

# FORM: Preliminary final report

Name of issuer

**Beroni Group Limited**

ACN or ARBN

606 066 059

Half yearly  
(tick)

☐

Preliminary  
final (tick)

☒

Half year/financial year ended  
(‘Current period’)

Financial year ended 31  
December 2020

## For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

				\$A,000
Revenue (item 1.1)	Up	7.15%	to	1,938
Loss for the period (item 1.9)	Up	36.76%	to	(10,810)
Loss for the period attributable to members of the parent (item 1.11)	Up	37.93%	to	(10,710)
<b>Dividends</b>		Current period		Previous corresponding period
Franking rate applicable:		-		-
<b>Final dividend</b> (preliminary final report only)(item 10.13-10.14)		-		-
Amount per security				
Franked amount per security				
<b>Interim dividend</b> (Half yearly report only) (item 10.11 – 10.12)		-		-
Amount per security				
Franked amount per security				
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
N/A				

**Consolidated income statement** *(The figures are not equity accounted)**(see note 3)**(as per paragraphs 81-85 and 88-94 of AASB 101: Presentation of Financial Statements)*

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Revenues <i>(item 7.1)</i>	1,938	1,809
1.2 Expenses, excluding finance costs <i>(item 7.2)</i>	12,610	9,393
1.3 Finance costs	60	30
1.4 Share of net losses of associates and joint ventures <i>(item 15.7)</i>	(80)	(160)
1.5 <b>Loss before income tax</b>	(10,812)	(7,774)
1.6 Income tax expense <i>(see note 4)</i>	1	130
1.7 Loss from continuing operations	(10,813)	(7,904)
1.8 Profit from discontinued operations <i>(item 13.3)</i>	3	-
1.9 <b>Loss for the period</b>	(10,810)	(7,904)
1.10 Loss attributable to minority interests	(100)	(139)
1.11 <b>Loss attributable to members of the parent</b>	(10,710)	(7,765)
1.12 Basic earnings per security <i>(item 9.1)</i>	(14.51)	(11.08)
1.13 Diluted earnings per security <i>(item 9.1)</i>	(14.31)	(11.08)
1.14 Dividends per security <i>(item 9.1)</i>	-	-

**Comparison of half-year profits***(Preliminary final statement only)*

	Current period - \$A'000	Previous corresponding period - \$A'000
2.1 Consolidated loss after tax attributable to members reported for the 1st half year <i>(item 1.11 in the half yearly statement)</i>	(4,273)	(3,758)
2.2 Consolidated loss after tax attributable to members for the 2nd half year	(6,437)	(4,007)

## Consolidated balance sheet

(See note 5)

(as per paragraphs 68-69 of AASB 101: Financial Statement Presentation)

<b>Current assets</b>		Current period - \$A'000	Previous corresponding period - \$A'000
3.1	Cash and cash equivalents	5,154	3,011
3.2	Trade and other receivables	1,275	2,364
3.3	Inventories	113	828
3.4	Prepayments	-	3,737
3.5	<b>Total current assets</b>	6,542	9,939
<b>Non-current assets</b>			
3.6	Available for sale investments	-	-
3.7	Other financial assets	-	-
3.8	Investments in other entities	1,303	1,945
3.9	Equity-accounted investment	-	240
3.10	Deferred tax assets	-	-
3.11	Exploration and evaluation expenditure capitalised (see para. 71 of AASB 1022 – new standard not yet finalised)	-	-
3.12	Development properties (mining entities)	-	-
3.13	Property, plant and equipment (net)	244	358
3.14	Investment properties	-	-
3.15	Goodwill	572	-
3.16	Other intangible assets	1,349	1,413
3.17	Other (provide details if material)	499	931
3.18	<b>Total non-current assets</b>	3,967	4,887
3.19	<b>Total assets</b>	10,509	14,826
<b>Current liabilities</b>			
3.20	Trade and other payables	82	472
3.21	Short term borrowings	-	-
3.22	Current tax payable	35	-
3.23	Short term provisions	-	-
3.24	Current portion of long term borrowings	-	-
3.25	Other current liabilities (provide details if material)	986	671
		1,103	1,143
3.26	Liabilities directly associated with non-current assets classified as held for sale (para 38 of AASB 5)	-	-
3.27	<b>Total current liabilities</b>	1,103	1,143
<b>Non-current liabilities</b>			

		Current period - \$A'000	Previous corresponding period - \$A'000
3.28	Long-term borrowings	-	-
3.29	Deferred tax liabilities	-	-
3.30	Long term provisions	-	-
3.31	Other (provide details if material)	289	556
3.32	<b>Total non-current liabilities</b>	289	556
3.33	<b>Total liabilities</b>	1,392	1,699
3.34	<b>Net assets</b>	9,117	13,127
	<b>Equity</b>		
3.35	Share capital	27,052	24,223
3.36	Other reserves	(714)	(220)
3.37	Retained earnings	(21,440)	(10,686)
3.38	Convertible notes - equity	3,879	-
	Amounts recognised directly in equity relating to non-current assets classified as held for sale		
3.39	<b>Parent interest</b>	8,777	13,317
3.40	<b>Minority interest</b>	340	(190)
3.41	<b>Total equity</b>	9,117	13,127

## Consolidated statement of changes in equity

(as per paragraphs 96-97 of AASB 101: Presentation of Financial Statements)

	Current period – A\$'000	Previous corresponding period – A\$'000
Revenues recognised directly in equity:	-	-
Expenses recognised directly in equity:	-	-
4.1 <b>Net income recognised directly in equity</b>	-	-
4.2 <b>Loss for the period</b>	(10,810)	(7,904)
4.3 <b>Total recognised income and expense for the period</b>		
Attributable to:		
4.4 Members of the parent	(10,710)	(7,765)
4.5 Minority interest	(100)	(139)
Effect of changes in accounting policy (as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors):		
4.6 Members of the parent entity	(43)	(8)
4.7 Minority interest	-	-

## Consolidated statement of cash flows

(See note 6) (as per AASB 107: Cash Flow Statements)

		Current period - \$A'000	Previous corresponding period - \$A'000
	<b>Cash flows related to operating activities</b>		
5.1	Receipts from customers	2,486	2,258
5.2	Payments to suppliers and employees	(3,939)	(5,609)
5.3	Interest and other costs of finance paid	(53)	(23)
5.4	Income taxes paid	(107)	(150)
5.5	Other – receipts from government	-	-
5.6	<b>Net cash used in operating activities</b>	(1,613)	(3,524)
	<b>Cash flows related to investing activities</b>		
5.7	Payments for purchases of property, plant and equipment	(6)	(9)
5.8	Proceeds from sale of property, plant and equipment	-	-
5.9	Payment for purchases of intangible assets	(60)	-
5.10	Proceeds from sale of equity investments	-	-
5.11	Loans to other entities	-	-
5.12	Prepayment for investment (Cystemix)	-	-
5.13	Investment in other entities	(650)	-
5.14	Interest and other items of similar nature received	-	-
5.15	Dividends received	-	-
5.16	Other (provide details if material)	(6)	7
5.17	<b>Net cash used in investing activities</b>	(722)	(2)
	<b>Cash flows related to financing activities</b>		
5.18	Proceeds from issues of securities (shares, options, etc.)	940	780
5.19	Proceeds from issues of convertible notes	3,879	-
5.20	Proceeds from borrowings	(43)	129
5.21	Principal component of lease payments	(236)	(130)
5.22	Repayment of borrowings	-	-
5.23	Dividends paid	-	-
5.24	Other (provide details if material)	-	-
5.25	<b>Net cash provided by financing activities</b>	4,540	779
5.26	<b>Net increase in cash and cash equivalents</b>	2,205	(2,747)
5.27	Cash at beginning of period (see Reconciliations of cash)	3,010	5,747
5.28	Exchange rate adjustments to item 5.23	(61)	9
5.29	<b>Cash at end of period</b> (see Reconciliation of cash)	5,154	3,010

## Reconciliation of cash provided by operating activities to profit or loss

(as per paragraph Aus20.1 of AASB 107: Cash Flow Statements)

	Current period \$A'000	Previous corresponding period \$A'000
6.1 <b>Profit</b> <i>(item 1.9)</i>	(10,810)	(7,904)
Adjustments for non-cash items:		
6.2 Depreciation & amortisation	485	257
6.3 Foreign exchange impact	1,324	916
6.4 Investment loss	642	160
Movements in assets and liabilities:	-	-
6.6 Decrease in receivables	1,798	2,838
6.7 Decrease in prepayments	3,874	690
6.8 Decrease/(Increase) in inventory	715	(779)
6.9 (Decrease)/Increase in payables	(135)	97
6.10 Increase in other liabilities	494	201
6.11 <b>Net cash from operating activities</b> <i>(item 5.6)</i>	(1,613)	(3,524)

## **Notes to the financial statements**

### **Details of revenues and expenses**

(see note 16)

(Where items of income and expense are material, disclose nature and amount below in accordance with paragraphs 86-87 of AASB 101: Presentation of Financial Statements)

		Current period - \$A'000	Previous corresponding period - \$A'000
	Revenue		
	Services and commissions	1,794	1,697
	Interest	6	10
	Government subsidies	130	58
	Others	9	44
7.1	Total Revenue	1,938	1,809
	Expenses		
	Wages and salaries	698	739
	Depreciation and amortisation	485	257
	Rental	-	156
	IPO & dual listing expenses	404	675
	Others	11,163	7,756
7.2	Total Expenses	12,751	9,583
	Loss before tax	(10,812)	(7,774)

### **Ratios**

		Current period	Previous corresponding period
	<b>Profit before tax / revenue</b>		
8.1	Consolidated loss before tax (item 1.5) as a percentage of revenue (item 1.1)	(557.9%)	(429.8%)
	<b>Profit after tax / equity interests</b>		
8.2	Consolidated loss after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 3.37)	(122.0%)	(58.3%)

## Earnings per Security

- 9.1 Provide details of basic and fully diluted EPS in accordance with paragraph 70 and Aus 70.1 of AASB 133: Earnings per Share below:

Basic earnings per share amounts are calculated by dividing profit after income tax by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing profit after income tax by the weighted average number of ordinary share outstanding during the year (adjusted for the effects of any dilutive options or preference shares).

The following reflects the income and share data used in the basic and diluted earnings per share computations;

Loss after income tax expense	(\$10,813,078)	(\$7,904,171)
Weighted average number of ordinary shares for basic and diluted earnings per share	74,526,337	71,364,732

## Dividends

- 10.1 Date the dividend is payable

N/A

- 10.2 Record date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer)

N/A

- 10.3 If it is a final dividend, has it been declared? N/A

(Preliminary final report only)

- 10.4 The dividend or distribution plans shown below are in operation.

N/A

The last date(s) for receipt of election notices to the dividend or distribution plans

N/A

- 10.5 Any other disclosures in relation to dividends or distributions

N/A

**Dividends paid or provided for on all securities***(as per paragraph Aus126.4 AASB 101: Presentation of Financial Statements)*

	Current period - \$A'000	Previous corresponding period - \$A'000	Franking rate applicable
<b>Dividends paid or provided for during the reporting period</b>			
10.6 Current year interim	-	-	-
10.7 Franked dividends	-	-	-
10.8 Previous year final	-	-	-
10.9 Franked dividends	-	-	-
<b>Dividends proposed and not recognised as a liability</b>			
10.10 Franked dividends			-

**Dividends per security***(as per paragraph Aus126.4 of AASB 101: Presentation of Financial Statements)*

	Current year	Previous year	Franking rate applicable
<b>Dividends paid or provided for during the reporting period</b>			
10.11 Current year interim	-	-	-
10.12 Franked dividends – cents per share	-	-	-
10.13 Previous year final	-	-	-
10.14 Franked dividends – cents per share	-	-	-
<b>Dividends proposed and not recognised as a liability</b>			
10.15 Franked dividends – cents per share	-	-	-

**Exploration and evaluation expenditure capitalised**

*To be completed only by issuers with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit*

	Current period \$A'000	Previous corresponding period \$A'000
11.1 Opening balance	-	-
11.2 Expenditure incurred during current period	-	-
11.3 Expenditure written off during current period	-	-
11.4 Acquisitions, disposals, revaluation increments, etc.	-	-
11.5 Expenditure transferred to Development Properties	-	-
11.6 <b>Closing balance as shown in the consolidated balance sheet</b> (item 3.10)	-	-

**Development properties**

*(To be completed only by issuers with mining interests if amounts are material)*

	Current period \$A'000	Previous corresponding period \$A'000
12.1 Opening balance	-	-
12.2 Expenditure incurred during current period	-	-
12.3 Expenditure transferred from exploration and evaluation	-	-
12.4 Expenditure written off during current period	-	-
12.5 Acquisitions, disposals, revaluation increments, etc.	-	-
12.6 Expenditure transferred to mine properties	-	-
12.7 <b>Closing balance as shown in the consolidated balance sheet</b> (item 3.11)	-	-

**Discontinued Operations**

*(see note 18)*

*(as per paragraph 33 of AASB 5: Non-current Assets Held for Sale and Discontinued Operations)*

	Current period – A\$'000	Previous corresponding period – A\$'000
13.1 Revenue	-	-
13.2 Expense	200,713	-
13.3 <b>Profit (loss) from discontinued operations before income tax</b>	(200,713)	-
13.4 Income tax expense <i>(as per para 81 (h) of AASB 112)</i>	-	-
13.5 <b>Gain (loss) on sale/disposal of discontinued operations</b>	3	-
13.6 Income tax expense <i>(as per paragraph 81(h) of AASB 112)</i>	-	-

## Movements in Equity

(as per paragraph 97 of AASB 101: Financial Statement Presentation)

		Number issued	Number listed	Paid-up value (cents)	Current period – A\$'000	Previous corresponding period – A\$'000
14.1	<b>Preference securities</b> <i>(description)</i>	-	-	-	-	-
14.2	Balance at start of period	-	-	-	-	-
14.3	a) Increases through issues	-	-	-	-	-
14.4	a) Decreases through returns of capital, buybacks etc.	-	-	-	-	-
14.5	Balance at end of period	-	-	-	-	-
14.6	<b>Ordinary securities</b> <i>(description)</i>	-	-	-	-	-
14.7	Balance at start of period	72,972,348	72,972,348	-	24,223	20,913
14.8	a) Increases through issues	2,750,000	2,750,000	-	2,829	3,310
14.9	b) Decreases through returns of capital, buybacks etc.	-	-	-	-	-
14.10	Balance at end of period	75,722,348	75,722,348	-	27,052	24,223
14.11	<b>Convertible Debt Securities</b> <i>(description &amp; conversion factor)</i>	-	-	-	-	-
14.12	Balance at start of period	-	-	-	-	-
14.13	a) Increases through issues	-	-	-	-	-
14.14	b) Decreases through maturity, converted.	-	-	-	-	-
14.15	Balance at end of period	-	-	-	-	-

		Number issued	Number listed	Paid-up value (cents)	Current period – A\$'000	Previous corresponding period – A\$'000
14.16	<b>Options</b>  <i>(description &amp; conversion factor)</i>	-	-	-	-	-
14.17	Balance at start of period	-	-	-	-	-
14.18	Issued during period	-	-	-	-	-
14.19	Exercised during period	-	-	-	-	-
14.20	Expired during period	-	-	-	-	-
14.21	Balance at end of period	-	-	-	-	-
14.22	<b>Debentures</b>  <i>(description)</i>	-	-	-	-	-
14.23	Balance at start of period	-	-	-	-	-
14.24	a) Increases through issues	-	-	-	-	-
14.25	b) Decreases through maturity, converted	-	-	-	-	-
14.26	Balance at end of period	-	-	-	-	-
14.27	<b>Unsecured Notes</b>  <i>(description)</i>	-	-	-	-	-
14.28	Balance at start of period	-	-	-	-	-
14.29	a) Increases through issues	-	-	-	-	-
14.30	b) Decreases through maturity, converted	-	-	-	-	-
14.31	Balance at end of period	-	-	-	-	-
14.32	<b>Total Securities</b>	<b>75,722,348</b>	<b>75,722,348</b>	<b>-</b>	<b>27,052</b>	<b>24,223</b>

		Number issued	Number listed	Paid-up value (cents)	Current period – A\$'000	Previous corresponding period – A\$'000
14.33	<b>Convertible notes - equity</b>  (description)	-	-	-	-	-
14.34	Balance at start of period	-	-	-	-	-
14.35	b) Increases through issues	1,720,000	1,720,000	-	3,879	-
14.36	b) Decreases through maturity, converted	-	-	-	-	-
14.37	Balance at end of period	<b>1,720,000</b>	<b>1,720,000</b>	-	<b>3,879</b>	-

		Current period – A\$'000	Previous corresponding period – A\$'000
	<b>Reserves</b>		
14.33	Balance at start of period	(220)	290
14.34	Transfers to/from reserves	(494)	(510)
14.35	Total for the period	(494)	(510)
14.36	Balance at end of period	(714)	(220)
14.37	<b>Total reserves</b>	(714)	(220)
	<b>Retained earnings</b>		
14.38	<b>Balance at start of period</b>	(10,686)	(2,912)
14.39	Changes in accounting policy	(44)	(8)
14.40	Restated balance	(10,730)	(2,920)
14.41	Profit for the balance	-	-
14.42	Total for the period	(10,710)	(7,766)
14.43	Dividends	-	-
14.44	<b>Balance at end of period</b>	(21,440)	(10,686)

**Details of aggregate share of profits (losses) of associates and joint venture entities***(equity method)**(as per paragraph Aus 37.1 of AASB 128: Investments in Associates and paragraph Aus 57.3 of AASB 131: Interests in Joint Ventures)*

Name of associate or joint venture entity

PENAO Pty Ltd

Reporting entities percentage holding

40%

		Current period - \$A'000	Previous corresponding period - \$A'000
15.1	Loss before income tax	(200)	(400)
15.2	Income tax	-	-
15.3	<b>Loss after tax</b>	<b>(200)</b>	<b>(400)</b>
15.4	Impairment losses	-	-
15.5	Reversals of impairment losses	-	-
15.6	Share of non-capital expenditure contracted for (excluding the supply of inventories)	-	-
15.7	<b>Share of net loss of associates and joint venture entities</b>	<b>(80)</b>	<b>(160)</b>

**Control gained over entities having material effect***(See note 8)*16.1 Name of *issuer* (or *group*)

PENAO Pty Ltd

16.2 Consolidated profit (loss) after tax of the *issuer* (or *group*) since  
the date in the current period on which control was acquired

\$A'000

0

16.3 Date from which profit (loss) in *item 16.2* has been calculated

23 December 2020

16.4 Loss after tax of the *issuer* (or *group*) for the whole of the  
previous corresponding period

(400,000)

**Loss of control of entities having material effect***(See note 8)*

17.1	Name of <i>issuer</i> (or <i>group</i> )	Beroni Japan Inc.
17.2	Consolidated loss after tax of the entity (or <i>group</i> ) for the current period to the date of loss of control	\$A'000 (200,713)
17.3	Date from which the loss in <i>item 17.2</i> has been calculated	1 October 2020
17.4	Consolidated loss after tax of the entity (or <i>group</i> ) while controlled during the whole of the previous corresponding period	(282,736)
17.5	Contribution to consolidated profit (loss) from sale of interest leading to loss of control	-

**Material interests in entities which are not controlled entities***The economic entity has an interest (that is material to it) in the following entities.*

		Percentage of ownership interest (ordinary securities, units etc) held at end of period or date of disposal		Contribution to profit (loss) ( <i>item 1.9</i> )	
18.1	Equity accounted associated entities	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
		-	-	<i>Equity accounted</i>	
		-	-	-	-
		-	-	-	-
		-	-	-	-
18.2	<b>Total</b>	-	-	-	-
18.3	<b>Other material interests</b>			Non equity accounted (i.e. part of <i>item 1.9</i> )	
		-	-	-	-
18.4	<b>Total</b>	-	-	-	-

## Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 114: Segment Reporting. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this statement. However, the following is the personation adopted in the Appendices to AASB 114 and indicates which amount should agree with items included elsewhere in this statement.

		Current period - \$A'000	Previous corresponding period - \$A'000
<b>Segments</b>			
Revenue:			
19.1	External sales	1,794	1,697
19.2	Inter-segment sales	-	740
19.3	Elimination	-	(740)
19.4	Other income	145	112
19.5	<b>Total</b> (consolidated total equal to item 1.1)	<b>1,939</b>	<b>1,809</b>
19.6	Segment result	713	1,261
19.7	Unallocated expenses	(11,670)	(9,146)
19.8	<b>Operating loss</b> (equal to item 1.5)	<b>(10,812)</b>	<b>(7,774)</b>
19.9	Interest expense		
19.10	Interest income		
19.11	Share of profits of associates		
19.12	Income tax expense	1	130
19.13	<b>Net loss</b> (consolidated total equal to item 1.9)	<b>(10,813)</b>	<b>(7,904)</b>
<b>Other information</b>			
19.14	Segment assets	-	-
19.15	Investments in equity method associates		
19.16	Unallocated assets	-	-
19.17	<b>Total assets</b> (equal to item 3.18)	-	-
19.18	Segment liabilities	-	-
19.19	Unallocated liabilities	-	-
19.20	<b>Total liabilities</b> (equal to item 3.32)	-	-
19.21	Capital expenditure		
19.22	Depreciation		
19.23	Other non-cash expenses		

## NTA Backing

(see note 7)

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$0.10	\$0.16

## Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

21.1	N/A
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## International Financial Reporting Standards

Under paragraph 39 of AASB 1: First –time Adoption of Australian Equivalents to International Financial Reporting Standards, an entity's first Australian-equivalents-to-IFRS's financial report shall include reconciliations of its equity and profit or loss under previous GAAP to its equity and profit or loss under Australian equivalents to IFRS's. See IG63 in the appendix to AASB 1 for guidance.

22.1	N/A
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Under paragraph 4.2 of AASB 1047: Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards, an entity must disclose any known or reliably estimable information about the impacts on the financial report had it been prepared using the Australian equivalents to IFRSs or if the aforementioned impacts are not known or reliably estimable, a statement to that effect.

22.2	N/A
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**Comments by directors**

Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) but may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach notes to this statement.

**Basis of accounts preparation**

If this statement is a half yearly statement, it is a general purpose financial report prepared in accordance with the listing rules and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the issuer during the period. This report does not include all notes of the type normally included in an annual financial report [Delete if inapplicable.]

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible). In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations *(as per paragraphs 16(b), 16(b) and Aus 16.1 of AASB 134: Interim Financial Reporting)*

- (a) In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the world. As a result, we have temporarily closed most of our office locations, with most of our workforce working from home, and have seen a reduction in customer demand, all resulting in a negative impact on Company revenue, gross profit and operating income. While the disruption is currently expected to be temporary, there is uncertainty around the duration. We expect this matter to negatively impact our business, results of operations, and financial position more significantly through 2020 and possibly beyond, the related financial impact cannot be reasonably estimated at this time.
- (b) Beroni plans to submit in March 2021 an application to the US SEC for the listing on the Nasdaq stock exchange. Subject to approvals by the SEC and Nasdaq, the Company aims to be listed on the Nasdaq stock exchange in the second quarter of 2021.

Any other factors which have affected the results in the period, or which are likely to affect results in the future, including those where the effect could not be quantified.

NIL

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

The Franking Credit balance as at 31 December 2020 was NIL

The Board will determine the ability of the Company to pay dividends in the future on an annual basis.

Changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.

*(Disclose changes in the half yearly statement in accordance with paragraph 16(a) of AASB 134: Interim Financial Reporting. Disclose changes in the preliminary final statement in accordance with paragraphs 28-29 of 108: Accounting Policies, Changes in Accounting Estimates and Errors.)*

NIL

An issuer shall explain how the transition from previous GAAP to Australian equivalents to IFRS' affected its reported financial position, financial performance and cash flows. *(as per paragraph 38 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards)*

NIL

Revisions in estimates of amounts reported in previous periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year *(as per paragraph 16(d) of AASB 134: Interim Financial Reporting)*

NIL

Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last annual report *(as per paragraph 16(j) of AASB 134: Interim Financial Reporting)*

NIL

The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence *(as per paragraph 16(c) of AASB 134: Interim Financial Reporting)*

- (a) On 1 October 2020, the Group entered into a sale agreement to dispose of its 51% interest in Beroni Japan Inc. for a nominal sum. The disposal of Beroni Japan Inc. was completed on 1 October 2020, on which date control of the company passed to the acquirer, an unrelated party.
- (b) On 8 October 2018, Beroni issued 2,067,900 shares at \$1.75 to the owners of Medicine Plus as partial settlement for the acquisition of the latter company. The original settlement price of \$14.3 million agreed in June 2018 was increased by 10% to approximately \$15.8 million in October 2018 as a result of the owners of Medicine Plus agreeing to extend the settlement date. However, due to the long delay in the settlement, management has decided to recognise the cost of the shares as an expense in the income statement in 2020. In the event the acquisition can be completed, the shares expense will be reversed accordingly.

(c) On 23 December 2020, Beroni and NewSouth Innovations Pty Limited (NSI) agreed to vary the original shareholding agreement entered into in July 2019 whereby through the issuance of shares and convertible notes, Beroni and NSI owns 60% and 40% respectively of the share capital of PENAO Pty Ltd.

Effect of changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations *(as per paragraph 16(i) of AASB 134: Interim Financial Reporting)*

NIL

**Annual meeting***(Preliminary final statement only)*

The annual meeting will be held as follows:

Place

Level 36 Gateway 1 Macquarie Place, Sydney NSW 2000
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Date

To Be Determined
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Time

To Be Determined
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Approximate date the annual report will be available

30 April 2021
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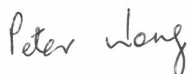
**Compliance statement**

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

Not Applicable
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2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:
- ☐ The financial statements have been audited. ☐ The financial statements have been subject to review by a registered auditor (or overseas equivalent).
- ☒ The financial statements are in the process of being audited or subject to review. ☐ The financial statements have *not* yet been audited or reviewed.
5. If the accounts are being audited and the audit report is not attached, details of any qualifications will follow immediately they are available. *(Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.)*
6. The *issuer* has a formally constituted audit committee.



Sign here: ..... Date: .....16 March 2021.....  
(Director/Company secretary)

Print name: .....Peter Wong.....