue of the subscription product. The Company will provide an update in its Q3 Quarterly in April.

While the macroeconomic outlook remains uncertain with rising inflation and higher interest rates on the horizon, the Company's business model has proven to benefit from demand-side in the past. This includes delivering strong growth through the Global Financial Crisis, when tradies increasingly relied on the hipages platform to sustain and grow their businesses.

As the market leader with a strong brand, large customer base and profitable growth profile, hipages Group is well positioned to withstand any near-term turbulence and capture the significant long-term opportunity in the on-demand tradie economy.

Subsequent events

There have been no other events subsequent to balance date that would have a material effect on the Group's Interim financial statements at 31 December 2021.

Dividends

No dividend has been proposed or paid during the current half year or previous half year.

12. Comprising cash and cash equivalents of $13.1m and funds on deposit of $2.3m.
13. Comprising cash and cash equivalents of $29.2m and funds on deposit of $2.3m.

Auditors independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7.

Rounding of amounts

The Company is an entity to which the *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* applies. Amounts have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

This report is made in accordance with a resolution of Directors.

Chris Knoblanche
Chairman

Robert Sharon-Zipser
CEO and Managing Director

Sydney
24 February 2022

Auditor's Independence Declaration

Auditor's Independence Declaration

As lead auditor for the review of hipages Group Holdings Limited for the half-year ended 31 December 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.

This declaration is in respect of hipages Group Holdings Limited and the entities it controlled during the period.

Mark Valerio
Partner
PricewaterhouseCoopers

Sydney
24 February 2022

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hipages Group Holdings Limited

ABN 67644 430 839

Consolidated Interim financial statements

for the half year ended 31 December 2021

Consolidated statement of profit or loss

For the half year ended 31 December 2021

	Notes	31 December 2021 $'000	31 December 2020 $'000
Continuing operations			
Revenue	2.2	**30,137**	26,942
		30,137	26,942
Expenses excluding interest, tax, depreciation, and amortisation			
Employee benefits expenses		**(9,522)**	(7,846)
Marketing related expenses		**(10,265)**	(7,035)
Operations and administration expenses		**(4,324)**	(3,929)
Employee share options expense		**(1,229)**	(1,040)
Impairment of receivables		**(933)**	(622)
Transaction costs related to IPO		**-**	(4,780)
Net other expenses		**(55)**	(283)
Total expenses excluding interest, tax, depreciation, and amortisation		**(26,328)**	(25,535)
Earnings before interest, tax, depreciation, and amortisation (EBITDA)		**3,809**	1,407
Depreciation and amortisation	2.3	**(4,496)**	(4,337)
Loss before interest and income tax		**(687)**	(2,930)
Finance income		**74**	85
Finance expenses		**(124)**	(3,011)
Net finance expenses		**(50)**	(2,926)
Share of profit / (loss) of equity-accounted investees, net of tax	3.2	**(118)**	-
Loss before income tax from continuing operations		**(855)**	(5,856)
Income tax benefit		**25**	-
Loss for the period from continuing operations		**(830)**	(5,856)
Loss for the period, attributable to the members of the Group		**(830)**	(5,856)
		Cents	Cents
Earnings per share attributable to the ordinary equity holders of the Group:			
Basic and diluted earnings per share:			
From continuing operations		**(0.64)**	(5.06)

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

Consolidated statement of comprehensive income

For the half year ended 31 December 2021

	31 December 2021 $'000	31 December 2020 $'000
Loss for the period attributable to members of the Company	**(830)**	(5,856)
Other comprehensive income		
Items that may be reclassified to profit and loss:		
Foreign current translation differences for foreign operations	**(200)**	-
Income tax on these items	**-**	-
Other comprehensive loss net of tax	**(200)**	-
Total comprehensive loss, attributable to owners of hipages Group Holdings Limited	**(1,030)**	(5,856)

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

Consolidated statement of financial position

As at 31 December 2021

	Notes	31 December 2021 $'000	30 June 2021 $'000
ASSETS			
Current assets			
Cash and cash equivalents	3.1	**13,121**	30,303
Funds on deposit		**2,271**	2,271
Trade and other receivables		**1,681**	1,461
Other assets		**2,522**	1,976
Total current assets		**19,595**	36,011
Non-current assets			
Other assets		**248**	639
Other investments		**800**	800
Equity-accounted investees	3.2	**6,650**	-
Property, plant and equipment		**1,664**	1,868
Right-of-use asset	3.4	**12,835**	6,370
Intangible assets	3.3	**28,819**	11,596
Total non-current assets		**51,016**	21,273
Total assets		**70,611**	57,284
LIABILITIES			
Current liabilities			
Trade and other payables		**9,270**	7,235
Contract liabilities		**3,109**	3,715
Provisions		**1,786**	1,461
Lease liabilities	3.4	**2,719**	3,086
Current Tax Liability		**61**	-
Total current liabilities		**16,945**	15,497
Non-current liabilities			
Other payables		**1,448**	-
Provisions		**544**	552
Lease liabilities	3.4	**11,899**	5,495
Deferred Tax Liability		**2,951**	-
Total non-current liabilities		**16,842**	6,047
Total liabilities		**33,787**	21,544
Net assets		**36,824**	35,740
EQUITY			
Issued capital	3.5	**316,660**	315,775
Reserves	3.5	**(219,414)**	(220,443)
Accumulated losses	3.5	**(60,422)**	(59,592)
Total equity		**36,824**	35,740

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

Consolidated statement of changes in equity

For the half year ended 31 December 2021

Attributable to owners of hipages Group Holdings Limited

	Notes	Contributed equity $'000	Capital reorganisation reserve $'000	Share-based payments reserve $'000	Translation & other reserves $'000	Accumulated losses $'000	Total $'000
Balance at 1 July 2020		48,087	-	5,086	(1,069)	(52,724)	(620)
Loss for the period, attributable to the members of the Group		-	-	-	-	(5,856)	(5,856)
Transactions with owners in their capacity as owners:							
Contributions of equity pre-IPO		300	-	-	-	-	300
Conversion of convertible note		5,044	-	-	-	497	5,541
Settlement of risk participation fee		(1,542)	-	-	-	(1,166)	(2,708)
Capital reorganisation		(51,889)	(226,612)	-	-	-	(278,501)
New shares issued to existing shareholders		218,076	-	-	-	-	218,076
New shares issued to new shareholders under the primary offering		40,000	-	-	-	-	40,000
New shares issued to new shareholders under the secondary offering		60,424	-	-	-	-	60,424
Contributions of equity - transaction costs related to IPO		(2,796)	-	-	-	-	(2,796)
Equity settled share-based payment		-	-	1,040	-	-	1,040
Balance at 31 December 2020		315,704	(226,612)	6,126	(1,069)	(59,249)	34,900
Balance at 1 July 2021		**315,775**	**(226,612)**	**7,238**	**(1,069)**	**(59,592)**	**35,740**
Loss for the period, attributable to the members of the Group		**-**	**-**	**-**	**-**	**(830)**	**(830)**
Transactions with owners in their capacity as owners:							
Equity settled share-based payment		**-**	**-**	**1,229**	**-**	**-**	**1,229**
Contributions of equity, net of transaction costs	3.5	**885**	**-**	**-**	**-**	**-**	**885**
Foreign currency translation differences - foreign operations	3.5	**-**	**-**	**-**	**(200)**	**-**	**(200)**
Balance at 31 December 2021		**316,660**	**(226,612)**	**8,467**	**(1,269)**	**(60,422)**	**36,824**

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 31 December 2021

	Notes	31 December 2021 $'000	31 December 2020 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**31,514**	29,528
Payments to suppliers and employees (inclusive of GST)		**(27,364)**	(22,970)
		4,150	6,558
Transaction costs in relation to secondary offer		**-**	(4,616)
Interest received		**33**	188
Interest paid, including on lease liabilities		**-**	(1,088)
Net cash flows from operating activities		**4,183**	1,042
Cash flows from investing activities			
Payment for purchase of business (Builderscrack)		**(7,843)**	-
Payments for investments (Bricks+Agent)		**(6,747)**	-
Payments for property, plant and equipment		**(225)**	(310)
Payments for intangible assets		**(5,107)**	(3,619)
Proceeds from divestments		**150**	70
Net cash flows used in investing activities		**(19,772)**	(3,859)
Cash flows from financing activities			
Proceeds from issue of shares		**-**	40,300
Proceeds from borrowings		**-**	3,000
Repayment of borrowings		**-**	(15,978)
Payment of principal portion of lease liabilities		**(1,584)**	(1,412)
Payment of transaction costs on issue of new shares		**-**	(2,704)
Net cash flows from / (used in) financing activities		**(1,584)**	23,206
Net increase in cash and cash equivalents		**(17,173)**	20,389
Cash and cash equivalents at the beginning of the period		**30,303**	8,822
Effects of exchange rate changes on cash and cash equivalents		**(9)**	-
Cash and cash equivalents at end of the period	3.1	**13,121**	29,211

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

Notes to the consolidated financial statements

For the half year ended 31 December 2021

1. Basis of preparation

1.1. Reporting entity

These consolidated interim financial statements are for the Group consisting of hipages Group Holdings Limited (the “Company” or “parent entity”) and its subsidiaries (together referred to as the “Group” or “Consolidated Entity” and individually as “Group Entities”) for the half year ended 31 December 2021 and were authorised for issue in accordance with a resolution of the directors on 24 February 2022.

1.2. Incorporation and company restructure

hipages Group Holdings Limited was incorporated on 18 September 2020 and became the parent company of hipages Group Pty Limited in a restructure where existing shareholders exchanged their shares in hipages Group Pty Limited for shares in the Company.

Prior to the restructure, hipages Group Pty Limited was the parent company of the Group. The restructure has been accounted for as a capital reorganisation and did not result in a business combination for accounting purposes. Financial information of the Company has been presented as a continuation of hipages Group Pty Limited. Accordingly, the assets and liabilities continued to be recorded at their existing values in the Statement of financial position.

Prior period financial information contained within this report represents the consolidated historical financial for hipages Group Pty Limited.

On 12 November 2020, the Company successfully listed on the Australian Stock Exchange (ASX) following an Initial Public Offering (IPO) which raised $100.4 million.

1.3. Basis of preparation

These consolidated interim financial statements for the half year period ended 31 December 2021 have been prepared in accordance with Accounting Standard IAS34 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim financial report does not include all the notes of the type normally included in an annual report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by hipages Group Holdings Limited during the interim period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

These financial statements have been prepared on a going concern basis. As at 31 December 2021, the Group had net assets of $36. 824 million (30 June 2021: Net assets $35.740 million) and net current assets of $2.650 million (30 June 2021: current assets of $20.514 million).

1.4. Rounding

The Company is an entity to which the ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191 applies. Amounts have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

1.5. Key accounting estimates

In preparing these interim financial statements, management are required 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.

Estimates and underlying assumptions are reviewed on an ongoing basis.

In preparing these interim financial statements, the judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial report as at and for the year ended 30 June 2021. These include:

(i) revenue lead credits and lead utilisation.

(ii) estimation of deferred consideration on divested businesses.

(iii) capitalisation of internally generated software.

(iv) estimation of useful lives of assets.

(v) going concern.

Following the acquisition of a subsidiary (note 4.3.1) and acquisitions of an associate (note 4.3.2) additional judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses have been made. These include:

(i) valuation of deferred consideration payable on acquisition of subsidiary.

(ii) estimation of valuation of identifiable and unidentifiable intangible assets acquired following acquisition of a subsidiary and an associate during the half year ended 31 December 2021.

1.6. Changes in significant accounting policies

The accounting policies applied in these interim financial statements are consistent with those adopted and disclosed in the Group's annual financial report for the financial year ended 30 June 2021.

New accounting standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2021:

- AASB 2021-4 Amendments to Australian Accounting Standards –Modified Retrospective Transition Approach for Service Concession Grantors AASB 1059.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2. Business performance

2.1. Segment information

Description of segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses. The operating segments operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to assess performance of the business and to make decisions about resources to be allocated to the segment.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Reportable segments are summarised below.

Australia hipages	hipages is Australia's largest online tradie marketplace and Software-as-a-Service (SaaS) provider connecting tradies with residential and commercial consumers.
New Zealand Builderscrack	Effective 8 December 2021, the Group acquired 100% of the issued share capital of the New Zealand domiciled MyQuote Limited. Builderscrack is New Zealand's leading online tradie platform enabling consumers to connect with trade service providers.

Segment information

Segment revenue

The revenue from external customers reported to the CODM is measured in a manner consistent with that in the consolidated income statement. There are no sales between segments. Segment revenue reconciles to total revenue per note 2.2.

Major customers

The Group did not derive 10% or more of its revenues from any single external customer.

Segment result

The CODM assesses performance based on a measure of EBITDA (Earnings before interest, tax, depreciation and amortisation). In addition, when assessing performance, if relevant the CODM considers the effects of non-recurring expenditure from the operating segments such as restructuring costs or asset impairments.

Recognition and measurement

Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The CODM, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Chief Executive Officer and the Chief Financial & Operations Officer.

Operating segments that exhibit similar long-term economic characteristics, and have similar products, processes, customers, distribution methods and regulatory environments are aggregated.

2.1. Segment information (continued)

Information about reportable segments

The segment result in respect of Builderscrack represent the period from acquisition to half year end, being 8 December 2021 through to 31 December 2021.

	Australia		New Zealand		Total operations	
	6 months ended		1 month ended[1]		6 months ended[1]	
	31-Dec-21 $'000	31-Dec-20 $'000	31-Dec-21 $'000	31-Dec-20 $'000	31-Dec-21 $'000	31-Dec-20 $'000
Sales revenue	**29,939**	26,942	**198**	-	**30,137**	26,942
Segment EBITDA	**3,733**	1,407	**76**	-	**3,809**	1,407
Depreciation and amortisation	**(4,331)**	(4,337)	**(165)**	-	**(4,496)**	(4,337)
Segment loss before interest and tax	**(598)**	(2,930)	**(89)**	-	**(687)**	(2,930)
Net financing expense	**(50)**	(2,926)	**-**	-	**(50)**	(2,926)
Share of Profits in Associates	**(118)**	-	**-**	-	**(118)**	-
Income tax benefit	**-**	-	**25**	-	**25**	-
Segment loss after tax	**(766)**	(5,856)	**(64)**	-	**(830)**	(5,856)

	Balance as at		Balance as at		Balance as at	
	31-Dec-21 $'000	30-Jun-21 $'000	31-Dec-21 $'000	30-Jun-21 $'000	31-Dec-21 $'000	30-Jun-21 $'000
Segment assets	**58,979**	57,284	**11,632**	-	**70,611**	57,284
Segment liabilities	**30,676**	21,544	**3,111**	-	**33,787**	21,544

1. Builderscrack was acquired effective 8 December 2021, and its reported results for the period ended 31 December 2021 have been consolidated into the results of the total operations for the 6 months ended 31 December 2021.

2.2. Revenue

Sales revenue	31 December 2021 $'000	31 December 2020 $'000
Continuing operations		
Contracts with customers - recurring revenue	**28,768**	25,288
Contracts with customers - transactional revenue	**737**	979
Rental income	**632**	675
Total revenue from continuing operations	**30,137**	26,942
Total revenue	**30,137**	26,942

2.3. Depreciation and amortisation expense

	31 December 2021 $'000	31 December 2020 $'000
Depreciation		
Plant and equipment	**180**	162
Leasehold improvements	**266**	265
Right-of-use assets	**956**	946
Total depreciation	**1,402**	1,373
Amortisation		
Software and other intangibles	**29**	3
Capitalised development costs	**3,028**	2,961
Brand & Customer Contract	**37**	-
Total amortisation	**3,094**	2,964
Total depreciation and amortisation	**4,496**	4,337

3. Capital and financing

3.1. Cash and cash equivalents

	31 December 2021 $'000	30 June 2021 $'000
Cash at bank and in hand	**13,121**	30,303
Committed cash (bank guarantees)	**2,271**	2,271

Committed cash represents cash in term deposits held as bank guarantees for the lease of the Company's Sydney office premises. Further information is set out in note 4.2 Contingencies.

3.2. Equity-Accounted investees

Effective 3 November 2021, the Group acquired a 25% equity interest in Bricks+Agent (B+A). All other equity interests are privately held and there is no publicly quoted fair value. B+A is incorporated in Australia and is a leading property management technology platform .

Name of entity	Place of business / country of incorporation	% of ownership interest		Nature of relationship	Measurement method	Quoted fair value		Carrying amount	
		31 Dec 2021 %	31 Dec 2020 %			31 Dec 2021 $'000	31 Dec 2020 $'000	31 Dec 2021 $'000	31 Dec 2020 $'000
Bricks+ Agent	Australia	**25**	-	Associate	Equity method	**n/a**	n/a	**6,650**	-

In addition to holding a 25% equity entitlement, through the shareholder agreement, hipages also holds a seat at the Board and is entitled to participate in all significant financial and operating decisions. On this basis management have determined that the Group has significant influence over B+A and it should account for this entity using the equity method.

Notes to the consolidated financial statements (continued)

For the half year ended 31 December 2021

Summarised financial information for associates	Note	31 December 2021 $'000	30 June 2021 $'000
Summarised balance sheet			
Current assets		**4,267**	-
Non-current assets		**22,774**	-
Current liabilities		**(443)**	-
Net assets (100%)		**26,598**	-
Reconciliation to carrying amount			
Opening net assets		**-**	-
Investment in associate		**6,768**	-
Loss for the period		**(118)**	
Closing net assets		**6,650**	-

	31 December 2021 $'000	31 December 2020 $'000
Summarised statement of comprehensive income		
Revenue	**279**	-
Loss for the period	**(473)**	-
Groups share in net loss in dollars (25%)	**(118)**	-

3.3. Intangible assets

	31 December 2021 $'000	30 June 2021 $'000
Goodwill	**5,035**	785
Brands and customer relationships	**6,625**	-
Less accumulated amortisation - brands and customer relationships	**(37)**	-
Capitalised development - at cost	**53,180**	43,729
Less accumulated amortisation - capitalised development	**(36,052)**	(33,015)
Software and other intangibles	**164**	164
Less accumulated amortisation - Software and other intangibles	**(96)**	(67)
Total intangible assets	**28,819**	**11,596**
Comprising		
Goodwill	**5,035**	785
Brands and customer relationships	**6,588**	-
Capitalised development	**17,128**	10,714
Software and other intangibles	**68**	97
Closing net book value	**28,819**	**11,596**

Goodwill, Brands, as well as Customer relationships have been provisionally valued following acquisition of Builderscrack as described in Note 4.3.1, Acquisition of a subsidiary.

3.4. Lease accounting

Amounts recognised in the Consolidated statement of financial position

	31 December 2021 $'000	30 June 2021 $'000
Right-of-use asset		
Buildings	**20,068**	12,647
Less accumulated amortisation	**(7,233)**	(6,277)
Total right-of-use assets	**12,835**	6,370
Reconciliation of movement		
Opening written down value	**6,370**	6,979
Additions arising on lease modification	**7,421**	40
Impact due to change in discount rate	**-**	1,178
Amortisation	**(956)**	(1,827)
Closing written down value	**12,835**	6,370
Lease liabilities		
Current	**2,719**	3,086
Non-current	**11,899**	5,495
Total lease liabilities	**14,618**	8,581

Maturity analysis - undiscounted		
Less than one year	**3,048**	3,259
One to two years	**2,997**	3,327
Two to eight years	**9,894**	2,281
Total undiscounted lease liabilities at 31 December 2021	**15,939**	8,867

A non-binding Heads of Agreement has been signed in respect of exercising an option to extend existing floor space in respect of commercial office premises to November 2029. The impact of the Heads of Agreement has been recognised in the Statement of financial position on the basis that the intention is to exercise the existing lease option. This has resulted in an increase to the underlying Right of Use assets and lease liability of $7,421,000; the closing remeasured Right of Use Asset and lease liability are $12,835,000 and $14,618,000 respectively.

The final lease agreement is expected to be signed during March 2022.

3.5. Contributed equity

Issued capital

Ordinary shares	31-Dec-21 Number	30-Jun-21 Number	31-Dec-21 $'000	30-Jun-21 $'000
Balance at the beginning of the financial year	**130,030,702**	888,809	**315,775**	48,087
Contribution of equity pre-IPO	-	1,233	-	300
Conversion of Convertible Notes to shares	-	23,200	-	5,044
Capital reorganisation	-	(913,242)	-	(51,889)
Settlement of risk participation fee	-	-	-	(1,542)
New shares issued to new shareholders under the primary offering	-	16,326,531	-	40,000
New shares issued to new shareholders under the secondary offering	-	24,663,012	-	60,424
New shares issued to existing shareholders	-	89,010,457	-	218,076
Share issue costs		-	-	(2,795)
New issue of shares as part of consideration for an acquisition	**243,145**	30,702	**885**	70
Shares issued on vesting of employee share rights	-	-	-	-
Balance at the end of the half year	**130,273,847**	130,030,702	**316,660**	**315,775**

Shares issued as consideration for an acquisition

During the half year ended 31 December 2021, as part of the consideration for the acquisition of My Quote Pty Ltd trading as Builderscrack an additional 243,145 ordinary shares were issued to the vendors. These shares are held in Escrow until 8 December 2022. During the corresponding half year ended 31 December 2020 hipages Group Holdings Limited was incorporated (18 September 2020) and became the parent company of hipages Group Pty Limited in a restructure where existing shareholders exchanged their shares in hipages Group Pty Limited for shares in the Company.

Shares issued to existing shareholders and noteholders

During the corresponding half year ended 31 December 2020 a total of 89,010,457 shares were issued to existing shareholders and noteholders. In accordance with a voluntary escrow agreement these shares have been held as follows:

80,442,616	Released from Escrow following the release of the Company's financial results for the year ended 30 June 2021.
8,567,841	Will be released from Escrow on the business day following the release of the Company's financial results for the half year ended 31 December 2021.

Notes to the consolidated financial statements (continued)

For the half year ended 31 December 2021

Reserves

Capital reorganisation reserve	31 December 2021 $'000	30 June 2021 $'000
Balance at the beginning of the financial year	**(226,612)**	-
Capital reorganisation	**-**	(226,612)
Balance at the end of the financial year	**(226,612)**	(226,612)
Share-based payments reserve		
Balance at the beginning of the financial year	**7,238**	5,086
Share-based payments expense	**1,229**	2,152
Balance at the end of the financial year	**8,467**	7,238
Translation and other reserves		
Balance at the beginning of the financial year	**(1,069)**	(1,069)
Other comprehensive loss	**(200)**	-
Balance at the end of the financial year	**(1,269)**	(1,069)
Total reserves	**(219,414)**	(220,443)

Accumulated losses

Accumulated losses	31 December 2021 $'000	30 June 2021 $'000
Balance at the beginning of the financial year	**(59,592)**	(52,724)
Loss after tax for the half year ended 31 December	**(830)**	(6,199)
Conversion of convertible note	**-**	497
Settlement of risk participation fee	**-**	(1,166)
Accumulated losses at the end of the financial year	**(60,422)**	(59,592)

Dividends

No dividends were paid during the half year ended 31 December 2021 (31 December 2020: nil) and no interim dividends have been declared.

4. Other disclosures

4.1. Fair value measurements

Unless otherwise stated, the carrying amounts of financial assets and liabilities of the Group approximate their fair value.

The Group measures and recognises in the Consolidated statement of financial position on a recurring basis certain assets and liabilities at fair value in accordance with AASB13 Fair Value Measurement. The fair value must be estimated for recognition and measurement in accordance with the following hierarchy.

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual report.

The fair values of cash and cash equivalents, trade and other receivables, trade and other payables and borrowings approximate their carrying amounts due to their short-term nature and the impact of discounting not being significant.

The Group's financial assets and financial liabilities at fair value are as follows:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
31-December-2021				
Assets				
Financial assets at fair value through OCI (unlisted securities)	-	-	**800**	**800**
Liabilities				
Current - Contingent consideration(1)	-	-	**(1,475)**	**(1,475)**
Non-current - Contingent consideration(1)	-	-	**(1,448)**	**(1,448)**
30-June-2021				
Assets				
Financial assets at fair value through OCI (unlisted securities)	-	-	800	800

1. The fair value of the contingent consideration financial instruments relates to the fair value of the cash component of the contingent consideration payable in respect to the acquisition of Builderscrack as described in note 4.3.1.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the transfer has occurred. There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the half year.

The fair value of financial instruments that are not traded in an active market (for example unlisted security investments) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. An illiquidity discount has been applied.

4.2. Contingencies

The Group had contingent liabilities at 31 December 2021 in respect of:

Claims The Group has various commercial legal claims common to businesses of its type that constitute contingent liabilities, none of which are deemed material to the Group's financial position.

Guarantees The Company has provided a bank guarantee against its committed cash of $2.271 million (30 June 2021: $2.271 million) to its landlord in relation to the lease of office premises. These guarantees give rise to liabilities in the consolidated entity if it does not meet its obligations under the terms of the lease. Further details are set out in note 3.1 Cash and cash equivalents.

4.3. Group Composition

4.3.1. Acquisition of a subsidiary

Effective 8 December 2021, the Group acquired 100% of the issued share capital of the New Zealand domiciled MyQuote Limited. Builderscrack is New Zealand's leading online tradie platform enabling consumers to connect with trade service providers.

In the period to 31 December 2021, Builderscrack contributed revenue of $198,000 and EBITDA of $76,000.

Consideration transferred

The following table summarises the acquisition-date fair value of each major class of consideration transferred.

	Notes	AUD$'000
Cash consideration		**7,965**
Equity consideration	3.5	**885**
Contingent consideration at fair value	4.1	**2,923**
Total consideration transferred		**11,773**
Completion amount payable		**517**
Total consideration		**12,290**

Equity instrument's issued

The fair value of the ordinary shares issued was based on the listed share price of the Company at 8th December 2021 of $3.6398 per share with 243,145 shares issued.

4.3. Group Composition (continued)

Contingent consideration

The Company has agreed to pay the selling shareholders additional consideration which is contingent upon revenue and EBITDA milestones for the year ending 30 June 2022 (NZD$3.2m and NZD$0.65m respectively) and the year ending 30 June 2023 (NZD$4.4m and NZD$1.3m respectively). The fair value of the contingent consideration at acquisition date was $2,923,000. Which is split evenly across each target and 50/50 between a cash and an equity component.

Acquisition related costs

The Company incurred acquisition-related costs of $698,000 relating to external legal fees as well as taxation, accounting and other due diligence costs. These costs have been included in the purchase price of Builderscrack.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	AUD$'000
Cash and cash equivalents	590
Accounts receivable	137
Other current assets	118
Capitalised development	4,344
Property plant & equipment	6
Identifiable intangibles	6,731
Trade & other payables	(150)
Income tax payable	(44)
Employee entitlements	(21)
Deferred tax liabilities	(3,040)
Total identifiable assets acquired	**8,671**

Fair values measured on a provisional basis

Trade and other receivables comprised contractual amounts due of $185,000, of which 48,000 was expected to be uncollectable at the date of acquisition.

The fair value of Builderscrack technology platform included with capitalised development has been measured provisionally pending further analysis.

The fair value of Builderscrack customer relationships, contracts and its brand has been measured provisionally pending further analysis and independent review.

The Deferred tax liability has been estimated based upon the provisional valuations.

Goodwill

Goodwill arising from the acquisition has been recognised as follows.

	Notes	$'000
Total consideration		**12,290**
Acquisition related costs		**698**
Less: Fair value of identifiable net assets		**(8,671)**
Goodwill		**4,317**

The goodwill acquired is attributable to Builderscrack established on-line tradie platform. It is the market leader in New Zealand and has partnered with hipages know how in this space has high long-term growth prospects in this market, . The value has been provisionally determined.

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the acquired subsidiary. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Goodwill is allocated to cash generating units for the purpose of impairment testing.

4.3.2. Acquisition of an investment in an associate

Effective 3 November 2021, the Group acquired 25% of the issued share capital of Bricks+Agent for $6.25m plus acquisition costs funded through cash reserves. Bricks+Agent is one of Australia's leading property management technology platforms.

Purchase price	**100% $'000**	**25% $'000**
Consideration transferred in cash		**6,250**
Acquisition costs		**518**
Fair value of shares	**27,071**	**6,768**

Net assets acquired	**100% $'000**	**25% $'000**
Identifiable assets acquired and liabilities assumed at book value	**1,673**	**418**
Fair value adjustment relating to assets acquired	**25,398**	**6,350**
Total identifiable and unidentifiable net assets acquired	**27,071**	**6,768**

4.3. Group Composition (continued)

The Company incurred acquisition-related costs of $518,000 relating to external legal fees as well as taxation, accounting, and other due diligence costs. These costs have been included in the purchase price of B+A.

4.3.3. Restructure during the Period ended 31 December 2020

hipages Group Holdings Limited was incorporated on 18 September 2020 and became the parent company of hipages Group Pty Limited in a restructure where existing shareholders exchanged their shares in hipages Group Pty Limited for shares in the Company. Further details are set out in note 1.2 Incorporation and company restructure and note 3.5 Contributed equity.

4.4. Events occurring after the reporting period

There have been no events subsequent to the balance date that would have a material effect on the Group's interim financial statements at 31 December 2021.

4.5. Related party transactions

Parent entity and ultimate controlling entity changes

hipages Group Holdings Limited (the Company) is the ultimate controlling entity.

Subsidiaries

Effective 8 December 2021, the Group acquired 100% of the issued share capital of the New Zealand domiciled My Quote Limited.

Effective 3 November 2021, the Group acquired a 25% of the issued share capital of Bricks+Agent.

There have been no other changes in controlled entities during the half year ended 31 December 2021.

Key management personnel changes

There have been no changes to key management personnel (KMP) during the half year ended 31 December 2021.

Loans to / from related parties

There are no loans to or from related parties (31 December 2020: nil).

Other related party transactions

There have been no significant changes in the nature or amount of related party transactions of the Group during the period ended 31 December 2021.

The Company continues to have a website hosting arrangement with Elephant Room, which is a business owned by Adam Sharon-Zipser, the brother of hipages Co-founder and Chief Executive Officer, Robert Sharon-Zipser. During the half year ended 31 December 2021 the Company paid Elephant Room approximately $730 (31 December 2020: $660). The arrangement is on normal commercial terms and conditions. In addition, payments were made to News Corp, a hipages shareholder for $101,000 related to advertising services. These payments were made on normal commercial terms and conditions.

Related party consultancy services are provided to B+A, the associate entity acquired during the period as described in note 4.3.2 by JRC software. JRC software is a related party to B+A. The services are provided on normal commercial terms.

Directors' declaration

For the half year ended 31 December 2021

In the opinion of the Directors of hipages Group Holdings Limited (the Company):

(a) the consolidated interim financial statements and notes set out on pages 9 to 29 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*; and

  (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the six-month period ended on that date;

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Chris Knoblanche
Chairman

Sydney
24 February 2022

Robert Sharon-Zipser
Chief Executive Officer

Independent auditor's review report to the members of hipages Group Holdings Limited

Independent auditor's review report to the members of hipages Group Holdings Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of hipages Group Holdings Limited (the Company) and the entities it controlled from time to time during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, significant accounting policies and 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 hipages Group Holdings Limited does not comply with the *Corporations Act 2001* including:

1. 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

2. 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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

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

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and of 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.

PricewaterhouseCoopers

PricewaterhouseCoopers

Mark Valerio Partner	Sydney 24 February 2022

Corporate directory

Executive Director

Robert Sharon-Zipser,
Co-Founder, Executive Director and CEO

Non-Executive Directors

Chris Knoblanche
Stacey Brown
Nicholas Gray
Inese Kingsmill

Chief Financial and Operations Officer

Melissa Fahey

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