

## 1. Company details

Name of entity:	CleanSpace Holdings Limited
ABN:	91 150 214 636
Reporting period:	For the half-year ended 31 December 2021
Previous period:	For the half-year ended 31 December 2020

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## 2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	82.3% to	7,038,820
Loss from ordinary activities after tax attributable to the owners of CleanSpace Holdings Limited	down	141.2% to	(5,373,872)
Loss for the half-year attributable to the owners of CleanSpace Holdings Limited	down	141.2% to	(5,373,872)

### Dividends

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

### Comments

The loss for the consolidated entity after providing for income tax amounted to \$5,373,872 (31 December 2020: profit of \$13,039,091).

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## 3. Net tangible assets

	31 Dec 2021	31 Dec 2020
	\$	\$
Net tangible assets per ordinary security	<u>0.46</u>	<u>0.55</u>

### Notes

The Group adopted AASB 16 Leases on 1 July 2019. As a result, the Group has recognised significant lease liabilities and right-of-use assets on the balance sheet. The net tangible assets used in the net tangible assets per security calculation for both periods includes both the right-of-use assets and lease liabilities.

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## 4. Control gained over entities

Not applicable.

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## 5. Loss of control over entities

Not applicable.

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## 6. Dividends

### *Current period*

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

### *Previous period*

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

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## 7. Dividend reinvestment plans

Not applicable.

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## 8. Details of associates and joint venture entities

Not applicable.

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## 9. Foreign entities

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

Not applicable.

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## 10. Audit qualification or review

### *Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

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## 11. Attachments

### *Details of attachments (if any):*

The Interim Report of CleanSpace Holdings Limited for the half-year ended 31 December 2021 is attached.

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## 12. Signed

Signed   
Bruce Rathie  
Chairman

Date: 25 February 2022



# INTERIM REPORT

31 December 2021

**CleanSpace Holdings Limited**  
and its Controlled Entities

ABN 91 150 214 636



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## GENERAL INFORMATION

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

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

Unit 5, 39 Herbert Street  
St Leonards  
NSW 2065  
Australia

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 25 February 2022.

# DIRECTORS' REPORT

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group' or 'consolidated entity') consisting of CleanSpace Holdings Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

## DIRECTORS

The names of the Directors in office at any time during, or since the end of, the period are:

<b>Name</b>	<b>Position</b>
Bruce Rathie	Non-Executive Director and Chairman (appointed 18 October 2021)
Dr Alexandra Birrell	Executive Director and Chief Executive Officer
Lisa Hennessy	Non-Executive Director (appointed 9 December 2021)
Dan Kao	Executive Director and Director of Operations
Graham McLean	Non-Executive Director (appointed 1 February 2022)
William Highland	Non-Executive Director (resigned 31 October 2021)
Craig Lawn	Non-Executive Director (resigned 31 December 2021)
Dr Ronald Weinberger	Non-Executive Director (resigned 31 January 2022)

Directors have been in office since the start of the period to the date of this report unless otherwise stated.

## PRINCIPAL ACTIVITIES

The principal activities of the Group are the design, manufacture and sale of respirators and related products and services.

## DIVIDENDS

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

# DIRECTORS' REPORT

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

### REVIEW OF OPERATIONS

The loss for the consolidated entity after providing for income tax amounted to \$5,373,872 (31 December 2020: profit of \$13,039,091).

A summary of the results for the year is below:

	31 Dec 2021 \$	31 Dec 2020 \$	Change %
Revenue from sales of goods and services	7,038,820	39,697,127	(82)
Cost of sales	(1,731,868)	(8,633,288)	(80)
Gross profit	5,306,952	31,063,839	(83)
Other income	8,600	47,011	(82)
Operating expenses (excluding depreciation, amortisation and impairment)	(12,135,143)	(11,976,401)	1
Depreciation, amortisation and impairment	(487,232)	(722,210)	(33)
Interest income/(expense) net	(67,533)	(29,682)	128
Income tax benefit/(expense)	2,000,484	(5,343,466)	137
(Loss)/profit after tax	(5,373,872)	13,039,091	(141)

### Sales, gross profit and margin

Sales for the period were \$7.0 million, a decrease of 82% over the prior corresponding period ("H1 2021"). The decrease in sales was driven by a surplus of low technology masks in the market and ongoing COVID outbreaks creating disruption to customers' business activity and economic recovery. Monthly sales levels during the period were highly volatile.

Healthcare sales were 56% of revenue in the current period compared with 78% in the prior corresponding period. Rest of world was the largest sales region contributing 55% of sales (H1 2021: 33%). European sales contributed 26% (H1 2021:18%) and North America contributed 19% (H1 2021:49%).

Gross profit was \$5.3 million compared with \$31.1 million in the prior corresponding period. Gross margin as a percentage of sales was 75% compared with 78% in the prior corresponding period. The decrease in gross margin was due to a shift in sales from majority direct to larger sales via distributors.

### Operating expenses (excluding depreciation, amortisation and impairment)

Operating expenses consist of:

	31 Dec 2021 \$	31 Dec 2020 \$	Change %
Employee benefits and staff related expenses	6,480,351	5,807,732	12
Marketing and sales expenses	2,654,176	1,817,198	46
Research, development and intellectual property expenses	812,804	717,618	13
Other operating expenses (excluding depreciation, amortisation and impairment)	2,187,812	3,633,853	(40)
Total	12,135,143	11,976,401	1

# DIRECTORS' REPORT

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

### REVIEW OF OPERATIONS (CONT.)

#### Operating expenses (excluding depreciation, amortisation and impairment) (cont.)

- Employee benefits and staff related expenses increased due to increased headcount. The company invested in sales capabilities in its core markets. Employment costs remain the largest expense.
- Marketing and sales expenses increased 46% as a result of investment in ongoing activities to increase lead acquisition and brand awareness, and to position the Group with governments and key stakeholders.
- Research, development and intellectual property (IP) expenses grew by 13% as the company continues to invest in its new product and technology roadmaps and protecting its IP.
- Other operating expenses decreased by 40%. This category includes general and administrative expense such as public company costs, professional services, occupancy costs, travel and insurance. The prior corresponding period included \$1.0 million in costs associated with the IPO. The Company has ongoing cost management programs to support its lean operating model.

### FINANCIAL POSITION

The following table provides a snapshot of important balances from the Group's statement of financial position as at 31 December 2021:

	As at 31 Dec 2021 \$	As at 30 Jun 2021 \$	Movement %
Cash (including term deposits)	30,527,712	38,241,372	(20)
Borrowings	(2,420,795)	(2,387,275)	1
Inventories	4,403,118	4,609,942	(4)
Net assets	35,498,143	40,729,000	(13)

The Company's balance sheet remains strong with cash of \$30.5 million and minimal debt at 31 December 2021. Inventory levels remain stable, supply risk management strategies are in place and the Company is well positioned to withstand any supply chain disruptions that may occur.

### SUBSEQUENT EVENTS

The impact of the COVID-19 pandemic on both local and global economies is ongoing and the situation is continually evolving. This creates an uncertain trading environment for the Group and it is not practical to estimate the potential impact, positive or negative after the reporting date.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

### AUDITOR'S INDEPENDENCE DECLARATION

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

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

On behalf of the Directors



**Bruce Rathie**

25 February 2022

# AUDITOR'S INDEPENDENCE DECLARATION

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021



CleanSpace Holdings Limited

## Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2021, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

PKF

PKF

SCOTT TOBUTT  
PARTNER

25 FEBRUARY 2022  
SYDNEY, NSW

PKF (NS) Audit & Assurance Limited Partnership  
ABN 91 850 861 839

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under Professional Standards Legislation

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# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Note	Consolidated 31 Dec 2021 \$	31 Dec 2020 \$
Revenue	2	7,038,820	39,697,127
Cost of sales		(1,731,868)	(8,633,288)
<b>Gross profit</b>		<b>5,306,952</b>	<b>31,063,839</b>
Other income	3	8,600	47,011
Employee benefits & staff related expenses	4	(6,480,351)	(5,807,732)
Marketing and sales expenses		(2,654,176)	(1,817,198)
Administration and other operating expenses		(1,583,389)	(2,021,708)
Research, development and intellectual property expenses		(812,804)	(717,618)
Legal and professional fees		(604,423)	(1,612,145)
Depreciation, amortisation and impairment expenses		(487,232)	(722,210)
<b>Operating (loss)/profit</b>		<b>(7,306,823)</b>	<b>18,412,239</b>
Finance income - interest		27,955	25,998
Finance costs		(95,488)	(55,680)
<b>(Loss)/profit before income tax benefit/(expense)</b>		<b>(7,374,356)</b>	<b>18,382,557</b>
Income tax benefit/(expense)	5	2,000,484	(5,343,466)
<b>(Loss)/profit after income tax benefit/(expense) for the half-year attributable to the owners of CleanSpace Holdings Limited</b>		<b>(5,373,872)</b>	<b>13,039,091</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		4,016	2,616
Other comprehensive income for the half-year, net of tax		4,016	2,616
<b>Total comprehensive (loss)/income for the half-year attributable to the owners of CleanSpace Holdings Limited</b>		<b>(5,369,856)</b>	<b>13,041,707</b>

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

# STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note	Consolidated 31 Dec 2021 \$	30 Jun 2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		14,465,120	22,207,104
Trade and other receivables		2,748,028	2,442,573
Financial assets	6	16,062,592	16,034,268
Inventories	7	4,403,118	4,609,942
Income tax receivable		832,310	-
Other assets		624,308	476,710
<b>Total current assets</b>		<b>39,135,476</b>	<b>45,770,597</b>
<b>Non-current assets</b>			
Property, plant and equipment		1,936,527	1,947,727
Right-of-use assets	8	1,705,256	1,943,305
Deferred tax		832,632	1,055,248
<b>Total non-current assets</b>		<b>4,474,415</b>	<b>4,946,280</b>
<b>Total assets</b>		<b>43,609,891</b>	<b>50,716,877</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		2,085,658	2,431,053
Contract liabilities		11,679	2,921
Borrowings	9	2,420,795	2,384,343
Lease liabilities	10	413,438	396,733
Income tax payable		-	1,576,810
Employee benefits		1,001,357	626,914
Provisions		338,758	498,758
<b>Total current liabilities</b>		<b>6,271,685</b>	<b>7,917,532</b>
<b>Non-current liabilities</b>			
Borrowings	9	-	2,932
Lease liabilities	10	1,384,858	1,598,615
Deferred tax		380,792	143,013
Employee benefits		74,413	325,785
<b>Total non-current liabilities</b>		<b>1,840,063</b>	<b>2,070,345</b>
<b>Total liabilities</b>		<b>8,111,748</b>	<b>9,987,877</b>
<b>Net assets</b>		<b>35,498,143</b>	<b>40,729,000</b>
<b>Equity</b>			
Issued capital	11	33,430,564	33,430,564
Reserves		677,021	534,006
Retained profits		1,390,558	6,764,430
<b>Total equity</b>		<b>35,498,143</b>	<b>40,729,000</b>

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

# STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

Consolidated	Issued capital \$	Reserves \$	Retained Profits \$	Total equity \$
Balance at 1 July 2020	14,347,548	10,995	(4,622,692)	9,735,851
Profit after income tax expense for the half-year	-	-	13,039,091	13,039,091
Other comprehensive income for the half-year, net of tax	-	2,616	-	2,616
Total comprehensive income for the half-year	-	2,616	13,039,091	13,041,707
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	19,083,016	-	-	19,083,016
Share-based payments (note 12)	-	145,800	-	145,800
Balance at 31 December 2020	33,430,564	159,411	8,416,399	42,006,374

Consolidated	Issued capital \$	Reserves \$	Retained Profits \$	Total equity \$
Balance at 1 July 2021	33,430,564	534,006	6,764,430	40,729,000
Loss after income tax benefit for the half-year	-	-	(5,373,872)	(5,373,872)
Other comprehensive income for the half-year, net of tax	-	4,016	-	4,016
Total comprehensive income for the half-year	-	4,016	(5,373,872)	(5,369,856)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 12)	-	138,999	-	138,999
Balance at 31 December 2021	33,430,564	677,021	1,390,558	35,498,143

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

# STATEMENT OF CASH FLOWS

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Consolidated	
	31 Dec 2021	31 Dec 2020
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers	6,742,123	44,465,232
Payments to suppliers and employees	(14,035,012)	(24,416,382)
Other revenue received	46,703	76,632
Interest and other finance costs paid	(72,141)	(71,086)
Income taxes received (net after research and development grant)	51,759	744,300
Net cash (used in)/from operating activities	(7,266,568)	20,798,696
<b>Cash flows from investing activities</b>		
Purchase of financial assets	(28,324)	(453,453)
Payments for property, plant and equipment	(248,375)	(1,178,486)
Net cash used in investing activities	(276,699)	(1,631,939)
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	-	19,083,016
Repayment of borrowings	-	(2,345,046)
Net payment of lease liabilities	(202,733)	(218,793)
Net cash (used in)/from financing activities	(202,733)	16,519,177
Net (decrease)/increase in cash and cash equivalents	(7,746,000)	35,685,934
Cash and cash equivalents at the beginning of the financial year	22,207,104	6,744,311
Effect of exchange rate changes on cash and cash equivalents	4,016	2,616
Cash and cash equivalents at the end of the financial year	14,465,120	42,432,861

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

## NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

### New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

	Consolidated	
	31 Dec 2021	31 Dec 2020
	\$	\$
<b>NOTE 2. REVENUE</b>		
<i>Disaggregation of revenue</i>		
The disaggregation of revenue from contracts with customers is as follows:		
<i>Major product lines</i>		
Respirators revenue	3,082,136	20,290,461
Consumables, accessories and other revenue	3,956,684	19,406,666
	7,038,820	39,697,127
<i>Timing of revenue recognition</i>		
At a point in time	7,038,820	39,697,127

The Company has two main types of revenue:

- (1) *Respirator revenues*: reflects sales of the respirator units only; and
- (2) *Consumables, accessories and other revenues*: reflects all other sales revenue and revenue adjustments. This is substantially related to the sales of accessories and consumable items, including masks, filters and docking stations. It also includes service income, freight income and deductions for customer rebates and payment incentives.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

### NOTE 2. REVENUE (CONT.)

#### Segment information

For the purposes of the internal reporting to the chief operating decision makers, business activities, performances and any associated assets and liabilities are viewed as a consolidated group.

	Consolidated	
	31 Dec 2021	31 Dec 2020
	\$	\$
<i>Revenue by region</i>		
North America	1,334,663	19,596,315
Europe and UK	1,805,848	7,304,382
Rest of the world	3,898,309	12,796,430
	7,038,820	39,697,127

### NOTE 3. OTHER INCOME

Government grants	-	50,000
Other income/(expense)	8,600	(2,989)
Other income	8,600	47,011

### NOTE 4. EMPLOYEE BENEFITS & STAFF RELATED EXPENSES

Total employee benefits and staff related expenses (a)	6,480,351	5,807,732
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(a) An additional \$450,299 (2020: \$1,227,482) of employment expenses are included in costs of sales.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Consolidated	
	31 Dec 2021	31 Dec 2020
	\$	\$
<b>NOTE 5. INCOME TAX (BENEFIT)/EXPENSE</b>		
<i>Income tax (benefit)/expense</i>		
Current tax	(2,460,879)	5,779,551
Deferred tax	460,395	(447,896)
Adjustment recognised for prior periods	-	11,811
Aggregate income tax (benefit)/expense	(2,000,484)	5,343,466
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
(Loss)/profit before income tax expense	(7,374,356)	18,382,557
Tax at the statutory tax rate of 25% (2020: 30%)	(1,843,389)	5,514,767
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
R&D tax incentive	(650,761)	(454,169)
Permanent differences - R&D Expense	374,001	353,898
Permanent differences - Other	21,169	(1,453)
	(2,098,980)	5,413,043
Under provision of income tax in the prior year	-	11,811
Change in provision of income tax as a result of a change in statutory tax rate	101,783	(79,204)
Impact of rates of foreign subsidiaries	(3,287)	(2,184)
Income tax (benefit)/expense	(2,000,484)	5,343,466

	Consolidated	
	31 Dec 2021	30 Jun 2021
	\$	\$
<b>NOTE 6. FINANCIAL ASSETS</b>		
<i>Current assets</i>		
Financial assets held at amortised cost	16,062,592	16,034,268

Financial assets held at amortised cost consist of term deposits held with Australian banks.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Consolidated	
	31 Dec 2021	30 Jun 2021
	\$	\$
<b>NOTE 7. INVENTORIES</b>		
Raw materials - at cost	4,303,683	4,578,380
Less: Provision for impairment	(728,492)	(661,126)
	3,575,191	3,917,254
Finished goods - at cost	863,311	782,921
Less: Provision for impairment	(135,336)	(90,233)
	727,975	692,688
Work in progress - at cost	95,615	-
Goods in transit - at cost	4,337	-
	4,403,118	4,609,942

Impairment expenses related to inventory are included in Cost of sales in the statement of profit or loss.

### NOTE 8. RIGHT-OF-USE ASSETS

<i>Non-current assets</i>		
Land and buildings - right-of-use	2,325,464	2,382,764
Less: Accumulated depreciation	(620,208)	(439,459)
	1,705,256	1,943,305

The consolidated entity leases land and buildings for its offices and production facility in St Leonards, Sydney Australia. The agreements (a lease and sublease) are for a term of 5 years (to August 2025), with options to extend. The leases have various escalation clauses. On renewal, the leases are to be on the same general terms.

In line with the requirements of AASB 16 Leases, the right-of-use asset has been depreciated during the period and the lease payments have been allocated between the lease liability and finance costs.

### NOTE 9. BORROWINGS

<i>Current liabilities</i>		
Loan from NSW Health Administration Corporation	2,412,078	2,372,877
Finance lease	8,717	11,466
	2,420,795	2,384,343
<i>Non-current liabilities</i>		
Finance lease	-	2,932

#### Loan from NSW Health Administration Corporation

The Company entered into a funding agreement with NSW Health Administration Corporation in September 2019. The funding is to be used solely for the aim to improve the adoption of an innovative re-usable respirator in acute care settings.

The Company is not required to make any repayments of the loan until the project has achieved commercial success. The project is expected to achieve commercial success during 2022. The applicable interest rate for the loan is calculated by using the annual Consumer Price Index (CPI).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Consolidated	
	31 Dec 2021	30 Jun 2021
	\$	\$
<b>NOTE 10. LEASE LIABILITIES</b>		
<i>Current liabilities</i>		
Lease liability	413,438	396,733
<i>Non-current liabilities</i>		
Lease liability	1,384,858	1,598,615

## NOTE 11. ISSUED CAPITAL

### Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects. There were no changes to ordinary shares during the period.

	Consolidated			
	31 Dec 2021	30 Jun 2021	31 Dec 2021	30 Jun 2021
	Shares	Shares	\$	\$
Ordinary shares - fully paid	77,019,523	77,019,523	33,430,564	33,430,564

## NOTE 12. SHARE BASED PAYMENTS

	Number of options		\$	
	31 Dec 2021	31 Dec 2021	30 Jun 2021	30 Jun 2021
Options reserve	1,383,790	\$662,443	783,790	\$523,444

For the six months ended 31 December 2021, the Group has recognised share based payments expense in the statement of profit or loss of \$138,999 (31 December 2020: \$145,800).

Set out below are summaries of options granted:

31 Dec 2021				Balance at the start of the half-year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the half-year
Recipient	Grant date	Expiry date	Exercise price					
Employees	22/10/2020	22/10/2025	\$4.41	444,169	-	-	-	444,169
NEDs	22/10/2020	22/10/2025	\$4.41	339,621	-	-	-	339,621
NED	29/11/2021	18/01/2025	\$2.18	-	600,000	-	-	600,000
				783,790	600,000	-	-	1,383,790

On 29 November 2021, 600,000 options were granted to a Non Executive Director (NED) for nil consideration at an exercise price of \$2.18. 200,000 options have a vesting date of 18 October 2022, 200,000 have a vesting date of 18 October 2023 and 200,000 have a vesting date 18 October 2024.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

### NOTE 13. DIVIDENDS

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

### NOTE 14. CONTINGENCIES

At balance date, bank guarantees were supported by security deposit guarantees, for which no liabilities have been recorded in the financial statements. Total bank guarantees of the consolidated entity at 31 December 2021 were \$406,768 (30 June 2021: \$406,768).

	Consolidated	
	31 Dec 2021	30 Jun 2021
	\$	\$
<b>NOTE 15. COMMITMENTS</b>		
<i>Capital commitments</i>		
Leasehold improvements	173,973	-
Plant and equipment	27,533	-
	201,506	-
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	201,506	-

### NOTE 16. RELATED PARTY TRANSACTIONS

#### Parent entity

CleanSpace Holdings Limited is the parent entity.

#### Subsidiaries

Interests in subsidiaries are set out in note 17.

#### Transactions with related parties

During the period the Group has not entered into any material contracts involving related parties or Directors' interests. No amounts owed by related parties have been written off or forgiven during the period.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

## NOTE 17. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 Dec 2021 %	30 Jun 2021 %
CleanSpace IP Pty Ltd	Australia	100	100
CleanSpace Technology Pty Ltd	Australia	100	100
CleanSpace Americas, Inc	USA	100	100
CleanSpace Technology Singapore Pte Ltd	Singapore	100	100
CleanSpace NZ Limited	New Zealand	100	-
CleanSpace Netherlands B.V.	Netherlands	100	-

## NOTE 18. EVENTS AFTER THE REPORTING PERIOD

The impact of the COVID-19 pandemic on both local and global economies is ongoing and the situation is continually evolving. This creates an uncertain trading environment for the Group and it is not practical to estimate the potential impact, positive or negative after the reporting date.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

# DIRECTORS' DECLARATION

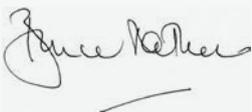
## FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



**Bruce Rathie**

25 February 2022

# INDEPENDENT AUDITOR'S REVIEW REPORT

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2021



### INDEPENDENT AUDITOR'S REVIEW REPORT

### TO THE MEMBERS OF CLEANSPACE HOLDINGS LIMITED

#### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of CleanSpace Holdings Limited (the Company), which comprises the consolidated statement of financial position as at 31 December 2021, 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 half-year's end or from time to time during the financial half-year.

#### Conclusion

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 CleanSpace Holdings 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 2021, 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.

PKF (NS) Audit & Assurance Limited Partnership  
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# INDEPENDENT AUDITOR'S REVIEW REPORT

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2021



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 2021 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 CleanSpace Holdings 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.

A handwritten version of the PKF logo in black ink.

PKF

A handwritten signature in black ink that reads 'STobutt'.

SCOTT TOBUTT  
PARTNER

25 FEBRUARY 2022  
SYDNEY, NSW

**CleanSpace<sup>®</sup>**  
RESPIRATORS

