APPENDIX 4D
HALF-YEAR REPORT
ECLIPX GROUP LIMITED
ACN : 131 557 901

HALF-YEAR ENDED 31 MARCH 2022

1 Details of the reporting period and the prior period

Current period	1 October 2021 - 31 March 2022
Prior period	1 October 2020 - 31 March 2021

2 Results for announcement to the market

	Half-Year Ended 31 Mar 2022	Half-Year Ended 31 Mar 2021	Change on Prior Period	Change on Prior Period
Financial Performance	**$'000**	**$'000**	**$'000**	**%**
Revenue from continuing operations	347,740	333,155	14,585	4.4%
Profit for the half-year after tax	59,412	37,766	21,646	57.3%
Net profit attributable to members	59,412	37,766	21,646	57.3%
Cash net profit after tax for the period[1]	62,100	39,348	22,752	57.8%
Earnings per share	**Cents**	**Cents**	**Cents**	**%**
Statutory earnings per share	20.41	12.04	8.37	69.5%
Diluted statutory earnings per share	19.26	11.30	7.96	70.4%
Cash earnings per share	21.34	12.54	8.80	70.2%
Number of ordinary shares used in calculating	**Units**	**Units**	**Units**	**%**
Statutory earnings per share	291,028,481	313,709,975	(22,681,494)	(7.2%)
Diluted statutory earnings per share	308,519,902	334,314,973	(25,795,071)	(7.7%)
Cash earnings per share	291,028,481	313,709,975	(22,681,494)	(7.2%)

1. Cash net profit after tax for the period is the statutory profit after tax, adjusted for the post tax effect of material one-off items that do not reflect the ongoing operations of the Group and the amortisation of intangible assets

Commentary
Refer to the 2022 Half-Year Report accompanying this report for a more detailed commentary.

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3 Dividends

Dividends	**Amount per security Cents**	**Franked amount per security Cents**
No interim dividend declared for the period ended 31 March 2021	0.00	0.00
No interim dividend declared for the period ended 31 March 2020	0.00	0.00

4 Dividend reinvestment plans

Not applicable for half-year ended 31 March 2022.

5 Net Tangible Assets Per Security

	Half-Year Ended 31 Mar 2022 cents	**Half-Year Ended 31 Mar 2021 cents**
Net Tangible Assets Per Ordinary Security	65.92	33.02

6 Auditor's report

The financial report has been independently reviewed and an unqualified review report has been issued.

7 Attachments

The Half-Year Report of Eclipx Group Limited for the half-year ended 31 March 2022 is attached.

8 Signed

Gail Pemberton
Chairperson
Sydney

Date: 4 May 2022

Eclipx Group Limited

ACN 131 557 901

Interim report
for the half-year ended 31 March 2022

Eclipx Group Limited
ACN 131 557 901
Half-year report - 31 March 2022

CONTENTS

Eclipx Group Limited
Directors' Report
31 March 2022

The Directors present their report on the consolidated entity (referred to hereafter as the Group or Eclipx) consisting of Eclipx Group Limited (the Company) and the entities it controlled at the end of or for the half-year ended 31 March 2022.

1. Directors

The following persons were Directors of the Company during the whole of the half-year period and up to the date of this report, unless otherwise stated:

Gail Pemberton	Chairperson, Independent Non-Executive Director
Trevor Allen	Independent Non-Executive Director
Russell Shields	Independent Non-Executive Director
Linda Jenkinson	Independent Non-Executive Director
Fiona Trafford-Walker	Independent Non-Executive Director
Cathy Yuncken	Independent Non-Executive Director

2. Review of operations

Principal activities

The Group is one of the leading providers of fleet management services, operating in Australia and New Zealand. Our products include a comprehensive range of motor vehicle fleet services including procurement, leasing, in-life fleet management and remarketing.

Group financial performance

The Group measures financial performance adopting the following non-IFRS measures:

- Net Operating Income (NOI). This represents earnings before tax after direct costs such as interest expense on debt allocated to fleet assets and depreciation and amortisation of fleet assets. NOI also includes end of lease income.
- Earnings before interest, taxes, depreciation and amortisation (EBITDA). This represents earnings before taxes after indirect costs such as wages, occupancy and technology costs. It also includes impairment expenses. EBITDA excludes depreciation and amortisation of non-fleet assets, share based payments and interest expense on corporate debt, other than interest expense on debt allocated to fleet assets.
- Cash net profit after taxes and amortisation (NPATA). This represents earnings of the Group after tax. It excludes significant costs deemed to be non-recurring due to the nature of the cost as well as excluding the amortisation of all intangibles.
- Cash net profit after tax (NPAT). This represents the earnings of the Group after tax excluding significant costs deemed to be non-recurring due to the nature of the cost. It also excludes the amortisation of acquired intangibles.

The table below reconciles the non-IFRS measures with the statutory profit for the first half reported in the Group Statement of Profit or Loss and Other Comprehensive Income.

($m)	**31-Mar-22**	**31-Mar-21**
Net operating income	131.5	104.7
Bad and doubtful debts	2.1	1.2
Operating expense	(38.6)	(39.4)
EBITDA	**95.0**	**66.5**
Depreciation	(2.2)	(2.7)
Share based payments	(1.6)	(2.4)
Operating finance costs	(3.1)	(5.7)
Tax	(26.0)	(16.4)
Cash NPATA	**62.1**	**39.3**
Software amortisation post tax	(1.7)	(1.2)
Cash NPAT	**60.4**	**38.1**
Reconciling items to statutory profits		
Amortisation of other intangibles post tax	(1.1)	(1.0)
Significant items post tax	0.1	0.7
Statutory profits	**59.4**	**37.8**

2. Review of operations (continued)

Net operating income

Net operating income (NOI) increased by $26.8 million compared to the NOI half-year ended 31 March 2021. The NOI increase was a result of:

- Higher net interest income driven by lower lease finance costs.
- Higher end-of-lease income as a result of higher average income per sold motor vehicle, driven by supply shortages and increased demand for second-hand vehicles.
- Higher maintenance profit from lower utilisation of vehicles by clients resulting in lower lifetime maintenance expenses.
- Higher management fees from a higher level of leases being extended because of the supply shortage of new vehicles.
- Offset by lower brokerage income because of lower new business writings funded via principal and agency arrangements.

Operating expenses

Operating expenses decreased by $0.8 million compared to the half-year ended 31 March 2021. The reduction was mostly driven by lower wage costs from lower headcount, partially offset by higher technology costs.

Bad and doubtful debts

Bad and doubtful debts had a $2.1 million positive impact in the half-year ended 31 March 2022. $2.5 million was due to the reversal of Management's provision overlay in response to COVID-19 (refer to Note 1.3). This overlay was first recorded during the half-year ended 31 March 2020 ($1.3 million) in response to the uncertainty created by the COVID-19 pandemic around the economic outlook. The overlay increased in subsequent periods: at 30 September 2021 the Group held an overlay of $2.5 million.

As at 31 March 2022, it is Management's view that the uncertainty created by the COVID-19 pandemic with respect to the economic outlook is substantially less than earlier periods and therefore the provision overlay of $2.5 million has been removed.

Cash NPATA

Cash NPATA increased by $22.8 million compared to the half-year ended 31 March 2021. In addition to the abovementioned drivers, the Group reduced its holding company debt interest by $1.8 million post-tax, by reducing its gross debt by $37.9 million compared to the half-year ended 31 March 2021.

Significant items

Significant items recognised for the half-year ended 31 March 2022 were $0.1 million post tax and primarily relate to employee redundancy costs offset by the net write-off of the lease liability balance relating to the office move in Auckland.

Significant items recognised for the half-year ended 31 March 2021 were $0.7 million post tax and primarily relate to a non-recurring income item.

	As at		
Total Group assets and liabilities ($m)	**31-Mar-22**	**30-Sep-21**	**% Change**
Inventory	**16.1**	24.8	(35%)
Finance leases	**335.4**	347.0	(3%)
Operating leases	**879.3**	850.5	3%
	1,230.8	1,222.3	1%
Other assets	**786.4**	778.2	1%
Total assets	**2,017.2**	2,000.5	1%
Borrowings - Warehouse and ABS	**1,123.4**	1,125.2	(0%)
Borrowings - Holding company debt	**75.0**	96.0	(22%)
Other liabilities	**204.8**	203.6	1%
Total liabilities	**1,403.2**	1,424.8	(2%)

Inventory

Inventory was $16.1 million as at 31 March 2022 which is a decrease of $8.7 million compared to 30 September 2021. The combination of continued strong demand for second-hand motor vehicles and supply shortages has allowed the Group to maintain lower levels of inventory.

2. Review of operations (continued)

Finance leases

Finance leases were $335.4 million as at 31 March 2022 which is a reduction of $11.6 million compared to 30 September 2021. The reduction was driven by a decrease in the Novated segment's new business writings because of the delay of new motor vehicle supplies and reduced consumer confidence as a result of the emergence of Omicron.

Operating leases reported as property, plant and equipment

Operating leases were $879.3 million as at 31 March 2022 which is an increase of $28.8 million compared to 30 September 2021. The increase was driven by higher new business writings in the Australia Commercial and New Zealand Commercial segments.

Borrowings and funding

As of 31 March 2022, borrowings include an amount of $75.0 million drawn against the holding company debt facility. This represents a $21.0 million reduction to the 30 September 2021 balance. The Group held a net cash position of $6.8 million after deducting cash and cash equivalents from the drawn holding company debt, as of 31 March 2022. This represents a $26.3 million reduction to the net debt balance of $19.6 million at 30 September 2021.

The remaining borrowings of $1,126.4 million relate to funding directly associated with finance and operating leases that the Group provides to its customers along with the inventory of vehicles in the process of being sold. This funding is provided by a combination of warehouse and asset backed securitisation funding structures.

Warehouse facilities are so called because they can be drawn and repaid on an ongoing basis up to an agreed limit subject to conditions. A group of assets funded via a warehouse facility can be pooled together and refinanced via the creation of special purpose asset backed securitisation vehicles (backed by the assets initially financed via the warehouse) which issue debt securities to wholesale investors such as domestic and international banks and institutional funds.

The Group aims to optimise its funding facilities with committed funding facilities to cater for expected business growth. At 31 March 2022, the Group had undrawn debt facilities of $174.3 million.

Cash flows

The Group saw cash and cash equivalents, including restricted cash, increase by $5.5 million during the half-year ended 31 March 2022. The increase was driven by cash generated by the positive EBITDA result offset by $28.5 million of shares acquired and cancelled as part of the share buyback program, $21.0 million repayment of holding company debt and $7.3 million of shares acquired for the employee stock ownership plan.

As at 31 March 2022, the Group held $81.8 million of unrestricted cash and $150.7 million of restricted cash.

First half segment performance

Australia Commercial

($m)	**31-Mar-22**	**31-Mar-21**
Net operating income	88.4	63.6
Bad and doubtful debts	1.1	-
Operating expenses	(26.3)	(24.8)

The Australia Commercial segment specialises in fleet leasing and management that operates under the trading names of Fleetplus and FleetPartners.

2. Review of operations (continued)

Net operating income (NOI) within the Australia Commercial segment increased by $24.8 million compared to the half-year ended 31 March 2021. The NOI increase was a result of:

- Higher net interest income driven by lower lease finance costs.
- Higher end-of-lease income as a result of higher average income per sold motor vehicle, driven by supply shortages and increased demand for second-hand vehicles.
- Higher maintenance profit from lower utilisation of fleets resulting in lower lifetime maintenance expenses.
- Higher management fees from a higher level of leases being extended because of the supply shortage of new vehicles.
- Higher brokerage income because of higher new business writings funded via principal and agency arrangements.

Bad and doubtful debts had a $1.1 million positive impact in the half-year ended 31 March 2022. $1.9 million was due to the reversal of Management's provision overlay, partially offset by an increase in provisions raised for aged debt.

Operating expenses increased by $1.5 million largely as a result of higher employee and technology costs.

Novated

($m)	**31-Mar-22**	**31-Mar-21**
Net operating income	9.9	12.2
Bad and doubtful debts	-	-
Operating expenses	(6.2)	(7.3)

The Novated segment specialises in novated leasing and salary packaging. It operates in Australia under the trading names of FleetChoice, Fleetplus and FleetPartners.

NOI within the Novated segment decreased by $2.3 million compared to the half-year ended 31 March 2021. NOI decreased because brokerage income and other revenue items associated with new business writings, were adversely impacted by the delay in new motor vehicle supply and reduced consumer confidence as a result of the emergence of Omicron.

Operating expenses decreased by $1.1 million because of lower employee costs and a reduction in brokerage commissions being paid.

New Zealand Commercial

($m)	**31-Mar-22**	**31-Mar-21**
Net operating income	33.2	29.0
Bad and doubtful debts	0.9	1.2
Operating expenses	(6.1)	(7.3)

The New Zealand Commercial segment specialises in fleet leasing and management and operates under the trading names of Fleetplus and FleetPartners. During the half-year ended 31 March 2022, this segment ceased operating three second-hand vehicle dealerships under the trading name of AutoSelect.

NOI within the New Zealand Commercial segment increased by $4.2 million compared to the half-year ended 31 March 2021. The NOI increase was a result of:

- Higher net interest income driven by lower lease finance costs.
- Higher end-of-lease income as a result of higher average income per sold motor vehicle, driven by supply shortages and increased demand for second-hand vehicles.
- Higher maintenance profit from lower utilisation of fleets resulting in lower lifetime maintenance expenses.
- Higher management fees from a higher level of leases being extended because of the supply shortage of new vehicles.

Bad and doubtful debts had a $0.9 million positive impact in the half-year ended 31 March 2022. $0.6 million was due to the reversal of Management's provision overlay and $0.3 million was due to an improvement in the ageing of the portfolio.

Operating expenses decreased by $1.2 million largely as a result of lower employee costs as a result of ceasing the AutoSelect business.

3. Dividends

The Directors have not declared an interim dividend for the half-year ended 31 March 2022. No dividends were declared or paid for the half-year ended 31 March 2021.

In line with the Group's on-market share buy-back program announced in May 2021, the Group will purchase up to an additional $40.0 million of equity in the second half of financial year 2022. The shares will subsequently be cancelled.

4. Coronavirus COVID-19

The main COVID-19 related impacts on the Group during the half-year ended 31 March 2022 related to lower new business writings in the Novated segment and higher end-of-lease income in the Australia Commercial and New Zealand Commercial segments.

Industry-wide delays for new vehicles caused by the global supply shortage of semiconductors and Government imposed lockdowns in response to increased community cases of COVID-19 resulted in a 14% decline in new business writings for the Novated segment.

A secondary consequence from delays for new vehicles has been the occurrence of inflated second-hand vehicle prices in Australia and New Zealand. This has resulted from the combination of increased demand and reduced supply. As a result, the business earned an average end-of-lease income per motor vehicle of $8,813 which is an increase of $2,869 compared to the half-year ended 31 March 2021.

Critical accounting estimates

The critical accounting estimates and key judgements of the Group have required additional considerations and analysis due to the impact of COVID-19. Given the uncertainty of the duration of the pandemic, changes have been made to the estimates and outcomes that have been applied in the measurement of the Group's assets and liabilities that may arise in the future. The key impacts on the financial statements, including the application of critical estimates and judgements, related to the provision for impairment losses on finance leases and trade receivables.

In March 2020, the IASB published IFRS 9 and COVID-19, a document that reinforces the fact that IFRS 9 does not provide a mechanistic approach in accounting for impairment provisions. The AASB 9 impairment methodology has remained consistent with prior periods. At the early onset of the COVID-19 pandemic during the half-year ending 31 March 2020, the Group revised the weighting of the model's multiple economic scenarios (MES) from base (60%), upside (20%) and downside (20%) to base (50%) and downside (50%). Considering the uncertainty surrounding the effect from COVID-19 at the time, the Group also implemented a model adjustment by applying the highest historical expected credit loss rate since the model inception. However, given the uncertainty associated with the effect from COVID-19 is much less compared to the start of the pandemic, Management ceased this approach during the half-year ending 31 March 2022 and also returned to a base (60%), upside (20%) and downside (20%) weighting for the MES input.

As a result of reverting to the pre COVID-19 approach, the provision for impairment losses on finance leases and trade receivables reduced by $2.5 million.

5. Going concern

These half-year financial statements have been prepared on the basis that Eclipx is a going concern.

At 31 March 2022, the Group held unrestricted cash of $81.8 million, no net debt, and undrawn capacity under its holding company debt facilities of $78.0 million.

The Group notes that a substantial proportion of income it generates is annuity-like in nature and not susceptible to sudden, short-to-medium downturns in the markets in which it operates.

Taken together, the combination of the current levels of liquidity and the annuity income streams of the Group provides significant levels of support over an extended period for the day-to-day operations of the Group.

The Directors are therefore of the opinion that the preparation of the financial statements as a going concern is appropriate.

6. Subsequent events

No matter or circumstance has occurred since the end of the reporting period that may materially affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

7. Lead auditor's independence declaration

A copy of the lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 10 and forms part of the Directors' Report for the half-year ended 31 March 2022.

8. Rounding of amounts

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and the Financial Report. Amounts, unless otherwise stated, have been rounded off to the nearest whole number of thousands of dollars.

9. Treasury shares

The Group held 14,737,461 (30 Sep 2021: 21,511,183) treasury shares, which it can use to settle its obligations under the Eclipx Group Long Term Incentive Plan.

10. Stakeholders

The Board pays tribute to all Eclipx Group employees, who have each made significant contributions, demonstrating their resilience, commitment and consistency through all the internal and external challenges, much of it brought about by the COVID-19 pandemic. I thank our employees whose dedication ensured Eclipx maintained its reputation for service leadership to our customers, evidenced in our consistently strong Net Promoter Score.

Finally, we express our sincere thanks and appreciation to our customers, funding partners and shareholders for their continuing support and feedback.

This Directors' Report is signed on behalf of the Directors in accordance with the resolution of Directors made pursuant to section 298(2) of the Corporations Act 2001.

Gail Pemberton
Chairperson

Sydney
4 May 2022

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

To the Directors of Eclipx Group Limited

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

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

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

KPMG

KPMG

Peter Zabaks
Partner

Sydney

4 May 2022

Eclipx Group Limited
Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 March 2022

	Notes	Consolidated 31 Mar 2022 $'000	31 Mar 2021 $'000
Revenue from continuing operations	2.2	**347,740**	333,155
Cost of revenue	2.2	**(200,240)**	(205,079)
Lease finance costs	2.3	**(15,967)**	(23,358)
Net operating income before operating expenses and impairment charges		**131,533**	104,718
Impairment releases on loan and receivables		**2,050**	1,204
Employee benefit expense		**(29,051)**	(30,861)
Depreciation and amortisation	2.3	**(6,167)**	(6,096)
Operating overheads	2.3	**(10,992)**	(9,957)
Total overheads		**(46,210)**	(46,914)
Operating finance costs	2.3	**(3,122)**	(5,719)
Profit before income tax from continuing operations		**84,251**	53,289
Income tax expense		**(24,839)**	(15,523)
Profit for the half-year from continuing operations		**59,412**	37,766
Profit for the half-year		**59,412**	37,766
Other comprehensive income/(expense)			
Items that may be reclassified to profit or loss			
Changes in the fair value of cash flow hedges		**17,818**	7,748
Exchange differences on translation of foreign operations		**(5,530)**	(1,712)
Other comprehensive income for the half-year, net of tax		**12,288**	6,036
Total comprehensive income for the half-year		**71,700**	43,802
Profit attributable to:			
Owners of Eclipx Group Limited		**59,412**	37,766
Total comprehensive income for the half-year attributable to:			
Owners of Eclipx Group Limited		**71,700**	43,802
		Cents	**Cents**
Earnings per share from continuing operations			
Basic earnings per share	2.4	**20.4**	12.0
Diluted earnings per share	2.4	**19.3**	11.3

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Eclipx Group Limited
Statement of Financial Position
As at 31 March 2022

	Notes	Consolidated 31 Mar 2022 $'000	Consolidated 30 Sep 2021 $'000
ASSETS			
Cash and cash equivalents		**81,775**	76,443
Restricted cash and cash equivalents		**150,675**	150,506
Trade receivables and other assets	3.3	**58,570**	58,281
Inventory		**16,123**	24,842
Finance leases	3.3	**335,423**	346,960
Operating leases reported as property, plant and equipment	3.1	**879,327**	850,485
Property, plant and equipment	3.1	**1,742**	3,829
Right-of-use assets		**4,528**	16,941
Intangibles	3.2	**467,190**	472,204
Derivative financial instruments	4.2	**21,826**	-
Total assets		**2,017,179**	2,000,491
LIABILITIES			
Trade and other liabilities		**146,476**	132,664
Provisions		**7,821**	9,691
Derivative financial instruments	4.2	**-**	5,919
Borrowings	4.1	**1,198,379**	1,221,164
Lease liabilities		**5,454**	19,455
Deferred tax liabilities		**45,067**	35,919
Total liabilities		**1,403,197**	1,424,812
Net assets		**613,982**	575,679
EQUITY			
Contributed equity		**610,017**	639,213
Reserves		**191,855**	183,768
Retained earnings		**(187,890)**	(247,302)
Total equity		**613,982**	575,679

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Eclipx Group Limited
Statement of Changes in Equity
For the half-year ended 31 March 2022

	Attributable to owners of Eclipx Group Limited			
Consolidated	**Contributed equity $'000**	**Reserves $'000**	**Retained earnings $'000**	**Total equity $'000**
Balance as at 1 October 2020	654,765	176,972	(323,252)	**508,485**
Profit for the half-year	-	-	37,766	**37,766**
Cash flow hedges	-	7,748	-	**7,748**
Foreign currency translation	-	(1,712)	-	**(1,712)**
Total comprehensive income for the half-year	-	6,036	37,766	**43,802**
Transactions with owners in their capacity as owners:				
Issuance of new shares	11,314	-	-	**11,314**
Acquisition of treasury shares	-	(28,822)	-	**(28,822)**
Movement in treasury reserve	-	11,051	-	**11,051**
Employee share schemes	-	2,387	-	**2,387**
Balance at 31 March 2021	**666,079**	**167,624**	**(285,486)**	**548,217**
Balance at 1 October 2021	639,213	183,768	(247,302)	**575,679**
Profit for the half-year	-	-	59,412	**59,412**
Cash flow hedges	-	17,818	-	**17,818**
Foreign currency translation	-	(5,530)	-	**(5,530)**
Total comprehensive income for the half-year	-	12,288	59,412	**71,700**
Transactions with owners in their capacity as owners:				
On market share buy back	-	(28,475)	-	**(28,475)**
Acquisition of treasury shares	-	(7,327)	-	**(7,327)**
Movement in treasury reserve	-	2,022	-	**2,022**
Employee share schemes	-	383	-	**383**
Cancellation of treasury shares	(29,196)	29,196	-	-
Balance at 31 March 2022	**610,017**	**191,855**	**(187,890)**	**613,982**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Eclipx Group Limited
Statement of Cash Flows
For the half-year ended 31 March 2022

	Consolidated	
	31 Mar 2022 $'000	**31 Mar 2021 $'000**
Cash flows from operations		
Receipts from customers	**382,099**	387,466
Payments to suppliers and employees	**(192,072)**	(171,089)
	190,027	216,377
Income tax paid	**(4,933)**	(918)
Interest received	**219**	221
Interest paid	**(19,871)**	(27,419)
Net cash inflow from operating activities	**165,442**	188,261
Cash flows from investing activities		
Purchase of items reported under operating leases	**(183,164)**	(124,188)
Purchase of items reported under finance leases	**(60,531)**	(68,444)
Purchase of property, plant and equipment and intangibles	**(2,804)**	(2,628)
Proceeds from completion payment	**-**	4,855
Proceeds from sales of items reported under operating leases	**138,850**	118,210
Net cash outflow from investing activities	**(107,649)**	(72,195)
Cash flows from financing activities		
Proceeds from borrowings	**220,030**	182,383
Repayments of borrowings	**(231,458)**	(269,184)
Payment of lease liabilities	**(1,641)**	(1,974)
On market share buy back	**(28,475)**	-
Proceeds from issue of shares	**-**	11,314
Purchase of treasury shares	**(7,327)**	(28,822)
Settlement of long term incentive plans	**(1,207)**	6,356
Net cash outflows from financing activities	**(50,078)**	(99,927)
Net increase in cash and cash equivalents	**7,715**	16,139
Cash and cash equivalents at the beginning of the financial half-year, net of overdraft	**226,949**	207,798
Exchange rate variations on New Zealand cash and cash equivalent balances	**(2,214)**	(365)
Cash and cash equivalents at end of the half-year, net of overdraft	**232,450**	223,572

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1.0 Introduction to the report

1.1 Statement of compliance and basis of preparation

(a) Basis of preparation

These consolidated half-year financial statements represent the consolidated results of Eclipx Group Limited (ACN 131 557 901) (referred to hereafter as the Group or Eclipx). The financial statements are general purpose financial statements prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001, and with IAS 34 Interim Financial Reporting.

The financial statements do not include all of the information required for a complete set of annual financial statements and should be read in conjunction with the 2021 Annual Report. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 September 2021.

The financial statements are presented in Australian Dollars, which is Eclipx's presentation currency. The accounting policies and methods applied in the half-year report are consistent with those adopted and disclosed in the 2021 Annual Report, except for the adoption of new Accounting Standards (refer to Note 1.2).

The financial statements were authorised for issue by the Directors on 4 May 2022.

(b) Significant accounting estimates and judgements

In preparing the half-year financial statements, management has made judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Significant judgements made by management in applying the Group's accounting policies and the key sources of estimate uncertainty were the same as those that applied in the 2021 Annual Report. Additional judgements impacting half-year financial statements are disclosed in Note 1.3 and Note 1.4.

1.2 New, revised or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial half-year ended 31 March 2022 and are not expected to have any significant impact for the full financial year ending 30 September 2022. Any new, revised or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

1.3 Coronavirus (COVID-19) pandemic

The main COVID-19 related impacts on the Group during the half-year ended 31 March 2022 related to lower new business writings in the Novated segment and higher end-of-lease income in the Australia Commercial and New Zealand Commercial segments.

Industry-wide delays for new vehicles caused by the global supply shortage of semiconductors and Government imposed lockdowns in response to increased community cases of COVID-19 resulted in a 14% decline in new business writings for the Novated segment.

A secondary consequence from delays for new vehicles has been the occurrence of inflated second-hand vehicle prices in Australia and New Zealand. This has resulted from the combination of increased demand and reduced supply. As a result, the business earned an average end-of-lease income per motor vehicle of $8,813 which is an increase of $2,869 compared to the half-year ended 31 March 2021.

1.3 Coronavirus (COVID-19) pandemic (continued)

Critical accounting estimates

The critical accounting estimates and key judgements of the Group have required additional considerations and analysis due to the impact of COVID-19. Given the uncertainty of the duration of the pandemic, changes have been made to the estimates and outcomes that have been applied in the measurement of the Group's assets and liabilities that may arise in the future. The key impacts on the financial statements, including the application of critical estimates and judgements, related to the provision for impairment losses on finance leases and trade receivables.

In March 2020, the IASB published IFRS 9 and COVID-19, a document that reinforces the fact that IFRS 9 does not provide a mechanistic approach in accounting for impairment provisions. The AASB 9 impairment methodology has remained consistent with prior periods. At the early onset of the COVID-19 pandemic during the half-year ending 31 March 2020, the Group revised the weighting of the model's multiple economic scenarios (MES) from base (60%), upside (20%) and downside (20%) to base (50%) and downside (50%). Considering the uncertainty surrounding the effect from COVID-19 at the time, the Group also implemented a model adjustment by applying the highest historical expected credit loss rate since the model inception. However, given the uncertainty associated with the effect from COVID-19 is much less compared to the start of the pandemic, Management ceased this approach during the half-year ending 31 March 2022 and also returned to a base (60%), upside (20%) and downside (20%) weighting for the MES input.

As a result of reverting to the pre COVID-19 approach, the provision for impairment losses on finance leases and trade receivables reduced by $2.5 million.

At 30 September 2020 the Group recognised additional deferred revenue of $2.5 million to account for the decrease in utilisation of its fleet during the months of April 2020 to September 2020. The Group released $1.5 million of this deferred revenue to match the maintenance expenditure to the impacted leases during the 2021 financial year with the remaining $1 million released during the period October 2021 to March 2022.

1.4 Going Concern

These half-year financial statements have been prepared on the basis that Eclipx is a going concern.

At 31 March 2022, the Group held unrestricted cash of $81.8 million, no net debt and undrawn capacity under its holding company debt facilities of $78.0 million.

The Group notes that a substantial proportion of income it generates is annuity-like in nature and not susceptible to sudden, short-to-medium downturns in the markets in which it operates.

Taken together, the combination of the current levels of liquidity and the annuity income streams of the Group provides significant levels of support over an extended period for the day-to-day operations of the Group.

The preparation of the financial statements as a going concern is appropriate.

2.0 Business result for the period

2.1 Segment information

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, whose operating results are reviewed regularly by the Group's Chief Operating Decision Makers in assessing performance and in determining the allocation of resources.

The Group has identified three Core business segments. Core businesses include fleet leasing management and services to corporate, small and medium enterprises (“SME”) and consumers in Australia and corporate and SME customers in New Zealand. Core business segments are Australia Commercial, Novated and New Zealand Commercial.

The segment information for the reportable segments for the period ending 31 March 2022 are set out below:

31 March 2022

	Australia Commercial $'000	Novated $'000	New Zealand Commercial $'000	Total $'000
Net operating income	**88,353**	**9,939**	**33,241**	**131,533**
Bad and doubtful debts	1,116	-	934	**2,050**
Operating expenses	(26,263)	(6,163)	(6,127)	**(38,553)**
EBITDA	**63,206**	**3,776**	**28,048**	**95,030**
Depreciation	(1,086)	(62)	(1,089)	**(2,237)**
Share based payments	(957)	(202)	(431)	**(1,590)**
Operating finance costs	(2,276)	(290)	(556)	**(3,122)**
Amortisation intangibles	(2,611)	(554)	(765)	**(3,930)**
Significant non-recurring items*	(537)	-	637	**100**
Tax	(16,802)	(801)	(7,236)	**(24,839)**
Statutory net profit after tax	**38,937**	**1,867**	**18,608**	**59,412**
Post tax add back amortisation acquired intangibles	910	192	7	**1,109**
Post tax add back significant non-recurring items	375	-	(458)	**(83)**
Cash net profit after tax including amortisation of software	**40,222**	**2,059**	**18,157**	**60,438**
Software amortisation (post tax)	923	195	544	**1,662**
Cash NPATA	**41,145**	**2,254**	**18,701**	**62,100**

* Significant non-recurring items relate to restructuring.

2.0 Business result for the period (continued)

2.1 Segment information (continued)

31 March 2021

	Australia Commercial $'000	Novated $'000	New Zealand Commercial $'000	Total $'000
Net operating income	63,593	12,164	28,961	104,718
Bad and doubtful debts	(5)	(26)	1,235	1,204
Operating expenses	(24,826)	(7,302)	(7,257)	(39,385)
EBITDA	38,762	4,836	22,939	66,537
Depreciation	(1,183)	(376)	(1,161)	(2,720)
Share based payments	(1,409)	(396)	(582)	(2,387)
Operating finance costs	(4,184)	(561)	(974)	(5,719)
Amortisation intangibles	(1,923)	(541)	(758)	(3,222)
Significant non-recurring items*	917	-	(117)	800
Tax	(9,217)	(889)	(5,417)	(15,523)
Statutory net profit after tax	21,763	2,073	13,930	37,766
Post tax add back amortisation acquired intangibles	837	235	11	1,083
Post tax add back significant non-recurring items	(772)	-	84	(688)
Cash net profit after tax including amortisation of software	21,828	2,308	14,025	38,161
Software amortisation (post tax)	509	143	535	1,187
Cash NPATA	22,337	2,451	14,560	39,348

* Significant non-recurring items relate to restructuring, fair value of disposal proceeds and other settlements.

2.0 Business result for the period (continued)

2.2 Revenue

	Consolidated	
	31 Mar 2022 $'000	31 Mar 2021** $'000
From continuing operations:		
Finance income	**11,354**	12,033
Maintenance and management income *	**52,240**	50,712
Related products and services income *	**19,376**	16,709
Operating lease rentals	**114,823**	120,298
Brokerage income *	**4,185**	6,069
Sundry income *	**1,426**	2,280
End of lease income - Vehicle sales *	**137,565**	116,900
End of lease income - Other	**6,771**	8,154
Total revenue from continuing operations	**347,740**	333,155

** The above amounts for 2022 totalling $214,792,000 (2021: $*192,670,000*) represent the Group's revenue derived from contracts with customers, in accordance with AASB15.*

*** The Group reclassified finance income received on operating leases from Finance income to Operating lease rentals to reflect the principal and interest received under operating leases. As a result of this reclassification for the half-year ended 31 March 2021, Finance income was restated from $43,161,000 to $12,033,000 and operating lease rentals was restated from $89,170,000 to $120,298,000.*

Net interest income

As part of the analysis of the revenues and direct cost of revenue, Eclipx also considers net interest income as a relevant metric for financial reporting purposes. Operating lease rentals reported under Revenue from continuing operations include an interest component. The net interest income recognised for operating and finance leases is presented below:

	Consolidated	
	31 Mar 2022 $'000	31 Mar 2021 $'000
Operating lease - interest income	**29,044**	31,128
Finance income	**11,354**	12,033
Lease finance costs	**(15,967)**	(23,358)
Net interest income	**24,431**	19,803

	Consolidated	
	31 Mar 2022 $'000	31 Mar 2021 $'000
Cost of revenue:		
Maintenance and management expense	**19,615**	22,193
Related products and services expense	**6,687**	5,296
Impairment release on operating leased assets	**(748)**	(37)
Depreciation on operating leased assets	**81,753**	84,684
Cost of goods sold - Vehicles	**92,933**	92,943
Total cost of revenue	**200,240**	205,079

2.0 Business result for the period (continued)

2.3 Expenses

	Consolidated 31 Mar 2022 $'000	Consolidated 31 Mar 2021 $'000
Profit before income tax includes the following specific expenses:		
Depreciation and amortisation		
Plant and equipment - Fixture and fittings	**533**	934
Amortisation - Intangible assets	**1,529**	1,529
Software	**2,401**	1,847
Right-of-use-assets	**1,704**	1,786
Total depreciation and amortisation expense	**6,167**	6,096
Lease finance costs		
Notes payable interest and finance charges	**18,246**	22,595
Hedge gain	**(2,279)**	(924)
Bank loans interest and finance charges	**-**	1,687
Total lease finance costs	**15,967**	23,358
Operating finance costs		
Facility finance costs	**2,700**	5,227
Lease liabilities interest	**422**	492
Total operating finance costs	**3,122**	5,719
Operating overheads		
Rental of premises	**512**	313
Technology costs	**4,512**	3,735
Restructuring costs	**643**	325
Other overheads	**5,325**	5,584
Total operating overheads	**10,992**	9,957

2.4 Earnings per share

	Consolidated 31 Mar 2022 $'000	Consolidated 31 Mar 2021 $'000
Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share and diluted earnings per share		
From continuing operations	**59,412**	37,766

2.0 Business result for the period (continued)

2.4 Earnings per share (continued)

	Consolidated 31 Mar 2022 Number	Consolidated 31 Mar 2021 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**291,028,481**	313,709,975
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	**308,519,902**	334,314,973

	Consolidated 31 Mar 2022 Cents	Consolidated 31 Mar 2021 Cents
Basic earnings per share	**20.4**	12.0
Diluted earnings per share	**19.3**	11.3

3.0 Operating assets and liabilities

3.1 Property, plant and equipment

Consolidated	Plant and equipment $'000	Fixture and fittings $'000	Motor vehicles and equipment $'000	Total $'000
At 31 March 2022				
Opening net book amount	707	3,122	850,485	**854,314**
Additions	8	8	183,164	**183,180**
Disposals	-	(1,512)	-	**(1,512)**
Transfers to inventory	-	-	(60,555)	**(60,555)**
Impairment (charge)/release	-	-	748	**748**
Depreciation	(191)	(342)	(81,753)	**(82,286)**
Foreign exchange variation	(4)	(54)	(12,762)	**(12,820)**
Closing net book amount	**520**	**1,222**	**879,327**	**881,069**
At 31 March 2022				
Cost	18,155	5,891	1,451,059	**1,475,105**
Accumulated depreciation and impairment	(17,635)	(4,669)	(571,732)	**(594,036)**
Net book amount	**520**	**1,222**	**879,327**	**881,069**

3.0 Operating assets and liabilities (continued)

3.1 Property, plant and equipment (continued)

Consolidated	Plant and equipment $'000	Fixture and fittings $'000	Motor vehicles and equipment $'000	Total $'000
At 30 September 2021				
Opening net book amount	2,277	3,752	867,164	873,193
Additions	328	27	268,253	268,608
Transfers to inventory	-	-	(133,008)	(133,008)
Impairment (charge)/release	-	-	2,190	2,190
Depreciation - continuing operations	(1,905)	(717)	(166,869)	(169,491)
Foreign exchange variation	7	60	12,755	12,822
Closing net book amount	707	3,122	850,485	854,314
At 30 September 2021				
Cost	18,318	10,748	1,507,146	1,536,212
Accumulated depreciation and impairment	(17,611)	(7,626)	(656,661)	(681,898)
Net book amount	707	3,122	850,485	854,314

	Consolidated 31 Mar 2022 $'000	Consolidated 30 Sep 2021 $'000
Motor vehicle and equipment operating leases reported as property, plant and equipment		
Operating leases terminating within 12 months	**274,532**	285,422
Operating leases terminating after more than 12 months	**604,795**	565,063
	879,327	850,485
Net book amount of property, plant and equipment		
Plant and equipment	**520**	707
Fixture and fittings	**1,222**	3,122
	1,742	3,829
Total property, plant and equipment	**881,069**	854,314

3.0 Operating assets and liabilities (continued)

3.2 Intangibles

Consolidated	Brand Names $'000	Customer relationships $'000	Software $'000	Goodwill $'000	Total $'000
At 31 March 2022					
Opening net book amount	1,590	8,314	18,162	444,138	**472,204**
Additions	-	-	2,788	-	**2,788**
Amortisation charge	(62)	(1,467)	(2,401)	-	**(3,930)**
Foreign exchange variation	-	-	(207)	(3,665)	**(3,872)**
Closing net book amount	**1,528**	**6,847**	**18,342**	**440,473**	**467,190**
At 31 March 2022					
Cost	18,721	29,342	81,794	538,560	**668,417**
Accumulated amortisation and impairment	(17,193)	(22,495)	(63,452)	(98,087)	**(201,227)**
Net book amount	**1,528**	**6,847**	**18,342**	**440,473**	**467,190**

Consolidated	Brand names $'000	Customer relationships $'000	Software $'000	Goodwill $'000	Total $'000
At 30 September 2021					
Opening net book amount	1,714	11,248	16,050	440,294	469,306
Additions	-	-	5,832	-	5,832
Amortisation charge	(124)	(2,934)	(3,962)	-	(7,020)
Foreign exchange variation	-	-	242	3,844	4,086
Closing net book amount	1,590	8,314	18,162	444,138	472,204
At 30 September 2021					
Cost	18,721	29,342	80,145	542,225	670,433
Accumulated amortisation and impairment	(17,131)	(21,028)	(61,983)	(98,087)	(198,229)
Net book amount	1,590	8,314	18,162	444,138	472,204

3.0 Operating assets and liabilities (continued)

3.3 Receivables and Finance leases

The Group's gross exposure and related Expected Credit Loss (ECL) provision subject to impairment requirements of AASB 9 Financial instruments are as follows:

	As at 31 March 2022			As at 30 September 2021		
	Gross carrying amount $'000	ECL provision $'000	Carrying amount net of provision $'000	Gross carrying amount $'000	ECL provision $'000	Carrying amount net of provision $'000
Net investment in finance lease receivables	337,839	(2,416)	335,423	353,266	(6,306)	346,960
Trade and other receivables	62,633	(4,063)	58,570	60,592	(2,311)	58,281
Total	**400,472**	**(6,479)**	**393,993**	**413,858**	**(8,617)**	**405,241**

The Group's total impairment provision on receivables and finance leases as at 31 March 2022 and 30 September 2021 are as follows:

	Net investment in finance lease receivables $'000	Trade and other receivables $'000
Opening ECL provision as at 1 October 2020	13,709	2,182
Increase / (Decrease) in ECL provision	(1,476)	1,496
Write-offs	**(5,927)**	**(1,367)**
Closing ECL provision as at 30 September 2021	**6,306**	**2,311**
Increase / (Decrease) in ECL provision	(3,814)	1,893
Write-offs	(76)	(141)
Closing ECL provision as at 31 March 2022	**2,416**	**4,063**

4.0 Capital management

4.1 Borrowings

	Consolidated	
	31 Mar 2022 $'000	30 Sep 2021 $'000
Bank loans	**75,000**	96,000
Notes payable	**1,126,364**	1,128,858
Borrowing costs	**(2,985)**	(3,694)
Total secured borrowings	**1,198,379**	1,221,164
Amount expected to be settled within 12 months	**338,216**	334,313
Amount expected to be settled after more than 12 months	**860,163**	886,851
Total secured borrowings	**1,198,379**	1,221,164

Bank loans

Bank loans are secured by fixed and floating charges over the assets of the Group.

The carrying amount of assets pledged as security was $158,210,000 (Sep 2021: $163,396,000).

Notes payable

Notes payable are secured by fixed and floating charge over the motor vehicles and equipment that are leased to customers. The carrying amount of assets pledged as security was $1,365,425,000 (Sep 2021: $1,347,951,000).

Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

	Consolidated	
	31 Mar 2022 $'000	30 Sep 2021 $'000
Loan facilities used at reporting date	**1,201,364**	1,224,858
Loan facilities unused at reporting date	**174,311**	160,766
Total loan facilities available	**1,375,675**	1,385,624

Financial covenants

The Group has complied with the financial covenants of its borrowing facilities as at 31 March 2022.

4.0 Capital management (continued)

4.2 Derivative financial instruments

Derivative financial instruments are measured at fair value.

	Consolidated 31 Mar 2022 $'000	Consolidated 30 Sep 2021 $'000
Interest rate swaps - cash flow hedges	**21,826**	(5,919)
Total derivative financial instrument assets/(liabilities)	**21,826**	(5,919)
Amount expected to be settled within 12 months	**1,420**	(7,132)
Amount expected to be settled after more than 12 months	**20,406**	1,213
Total derivative financial instrument assets/(liabilities)	**21,826**	(5,919)

4.3 Fair value

Financial asset/(liability)	31 Mar 2022 $'000	30 Sep 2021 $'000	Fair value hierarchy	Valuation technique and key input
Interest rate swap contracts - cash flow hedges	**21,826**	(5,919)	2	The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves

A description of the level in the hierarchy is as follows:

Level 2: The fair value of assets and liability that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an asset or liability are observable, these are included in level 2.

There were no transfers between levels for recurring fair value measurements during the period. With the exception of the fixed term loan, fair value of financial assets and financial liabilities approximate the carrying value.

The fixed term loan has a carrying value of $30,000,000 (Sep 2021: $30,000,000) and a fair value of $30,153,000 (Sep 2021: $29,931,000).

4.4 Dividends

No interim dividends were declared for half-year ended 31 March 2022 (2021: Nil).

5.0 Other

5.1 Related party transactions

For the half-year ended 31 March 2022, there have been no transactions with related parties (31 March 2021: Nil).

5.0 Other (continued)

5.2 Events occurring after the reporting period

There were no matters or circumstances that occurred since the end of the reporting period that may materially affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

Eclipx Group Limited
Directors' Declaration
For the half-year ended 31 March 2022

In the opinion of the Directors of Eclipx Group Limited:

(a) The interim consolidated financial statements and notes thereto for the half-year ended 31 March 2022 are in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 31 March 2022 and of its performance for the half-year ended on that date; and

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

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

Signed in accordance with a resolution of the Directors of Eclipx Group Limited:

Gail Pemberton
Chairperson

Sydney
4 May 2022

Independent Auditor's Review Report

To the shareholders of Eclipx Group Limited

Conclusion

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

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

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

The ***Interim Financial Report*** comprises:

- Consolidated statement of financial position as at 31 March 2022.
- 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
- Notes 1.0 to 5.2 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The ***Group*** comprises Eclipx Group Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

Basis for Conclusion

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

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

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

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

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

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 March 2022 and its performance for the Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

KPMG

Peter Zabaks

Partner

Sydney

4 May 2022