

SHRIRO HOLDINGS LIMITED

ACN 605 279 329

Condensed Half Year Financial Report

for the half year ended

31 December 2022

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Shriro Holdings Limited

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Appendix 4D

Results for announcement to the market

	Half year to 31 December 2022 \$million	Half year to 31 December 2021 \$million	Movement %
Revenue from ordinary activities	84.4	95.6	(11.7)
EBITDA ¹	12.4	14.5	(14.5)
Profit from ordinary activities before tax	9.5	11.6	(18.1)
Profit from ordinary activities after tax attributable to members	6.3	8.2	(23.2)
Basic earnings per share (cents per share)	6.6	8.6	(23.3)
Diluted earnings per share (cents per share)	6.4	8.5	(24.7)
	Amount per security	Percentage franked	
Interim dividend	3.5	100%	
	31 December 2022	31 December 2021	
Net tangible assets per share (cents per share)	69.5	67.0	
Diluted net tangible assets per share (cents per share)	68.2	65.8	

On 23 February 2023, the Directors declared an interim dividend for the half-year 31 December 2022 of 3.5 cents per share fully franked with an ex-dividend date of 15 March 2023, a record date of 16 March 2023 and payable on 7 April 2023.

¹ EBITDA for the half-year ended 31 December 2021 includes \$1,144,968 of New South Wales Government JobSaver subsidies

Corporate Governance Statement

The Board and management of Shriro Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) are committed to effective corporate governance in order to ensure accountability and transparency to shareholders and other stakeholders, including customers, employees, staff and regulatory bodies. The Company has adopted, and has substantially complied with, the ASX Corporate Governance Principles and Recommendations (Fourth Edition) (‘the Recommendations’) to the extent appropriate to the size and nature of the Group’s operations.

The Company prepared a statement which set out the corporate governance practices for lodgement with the Company’s 2022 Annual Report, these practices continued to be in operation through-out the half year (Corporate Governance Statement).

The Corporate Governance Statement approved by the Board was lodged with the ASX on 29 August 2022 and can also be found on the Company’s website at https://www.shriro.com.au/investor/corporate_governance.

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Directors' Report

The Directors present their report in compliance with the provisions of the *Corporations Act 2001* for Shriro Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") for the half year ended 31 December 2022.

DIRECTORS AND OFFICERS

Directors of Shriro Holdings Limited during the half year ended 31 December 2022 were:

Abigail Cheadle – Independent Chair

Brian Bunker – Non-independent Director

John Murphy – Non-independent Director

Tim Hargreaves – Managing Director

The joint Company Secretaries during the half year ended 31 December 2022 were Shane Booth, Kerry Smith (appointed 15 December 2022) and Hasaka Martin (resigned 16 January 2023).

PRINCIPAL ACTIVITIES

The Group is a leading kitchen appliances and consumer products marketing and distribution business operating in Australia and New Zealand. The Group is also expanding internationally with barbecues, pizza ovens, and cooling products.

The Group markets and distributes an extensive range of company-owned brands (including Omega, Everdure including Everdure by Heston Blumenthal, Robinhood and Omega Altise) and third party owned brands (including Casio and Pioneer). The Group also continues to sell the Blanco brand in New Zealand until 31 March 2023.

Products marketed and distributed by the Group include calculators, watches, musical instruments, audio products, kitchen appliances, laundry products, consumer electronics, car audio, amplifiers, professional DJ, hi-fi speakers, barbecues, pizza ovens, heaters and cooling products.

RESULTS AND REVIEW OF OPERATIONS

Results summary	Half year to 31 December 2022 \$million	Half year to 31 December 2021 \$million	Movement %
Revenue from ordinary activities	84.4	95.6	(11.7)
Gross margin	43.1%	42.5%	0.6pp
Operating expenses	24.0	26.2	(8.4)
EBITDA	12.4	14.5	(14.5)
Depreciation and amortisation	2.6	2.6	-
Interest	0.3	0.3	-
Profit before tax	9.5	11.6	(18.1)
Profit after tax	6.3	8.2	(23.2)

Earnings before interest, tax, depreciation, and amortisation ('EBITDA') for the half year ending 31 December 2022 was \$12.4m (pcp: \$14.5m) and net profit after tax for the half year was \$6.3m (pcp: \$8.2m).

Shriro's revenue was \$84.4m which was down 11.7% pcp. The exit of the Blanco brand represented 10% of the downturn in revenue and the remainder was largely a result of the cooler weather impacting the sale of seasonal products and home builder delays impacting the fulfilment of commercial appliance orders.

The majority of Shriro's export sales are in the second half of the year which is the European and USA summers. However, the Everdure by Heston Blumenthal products continued to grow with export sales increasing by 82% pcp.

Shriro's gross margin lifted to 43.1% (pcp: 42.5%) primarily due to the Blanco exit which had a lower gross margin compared to other brands. Other factors included currency tailwinds, increased product prices and the easing of container costs.

Operating expenses decreased to \$24.0m, down 8.4% pcp. Shriro reduced expenses in the first half of FY23, to counter the lower revenue without the Blanco brand, cost inflation and fuel price increases resulting in increased freight costs. The efficiency focus has been on reducing consulting costs, absorbing vacant roles and consolidating the Brisbane third party logistics warehouse stock into the NSW Chullora warehouse. These cost saving initiatives were finalised in the first half of FY23.

Shriro Holdings Limited

Statement of financial position and statement of cashflows

Net operating cash outflows for the period were \$1.3 million. The Group had built up working capital in response to supply chain constraints which are now expected to normalise.

Shriro values any returned stock at nil in its accounts. It has cleared a portion of this stock resulting in \$0.3m profit for the half, with a further \$0.2m of stock to be cleared in the second half. Shriro has received all monies owing from Blanco and all related assets and liabilities have now been settled, sold or disposed in the first half of FY23. Shriro's balance sheet has no borrowings and has strengthened further with \$70.6m of net assets and tangible asset backing of 69.5 cents per share.

BUSINESS STRATEGY AND RISK

Strategies

Shriro will continue to place a high priority on organic and inorganic growth opportunities, reviewing capital allocation and identifying any potential opportunities for rationalisation and savings to maximise shareholder returns.

The Group aims to continue to grow through:

- continual product development and range extensions;
- geographic expansion;
- channel diversification;
- mergers and acquisitions; and
- adding new third-party brands to the portfolio.

Risks

The key risks for the business are:

- change in consumer spending patterns throughout the year;
- customers delisting products;
- supply chain disruptions;
- deterioration in economic conditions;
- loss of brand distribution rights;
- loss of key personnel;
- changing tax and tariff rates;
- foreign exchange movements;
- cyber incidents;
- any further COVID-19 effects; and
- reduced housing construction.

EARNINGS PER SHARE AND DIVIDENDS

The basic and diluted earnings per share are calculated using the weighted average number of shares. The Group has basic earnings per share of 6.6 cents (six months to 31 December 2021: 8.6 cents) and diluted earnings per share of 6.4 cents (six months to 31 December 2021: 8.5 cents).

On 23 February 2023, the Directors declared an interim dividend relating to the period ending 31 December 2022 of 3.5 cents per share fully franked with an ex-dividend date of 15 March 2023, a record date of 16 March 2023 and payable on 7 April 2023.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration (which forms part of the Directors' report) has been received and is included on page 6 of this report.

ROUNDING OFF OF AMOUNTS

The Company has applied the relief available under *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*. Accordingly, amounts in the Directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

**SHRIRO HOLDINGS LIMITED
ABN 29 605 279 329
AND ITS CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF SHRIRO HOLDINGS LIMITED**

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Shriro Holdings Limited. As the lead audit partner for the review of the financial report of Shriro Holdings Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 23 February 2023

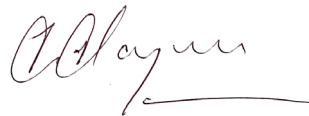
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This Directors' report is signed in accordance with a resolution of Directors made pursuant to s306(3)(a) of the *Corporations Act 2001*.



Abigail Cheadle
Chair

23 February 2023



Tim Hargreaves
Chief Executive Officer and Managing Director

23 February 2023

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Condensed Consolidated Statement of Profit or Loss

for the half year ended 31 December 2022

	Note	Half year to 31 December 2022 \$'000	Half year to 31 December 2021 \$'000
Revenue from ordinary activities		84,392	95,553
Raw materials and consumables used		(48,001)	(54,962)
Other income ¹		561	1,541
Employee benefits expense ¹		(12,451)	(14,462)
Advertising and promotion expenses		(1,637)	(1,637)
Freight and delivery expenses		(3,800)	(4,726)
Depreciation and amortisation expenses		(2,613)	(2,546)
Other expenses		(5,816)	(6,043)
Occupancy costs		(996)	(871)
Other gains and losses		136	120
Finance costs		(314)	(342)
Profit before tax		9,461	11,625
Income tax expense		(3,197)	(3,441)
Profit after tax for the period		6,264	8,184
Earnings per share			
Basic (cents per share)	4.2	6.6	8.6
Diluted (cents per share)	4.2	6.4	8.5

The condensed consolidated statement of profit or loss should be read in conjunction with the notes to the financial statements.

¹ Other income for the half year ended 31 December 2021 includes \$1,144,968 of New South Wales Government JobSaver subsidies.

Condensed Consolidated Statement of Other Comprehensive Income

for the half year ended 31 December 2022

Note	Half year to 31 December 2022 \$'000	Half year to 31 December 2021 \$'000
Profit after tax for the period	6,264	8,184
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net change in the fair value of cash flow hedges taken to equity	325	740
Exchange differences on translation of foreign operations	630	100
Other comprehensive income for the year, net of tax	955	840
Total comprehensive income for the period attributable to the owners of Shriro Holdings Limited	7,219	9,024

The condensed consolidated statement of other comprehensive income should be read in conjunction with the notes to the financial statements.

Condensed Consolidated Statement of Financial Position

As at 31 December 2022

	Note	31 December 2022 \$'000	30 June 2022 \$'000
Current assets			
Cash and cash equivalents		6,396	12,869
Trade and other receivables		31,701	33,667
Inventories		44,115	41,216
Other assets		994	1,156
Current tax receivable		402	156
Derivative receivable		340	692
Total current assets		83,948	89,756
Non-current assets			
Right of use assets		4,174	5,575
Plant and equipment		5,232	4,999
Deferred tax assets		4,143	5,597
Total non-current assets		13,549	16,171
Total assets		97,497	105,927
Current liabilities			
Trade and other payables		13,304	22,523
Lease liability		2,731	3,313
Current tax liabilities		240	371
Provisions		5,606	5,613
Derivative payable		181	1,042
Total current liabilities		22,062	32,862
Non-current liabilities			
Lease liability		3,069	4,221
Provisions		1,721	1,710
Total non-current liabilities		4,790	5,931
Total liabilities		26,852	38,793
Net assets		70,645	67,134
Equity			
Issued capital	4.1	95,178	95,178
Retained earnings		51,858	50,730
Reserves		(76,391)	(78,774)
Total equity		70,645	67,134

The condensed consolidated statement of financial position should be read in conjunction with the notes to the financial statements.

Condensed Consolidated Statement of Changes in Equity

for the half year ended 31 December 2022

	Issued capital \$'000	Group Reorganisation Reserve \$'000	Cash Flow Hedging Reserve \$'000	Foreign Currency Translation Reserve \$'000	Equity Settled Benefits Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance as at 1 July 2021	94,617	(78,585)	(148)	1,698	(75)	48,676	66,183
Profit for the year	-	-	-	-	-	8,184	8,184
Other comprehensive income for the year	-	-	740	100	-	-	840
Total comprehensive income	-	-	740	100	-	8,184	9,024
Dividends paid	-	-	-	-	-	(5,705)	(5,705)
Share-based payments reserve (net of tax)	-	-	-	-	19	-	19
Balance as at 31 December 2021	94,617	(78,585)	592	1,798	(56)	51,155	69,521
Balance as at 1 July 2022	95,178	(78,585)	(234)	1,007	(962)	50,730	67,134
Profit for the period	-	-	-	-	-	6,264	6,264
Other comprehensive income for the period	-	-	325	630	-	-	955
Total comprehensive income	-	-	325	630	-	6,264	7,219
Dividends paid	-	-	-	-	-	(3,825)	(3,825)
Transfer from reserve to retained earnings	-	-	-	-	1,311	(1,311)	-
Share-based payments reserve (net of tax)	-	-	-	-	117	-	117
Balance as at 31 December 2022	95,178	(78,585)	91	1,637	466	51,858	70,645

The condensed consolidated statement of changes in equity should be read in conjunction with the notes to the financial statements.

Shriro Holdings Limited

Condensed Consolidated Statement of Cash Flows

for the half year ended 31 December 2022

Note	Half year to 31 December 2022 \$'000	Half year to 31 December 2021 \$'000
Cash flows from operating activities		
Receipts from customers	93,103	100,946
Payments to suppliers and employees	(92,297)	(101,819)
Government subsidy ¹	-	1,145
Receipts from other income	302	396
Interest income	55	-
Finance costs paid	(386)	(342)
Income taxes paid	(2,118)	(1,708)
Net cash provided by/(used in) operating activities	(1,341)	(1,382)
Cash flows from investing activities		
Proceeds from sale of plant and equipment	8	-
Payment for plant and equipment	(1,254)	(1,192)
Net proceeds from termination of Blanco distribution	1,841	-
Net cash used in investing activities	595	(1,192)
Cash flows from financing activities		
Payments for the principal portion of lease liabilities	(1,899)	(1,832)
Dividends paid	(3,825)	(5,705)
Net cash used in financing activities	(5,724)	(7,537)
Net (decrease)/increase in cash and cash equivalents	(6,470)	(10,111)
Cash and cash equivalents at the beginning of the financial period	12,869	17,313
Effects of exchange rate changes on cash	(3)	(18)
Cash and cash equivalents at the end of the financial period	6,396	7,184

The consolidated statement of cash flows should be read in conjunction with the Notes to the financial statements.

¹ Represents New South Wales JobSaver Government subsidy for the half year ended 31 December 2021

Basis of preparation

Corporate information

The Condensed Half Year Financial Report was authorised for issue by the Directors on 23 February 2023 in accordance with a resolution of the Directors. Shriro is a for-profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX). The nature of operations and principal activities of the Group is to market and distribute kitchen appliances and consumer goods in Australia and New Zealand and to international customers.

Basis of preparation

The Condensed Half Year Financial Report comprises the Directors' Report and the half year consolidated financial statements. The half year consolidated financial statements have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The half year consolidated financial statements comprise the financial statements of Shriro Holdings Limited and its subsidiaries as at 31 December 2022.

The Condensed Half Year Financial Report does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's Annual Report as at 30 June 2022.

The accounting policies adopted in the preparation of the half year consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the period ended 30 June 2022. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments and interpretations apply for the first time in the financial year ended 30 June 2023, but do not have an impact on the condensed half year consolidated financial statements of the Group.

The half year consolidated financial statements have been prepared on the basis of historical cost, except for the measurement of derivative financial instruments and share based payment transactions, which have been measured at fair value. The financial statements are presented in Australian dollars with all values rounded to the nearest thousand dollars unless otherwise stated in accordance with *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*.

1. Trading Operations

1.1 Segment information

1.1.1 Primary operating segments

Operating segments are reported in a manner which is consistent with the internal reporting provided to the chief operating decision makers ('CODM'). The CODM has been identified as the Board of Directors of the Company. The internal reports reviewed by the CODM, which are used to evaluate the financial performance of the Group and make strategic decisions on at least a monthly basis, are separated into the Group's primary operating segments. Segment results are evaluated on a profit after tax and earnings before interest, tax and depreciation and amortisation basis. Geographical operating segments are based on the location of the customer.

- **Australia**
Home appliances, watches, calculators, electronic musical instruments, and barbeques
- **New Zealand**
Home appliances, watches, calculators, electronic musical instruments, barbeques, and audio equipment
- **Rest of the world**
Heaters, fans, barbeques, pizza ovens and accessories

No single customer represents greater than 10% of the Group's revenue (31 December 2021: nil).

1.1.2 Segment result

The information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Half year ended 31 December 2022	Australia \$'000	New Zealand \$'000	Rest of the world \$'000	Total \$'000
Revenue from ordinary activities	56,092	24,217	4,083	84,392
Earnings before interest, tax, depreciation, and amortisation	9,177	4,104	(893)	12,388
Depreciation and amortisation expense	(2,035)	(568)	(10)	(2,613)
Profit before interest and income tax	7,142	3,536	(903)	9,775
Interest expense				(314)
Profit before income tax				9,461
Income tax expense				(3,197)
Net profit after income tax				6,264

Half year ended 31 December 2021	Australia \$'000	New Zealand \$'000	Rest of the world \$'000	Total \$'000
Revenue from ordinary activities	66,540	26,769	2,244	95,553
Earnings before interest, tax, depreciation, and amortisation	10,279	4,610	(376)	14,513
Depreciation and amortisation expense	(1,983)	(541)	(22)	(2,546)
Profit before interest and income tax	8,296	4,069	(398)	11,967
Interest expense				(342)
Profit before income tax				11,625
Income tax expense				(3,441)
Net profit after income tax				8,184

1.1.3 Segment assets and liabilities

	Australia \$'000	New Zealand \$'000	Rest of the world \$'000	Total \$'000
31 December 2022				
Segment assets	63,959	28,753	4,785	97,497
Segment liabilities	18,534	8,120	198	26,852
	Australia \$'000	New Zealand \$'000	Rest of the world \$'000	Total \$'000
30 June 2022				
Segment assets	72,095	29,947	3,885	105,927
Segment liabilities	25,668	12,043	1,082	38,793

2. Assets and Liabilities

2.1 Fair value measurement of financial instruments

	31 December 2022 \$'000	30 June 2022 \$'000
Assets at fair value:		
Forward exchange contracts receivable	340	692
Liabilities at fair value:		
Forward exchange contracts payable	181	1,042

All assets and liabilities for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Forward foreign exchange contract derivatives are carried on the balance sheet at fair value and are included in level two of the fair value hierarchy. The fair value has been determined by reference to the relevant spot rate at period end, the fair value of forward exchange contracts is determined using forward exchange market rates at the end of the period. There have been no transfers between the levels in the fair value hierarchy (30 June 2022: none).

3. Investment and Financing

3.1 Borrowings

During the half year ended 31 December 2022, the Group had the following banking facilities:

- (i) A non-cash guarantee facility of \$11,000,000. Under the terms of this facility, financial institutions provide guarantees to the Group's suppliers and property owners in the form of Letters of Credit and Bank Guarantees. These Letters of Credit and Bank Guarantees act like insurance and provide assurance to suppliers and property owners that payment up to the amount of the guarantees will be made if certain documentary conditions are met. The Group has no obligation to make any payments under this non-cash facility.

As at 31 December 2022 the Group did not have a cash facility in place (30 June 2022: none). The Group utilised a short-term trade finance loan of \$10,000,000 during the period to fund working capital requirements. The loan was repaid in full before 31 December 2022.

The Group's facilities are denominated in Australian dollars and variable interest rates apply. All assets of the Group have been pledged to secure the borrowings of the Group with ANZ.

The facilities have financial covenants relating to fixed charge cover ratio, borrowing base cover ratio and leverage ratio. The Group is compliant with all financial covenants.

	31 December 2022 \$'000	30 June 2022 \$'000
Banking facility		
Non-cash guarantee facility	11,000	11,000
Total Group facility	11,000	11,000

	31 December 2022 \$'000	30 June 2022 \$'000
Utilisation of non-cash guarantees facility		
Utilised – non-cash	7,525	6,042
Unutilised limit available for use	3,475	4,958
Total non-cash guarantees facility	11,000	11,000

4. Shareholder Equity

4.1 Issued capital

95,622,139 fully paid ordinary shares (30 June 2022: 95,622,139)

31 December 2022 \$'000	30 June 2022 \$'000
95,178	95,178

Date	Details
1 July 2022	Opening balance
31 December 2022	Closing balance

Value of Shares \$'000	Number of Shares
95,178	95,622,139
95,178	95,622,139

4.2 Earnings per share

Basic earnings per share
Diluted earnings per share

Half year to 31 December 2022 Cents per share	Half year to 31 December 2021 Cents per share
6.6	8.6
6.4	8.5

4.2.1 Dividends

On 23 February 2023 the Directors declared an interim dividend of 3.5 cents per share fully franked with an ex-dividend date of 15 March 2023, a record date of 16 March 2023 and payable on 7 April 2023.

On 30 September 2022, the Group paid the final dividend for the period 1 January 2022 to 30 June 2022 of 4.0 cents per share fully franked.

5. Group Structure and Key Management

5.1 Key management personnel compensation

The remuneration of key management personnel is disclosed in the audited remuneration report which is included in the 2022 Annual Report.

During the half year ended 31 December 2022, CEO Tim Hargreaves was issued with 316,751 performance rights (2021: 208,423) and CFO Shane Booth was granted 154,416 performance rights (2021: 101,606). The fair value of these rights is \$292,339.

Each performance right is a right to receive one fully paid ordinary share in the capital of the Company subject to the satisfaction of performance conditions, for nil consideration. The performance conditions are measured over a three-year period from 1 July 2022 to 30 June 2025.

The Board of Directors approves on an annual basis the amounts of compensation for Directors up to the shareholder approved limit and key management personnel with reference to the Group's performance and general compensation levels in equivalent companies and industries.

6. Other Notes

6.1 Events after the reporting date

On 23 February 2023 the Board of Directors approved the vesting of the 2020 tranche of Performance Rights. This will result in the issuance of 818,266 shares in accordance with the Shriro Holdings Limited Long Term Incentive Plan Rules. The Annual Report for the period ended 30 June 2022 includes relevant detail of the 2020 tranche of Performance Rights.

The Company has entered a new five-year lease for its existing warehouse premises in Chullora, New South Wales, commencing 1 April 2023.

There has been no other matter or circumstance, occurring subsequent to the end of the financial period, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

6.2 Changes to comparative information

Where management has considered it appropriate to achieve a more relevant and reliable presentation of the Group's financial performance, the presentation of certain items in the Condensed Half Year Financial Report has changed since the prior period. Where this re-presentation of results requires reclassification of comparative amounts, the comparatives have been re-presented to achieve more relevant and reliable presentation of comparability.

6.3 Commitments and contingencies

There has been no change in capital commitments, contingent liabilities, or contingent assets since the last annual reporting report.

Directors' Declaration

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, and
- (b) in the Directors' opinion, the attached financial statements, and notes thereto, have been prepared in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated Group.

Signed in accordance with a resolution of the Directors made pursuant to s303(5) of the *Corporations Act 2001*.

On behalf of the Directors



Abigail Cheadle
Chair
Sydney, 23 February 2023



Tim Hargreaves
Chief Executive Officer and Managing Director
Sydney, 23 February 2023

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**SHRIRO HOLDINGS LIMITED
ABN 29 605 279 329
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF SHRIRO HOLDINGS LIMITED**

Conclusion

We have reviewed the half-year financial report of Shriro Holdings Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit and loss, condensed consolidated statement of other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year then ended, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Shriro Holdings Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Shriro Holdings Limited financial position as at 31 December 2022 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*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of Shriro Holdings Limited in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Financial Report

The directors of Shriro Holdings Limited 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 for the Review of the Financial Report

ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the group's financial position as at 31 December 2022 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*.

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SHRIRO HOLDINGS LIMITED
ABN 29 605 279 329
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF SHRIRO HOLDINGS LIMITED

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.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND

Partner

Dated: 23 February 2023

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Company Information

Directors

Abigail Cheadle
Independent Non-Executive Chair

Tim Hargreaves
Chief Executive Officer and Managing Director

Brian Bunker
Non-Independent Non-Executive Director

John Murphy
Non-Independent Non-Executive Director

Joint company secretaries

Shane Booth

Kerry Smith (appointed 15 December 2022)

Registered office and principal place of business

Level 7, 67 Albert Avenue
Chatswood NSW 2067
Tel: +61 2 9415 5000
Website: shriro.com.au

ABN

Shriro Holdings Limited 29 605 279 329

Share registry

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

Auditors

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

Bankers

Australia and New Zealand Banking Group Limited

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