

APPENDIX 4D
(Listing rule 4.2A.3)

For the half-year ended 31 December 2019

1. Company details

Name of entity:	thedocyard Limited
ABN:	19 602 586 407
ASX code:	TDY

2. Results for announcement to the market

(all comparisons to half-year ended 31 December 2018)

	\$	Increase/ (decrease) \$	Movement
Revenues from ordinary activities	306,985	48,165	18.6%
Loss from ordinary activities after tax attributable to members	(1,096,597)	731,286	200.2%

Dividends

No dividends were declared or paid during the half-year ended 31 December 2019 or during the prior corresponding period.

3. Net tangible assets

	31 December 2019	30 June 2019
Net tangible assets (\$)	(191,451)	(192,859)
Ordinary shares (number)*	105,981,250	98,500,000
Net tangible assets per ordinary security (cents)	(0.18)	(0.20)

*Adjusted for share split completed 19 September 2019

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

No dividends were declared or paid during the half-year ended 31 December 2019 or during the prior corresponding period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Half-Year Financial Report.

11. Attachments

Details of attachments (if any):

The Half-Year Financial Report of thedocyard Limited for the half-year ended 31 December 2019 is attached.



thedocyard

thedocyard Limited
Half-Year Financial Report
31 December 2019

ABN 19 602 586 407

For personal use only

CONTENTS

Directors' Report.....	1
Auditor's Independence Declaration	4
Statement of Profit or Loss and Other Comprehensive Income.....	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows.....	8
Notes to the Financial Statements	9
Directors' Declaration	15
Independent Auditor's Review Report	16

DIRECTORS' REPORT

The Directors present their report, together with the financial statements of thedocyard Limited ('the Company') for the half-year ended 31 December 2019.

DIRECTORS

The Directors of the Company at any time during the half-year ended 31 December 2019 and up to the date of this report, unless otherwise stated are:

Stuart Clout
James Walker (appointed 13 August 2019)
Steven Coffey (appointed 13 August 2019)

PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial half-year was to develop and sell platform deal technology to the world's legal and financial services sectors.

There were no significant changes in the nature of the Company's principal activities during the financial half-year.

REVIEW OF OPERATIONS

The operating loss for the half-year was \$1,096,597 (2018: \$365,311).

The deficiency in net assets of the entity increased to \$162,906 at 31 December 2019 from \$143,359 at 30 June 2019. The Company's cash reserves increased to \$551,078 from \$261,631 at 30 June 2019.

Customer Growth

During the period, thedocyard has continued to build and market our next generation deal platform in Australia and New Zealand (ANZ).

Every customer interaction to date highlights that there has been no innovation in deal management for the last decade and those that are involved in and work on deals have a challenging new environment to work in, and their tools of choice have never been more outdated or wanting. thedocyard platform has been developed to address this gap. The platform helps our clients to deal with ever-increasing regulation, cyber threat, executive responsibility for compliance, and increasing demand for the digitisation of deal services.

The customer highlights below validate the use of our platform and has given us a robust sales pipeline to convert. Key customer highlights for the December half included:

- A boutique Melbourne based corporate and commercial law firm that works with a high-profile list of clients, including start-ups and ASX-listed companies
- New Zealand's most innovative and dynamic investment banking organisation
- One of the world's leading organisations of independent assurance, tax and advisory firms
- A leading independent Australian law firm operating nationally
- The second largest multinational professional services firm network in the world
- One of the ten largest international law firms in the world, by both lawyers and revenue, and second largest international law firm in the United States
- An innovative global developer of cloud-based software solutions for the international and domestic logistics industries operating in 50 offices worldwide
- An Australian based property development and investment management with more than \$2.2 billion in projects delivered or under development
- A full-service law firm based in London UK
- A boutique independent, mid-market financial advisory and transaction management firm

- An Australian law firm operating nationally with over 106 partners and 880 staff, specialising in corporate and commercial law, property transactions, debt recovery and banking
- A leading Australian electro-technology company
- A leading firm of Chartered Accountants & advisors with offices across Australia & New Zealand
- A boutique Corporate Advisory for Mid-Market Transactions
- A specialised advisory firm providing services to clients involved in the procurement, acquisition, delivery and management of infrastructure assets and infrastructure technology platforms
- An intelligent technology platform based out of NZ that powers mobile marketing, helping brands create world-class customer engagement
- One of the world's leading accountancy and advisory organisations
- A Melbourne based specialist corporate legal advisory firm, specialising in mergers and acquisitions and equity capital markets
- An independent corporate M&A boutique dedicated to professional services with growth and exit strategies
- An international healthcare provisioning and multi-insurance group, with its origins and headquarters in the United Kingdom, but now serving 32 million customers in 190 countries
- The Australian office of one of the world's largest accounting networks who provide accounting, audit, assurance, business advisory and taxation services
- The APAC offices of one of the largest global insurance brokerage and risk management services firms based out of US and listed on the NYSE.

Continued investment in technology

thedocyard has a deep commitment to ensure the security, integrity and availability of our customer data and to that end it adopts the most advanced and appropriate tools and technologies available.

To do so, the Company is continuously reviewing its practices and procedures to keep abreast of the latest technological developments to ensure the most secure and robust service possible.

Our technology has been subjected to and passed the information security and risk assessment processes of globally leading organisations such as:

- Two (2) of the big 4 accounting firms
- Global law firms
- Listed corporates (including financial services organisations)

Growth Strategy

The period has allowed the business to set the foundation for the business to grow our presence in our home market (ANZ) and will immediately expand into the UK to drive further sales and brand position. A key feature of our growth will be the deployment of a sales force focussing on lead generation and conversion and equipped with appropriate technology and repeatable sales processes to optimise the sales. This will be complimented through digital marketing accessing our network of individual deal users. In the longer term we will find further growth through expansion into the Asian and North American markets.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

On 1 November 2019 the Company changed status from an Australian registered proprietary company to an Australian registered public company.

Other than the developments reported elsewhere in this report, there were no other significant changes in the state of affairs during the period.

MATTERS SUBSEQUENT TO REPORTING DATE

The following transactions or events occurred post 31 December 2019:

- On 7 February 2020 a total of 1,762,255 ordinary shares were allotted and issued following the conversion of the convertible notes.
- On 7 February 2020, 1,059,812 ordinary shares (equivalent to 1% of the pre-money issued shares on successful listing) were allotted and issued to Burrill Skies Pty Ltd pursuant to its consultancy agreement.
- On 7 February 2020, 3,179,438 ordinary shares (equivalent to 3% of the pre-money issued shares on successful listing) were allotted and issued to nominees of Barclay Pearce Capital Pty Ltd under the lead manager mandate.
- On 14 February 2020 the Company raised \$4,151,850 via a successful Initial Public Offering (IPO) and listed on the Australian Securities Exchange (ASX).
- On 14 February 2020 the Company issued 1,200,000 performance shares to the managing director/CEO. The performance shares will convert into ordinary shares on a one-for-one basis upon completion of escrow and the achievement of specific performance milestones.
- Following the IPO and in accordance with the external loan agreement, on 25 February 2020 the Company repaid an amount of \$273,987 to the lender representing the loan principal and accrued interest.

No other matters or circumstance have arisen since 31 December 2019 that have significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the half-year ended 31 December 2019 has been received and can be found on page 4.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.



Stuart Clout
Executive Director and CEO



James Walker
Non-Executive Chairman

Dated: 27 February 2020



Auditor's Independence Declaration

To the Directors of thedocyard Limited:

As lead auditor for the review of the financial report of thedocyard Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'A G Smith'.

Sydney, NSW
27 February 2020

A G Smith
Director

hlb.com.au

HLB Mann Judd Assurance (NSW) Pty Ltd ABN 96 153 077 215

Level 19, 207 Kent Street Sydney NSW 2000 Australia

T: +61 (0)2 9020 4000 **F:** +61 (0)2 9020 4190 **E:** mailbox@hlbnsw.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Note	31 Dec 2019 \$	31 Dec 2018 \$
Revenue from continuing operations	3	306,985	258,820
Sales, marketing and customer support		(60,197)	(68,726)
Software development and technology infrastructure		(377,357)	(244,794)
Employee expenses		(389,370)	(230,140)
Corporate and administration expenses		(79,396)	(80,471)
IPO listing expenses		(299,784)	-
Depreciation		(20,955)	-
Fair value movement in embedded derivative		(97,162)	-
Interest expense		(34,788)	-
Interest on convertible notes debt host liability	11	(44,573)	-
Profit (Loss) before income tax		(1,096,597)	(365,311)
Income tax expense	5	-	-
Profit (Loss) for the period		(1,096,597)	(365,311)
Other comprehensive income		-	-
Total comprehensive income (loss)		(1,096,597)	(365,311)
Basic loss per share (cents)	13	(1.07)	(0.37)
Diluted loss per share (cents)	13	(1.07)	(0.37)

The statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	31 Dec 2019 \$	30 Jun 2019 \$
Current Assets			
Cash and cash equivalents		551,078	261,631
Trade and other receivables	6	187,780	214,692
Other assets		9,000	9,000
TOTAL CURRENT ASSETS		747,858	485,323
Non-Current Assets			
Right-of-use asset	7	28,545	49,500
TOTAL NON-CURRENT ASSETS		28,545	49,500
TOTAL ASSETS		776,403	534,823
Current Liabilities			
Trade and other payables	8	208,887	185,076
Contract liabilities	9	82,565	36,523
Lease liability	7	35,138	49,500
Loan funds received	10	269,627	254,042
Convertible notes – debt host component	11	166,357	108,468
Convertible notes – embedded derivative component	11	141,735	44,573
TOTAL CURRENT LIABILITIES		904,309	678,182
Non-Current Liabilities			
Contract liabilities	9	35,000	-
TOTAL NON-CURRENT LIABILITIES		35,000	-
TOTAL LIABILITIES		939,309	678,182
NET ASSETS (DEFICIENCY)		(162,906)	(143,359)
Equity			
Issued capital	12	3,080,708	2,003,658
Accumulated losses		(3,243,614)	(2,147,017)
TOTAL EQUITY (DEFICIENCY)		(162,906)	(143,359)

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

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Issued capital	Accumulated losses	Total
	\$	\$	\$
Balance at 1 July 2018	1,878,658	(1,401,754)	476,904
Total comprehensive loss	-	(365,309)	(365,309)
Transactions with owners in their capacity as owners			
Issue of ordinary share capital	-	-	-
Balance at 31 December 2018	1,878,658	(1,767,063)	111,595
Balance at 1 July 2019	2,003,658	(2,147,017)	(143,359)
Total comprehensive loss	-	(1,096,597)	(1,096,597)
Transactions with owners in their capacity as owners			
Issue of ordinary share capital	1,197,000		1,197,000
Costs of share issuance	(119,950)	-	(119,950)
Balance at 31 December 2019	3,080,708	(3,243,614)	(162,906)

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

STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Note	31 Dec 2019 \$	31 Dec 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		348,269	254,868
Receipts from government grants		88,354	108,983
Payments to suppliers and employees		(949,281)	(622,605)
Net cash used in operating activities		(512,658)	(258,754)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-	-
Net cash used in investing activities		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of share applications received	12	1,197,000	125,000
Transaction costs relating to upcoming IPO		(394,895)	-
Net cash provided by financing activities		802,105	125,000
Net increase (decrease) in cash held		289,447	(133,754)
Cash at the beginning of the period		261,631	444,423
Cash at the end of the period		551,078	310,669

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

thedocyard Limited (the 'Company') is a Company incorporated and domiciled in Australia.

On 1 November 2019 the Company changed status from an Australian registered proprietary company (thedocyard Pty Ltd) to an Australian registered public company (thedocyard Limited). Subsequent to year end, the Company became publicly traded on the Australian Securities Exchange (ASX: TDY).

Basis of Preparation

These general purpose financial statements for the half-year reporting period ended 31 December 2019 have been prepared in accordance with AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001* as appropriate for for-profit orientated entities.

This report does not include all of the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2019.

The financial report has been prepared on an accruals basis and is based on historical costs.

The financial statements were authorised for issue on 27 February 2020 by the Company's Board of Directors.

The accounting policies applied in this half-year financial report are the same as those applied in the Company's financial report as at and for the year ended 30 June 2019. In addition, the following policy has been applied for all accounting periods reported:

Convertible Notes

Convertible notes issued by the Company can be converted into a variable number of ordinary shares in the Company if certain conditions are met or are otherwise repayable to the convertible note holder in cash. Convertible notes issued by the company have two elements, a debt host liability component and an embedded derivative component.

On initial recognition, the proceeds received are first allocated to the embedded derivative, at an amount equal to the fair value of the embedded derivative at date of issue, with the residual proceeds assigned to the debt host liability. Transaction costs are allocated to the debt host liability and embedded derivative in proportion to their initial carrying amounts. No gain or loss is recognised on initial recognition.

The debt host liability is subsequently measured at amortised cost. Any difference between the debt host liability on initial recognition and the redemption value is recognised using the effective interest method as a finance cost in the statement of profit or loss and other comprehensive income.

The embedded derivative is subsequently measured at fair value through profit or loss. The fair value of the embedded derivative is determined at each reporting period using the Black-Scholes model and changes in fair value are recognised as a finance cost in the statement of profit or loss and other comprehensive income.

The Company has adopted all of the new or amended Australian Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

NOTE 2: GOING CONCERN

Going Concern

The Company incurred a loss for the half-year ended 31 December 2019 of \$1,096,597 and had cash outflows from operations for that period of \$512,658, and the statement of financial position as at 31 December 2019 shows a deficiency of net assets of \$162,906.

Notwithstanding the loss for the half-year, negative cash flows and the deficiency of net current assets, the half-year financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the discharge of liabilities in the normal course of business. The Directors believe that there are reasonable grounds that the Company will be able to continue as a going concern, on the following bases:

- The Company successfully raised \$4,151,850 pursuant to an IPO on 14 February 2020. The Company will utilise this funding for sales & marketing and to grow customer numbers in Australian and international markets, establish a base in the UK to service new and existing customers and continue development of thedocyard deal management platform. The Company is confident that the current cash position and the revenue from anticipated sales will enable the achievement of its planned milestones and to further business growth.

Accordingly, the Directors have prepared the financial report on a going concern basis.

NOTE 3: REVENUE

	31 Dec 2019 \$	31 Dec 2018 \$
Revenue		
– Sale of software and related services	306,985	258,820
	306,985	258,820

NOTE 4: SEGMENT INFORMATION

An operating segment is a component of the Company:

- that engages in business activities from which it may earn revenues and incur expenses (including revenue and expenses relating to transactions with the Company's other components), and
- whose operating results are reviewed regularly by the Company's chief operating decision maker for the purpose of making decisions about allocating resources to the segment and assessing its performance.

The Company has one reportable segment, which develops and sells platform deal technology to the legal and financial services sectors, and one geographical segment, being Australia. As the Company continues to grow, it will re-evaluate the information provided to the chief operating decision maker which may change the Company's operating segments going forward.

NOTE 5: INCOME TAX EXPENSE

The Company did not record an income tax expense as the Company generated a taxable loss for the half-year ended 31 December 2019 and has carried forward tax losses.

As at 30 June 2019 the Company had carried forward income tax losses of \$830,918, the benefit of which, \$228,502, will only be realised if the Company:

- earns future assessable income to enable realisation of the benefit
- continues to comply with income tax law related to realisation of the benefit, and
- no changes in income tax law adversely affect the Company's entitlement to the benefit.

NOTE 6: TRADE AND OTHER RECEIVABLES

	31 Dec 2019 \$	30 Jun 2019 \$
Trade debtors	201,303	131,226
Less: Provision for expected credit loss	(23,887)	(28,987)
Other debtors and prepayments	10,364	112,453
	187,780	214,692

NOTE 7: LEASES

During June 2019 the Company entered into a 13 month lease for office premises. In February 2020 the lease was extended by 2 months (end date 1 September 2020).

The leases have been recognised in the financial statements as follows:

	31 Dec 2019 \$	30 Jun 2019 \$
Right-of-use asset	28,545	49,500
Lease liability	35,138	49,500

NOTE 8: TRADE AND OTHER PAYABLES

	31 Dec 2019 \$	30 Jun 2019 \$
Trade payables	86,667	85,618
Other payables and accruals	122,220	99,458
	208,887	185,076

NOTE 9: CONTRACT LIABILITIES

	31 Dec 2019 \$	30 Jun 2019 \$
Contract liabilities - current	82,565	36,523
Contract liabilities - non-current	35,000	-
	117,565	36,523

Contract liabilities represent subscriptions received in advance of the provision of services.

NOTE 10: EXTERNAL LOANS

	31 Dec 2019 \$	30 Jun 2019 \$
Loan funds received	269,627	254,042
	269,627	254,042

The loan was interest free from the date of the loan until 14 May 2019, and from that date bears interest at 12% per annum. The loan is repayable at the earlier of the following events:

- The lender enters into an agreement to invest in the Company
- The Company receives investments from any other source, or
- 30 June 2020.

The loan is secured over all accounts receivable of the Company, and the Intellectual Property of the Company.

NOTE 11: CONVERTIBLE NOTES

In May 2019, the Company issued 150,000 \$1 convertible notes. The convertible notes bore interest at 20%.

The convertible note terms included the following conversion features:

- Conversion upon listing approval from the Australian Securities Exchange;
- Converted at the lower of:
 - (i) 50% of the fully-diluted pre-money IPO listing, or
 - (ii) A fully diluted pre-money valuation of the Company of \$10m.

Management has carried out an assessment of the terms of the convertible notes and judged that it consists of two components:

- A host loan component, measured at amortised cost; and
- An embedded derivative representing the features which may convert the convertible notes into ordinary shares in the Company.

The embedded derivative was classified as subject to recurring fair value measurement within the Level 3 (unobservable inputs for the asset or liability) of the fair value hierarchy. The fair value movement of the embedded derivative of \$97,162 during the period has been recorded in profit or loss.

The Company performed its own estimate of the fair value of the embedded derivative recognised separately from the host loan component using the Black-Scholes methodology. The main inputs to the valuation were as follows:

	As at issue date (May 19)	As at year end (30 June 19)	As at half-year end (31 December 19)
Current share price	\$0.13	\$0.13	\$0.20
Estimated exercise price	\$0.10	\$0.10	\$0.10
Volatility	100%	100%	100%
Risk free rate	1.5%	1.3%	0.8%
Dividend yield	-	-	-
Probability of notes converting into shares	50%	50%	80%

The host loan component has been initially valued at the residual value of the net proceeds of the convertible notes less the fair value of the embedded conversion derivative. Interest of \$44,573 has been recorded in profit or loss.

Note as disclosed in note 14, subsequent to year end, the convertible notes converted into ordinary shares of the Company.

NOTE 12: ISSUED CAPITAL

	31 Dec 2019 \$	30 Jun 2019 \$
Fully paid ordinary shares	3,080,708	2,003,658
	3,080,708	2,003,658
Movements in Ordinary Shares	No.	\$
At the beginning of the reporting period – 1 July 2019	341,266	2,003,658
Issued during the period - share split	98,158,734	-
Issued during the period - new shares	7,481,250	1,197,000
Costs of share issuance	-	(119,950)
At the end of the reporting period 31 December 2019	105,981,250	3,080,708

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

On 19 September 2019 the company completed a share split that changed the number of ordinary shares issued from 341,266 to 98,500,000.

On 26 September 2019 the Company issued 7,481,250 ordinary shares to raise cash of \$1,197,000.

NOTE 13: LOSS PER SHARE

The calculation of basic and diluted loss per share has been based on the following loss attributable to members and weighted average number of ordinary shares outstanding:

	31 Dec 2019 \$	31 Dec 2018 \$
Loss from ordinary activities after tax attributable to members	(1,096,597)	(365,311)
Weighted average number of ordinary shares		
Issued ordinary shares at 1 July*	98,500,000	97,705,976
Effect of shares issued during the year*	3,943,920	4,315
Weighted average number of ordinary shares at 31 December	102,443,920	97,710,291
Basic loss per share (cents)	(1.07)	(0.37)
Diluted loss per share (cents)	(1.07)	(0.37)

*Adjusted for share split completed 19 September 2019

Options have not been included in the calculation of diluted loss per share as these are considered anti-dilutive as at 31 December 2018 and 31 December 2019.

NOTE 14: SUBSEQUENT EVENTS

The following transactions or events have occurred post 31 December 2019:

- On 7 February 2020 a total of 1,762,255 ordinary shares were allotted and issued following the conversion of the convertible notes (Note 11).
- On 7 February 2020, 1,059,812 ordinary shares (equivalent to 1% of the pre-money issued shares on successful listing) were allotted and issued to Burrill Skies Pty Ltd pursuant to its consultancy agreement.
- On 7 February 2020, 3,179,438 ordinary shares (equivalent to 3% of the pre-money issued shares on successful listing) were allotted and issued to nominees of Barclay Pearce Capital Pty Ltd under the lead manager mandate.
- On 14 February 2020 the Company raised \$4,151,850 via a successful Initial Public Offering (IPO) and listed on the Australian Securities Exchange (ASX).
- On 14 February 2020 the Company issued 1,200,000 performance shares to the managing director/CEO. The performance shares will convert into ordinary shares on a one-for-one basis upon completion of escrow and the achievement of specific performance milestones.
- Following the IPO and in accordance with the external loan agreement, on 25 February 2020 the Company repaid an amount of \$273,987 to the lender representing the loan principal and accrued interest (Note 10).

No other matters or circumstance have arisen since 31 December 2019 that have significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

NOTE 15: COMPANY DETAILS AND PRINCIPAL PLACE OF BUSINESS

The registered office of the Company is:

Suite 4201, Level 42, Australia Square
264 George Street
Sydney, NSW 2000
AUSTRALIA

The principal place of business of the Company is:

Level 16
175 Pitt Street
Sydney, NSW 2000
AUSTRALIA

DIRECTORS' DECLARATION

1. In the opinion of the Directors of thedocyard Limited ('the Company'):
- (a) the financial statements and notes that are set out on pages 5 to 14 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 Company's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
 - (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.

Signed in accordance with a resolution of the Directors:



Stuart Clout
Executive Director and CEO

Dated: 27 February 2020



James Walker
Non-Executive Chairman



Independent Auditor's Review Report to the Members of thedocyard Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of thedocyard Limited ("the company"), which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the company is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

hlb.com.au

HLB Mann Judd Assurance (NSW) Pty Ltd ABN 96 153 077 215

Level 19, 207 Kent Street Sydney NSW 2000 Australia

T: +61 (0)2 9020 4000 **F:** +61 (0)2 9020 4190 **E:** mailbox@hlbnsw.com.au

Liability limited by a scheme approved under Professional Standards Legislation.



Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

A handwritten signature in black ink that reads 'HLB Mann Judd'.

HLB Mann Judd Assurance (NSW) Pty Ltd
Chartered Accountants

Sydney, NSW
27 February 2020

A handwritten signature in black ink that appears to read 'A G Smith'.

A G Smith
Director