Tubi Limited

Interim Financial Report

For the Half Year Ended 31 December 2022

Tubi Limited

ACN: 139 142 493

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For the Half Year Ended 31 December 2022

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Tubi Limited

ACN: 139 142 493

Directors' Report
31 December 2022

The directors present their financial report, together with the financial statements of the Group, being Tubi Limited (the Company) and its controlled entities (the Group) for the half year ended 31 December 2022.

Directors

The Directors of the Company during the half year ended 31 December 2022, and up to the date of this report are set out below. All Directors held their position as a Director throughout the half year and up to the date of this report unless otherwise stated.

Mr. John Mouawad	Chairman & Non-Executive Director
Mr. Marcello Russo	Executive Director & Chief Executive Officer (resigned 10 January 2023)
Mr. Ryan Shaw	Independent Non-Executive Director
Mr. John Zeckendorf	Independent Non-Executive Director

Company Secretary

Elissa Hansen is the Company Secretary.

Principal Activities

The principal activities of the Group had been the development, operation, leasing and sale of mobile manufacturing plants for the production of high-density polyethylene ("**HDPE**") pipes for use in the oil and gas, irrigation, mining and infrastructure sectors.

During the half year ended 31 December 2022, the Group completed the sale and disposal of the remaining mobile plants, which was approved by the shareholders on 14 December 2022. The Group's former principal activities have therefore ceased and the directors are currently considering and pursuing investment and/or future business opportunities.

Operating results and review of operations for the half year

The consolidated loss of the Group for the half year amounted to $1,262,741 (December 2021: loss of $938,184). No revenue was generated during the half year due to the Group winding down its operations (December 2021: revenue of $353,030).

Mobile plants 5000 & 5004 Downstream were sold during the half year, as approved at the shareholders meeting on 14 December 2022, for a total consideration amounting to USD$2.2 million, adjusted for any previous leasing payments. This resulted in a loss on sale of non-current assets held for sale of $482,675.

Significant changes in state of affairs

Other than the matters mentioned above within principal activities, there have been no other significant changes in the state of affairs of the Group during the half year.

Events Occurring After the Reporting Date

Subsequent to 31 December 2022, the following events occurred:

- On 11 April 2023, the Group was delisted from the ASX under Listing Rule 17.12;
- On 10 May 2023, Mr Marcello Russo's employment was terminated pursuant to his contract.

Except for the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Tubi Limited

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Directors' Report
31 December 2022

Dividends

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

Auditor’s Independence Declaration

An independence declaration has been provided by the Group’s auditor, PKF. A copy of this declaration for the financial half year ended 31 December 2022 is set out on page 3.

This Director's report is signed in accordance with a resolution of the Board of Directors.

John Mouawad
Chairman

Dated: 30 May 2023

Tubi Limited
ACN: 139 142 493

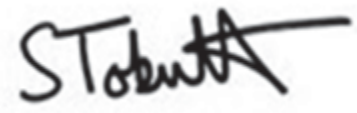
Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Tubi Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) No contraventions of any applicable code of professional conduct in relation to the review.

PKF



SCOTT TOBUTT
PARTNER

30 MAY 2023
SYDNEY, NSW

Tubi Limited

ACN: 139 142 493

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2022

	Note	31 December 2022 $	31 December 2021 $
Revenue	3	**-**	353,030
Other income	3	**612,544**	412,867
Raw materials and consumables used		**(68,318)**	(270,244)
Employee benefits expense		**(362,669)**	(623,165)
Depreciation and amortisation		**(29,524)**	(1,328,338)
Travel and accommodation		**(38,968)**	(59,755)
Repairs and maintenance		**(1,444)**	(16,462)
Legal and professional		**(204,666)**	(210,066)
Impairment of non-financial assets	4	**(361,172)**	-
Consultancy		**(59,119)**	(142,318)
Rental expense		**(64,708)**	(139,706)
Insurance		**(107,229)**	(146,312)
Other operating expenses		**(63,140)**	(75,758)
Loss on disposal of non-current assets held for sale	8	**(482,675)**	-
Finance expenses		**(31,653)**	(41,532)
Loss before income tax		**(1,262,741)**	(2,287,759)
Income tax benefit		**-**	1,349,575
Loss for the half year		**(1,262,741)**	(938,184)
Items that will be reclassified to profit or loss when specific conditions are met			
Exchange differences on translating foreign controlled entities		**7,778**	(9,706)
Other comprehensive income for the year, net of tax		**7,778**	(9,706)
Total comprehensive income for the year		**(1,254,963)**	(947,890)
Loss attributable to:			
Members of the parent entity		**(1,262,741)**	(938,184)
Total comprehensive income attributable to:			
Members of the parent entity		**(1,254,963)**	(947,890)
Earnings per share			
Basic earnings per share (cents)		**(0.41)**	(0.30)
Diluted earnings per share (cents)		**(0.41)**	(0.30)

The above consolidated statement should be read in conjunction with the accompanying notes.

Tubi Limited

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Consolidated Statement of Financial Position
As At 31 December 2022

	Note	31 December 2022 $	30 June 2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**3,763,267**	2,985,486
Trade and other receivables	7	**3,359,996**	2,082,812
Inventories		**-**	12,398
Other assets		**94,521**	204,724
Non-current assets held for sale	8	**-**	1,252,067
TOTAL CURRENT ASSETS		**7,217,784**	6,537,487
NON-CURRENT ASSETS			
Property, plant and equipment	9	**1,145**	1,902,099
Intangible assets	4	**-**	103,697
TOTAL NON-CURRENT ASSETS		**1,145**	2,005,796
TOTAL ASSETS		**7,218,929**	8,543,283
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		**985,306**	922,984
Borrowings	10	**52,144**	166,380
Current tax liabilities		**-**	7,510
Employee benefits		**202,706**	212,673
TOTAL CURRENT LIABILITIES		**1,240,156**	1,309,547
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		**1,240,156**	1,309,547
NET ASSETS		**5,978,773**	7,233,736
EQUITY			
Issued capital		**23,813,112**	23,813,112
Reserves		**24,543**	16,765
Accumulated losses		**(17,858,882)**	(16,596,141)
TOTAL EQUITY		**5,978,773**	7,233,736

The above consolidated statement should be read in conjunction with the accompanying notes.

Tubi Limited

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Consolidated Statement of Changes in Equity
For the Half Year Ended 31 December 2022

	Ordinary Shares	Accumulated losses	Foreign Currency Translation Reserve	Total
	$	$	$	$
Balance at 1 July 2022	**23,813,112**	**(16,596,141)**	**16,765**	**7,233,736**
Loss attributable to members of the parent entity	**-**	**(1,262,741)**	**-**	**(1,262,741)**
Other comprehensive income for the half-year	**-**	**-**	**7,778**	**7,778**
Total comprehensive income for the half-year	**-**	**(1,262,741)**	**7,778**	**(1,254,963)**
Transactions with owners in their capacity as owners	**-**	**-**	**-**	**-**
Balance at 31 December 2022	**23,813,112**	**(17,858,882)**	**24,543**	**5,978,773**

	Ordinary Shares	Retained Earnings / (Accumulated losses)	Foreign Currency Translation Reserve	Total
	$	$	$	$
Balance at 1 July 2021	23,813,112	(9,680,255)	77,154	14,210,011
Loss attributable to members of the parent entity	-	(938,184)	-	(938,184)
Other comprehensive income for the half-year	-	-	(9,706)	(9,706)
Total comprehensive income for the half-year	-	(938,184)	(9,706)	(947,890)
Transactions with owners in their capacity as owners	-	-	-	-
Balance at 31 December 2021	23,813,112	(10,618,439)	67,448	13,262,121

The above consolidated statement should be read in conjunction with the accompanying notes.

Tubi Limited

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Consolidated Statement of Cash Flows
For the Half Year Ended 31 December 2022

	Note	31 December 2022 $	31 December 2021 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**628,398**	567,330
Payments to suppliers and employees		**(1,046,929)**	(1,482,611)
Interest received		**200**	286
Interest paid		**(5,907)**	(34,396)
Income taxes paid		**-**	(71)
Net cash used in operating activities		**(424,238)**	(949,462)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of non-current assets held for sale		**1,337,004**	-
Payments for intangible asset		**(28,527)**	(30,847)
Payments for property, plant and equipment		**-**	(23,044)
Net cash provided by / (used in) investing activities		**1,308,477**	(53,891)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		**-**	686,850
Repayment of borrowings		**(114,236)**	-
Repayment of lease liabilities		**-**	(40,909)
Net cash (used in) / provided by financing activities		**(114,236)**	645,941
Effects of exchange rate changes on cash and cash equivalents		**7,778**	(9,706)
Net increase / (decrease) in cash and cash equivalents held		**777,781**	(367,118)
Cash and cash equivalents at beginning of half year		**2,985,486**	611,818
Cash and cash equivalents at end of the half year	6	**3,763,267**	244,700

The above consolidated statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements
For the Half Year Ended 31 December 2022

The financial report covers Tubi Limited (the Company) and its controlled entities (the Group) . Tubi Limited is a for-profit Group limited by shares, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency) . The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The interim financial report was authorised for issue by the Directors on 30 May 2023.

Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

This consolidated interim financial report for the reporting period ending 31 December 2022 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Tubi Limited and controlled entities (the Group). As such it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. This consolidated financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2022, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

2 Summary of Significant Accounting Policies

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future.

The Group has incurred net loss after tax of $1,262,741 (December 2021: loss of $938,184) and net operating cash outflows of $424,238 (December 2021: outflows of $949,462) for the half year ended 31 December 2022. At 31 December 2022, the Group had net current assets of $5,977,628 (June 2022: net current assets of $5,227,940).

The increase in cash and cash equivalents at 31 December 2022 to $3,763,267 was largely derived from the sale of two mobile plants during the year, with net cash proceeds amounting to $1,703,405.

Based on the cash flow forecasts prepared by Management underpinned by the above factors and having carefully assessed the likelihood and timing of cash flows from forecasted operations, the Directors are confident that the Group will be able to fund its activities and be able to pay its debts as they fall due. The Directors have therefore determined the going concern basis as being appropriate in the preparation of this financial report.

3 Revenue and Other Income

	31 December 2022 $	31 December 2021 $
Revenue from contracts with customers		
- sale of goods	-	353,030
Total Revenue	-	353,030

		31 December 2022 $	31 December 2021 $
Other Income			
- interest income		**5,015**	286
- lease income	8	**607,529**	-
- other income		-	119,201
- grants		-	293,380
Total Other income		**612,544**	412,867

4 Impairment of non-financial assets

During the half year ended 31 December 2022, Management determined that there were further indicators of impairment of its plant, equipment and intangibles which occured as a result of the Group completing the sale and disposal of its remaining mobile plants.

Accordingly, in conformity with the Group's accounting policy, Management has performed impairment testing and considered information available at the time of this report in respect of fair value less costs of disposal to support whether the carrying value of its assets were in excess of the recoverable amount. This has resulted in a write down to the Group's assets to their recoverable amount.

An impairment losses amounting to $234,483 in respect of property, plant and equipment and $126,689 in respect of intangible assets have been recognised during the half-year in the consolidated statement of profit or loss and other comprehensive income.

5 Operating Segments

Segment information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the manufacturing process;
- the type or class of customer for the products or services;
- the distribution method; and
- any external regulatory requirements.

Performance is measured based on segment profit before income tax as included in the internal financial reports.

The Group has one reportable segment, being the manufacturing of HDPE pipe, the sale of technology licenses to manufacture HDPE pipe and the sale of equipment.

6 Cash and Cash Equivalents

	31 December 2022	30 June 2022
	$	$
Cash at bank and in hand	**3,763,267**	2,985,486

7 Trade and Other Receivables

		31 December 2022 $	30 June 2022 $
CURRENT			
Trade receivables		**44,622**	65,491
Mosaic holdback receivables	7(a)	**2,126,685**	1,980,721
Other receivables	7(b)	**1,188,689**	36,600
Total current trade and other receivables		**3,359,996**	2,082,812

(a) Mosaic holdback receivables

The balance receivable in Mosaic holdback receivables is $2,126,685 (June 2022: $1,980,721).

As at 30 June 2022, the Group had recognised a holdback receivable of $1,980,721, which was due to be received in full from Mosaic Fertilizer, LLC (Mosaic) on 25 March 2023. Whilst the payment has not yet been received, Mosaic has communicated that the payment will be forthcoming. Management and the directors believe the full carrying value is recoverable. The holdback amount relates to the sale of certain assets under an Asset Purchase Agreement completed in March 2022 with Mosaic and Hopetoun Corporation Pty Ltd (Hopetoun). An amount of $495,180 will be payable to Hopetoun in relation to their portion of the holdback amount, this is included within trade and other payables.

During the half year ended 31 December 2022, under the terms of the sale of Mobile Plant 5004 Downstream to Mosaic, completed 14 December 2022 as detailed in Note 8, a separate holdback amount of $145,964 was withheld from payment to cover any potential indemnity or warranty claims for this Downstream Plant. The Group expects to receive the full amount in December 2023.

(b) Other receivables

As at 31 December 2022, other receivables includes an amount for unpaid consideration of $1,173,344 relating the sale of Plant 5000 to Pipeline Plastic, LLC (Pipeline) as detailed in Note 8, this amount was received after the half year, in January 2023.

8 Assets Held for Sale

	31 December 2022 $	30 June 2022 $
Non-current assets held for sale		
Property, plant and equipment	-	1,252,067

As at 30 June 2022, non-current assets held for sale related to Mobile Plant 5004 Downstream, which had a carrying value of $1,252,067. This balance had been transferred from Property, Plant and Equipment as the directors had resolved to sell.

During the half year ended 31 December 2022, the Directors also resolved to proceed with the sale of Mobile Plant 5000. Accordingly, the carrying value of $1,642,481 was transferred to assets held for sale in July 2022.

On 14 December 2022, the sale of Mobile Plant 5004 Downstream and Mobile Plant 5000 was completed. Total consideration amounted to USD$2.2 million, which was adjusted for any leasing payments received whch have been included in Other Income within the Statement of Profit or Loss and other Comprehensive Income as shwon in Note 3. A loss on disposal of non-current assets held for sale of $482,675 was recognised in the Statement of Profit or Loss and Other Comprehensive Income. Accordingly, the balance of assets held for sale as at 31 December 2022 is $nil.

9 Property, plant and equipment

	Note	31 December 2022 $	30 June 2022 $
PLANT AND EQUIPMENT			
Plant and equipment			
At cost		**451,907**	13,528,868
Accumulated depreciation		**(217,424)**	(6,024,951)
Accumulated impairment losses		**(234,483)**	(5,603,384)
Total plant and equipment	9(a)	**-**	1,900,533
Furniture, fixtures and fittings			
At cost		**27,995**	27,995
Accumulated depreciation		**(26,850)**	(26,429)
Total furniture, fixtures and fittings		**1,145**	1,566
Total property, plant and equipment	9(a)	**1,145**	1,902,099

9 Property, plant and equipment (continued)

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial half year:

		Plant and Equipment	Furniture, Fixtures and Fittings	Motor Vehicles	Total
		$	$	$	$
Half Year ended 31 December 2022					
Balance at the beginning of year		**1,900,533**	**1,566**	**-**	**1,902,099**
Disposals		**-**	**-**	**-**	**-**
Transfers to held for sale	8	**(1,642,481)**	**-**	**-**	**(1,642,481)**
Depreciation expense		**(23,569)**	**(421)**	**-**	**(23,990)**
Impairment loss in income	4	**(234,483)**	**-**	**-**	**(234,483)**
Balance at the end of the half year		**-**	**1,145**	**-**	**1,145**
Half Year ended 31 December 2021					
Balance at the beginning of year		17,341,041	-	118,784	17,459,825
Additions		23,044	-	-	23,044
Disposals		-	-	-	-
Depreciation expense		(1,273,387)	-	(15,255)	(1,288,642)
Balance at the end of the half year		16,090,698	-	103,529	16,194,227

10 Borrowings

	Note	31 December 2022	30 June 2022
		$	$
CURRENT			
Unsecured liabilities:			
Other loans	10(a)	**52,144**	166,380
Total current borrowings		**52,144**	166,380

(a) Other loans

Other loans comprise of insurance premium financing for certain insurance policies of the Group. Interest is charged between 4% and 5% per annum, and the loan is repayable monthly over the life of the insurance policy.

Defaults and breaches

During the current and prior half year, there were no defaults or breaches on any of the loans.

11 Contingencies

In the opinion of the Directors, the Group did not have any contingencies at 31 December 2022.

Notes to the Financial Statements
For the Half Year Ended 31 December 2022

12 Events Occurring After the Reporting Date

Subsequent to 31 December 2022, the following events occured:

- On 11 April 2023, the Group was delisted from the ASX under Listing Rule 17.12;
- On 10 May 2023, Mr Marcello Russo's employment was terminated pursuant to his contract.

Except for the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

13 Statutory Information

The registered office and principal place of business of the Company is:

Tubi Limited
2 Hopetoun Street
Paddington NSW 2021
Australia

Tubi Limited

ACN: 139 142 493

Directors' Declaration

The directors of the Group declare that:

1. The financial statements and notes, as set out on pages 4 to 14 are in accordance with the *Corporations Act 2001*, including:

   (a) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   (b) give a true and fair view of the consolidated group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date.

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

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

Director .....
John Mouawad

Dated 30 May 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF TUBI LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Tubi Limited (the Company) and its controlled entities (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2022, 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 year's end or from time to time during the financial year.

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 Tubi Limited 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 31 December 2022, 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.

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 31 December 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 the auditor of Tubi Limited, 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

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SCOTT TOBUTT
PARTNER

30 MAY 2023
SYDNEY, NSW