

Cape Range Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Cape Range Limited
ABN:	43 009 289 481
Reporting period:	For the half-year ended 30 June 2022
Previous period:	For the half-year ended 30 June 2021

2. Results for announcement to the market

			A\$'000
Revenues from ordinary activities	down	1% to	230
Loss from ordinary activities after tax attributable to the owners of Cape Range Limited	down	19% to	423
Loss for the half-year attributable to the owners of Cape Range Limited	down	19% to	423
<i>Dividends</i>			
		Amount per security Cents	Franked amount per security Cents
Final dividend for the half year ended 30 June 2022		Nil	Nil

Comments

The loss for the consolidated entity after income tax amounted to \$422,615 (30 June 2021: loss \$519,385).

In the current half year the Company generated sales income of \$230,466.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary share	<u>2.5</u>	<u>2.8</u>

4. Control gained over entities

During the half year the Company did not gain control over any entity.

5. Loss of control over entities

During the half year the Company did not lose control over any entity.

6. Details of associates and joint venture entities

The Company has no associates or joint venture entities.

7. 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 Financial Report.

8. Attachments

Details of attachments (if any):

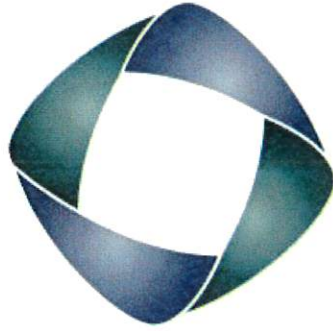
The Interim Financial Report of Cape Range Limited for the half-year ended 30 June 2022 was lodged with ASX on 31 August 2022.

9. Signed



Michael Higginson
Director
Brisbane, Queensland

Date: 31 August 2022



Cape Range Limited

ACN: 009 289 481

**Half Year Financial Report for the Six Months
Ended 30 June 2022**

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Corporate Information

ASX Code: CAG

Directors

- Mr Wayne Johnson (Non-Executive Chairman)
- Mr Michael Higginson (Non-Executive Director)
- Mr Gary Lim (Non-Executive Director)
- Mr Raja Ahmad Raja Jallaludin (Non-Executive Director)

Company Secretary

Mr Michael Higginson

Registered Office

36 Prestwick Drive
Twin Waters Queensland 4564
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Share Registry

Advanced Share Registry
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Nedlands, Western Australia 6009
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Principal Place of Business

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Fax: +61 7 5457 0557

Auditors

Hall Chadwick
Level 40
2 Park Street
Sydney NSW 2000
Tel: +61 2 9263 2600
Fax: +61 2 9263 2800

Directors' Report

The Directors submit their report on Cape Range Limited (the **Company**) and its controlled entities (collectively the **Group**) for the half year ended 30 June 2022.

In order to comply with the provisions of the Corporations Act 2001, the Directors' Report as follows:

Directors

The Directors of the Company at any time during or since the end of the financial period are set out below:

Mr Wayne Johnson (Non-Executive Chairman)
Mr Michael Higginson (Non-Executive Director)
Mr Gary Lim (Non-Executive Director)
Mr Raja Ahmad Raja Jallaludin (Non-Executive Director)

Review and Results of Operations

The loss after tax for the half year ended 30 June 2022 attributable to the members of the Company was \$422,615 (30 June 2021: Loss of \$519,385). A significant component of that loss resulted from the Board's decision to fully impair the Group's intangible assets with an impairment charge \$216,912 (MYR 659,536).

During the half year, the Company's Malaysian operations were negatively impacted by COVID-19 resulting in a small revenue reduction.

The Company is pleased to report that following a successful vaccination drive and the full withdrawal of movement restrictions, Malaysia's economy is recovering and expanding. This expansion is being driven by increased consumer consumption, a declining unemployment rate and increased government revenue collection.

Despite the significant decline in the Malaysian economy since the start of the COVID-19 pandemic, all Biztrak employees have been retained, without pay cuts or retrenchment. In addition, the Company is now intensifying its marketing and sales initiatives. More specifically, Biztrak's team is proactively working with its business partners and conducting marketing roadshows (in key Malaysian markets, including the Klang Valley, Kuantan, Johor, and East Malaysia) promoting Biztrak's accounting solutions, including HR & Payroll solutions, to prospective dealer partners and customers.

The Company will continuously monitor the impact of Covid-19 on its operations and its financial performance and will continue to implement appropriate and timely measures to minimise its impact.

The strategic direction of the Company, however, remains committed to its technology focus, being the Malaysian based Biztrak business and its ongoing development and growth.

Subsequent Events

Other than the continuing effects of COVID-19, there have not been any matters or circumstances, that have arisen since the end of the half year, 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 periods.

Auditor's Independence Declaration

The auditor's independence declaration for the half year ended 30 June 2022 has been received and can be found on page 11.

Signed in accordance with a resolution of the Board of Directors made pursuant to Section 306(3) of the Corporations Act 2001.

On behalf of the Directors


Wayne Johnson
Director and Chairman

Date: 31st day of August 2022

CAPE RANGE LIMITED

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Six Months Ended 30 June 2022

Notes	30 June 2022	30 June 2021
	\$	\$
Revenue	230,466	232,049
Cost of sales	(7,419)	(9,641)
Gross Profit	223,047	222,408
Other income	5,694	25,758
Total other income	5,694	25,758
Administration expenses	420,605	401,712
Marketing and promotional expenses	12	231
Depreciation and amortisation expenses	49,307	51,461
Other operating expenses	2,558	57,661
Provision for impairment of intangible assets	216,912	234,564
Finance costs	3,068	5,371
Total expenses	692,462	751,000
Net (loss) for the period	(463,721)	(502,834)
Income tax expense	(41,106)	16,551
Net (loss) after income tax expense for the period	(422,615)	(519,385)
Exchange differences on translating foreign operations	3,888	12,997
Total comprehensive (loss) for the period	(418,727)	(506,388)
Basic earnings per share	(0.45)	(0.55)
Diluted earnings per share	(0.45)	(0.55)

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

CAPE RANGE LIMITED

Consolidated Statement of Financial Position

As at 30 June 2022

	Notes	30 June 2022	31 December 2021
		\$	\$
Current Assets			
Cash and cash equivalents		2,647,914	2,948,344
Trade and other receivables		135,503	84,832
Total Current Assets		2,783,417	3,033,176
Non-current Assets			
Plant and equipment		31,886	39,999
Right-of-use assets		3,489	10,231
Intangible assets		-	152,335
Total Non-current Assets		35,375	202,565
Total Assets		2,818,792	3,235,741
Current Liabilities			
Trade and other payables		136,604	134,195
Lease liabilities		3,703	10,881
Deferred revenue		213,078	149,323
Borrowings		30,069	29,006
Total Current Liabilities		383,454	323,405
Non-current Liabilities			
Deferred tax liabilities		4,612	46,203
Borrowings		22,669	39,349
Total non-current Liabilities		27,281	85,552
Total Liabilities		410,735	408,957
Net Assets		2,408,057	2,826,784
Equity			
Issued capital	6	21,048,346	21,048,346
Foreign currency translation reserve		91,126	87,238
Accumulated losses		(18,731,415)	(18,308,800)
Total Equity		2,408,057	2,826,784

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

CAPE RANGE LIMITED

Consolidated Statement of Changes in Equity

For the Six Months Ended 30 June 2022

	Issued Capital Ordinary Shares \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 01/01/2021	21,048,346	57,866	(17,349,527)	3,756,685
Foreign exchange translation reserve	-	-	(519,385)	(519,385)
Loss for the period	-	12,997	-	12,997
Total comprehensive loss for the year	-	12,997	(519,385)	(506,388)
Balance at 30/6/2021	21,048,346	70,863	(17,868,912)	3,250,297
Balance at 01/01/2022	21,048,346	87,238	(18,308,800)	2,826,784
Loss for the period	-	-	(422,615)	(422,615)
Foreign exchange translation reserve	-	3,888	-	3,888
Total comprehensive loss for the year	-	3,888	(422,615)	(418,727)
Balance at 30/06/2022	21,048,346	91,126	(18,731,415)	2,408,057

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

CAPE RANGE LIMITED

Consolidated Statement of Cash Flows

For the Six Months Ended 30 June 2022

	30 June 2022	30 June 2021
	\$	\$
Cash Flows from Operating Activities		
Receipts from customers	249,262	224,969
Payments to suppliers and employees	(428,184)	(465,313)
Payment of income tax	(819)	(609)
Interest income	3,881	38,938
Finance costs	(3,068)	(5,371)
Other	322	46,130
Net cash from/(used in) operating activities	(178,606)	(161,256)
Cash Flows from Investing Activities		
Payments for property, plant & equipment	(253)	(1,350)
Payments for intangibles	(98,776)	(99,841)
Net cash (used in) investing activities	(99,029)	(101,191)
Cash Flows from Financing Activities		
Repayment of lease liabilities	(7,178)	(7,229)
Repayment of term loan	(15,617)	(14,207)
Net cash (used in) financing activities	(22,795)	(21,436)
Net decrease in cash and cash equivalents	(300,430)	(283,883)
Cash and cash equivalents at beginning of period	2,948,344	3,553,711
Cash and cash equivalents at end of period	2,647,914	3,269,828

The above statement of cash flows should be read in conjunction with the accompanying note.

CAPE RANGE LIMITED

Notes to the Financial Statements For the Six Months Ended 30 June 2022

1. Reporting Entity

Cape Range Limited is a company limited by shares incorporated in Australia. The Company's registered office is 36 Prestwick Drive, Twin Waters, Queensland 4564.

2. Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 134 *Interim Financial Reporting*. The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report and considered together with any public announcements made by Cape Range Limited during the half year ended 30 June 2022.

3. Basis of Preparation

The financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The half-year financial report does not include all the types of notes normally included within the annual financial report and therefore cannot be expected to provide a full understanding of the financial position, financial performance and financing and investing activities of the Company as the year-end financial report. The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2021 annual financial report for the financial year ended 31 December 2021 and the previous corresponding half-year period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Presentation currency

These financial statements are presented in Australian dollars, which is the Company's presentation currency.

4. Impact of COVID-19

During the half year, the Company's Malaysian operations were negatively impacted by COVID-19.

The loss after tax for the half year ended 30 June 2022 attributable to the members of the Company was \$422,615 (30 June 2021: Loss of \$519,385). In addition, revenue for the half year declined marginally and the book value of the Group's intangible assets was reduced to zero as a result of the Board's decision to include an impairment charge of \$216,912 (MYR 659,536).

Despite the significant decline in the Malaysian economy and the difficult trading conditions experienced since the start of the COVID-19 pandemic, the Company is pleased to report that following a successful vaccination drive and the full withdrawal of movement restrictions the Malaysian economy is recovering and expanding. The expansion is being driven by increased consumer consumption, a declining unemployment rate and increased government revenue collection.

The Company is very pleased to be able to report that all Biztrak employees have been retained throughout the pandemic, without pay cuts or retrenchment.

5. Going Concern

The half year financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Group made an operating loss before tax of \$422,615 (30 June 2021: Loss of \$519,385) for the period. The Group had net assets of \$2,408,057 as at 30 June 2022 (31 December 2021 \$2,826,784). The Group has sufficient cash to pay its debts as and when they fall due. At 30 June 2022, the Group had \$2,647,914 in cash.

Notwithstanding the probable ongoing impact of COVID-19, the Group has sufficient cash resources to ensure that the Company and its operating subsidiaries remain a going concern.

CAPE RANGE LIMITED

Notes to the Financial Statements
For the Six Months Ended 30 June 2022

6. Share Capital

	30 June 2022	30 June 2022	31 Dec 2021	31 Dec 2021
	No.	\$	No.	\$
(a) Ordinary Shares				
Fully paid ordinary shares	<u>94,908,301</u>	<u>21,048,346</u>	<u>94,908,301</u>	<u>21,048,346</u>
			30 June 2022	
Issue of ordinary shares during the period			No.	\$
Balance as at 1 January 2021			<u>94,908,301</u>	<u>21,048,346</u>
Issued capital as at 30 June 2022			<u>94,908,301</u>	<u>21,048,346</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds of winding up of the Company in proportion to the number and amounts paid on the shares held. On show of hands every shareholder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

7. Segment Information

For management purposes the Group is organised into two strategic units:

- Corporate head office in Australia
- Operations and technology development based in Malaysia

Such structural organisation is determined by the nature of risks and returns associated with each business segment and define the management structure as well as the internal reporting system. It represents the basis on which the Group reports its primary segment information to the Board.

The operating segment analysis presented in these preliminary financial statements reflects operations analysis by business. It best describes the way the Group is managed and provides a meaningful insight into the business activities of the Group.

The following table presents details of revenue and operating loss by business segment as well as reconciliation between the information disclosed for reportable segments and the aggregated information in the preliminary financial statements. The information disclosed in the table below is derived directly from the internal financial reporting system used by the Board of Directors to monitor and evaluate the performance of our operating segments separately.

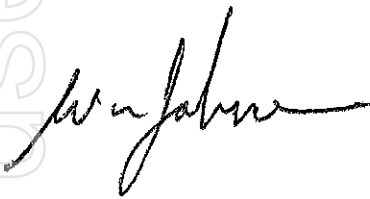
Directors' Declaration

In the Directors' opinion:

- a. the financial statements and notes set out on pages 3 to 9 are in accordance with the Corporations Act 2001, including:
- (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the six months ended on that date; and
 - (ii) complying with Accounting Standards AASB 134 *Interim Financial Reporting*.
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial period ended 30 June 2022.

On behalf of the Board



Wayne Johnson
Director

Date: 31st day of August 2022

CAPE RANGE LIMITED
ABN 43 009 289 481

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
CAPE RANGE LIMITED

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
Fx: (612) 9263 2800

Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Cape Range Limited, which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements including a summary of significant accounting policies, 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 half-year financial report of Cape Range Limited does not comply with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of Cape Range Limited's financial position as at 30 June 2022 and of its performance for the half-year ended on that date; and
- (ii) 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 section of our report. We are independent of the Company 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.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

Directors' Responsibility for the Half-Year Financial Report

The directors of Cape Range 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

Our responsibility is to express a conclusion on the half-year financial report based on our review. 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 Company's financial position as at 30 June 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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CAPE RANGE LIMITED
ABN 43 009 289 481

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
CAPE RANGE 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)

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

S. Kumar

Sandeep Kumar
Partner

Dated: 31 August 2022

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CAPE RANGE LIMITED
ABN 43 009 289 481

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

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
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In accordance with S307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Cape Range Limited. As the lead audit partner for the review of the financial report of Cape Range Limited for the half-year ended 30 June 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)

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

S. Kumar

Sandeep Kumar
Partner

Dated: 31 August 2022

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