

ASX ANNOUNCEMENT

31 August 2021

Tempo Australia Ltd | Appendix 4D – Half Year Report

Please find attached Tempo Australia Ltd (ASX: TPP) Appendix 4D – Half Year Report.

ENDS

This announcement has been authorised for release by
Tempo Australia Limited's Board of Directors..

FOR FURTHER INFORMATION PLEASE CONTACT:

Guido Belgiorno-Nettis
Non-Executive Chairman
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William Howard
Executive Director, CFO, COY SECRETARY
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ABOUT TEMPO

Tempo Australia Ltd (ASX: TPP) is one of Australia's leading innovators in the delivery of engineering, construction, maintenance, asset management and telecommunication infrastructure services. The company was established in 2011 and has specific expertise in structural, mechanical, piping, electrical, telecommunication and data communication.

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Tempo Australia Limited

ABN 51 000 689 725

**Interim Condensed
Consolidated Financial Statements
For the Half Year Ended 30 June 2021**

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Corporate Governance Statement

The Board is committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to refine and improve the governance framework and practices in place to ensure they meet the interests of shareholders. The Company complies with the Australian Securities Exchange (ASX) Corporate Governance Council's Corporate Governance Principles and Recommendations (the Principles).

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CORPORATE DIRECTORY

DIRECTORS

Guido Belgiorno-Nettis	Non-Executive Chairman
William Howard	Executive Director, Chief Financial Officer and Company Secretary
Charles Rottier	Non-Executive Director
Christopher Cook	Non-Executive Director (Appointed on 19 March 2021)
David Iverach	Non-Executive Director (Resigned on 4 March 2021)

LEADERSHIP TEAM

Paul Dalglish	Chief Executive Officer
John Cuffe	Executive General Manager TAMS

STOCK EXCHANGE LISTING

The company's shares are quoted on the Australian Stock Exchange under the code TPP.

REGISTERED OFFICE c/o Company Matters Pty Limited Level 12, 680 George Street Sydney NSW 2000	PRINCIPAL PLACE OF BUSINESS Level 21, 207 Kent Street Sydney, NSW 2000 +61 8 9460 1500 info@tempoast.com www.tempoast.com	POSTAL ADDRESS PO Box 588 West Perth WA 6872 AUSTRALIA
AUDITOR PKF (NS) Audit & Assurance Ltd Partnership Level 8, 1 O'Connell Street Sydney NSW, 2000 +61 02 8346 6000 www.pkf.com.au	SHARE REGISTRY Link Market Services Level 12, QV1 Building 250 St Georges Terrace Perth WA 6000 +61 1300 554 474 www.linkmarketservices.com.au	

APPENDIX 4D

COMPANY DETAILS

Name of entity	Tempo Australia Limited
ABN	51 000 689 725
Reporting period	Half-year ended 30 June 2021.
Previous corresponding period	Half-year ended 30 June 2020.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

All figures expressed in Australian dollars unless otherwise stated.

Revenue from continuing operations	Decrease 51% from \$15,746,009 to \$7,659,966
Loss after tax from ordinary activities	Increase 736% from \$168,060 to \$1,404,202
Loss for the half-year attributable to the owners	Increase 736% from \$168,060 in H1 2020 to \$1,404,202 in H1 2021

An explanation of the above figures is included within the "Review of Operations and Financials" section of the attached Director's Report.

NET TANGIBLE ASSETS

	30 June 2021	30 June 2020
Net asset backing per ordinary share	\$0.02	\$0.03
Net tangible asset backing per ordinary share	\$0.02	\$0.03

DIVIDENDS

	Amount per share	Franked amount per share (%)
Interim dividend declared	Nil	N/A
Final dividend declared	Nil	N/A

SHARE BUY-BACK SCHEME

The Company does not currently have an on-market share buy-back scheme in place.

DIVIDEND REINVESTMENT PLANS

Not applicable.

DETAILS OF ASSOCIATES AND JOINT VENTURES

Not applicable.

FOREIGN ENTITIES


Not applicable.

AUDIT QUALIFICATION OR REVIEW

The Interim Financial Report was subject to a review by the auditors and the unqualified auditor's review report is attached as part of the Interim Report.

ATTACHMENTS

The Interim Financial Report of Tempo Australia Limited for the half-year ended 30 June 2021 is attached.

SIGNED

William Howard
Executive Director, CFO and Company Secretary
Date: 31 August 2021

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DIRECTORS' REPORT

The directors present their report together with the consolidated interim financial statements for the half-year ended 30 June 2021.

DIRECTORS

The directors of the Company at any time during or since the end of the interim period are:

Guido Belgiorno-Nettis	Non-Executive Chairman <ul style="list-style-type: none"> - Appointed as Non-Executive Chairman 11 July 2019 - Appointed as Executive Chairman 29 April 2019 - Appointed as Non-Executive Director 22 December 2016
William Howard	Executive Director <ul style="list-style-type: none"> - Appointed as Executive Director 15 August 2019 - Appointed as Chief Financial Officer and Company Secretary 15 July 2019
Charles Louis Rottier	Non-Executive Director <ul style="list-style-type: none"> - Appointed as Non-Executive Director 18 March 2020
Christopher Cook	Non-Executive Director <ul style="list-style-type: none"> - Appointed as Non-Executive Director 19 March 2021
David Iverach	Non-Executive Director <ul style="list-style-type: none"> - Resigned as Non-Executive Director 4 March 2021

PRINCIPAL ACTIVITIES

During the period the Group generated revenues from asset management, maintenance and construction across the telecommunications, infrastructure, resources, power, industrial and commercial sectors.

RESULTS

The consolidated loss after income tax attributable to the members of Tempo Australia Limited was \$1,404,202.

	30 Jun 2021 \$'000	30 Jun 2020 \$'000
Loss after income tax	(1,404)	(168)
Basic loss per share (cents per share)	(0.39)	(0.05)

REVIEW OF OPERATIONS AND FINANCIALS

Tempo provides sector specialist multidisciplinary maintenance and construction services which protect and enhance our clients' investments, without compromising on our values. Tempo continues to develop our Renewable Energy technology and products relationships, focussing on leading edge battery technology.

The Half Year Financial Result of a loss after income tax of \$1.4m recognises the difficult trading environment.

The Half Year produced a cash result that was pleasing considering the trading conditions reflecting in part the run-off of Construction Contracts from 2020.

Tempo Asset Management Services (TAMS) - the electrical maintenance business - continues to manage its cashflow well while the recovery of its client's revenue remains difficult, due to the continuing effect of Covid 19 and associated lockdowns. TAMS is continuing to submit several EOI's and Tenders which are predominately for quality Corporate Businesses, and Government Agencies, however awards of new work have been slow as a result of the broad impacts of Covid 19.

Tempo Construction & Maintenance (TCM) is working on several Tenders and Early Contractor Involvement proposals, which should come to fruition during the 2nd half of the calendar and financial year. Revenues in the construction business for the First Half of the Year have been minimal as we further reduce our client risk appetite in renewable energy projects. Tempo completes significant client payment risk analysis over and above contractual requirements due to a significant increase in the number of delinquent Developers and Contractors.

- The Business remains debt free.
- The Business continues to deliver its services as cost effectively as possible. A return to previous revenue levels is subject to the ongoing impacts of Covid-19. With the significant cost cutting completed in 2020, and subsequently a further rationalisation completed in the 1st half of 2021, this will allow the company to be adaptable for any significant challenges in the immediate future. Therefore, currently Tempo is looking to the future with a sustainable operation and readily adaptable to future market conditions.
- Covid-19 has led to operational changes to ensure that the health and well-being of staff remains a priority – regular staff health updates and recommendations are communicated to all staff.
- Going forward Tempo will see further cost reductions relating to the historical Perth Based operation, and Plant & Equipment sales from the same.

Tempo's Renewable Division is continuing to invest and looks to the Second Half of the Year or early FY22 to be able to announce progress in this area.

SUBSEQUENT EVENTS

There have been no subsequent events that affect the operations or sustainability of the business.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included within the financial report.

On behalf of the directors,



William Howard
Executive Director
Date: 31 August 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 30 JUNE 2021

	Note	Consolidated entity	
		30 Jun 2021 \$'000	30 Jun 2020 \$'000
Revenue	3	7,660	15,746
Other income	3	28	82
Revenue and other income		7,688	15,828
Employee and director benefits expense		4,312	5,716
Administration costs		597	574
Occupancy costs		208	174
Depreciation and amortisation		465	624
Other expenses		-	58
Project material costs		1,492	2,260
Equipment and other subcontractor costs		1,672	6,158
Listing and other statutory charges		50	59
Interest and finance charges		47	86
Other professional expenses		249	240
Impairment expense		-	47
Total expenses		9,092	15,996
Loss before income tax expense		(1,404)	(168)
Income tax (expense)/benefit		-	-
Loss attributable to the members of the parent		(1,404)	(168)
Other comprehensive income		-	-
Total comprehensive Loss		(1,404)	(168)
Net Loss attributable to members of the parent entity		(1,404)	(168)
Loss per share			
Basic Loss – cents per share		(0.39)	(0.05)
Diluted Loss – cents per share		(0.39)	(0.05)

The accompanying notes from part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE HALF YEAR ENDED 30 JUNE 2021

	Note	Consolidated entity	
		30 Jun 2021	31 Dec 2020
		\$'000	\$'000
CURRENT ASSETS			
Cash and cash equivalents	5	6,504	6,637
Trade and other receivables	7	3,103	2,754
Contract assets		1,198	2,163
Inventories		205	166
Asset Held for Sales	6	583	-
Other assets		202	424
Total current assets		11,795	12,144
NON-CURRENT ASSETS			
Plant and equipment		1,399	2,459
Other assets		804	804
Total non-current assets		2,203	3,263
Total assets		13,998	15,407
CURRENT LIABILITIES			
Trade and other payables	9	2,703	2,533
Contract liabilities		328	-
Interest bearing loans and borrowings	7	1,187	1,034
Provisions		908	942
Total current liabilities		5,126	4,509
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings	7	505	1,250
Provisions		175	79
Total non-current liabilities		680	1,329
Total liabilities		5,806	5,838
Net assets		8,192	9,569
EQUITY			
Contributed equity	10	84,842	84,842
Share option reserve	11	1,661	1,634
Accumulated losses		(78,311)	(76,907)
Total equity		8,192	9,569

The accompanying notes from part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 30 JUNE 2021

	Note	Contributed equity \$'000	Accumulated losses \$'000	Share Option Reserve \$'000	Total equity \$'000
At 1 January 2020		84,056	(77,598)	2,042	8,500
Loss for the year		-	(168)	-	(168)
Other comprehensive income		-	-	-	-
Total comprehensive loss		-	(168)	-	(168)
Share issues		804	-	-	804
Share based payments		-	-	27	27
Transfer on the cancellation of performance rights		-	462	(462)	-
Cost of share raising		(18)	-	-	(18)
At 30 June 2020		84,842	(77,304)	1,607	9,145
At 1 January 2021		84,842	(76,907)	1,634	9,569
Loss for the year		-	(1,404)	-	(1,404)
Other comprehensive income		-	-	-	-
Total comprehensive loss		-	(1,404)	-	(1,404)
Share issues		-	-	-	-
Share based payments		-	-	27	27
Transfer on the cancellation of performance rights		-	-	-	-
Cost of share raising		-	-	-	-
At 30 June 2021		84,842	(78,311)	1,661	8,192

The accompanying notes from part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 30 JUNE 2021

	Note	Consolidated entity	
		30 Jun 2021	30 Jun 2020
		\$'000	\$'000
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		9,444	20,409
Payments to suppliers and employees		(8,939)	(20,169)
Interest and finance charges paid		(55)	(102)
Interest received		7	16
Net cash generated by operating activities		457	154
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		2	81
Payments for property plant and equipment		-	(25)
Net cash generated by investing activities		2	56
CASH FLOW FROM FINANCING ACTIVITIES			
Raising costs from issue of equity instruments		-	(41)
Repayment of borrowings		(592)	(911)
Net cash used in by financing activities		(592)	(952)
Net decrease in cash and cash equivalents		(133)	(742)
Cash and cash equivalents at beginning of year		6,637	7,340
Total cash and cash equivalents at the end of the year		6,504	6,598

The accompanying notes from part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2021

1 Corporate information

The interim condensed consolidated financial statements of Tempo Australia Limited (the Company) and its subsidiaries (collectively, the Group) for the six months ended 30 June 2021 were authorised for issue in accordance with a resolution of the directors on 31 August 2021.

Tempo Australia Limited is a for profit company limited by shares, incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange. The company's registered office is c/o Company Matters Pty Limited, Level 12, 680 George Street, Sydney NSW 2000.

The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency

The nature of the operations and principal activities of the consolidated entity are described in the Directors' Report.

Rounding

The consolidated financial report is presented in Australian dollars and all values are rounded to the nearest thousand (\$'000).

2 Significant accounting policies

2.1 Basis of preparation

These interim financial statements for the half-year reporting period ended 30 June 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2020 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Compliance with International Financial Reporting Standards (IFRS)

The financial report also complies with the IFRS as issued by the International Accounting Standards Board (IASB).

2.2 New standards, interpretations and amendments adopted by the Group

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Except as described below, the accounting policies adopted in the preparation of the interim condensed consolidated financial report are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020.

2.2.1 Non-current assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale are presented separately on the face of the statement of financial position, in current assets.

3 Revenue and other income

	Consolidated entity	
	30 Jun 2021	30 Jun 2020
	\$'000	\$'000
Revenues from contracts with customers	7,660	15,746
Interest revenue calculated using the effective interest method	7	16
Other income	21	66
Total revenue and other income	7,688	15,828

Revenue from contracts with customers by type of customer	Consolidated entity	
	30 Jun 2021	30 Jun 2020
	\$'000	\$'000
Government and infrastructure	1,960	2,265
Commercial	5,086	12,598
Education and aged care	429	582
Resources	-	7
Other	185	294
Total revenues from contracts with customers	7,660	15,746

The transaction price allocated to the remaining performance obligations is as follows:

	Consolidated entity	
	30 Jun 2021	30 Jun 2020
	\$'000	\$'000
Within one year	-	7,364
Total revenue and other income	-	7,364

4 Significant transactions during the period

Included within employee and director benefits expenses are the following items:

	Consolidated entity	
	30 Jun 2021	30 Jun 2020
	\$'000	\$'000
Job Keeper	534	872
Cash Boost	-	100
Total Government incentives	534	972

5 Cash and short-term deposits

	Consolidated entity	
	30 Jun 2021	31 Dec 2020
	\$'000	\$'000
Cash at bank and on hand	3,556	3,698
Short term deposits	2,948	2,939
Cash and cash equivalents	6,504	6,637

6 Current Assets: Non-current assets classified as held for sale

	Consolidated entity	
	30 Jun 2021	31 Dec 2020
	\$'000	\$'000
Property, plant and equipment	583	-
Assets classified as held for sale	583	-

During the period the Group determined to sell piling rigs which are no longer required by the Group. These piling rigs were held for sale at 30 June 2021 and are expected to be sold within three months of the reporting date. The assets do not represent an operating segment.

7 Financial assets and financial liabilities

7.1 Financial assets

At 30 June 2021 the Group had financial assets (consisting of trade and other receivables) of \$3,103K (31 December 2020: \$2,754K). These assets were measured at amortised cost.

7.2 Financial liabilities: Interest-bearing loans and borrowings

Set out below is an overview of financial liabilities held by the Group as at 30 June 2021 and 31 December 2020:

	Interest Rate	Maturity	Consolidated entity	
			30 Jun 2021	31 Dec 2020
			\$'000	\$'000
Current interest-bearing loans and borrowings				
Obligations under leases	4.30%	2021	1,179	944
Insurance Borrowing	0.00%	2021	8	90
NAB Invoice Finance Facility (\$10,000,000 Facility)	4.99%	On Demand	-	-
Total current interest-bearing loans and borrowings			1,187	1,034
Non Current interest-bearing loans and borrowings				
Obligations under leases	4.03%	2022-2023	505	1,250
Total non- current interest-bearing loans and borrowings			505	1,250
Total interest-bearing loans and borrowings			1,691	2,284

Tempo has a \$10M Invoice Finance Facility with the National Australia Bank Limited ('NAB'). This facility attracts a variable interest rate. At 31 December 2020 the effective rate was 5.02%. At 30 June 2021 \$10M was unused (31 December 2020: \$10M). It is secured by a first ranking general security interest, a security interest registered pursuant to the Invoice Finance Facility Agreement and a Guarantee and Indemnity given by the Company.

The Group has an asset leasing facility with NAB of \$3,450K. At 30 June 2021 the amount of the facility that was unused was \$2,910K. This facility was for \$3,450K at 31 December 2020, and the amount that was unused was \$2,827K.

Other leases in relation to plant, vehicles and other equipment amount to \$1,144K. At 31 December 2020 the amount relating to other leases was \$1,577K.

All finance liabilities are repayable on demand except for leases.

7.3 Financial liabilities: Bank guarantees and surety bonds

The Group has surety bond facilities of \$7 million (31 December 2020: \$7 million). At 30 June 2021 bonds valued at \$50K had been issued (31 December 2020: \$1,583K). The bond premium rate is 1.5% per annum on the face value of each bond.

As at 30 June 2021 the Company had bank guarantees issued of \$295K (31 December 2020: \$286K) which were secured by term deposits. Corresponding term deposits of \$295K (31 December 2020: \$286K) are recorded in other assets.

7.4 Fair values

The carrying value of all current financial assets and liabilities approximates the fair value largely due to the short-term maturity of these instruments. Non-current financial liabilities are recognised at a discount value implicit in the leases.

Set out below is a comparison of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Consolidated entity			
	30 Jun 2021		31 Dec 2020	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Non-current interest-bearing loans and borrowings	505	505	1,250	1,290
Obligations under finance leases	505	505	1,250	1,290

The fair value of obligations under leases is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

7.5 Financial instruments risk management objectives and policies

The Group's principal liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables and cash and short-term deposits that derive directly from its operations. The Group has determined that there is no material market, credit, liquidity or interest risk in relation to the cash or other receivables held in deposits. The Group's senior management oversees the management of these risks under the policies approved by the Risk, HSE and Commercial Committee and the Board.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price. Market risk comprises three types of risk, interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and debt.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's long-term debt is secured with fixed interest rates. All long-term deposits have fixed interest rates. As a result, the Board believes there is no material interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's has minimal to this risk profile.

Other price risk

The Group does not have any equity instruments or commodity risk exposure.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with reputable banks and financial institutions.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses ("ECL"). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7.1. The Group does not hold collateral as security.

The Group evaluates the concentration risk with respect to trade receivables as low, as its customers are located within several industries and operate in largely independent markets.

Historically the Group's incurred losses have been extremely low.

Liquidity Risk

The Group monitors its risk of a shortage of funds using by utilising liquidity planning tools across a 15-month horizon.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short-term borrowings and finance leases. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a variety of sources of funding and the majority of the debt maturing within 12 months can be rolled over with existing lenders.

8 Segment reporting

The Group comprises the following main business segments:

- Asset maintenance and service: provide customers fully integrated electrical asset management solutions, which are bespoke and tailored specifically to the unique conditions, assets and customer requirements.
- Construction & electrical project work: manage mechanical & electrical installation, solar, instrumentation and communication projects including one off capital works.

(a) Segment performance

30-Jun-2021	Asset maintenance and service \$'000	Construction & electrical project work \$'000	Corporate / unallocated \$'000	Total \$'000
Revenue				
Sales	7,272	388	-	7,660
Other revenue	19	-	9	28
Total segment revenue	7,291	388	9	7,688
Operating expenses	(8,119)	(462)	1	(8,580)
Earnings before interest, tax, depreciation & amortisation (EBITDA)	(828)	(74)	10	(892)
Depreciation and amortisation	(372)	(84)	(9)	(465)
Earnings before interest and tax (EBIT)	(1,200)	(158)	1	(1,357)
Interest expense	(33)	(13)	(1)	(47)
Income tax (credit)/expenses	-	-	-	-
Impairment of assets	-	-	-	-
Net profit/(loss) for the year	(1,233)	(171)	-	(1,404)
30-Jun-2020				
	Asset maintenance and service \$'000	Construction & electrical project work \$'000	Corporate / unallocated \$'000	Total \$'000
Revenue				
Sales	8,262	7,484	-	15,746
Other revenue	53	(29)	58	82
Total segment revenue	8,315	7,455	58	15,828
Operating expenses	(7,850)	(7,343)	(46)	(15,239)
Earnings before interest, tax, depreciation & amortisation (EBITDA)	465	112	12	589
Depreciation and amortisation	(501)	(114)	(9)	(624)
Earnings before interest and tax (EBIT)	(36)	(2)	3	(35)
Interest expense	(63)	(20)	(3)	(86)
Income tax (credit)/expenses	-	-	-	-
Impairment of assets	(34)	(13)	-	(47)
Net profit/(loss) for the year	(133)	(35)	-	(168)

(b) Segment asset and liabilities

30-Jun-2021	Asset maintenance and service	Construction & electrical project work	Corporate / unallocated	Total
	\$'000	\$'000	\$'000	\$'000
Total Assets	4,642	1,903	7,453	13,998
Total Liabilities	4,006	981	819	5,806

31-Dec-2020	Asset maintenance and service	Construction & electrical project work	Corporate / unallocated	Total
	\$'000	\$'000	\$'000	\$'000
Total Assets	5,010	2,467	7,930	15,407
Total Liabilities	4,065	1,006	767	5,838

9 Trade and other payables

	Consolidated entity	
	30 Jun 2021	31 Dec 2020
	\$'000	\$'000
Trade payables	1,242	1,394
Other payables	1,461	1,139
Total trade and other payables	2,703	2,533

10 Contributed equity

	Consolidated entity	
	30 Jun 2021	31 Dec 2020
	\$'000	\$'000
Ordinary shares fully paid	84,842	84,842
	84,842	84,842

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Movements in ordinary shares	Consolidated entity 30 Jun 2021		Consolidated entity 31 Dec 2020	
	# of shares	\$'000	# of shares	\$'000
Balance as at the beginning of the year	362,635,506	84,842	342,535,506	84,056
Shares issued – proceeds received	-	-	20,100,000	804
Costs of share issue	-	-	-	(18)
Release of other contributed equity	-	-	-	-
Balance as at the end of the year	362,635,506	84,842	362,635,506	84,842

11 Share based payments

An Employee Share Incentive Right Plan (ESIRP) was established by the Company and approved by shareholders at the general meeting held in May 2013 and renewed at the general meeting held on 31 May 2016. Under the ESIRP the Company may grant options and/or performance rights over ordinary shares in the

parent entity to certain employees of the Company. The options and/or performance rights are issued for nil consideration and are granted in accordance with guidelines established by the ESIRP.

The expense recognised for employee services received during the half year was \$27K (2020: \$27K). No performance rights were issued in the period. The movement in performance rights on issue is set out below:

	30 Jun 2021	31 Dec 2020
	\$'000	\$'000
Balance as at the beginning of the year	1,634	2,042
Share-based payments	27	54
Reversal of unvested options	-	(462)
Balance as at the end of the year	1,661	1,634

12 Subsequent events

There have been no subsequent events that affect the operations or sustainability of the business.

13 Related party disclosures

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2021, as well as balances with related parties as at 31 December 2020.

		Consolidated entity		
		Purchases from related parties	Amounts owed to related parties	Amounts owed by related parties
		\$'000	\$'000	\$'000
Angophora Capital Pty Ltd	2021	47	20	-
	2020	16	96	-
CLR Consulting Pty Ltd	2021	17	-	-
	2020	16	4	-
Einstein Nominees Pty Ltd ATF Dalgleish Superannuation Fund	2021	-	-	684
	2020	-	-	684
Sadsacks Pty Ltd ATF The WH & GF Howard Superannuation Fund	2021	-	-	120
	2020	-	-	120

14 Contingencies

The consolidated entity has no contingent assets or liabilities as at 30 June 2021 (2020: Nil).

15 Dividends

There were no dividends paid or proposed in the half-year.

DIRECTORS' DECLARATION

FOR THE HALF YEAR ENDED 30 JUNE 2021

The directors declare that the financial statements and notes are in accordance with the Corporations Act 2001 and:

- a. Comply with Australian Accounting standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- b. Give a true and fair view of the financial position of the consolidated entity as at 30 June 2021 and of its performance as represented by the results of their operations and its cash flows, for the year ended on that date; and
- c. Comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

In the opinion of the directors, there are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

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



William Howard
Executive Director
Sydney
Date: 31 August 2021

INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF TEMPO AUSTRALIA LTD

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Tempo Australia Ltd (the Company), which comprises the consolidated statement of financial position as at 30 June 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration of the Company and the consolidated entity comprising the Company and the entities it controlled at the half-year's end or from time to time during the financial half-year.

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 Tempo Australia Ltd is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2021, and of its financial performance for the half-year ended on that date; and
- (b) complying with the Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. In accordance with the Corporations Act 2001, we have given the directors of the Company a written Auditor's Independence Declaration.

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 the Australian Accounting Standards and the Corporations Regulations 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

PKF(NS) Audit & Assurance Limited
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ABN 91 850 861 839

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Auditor's Responsibility 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. 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 consolidated entity's financial position as at 30 June 2021 and its performance for the half-year ended on that date, and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001. As the auditor of Tempo Australia Ltd, 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.

PKF

PKF

SCOTT TOBUTT
PARTNER

31 AUGUST 2021
SYDNEY, NSW

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AUDITOR'S INDEPENDENCE DECLARATION



Tempo Australia Ltd

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the half-year ended 30 June 2021, there have been:

- a) no contraventions of the auditor independence requirements as set out in 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.

PKF

SCOTT TOBUTT
PARTNER

31 AUGUST 2021
SYDNEY, NSW

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