

**TTA Holdings Limited**  
**Appendix 4D**  
**Half-year report**

**1. Company details**

Name of entity: TTA Holdings Limited  
ABN: 18 110 475 799  
Reporting period: For the half-year ended 30 September 2022  
Previous period: For the half-year ended 30 September 2021

**2. Results for announcement to the market**

			\$
Revenues from ordinary activities	down	91.5% to	165,966
Loss from ordinary activities after tax attributable to the owners of TTA Holdings Limited	increase	14.4% to	(718,527)
Loss for the half-year attributable to the owners of TTA Holdings Limited	increase	14.4% to	(718,527)

*Dividends*

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

*Comments*

The loss for the consolidated entity after providing for income tax amounted to \$718,527 (30 September 2021: \$628,247)

**3. Net tangible assets**

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>1.13</u>	<u>2.52</u>

**4. Control gained over entities**

Not applicable.

**5. Loss of control over entities**

Not applicable.

**6. Dividends**

*Current period*

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

*Previous period*

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

**7. Dividend reinvestment plans**

Not applicable.

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**8. Details of associates and joint venture entities**

Not applicable.

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**9. Foreign entities**

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

Not applicable.

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**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 Interim Report.

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**11. Attachments**

*Details of attachments (if any):*

The Interim Report of TTA Holdings Limited for the half-year ended 30 September 2022 is attached.

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**12. Signed**

*Ahamad Abdullah*

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Ahamad Bin Abdullah  
Director

Date: 29 November 2022

**TTA Holdings Limited**

**ABN 18 110 475 799**

**Interim Report - 30 September 2022**

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**TTA Holdings Limited**  
**Directors' report**  
**30 September 2022**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of TTA Holdings Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 September 2022.

**Review of operations**

TEAC Australia Pty Ltd (TEAC), the sole trading entity of the group, has embarked on E-commerce system trading and dropped the wholesale distribution activity involving traditional sales to retailers. System specialists were engaged to install and implement the E-commerce system which took four months to complete system upgrades and enhancements. Thus, the entity experienced downtime which affected the sales for the half-year ended. TEAC products are currently marketed in various online digital platforms in addition to the TEAC store website. The new business model adopted by the Company began trading on 1 July 2022.

The loss for the consolidated entity after providing for income tax amounted to \$718,527, a 14.4% increase for the same period last year (September 2021:\$ 628,247). For the 1<sup>st</sup> half of FY2023, TEAC Australia the revenue was \$167K.

**Significant changes in the state of affairs**

Other than the explanations in the Review of operations and Going Concern, there were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

**Auditor's independence declaration**

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

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

On behalf of the directors

*Ahamad Abdullah*

Ahamad Bin Abdullah

29 November 2022

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

As lead auditor for the review of TTA Holdings Limited for the half-year ended 30 September 2022, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of TTA Holdings Limited.

Yours sincerely,  
**Connect National Audit**



George Georgiou FCA  
Managing Partner  
Connect National Audit Pty Ltd  
ASIC Authorised Audit Company No.: 521888  
Date: 29 November 2022

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**TTA Holdings Limited**  
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**30 September 2022**

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**General information**

The financial statements cover TTA Holdings Limited as a consolidated entity consisting of TTA Holdings Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is TTA Holdings Limited's functional and presentation currency.

TTA Holdings Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

7, Unit 59 Dalton Road  
Thomastown, Victoria 3074

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on xx November 2022.

**TTA Holdings Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 30 September 2022**

		<b>Consolidated</b>	
	<b>Note</b>	<b>30 Sep 2022</b>	<b>30 Sept 2021</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>	3	165,966	1,954,314
Other income		1,274	1,191
Interest revenue calculated using the effective interest method		60,625	57,197
<b>Expenses</b>			
Raw materials and consumables used		(491,602)	(1,924,510)
Employee benefits expense		(179,191)	(456,495)
Depreciation and amortisation expense		(8,702)	(12,208)
Rental expenses		(4,424)	(3,444)
Right-of-use asset depreciation		(26,607)	(33,809)
Impairment of related party receivable		(21,058)	(21,870)
Foreign exchange loss		5,505	3,555
Other expenses		(221,035)	(181,281)
Finance costs		722	(10,887)
<b>Loss before income tax expense</b>		<b>(718,527)</b>	<b>(628,247)</b>
Income tax expense		-	-
<b>Loss after income tax expense for the half-year attributable to the owners of TTA Holdings Limited</b>		<b>(718,527)</b>	<b>(628,247)</b>
Other comprehensive income for the half-year, net of tax		-	-
<b>Total comprehensive income for the half-year attributable to the owners of TTA Holdings Limited</b>		<b>(718,527)</b>	<b>(628,247)</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	7	(0.52)	(0.46)
Diluted earnings per share	7	(0.52)	(0.46)

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

**TTA Holdings Limited**  
**Statement of financial position**  
**As at 30 September 2022**

	<b>Note</b>	<b>Consolidated</b> <b>30 Sep 2022</b> <b>\$</b>	<b>31 Mar 2022</b> <b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		324,887	1,992,936
Trade and other receivables	4	51,827	169,216
Inventories		1,982,668	374,971
Other current asset		13,053	326,054
<b>Total current assets</b>		<u>2,372,435</u>	<u>2,863,177</u>
<b>Non-current assets</b>			
Property, plant and equipment		14,951	24,872
Right-of-use asset		51,871	136,429
<b>Total non-current assets</b>		<u>66,822</u>	<u>161,301</u>
<b>Total assets</b>		<u>2,439,257</u>	<u>3,024,478</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		580,156	288,690
Employee benefits		87,074	169,322
Provisions		104,108	98,263
Lease payable		26,945	70,272
<b>Total current liabilities</b>		<u>798,283</u>	<u>626,547</u>
<b>Non-current liabilities</b>			
Employee benefits		478	315
Lease liabilities		22,197	60,790
<b>Total non-current liabilities</b>		<u>22,675</u>	<u>61,105</u>
<b>Total liabilities</b>		<u>820,958</u>	<u>687,652</u>
<b>Net assets</b>		<u>1,618,299</u>	<u>2,336,826</u>
<b>Equity</b>			
Issued capital		6,484,607	6,484,607
Accumulated losses		(4,866,308)	(4,147,781)
<b>Total equity</b>		<u>1,618,299</u>	<u>2,336,826</u>

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



**TTA Holdings Limited**  
**Statement of changes in equity**  
**For the half-year ended 30 September 2022**

<b>Consolidated</b>	<b>Issued capital</b> <b>\$</b>	<b>Retained profits</b> <b>\$</b>	<b>Total equity</b> <b>\$</b>
Balance at 1 April 2021	6,484,607	(2,364,076)	4,120,531
Loss after income tax expense for the half-year	-	(628,247)	(628,247)
Other comprehensive income for the half-year, net of tax	-	-	-
Total comprehensive income for the half-year	-	(628,247)	(628,247)
Balance at 30 September 2021	<u>6,484,607</u>	<u>(2,992,323)</u>	<u>3,492,284</u>

<b>Consolidated</b>	<b>Issued capital</b> <b>\$</b>	<b>Accumulated losses</b> <b>\$</b>	<b>Total equity</b> <b>\$</b>
Balance at 1 April 2022	6,484,607	(4,147,781)	2,336,826
Loss after income tax expense for the half-year	-	(718,527)	(718,527)
Other comprehensive income for the half-year, net of tax	-	-	-
Total comprehensive income for the half-year	-	(718,527)	(718,527)
Balance at 30 September 2022	<u>6,484,607</u>	<u>(4,866,308)</u>	<u>1,618,299</u>

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

**TTA Holdings Limited**  
**Statement of cash flows**  
**For the half-year ended 30 September 2022**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>30 Sep 2022</b>	<b>30 Sept 2021</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of GST)	490,468	1,841,567
Payments to suppliers and employees (inclusive of GST)	(2,209,613)	(2,467,718)
	(1,719,145)	(626,151)
Interest received	60,625	57,195
Interest and other finance costs paid	(3,278)	(4,954)
Net cash used in operating activities	(1,661,798)	(573,910)
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(1,126)	(5,326)
Net cash used in investing activities	(1,126)	(5,326)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	-	-
Cost related to borrowings	(5,125)	(17,134)
Net cash (outflow) / inflow from financing activities	(5,125)	(17,134)
Net increase /(decrease) in cash and cash equivalents	(1,668,049)	(596,370)
Cash and cash equivalents at the beginning of the financial year	1,992,936	1,636,199
Cash and cash equivalents at the end of the financial half-year	<u>324,887</u>	<u>1,039,829</u>

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

## **Note 1. Significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 30 September 2022 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 general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 March 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

### **New or amended Accounting Standards and Interpretations adopted**

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.

### **Going concern**

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The consolidated entity incurred a loss from ordinary activities of \$718,527 for the half-year ended 30 September 2022. In addition, the consolidated entity sustained a negative operating cashflow of \$1.66m brought about by the settlement of overseas suppliers for the shipment of inventory which arrived in June 2022.

The directors have reviewed the revenue cashflow forecasts and believe that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern due to the following factors:

1. Forecast for the 2<sup>nd</sup> half of the year is a \$1,424K net turnover with a net margin of \$494K.  
The Australian economy forecast was to grow solidly in 2022, before slowing down due to the recent flooding in South Eastern Australia; thus many households and businesses were adversely affected by the calamity. Furthermore, higher consumer prices, rising interest rates, and declining housing prices weigh on domestic growth. Thus, low consumer spending did not improve during this reporting period.  
  
E-commerce trading is competitive, and the focus is to increase awareness of the TEAC brand. Generally, we have been making progress; sales have increased month by month since the launch on July 22. The Company intends to increase the market share of the E-Commerce business by focusing more on marketing and advertising activities. With a forecast net cash flow from operating activities of \$71k, the cash on hand is envisaged to increase to \$395k at the end of March 2023.
2. Inventory of finished goods on hand as of 30 Sept 2022 was at \$2 million.
3. Monitor and continue to implement a plan for the reasonable reduction of cost.
4. Net working capital was \$1.57m as of 30 September 2022

Accordingly, the directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the company not continue as a going concern.

## **Note 2. Operating segments**

### *Identification of reportable operating segments*

The consolidated entity operates in one segment, which is sale of electronic consumer goods via E-commerce in the Australian market.

**Note 3. Revenue**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>30 Sep 2022</b>	<b>30 Sept 2021</b>
	<b>\$</b>	<b>\$</b>
<i>Revenue from contracts with customers</i>		
Sales of goods	165,880	1,948,685
<i>Other revenue</i>		
Other revenue	86	5,629
Revenue	<u>165,966</u>	<u>1,954,314</u>

*Disaggregation of revenue*

The disaggregation of revenue from contracts with customers is as follows:

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>30 Sep 2022</b>	<b>30 Sept 2021</b>
	<b>\$</b>	<b>\$</b>
<i>Major product lines</i>		
Sale of electronic goods	<u>165,880</u>	<u>1,948,685</u>
<i>Geographical regions</i>		
Australia	<u>165,880</u>	<u>1,948,685</u>
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	<u>165,880</u>	<u>1,948,685</u>

**Note 4. Current assets - trade and other receivables**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>30 Sep 2022</b>	<b>30 Sep 2021</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	51,827	1,190,965
Related party receivable	1,890,343	1,812,975
Less: Allowance for expected credit losses	<u>(1,890,343)</u>	<u>(1,812,975)</u>
Other receivables	-	-
	<u>51,827</u>	<u>1,190,965</u>

**Note 5. Equity - dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

**Note 6. Events after the reporting period**

There are no significant events after the reporting period

**TTA Holdings Limited**  
**Notes to the financial statements**  
**30 September 2022**

**Note 7. Earnings per share**

	<b>Consolidated</b>	
	<b>30 Sep 2022</b>	<b>30 Sept 2021</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax attributable to the owners of TTA Holdings Limited	<u>(718,527)</u>	<u>(628,247)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>137,423,410</u>	<u>137,423,410</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>137,423,410</u>	<u>137,423,410</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.52)	(0.46)
Diluted earnings per share	(0.52)	(0.46)

**TTA Holdings Limited**  
**Directors' declaration**  
**30 September 2022**

In the directors' opinion:

- The attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001, and other mandatory professional reporting requirements;
- The attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 September 2022 and of its performance for the financial half-year ended on that date; and
- 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 directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

*Ahamad Abdullah*

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Ahamad Bin Abdullah

29 November 2022

**Independent Auditor's Review Report**  
**To the members of TTA Holdings Limited**  
**Report on the Half-year Financial Report**

**Conclusion**

We have reviewed the accompanying Half-year Financial Report of TTA Holdings Limited and its controlled entities (the "Consolidated Entity").

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 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 September 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 Half-year Financial Report comprises:**

- Statement of profit or loss and other comprehensive income for half-year ended 30 September 2022;
- Statement of financial position as at 30 September 2022, Statement of changes in equity and Statement of cash flows for the half-year on that date;
- Notes 1 to 7 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration. The Consolidated Entity comprises TTA Holdings Limited (The Company) and the entities it controlled at the half year's end or from time to time during the half year.

**Emphasis of Matter - Material Uncertainty Related to Going Concern**

We draw attention to note 1 in the half year financial report which indicates that the consolidated entity incurred a net loss of \$718,527 for the half-year ended 30 September 2022. In addition, the consolidated entity sustained a negative operating cashflow of \$1.66m brought about by the settlement of overseas suppliers for the shipment of inventory which arrived in June 2022. These events or conditions, along with other matters as set forth in Note 1 indicate that a material uncertainty exists that may cast a significant doubt on the consolidated entity's ability to continue as a going concern.

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## Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Consolidated Entity 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 Corporations Act 2001
- 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.

## 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 September 2022 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 auditor of TTA Holdings Limited and its controlled entities, 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. In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Yours sincerely,  
**Connect National Audit**



George Georgiou FCA  
Managing Partner  
Connect National Audit Pty Ltd  
ASIC Authorised Audit Company No.: 521888  
Date: 29 November 2022

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