



22 May 2023

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs,

Re: Announcement to the market

In accordance with Australian Stock Exchange (ASX) Listing Rule 4.2A, Sietel Limited has attached its Half Year Report and Appendix 4D for the half year period ended 31 March 2023.

Yours sincerely
Sietel Limited

Richard Rees
Managing Director

Appendix 4D

Half-year report

Period ended 31 March 2023

Name of entity

SIETEL LIMITED

ABN or equivalent company reference

75 004 217 734

Half yearly (tick)

Preliminary final (tick)

Financial year ended ('current period')

31 MARCH, 2023

Results for announcement to the market

\$A'000

Revenues from ordinary activities	Down	5%	to	6,442
Profit from ordinary activities after tax attributable to members	Down	60%	to	588
Net profit for the period attributable to members	Down	60%	to	588

Dividends (distributions)	Amount per security	Franked amount per security
Ordinary		
Final dividend	N/A	NIL
Interim dividend	N/A	NIL
Previous corresponding period	N/A	NIL
Preference		
Paid 9 Jan 2023 (Record date: 6 Jan 2023)	5 ¢	NIL

Record date for determining entitlements to the dividend.

Ordinary – N/A
Preference – 6 January 2023

A brief explanation of any of the figures reported above necessary to enable the figures to be understood.

The directors are pleased to announce an operating profit for half year ended 31 March 2023 of \$587,907.

Ratios and Other Measures

	Current period	Previous Corresponding Period
Profit before tax / revenue Consolidated profit from ordinary activities before tax as a percentage of revenue	6.67%	23.82%
Profit after tax / ⁺equity interests Consolidated net profit from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	0.75%	1.85%

Earnings per security (EPS)

$$\begin{aligned}
 \text{Basic EPS} &= \frac{\text{Profit for the period}}{\text{No. Of ordinary securities}} = \frac{587,907}{8,007,479} = 7.34\text{¢} \\
 \text{Diluted EPS} &= \frac{\text{Profit for the period}}{\text{No. Of ordinary securities} + \text{Preference securities}} = \frac{587,907}{8,007,479+75,000} = 7.27\text{¢}
 \end{aligned}$$

NTA backing	Current period	Previous Corresponding Period
Net tangible asset backing per ⁺ ordinary security	976 CENTS	983 CENTS

SIETEL LIMITED

ACN 004 217 734

INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 MARCH 2023

SIETEL LIMITED

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SIETEL LIMITED
DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 MARCH 2023

The directors of the Company in office at the date of this report are:
Richard Rees, Geoffrey Lloyd Rees and Thomas Rees.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 September 2022 and considered together with any public announcements made by Sietel Limited during the half-year ended 31 March 2023 and to the date of this report in accordance with the continuous disclosure obligations of the ASX listing rules.

REVIEW OF OPERATIONS

All investment properties owned by the Chief Entity have been tenanted for the half year except for one small investment property in a retail shopping strip.

Cook's Body Works Pty Ltd, continued to occupy one of the Chief Entity's properties in the Moorabbin area.

Cook's Body Works Pty Ltd has experienced improved results with increased demand for its products, thereby assisting with the objective of returning the company to long term profitability.

Cook's management have worked successfully on expansion of the customer base and product offering to improve sale and margin performance of the business. However, increased costs and a shortage of suitable candidates to fill vacancies have restricted the businesses' ability to capitalise on the good demand for their products.

The Company's management assisted by the non-executive directors have reviewed various investment options in the real estate, equities, direct investment and product development markets over the half year with the objective of improving the medium to long term performance of the group.

The directors continue to review the balances of investment fund allocation between cash equivalents and longer-term investments such as equities, real estate and operating businesses via subsidiary companies with the objective of achieving long term profitable performance, but realising current gains as opportunities arise.

The portfolio of unlisted investments represented by startups and new technology companies have underperformed reflecting the general difficulties being confronted by new businesses to attract capital, advance their projects and convert their products to a cash flow positive stage.

The directors have continued the policy of reviewing all these investments and revaluing or impairing them as appropriate. In the current six months an impairment loss of \$548,314 (2022 NIL) has been realised against the profit and loss along with a net revaluation reduction of \$658,976 (2022 \$201,296).

The subsidiary, Alliance Appliances Australia Pty Ltd has continued to design and develop products for manufacture by third party offshore manufacturers and commence small scale importation and distribution of a very limited range of domestic gas water heaters and BBQ's into the Australian market.

The Cylinder Company operated in line with budget during the half year.

DIRECTORS' REPORT (cont.)

OPERATING RESULTS

The consolidated profit of the Consolidated Entity, after providing for an income tax revenue of \$158,120 (2022 income tax expense \$153,355), amounted to \$587,907 (2022 \$1,454,509).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Consolidated Entity during this period, not reflected in the half year accounts.

DIRECTORS' INTEREST IN ORDINARY SHARES AS AT 31 MARCH 2023

Director	Ordinary Shares in name of Director	Ordinary Shares in name of Director	Ordinary shares in which Directors may have relevant interest	Ordinary shares in which Directors may have relevant interest
	Mar-23	Sep-22	Mar-23	Sep-22
R. Rees	555,357	552,057	6,120,277	6,119,777
G. Rees	2,000	2,000	4,602,001	4,601,501
T. Rees	77,205	77,205	3,195,650	3,195,650

DIRECTORS' REPORT (cont.)

DIRECTORS' MEETINGS

During the financial half-year the attendance at Directors' meetings was as follows:

	Meetings held	Meetings attended
R. Rees	3	3
G. L. Rees	3	3
T. Rees	3	3

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the half-year ended 31 March 2023 is included on page 9 of the Interim Financial Report.

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

On behalf of the Board



Mr. G.L. Rees
Director



Mr. R. Rees
Director

Moorabbin, 22 May, 2023

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

I declare that, to the best of my knowledge and belief, during the half-year ended 31 March 2023 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.



Nexia Melbourne Audit Pty Ltd
Melbourne



Richard S. Cen
Director

Dated this 22nd day of May 2023

Advisory. Tax. Audit.

Registered Audit Company 291969

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SIETEL LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT
OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 MARCH 2023

	Half-Year Ended <u>31 March 2023</u> \$	Half-Year Ended <u>31 March 2022</u> \$
Revenues from ordinary activities	6,441,581	6,750,791
Expenses from ordinary activities	(5,463,480)	(5,142,927)
Impairment of unlisted investments	(548,314)	-
Profit from ordinary activities before income tax expense	429,787	1,607,864
Income tax revenue/(expense) relating to ordinary activities	158,120	(153,355)
Profit from ordinary activities after income tax expense	587,907	1,454,509
Other Comprehensive Income		
Items that may be reclassified subsequently to profit or loss		
Gain (loss) on financial assets at fair value through other comprehensive income	2,997,096	897,393
Deferred tax on (gain) loss on financial assets at fair value through other comprehensive income	(749,274)	(224,348)
Total other comprehensive income	2,247,822	673,045
Total Comprehensive Income for the period	2,835,729	2,127,554
Earnings per share (EPS)		
Basic EPS (cents per share)	7.34	18.16
Diluted EPS (cents per share)	7.27	18.00
Profit for the period attributable to:		
Owners of the Parent	587,907	1,454,509
	587,907	1,454,509
Total comprehensive income for the period attributable to:		
Owners of the Parent	2,835,729	2,127,554
	2,835,729	2,127,554

SIETEL LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	As At <u>31-Mar-23</u> \$	As At <u>30-Sep-22</u> \$
Current Assets		
Cash and cash equivalents	1,905,510	2,669,442
Trade and other receivables	1,220,939	794,234
Inventories	1,999,017	1,511,881
Other current assets	346,043	344,524
Current tax receivables	122,573	-
Total Current Assets	5,594,082	5,320,081
Non-Current Assets		
Financial assets	40,110,298	37,026,290
Property, plant and equipment	2,861,458	2,649,870
Investment property	36,386,833	36,960,973
Deferred tax assets	1,137,168	1,065,763
Total Non-Current Assets	80,495,757	77,702,896
Total Assets	86,089,839	83,022,977
Current Liabilities		
Trade and other payables	1,490,527	897,968
Financial liabilities	400,000	400,000
Other liabilities	334,825	310,868
Provisions	1,393,725	1,292,194
Current tax liabilities	-	26,828
Total Current Liabilities	3,619,077	2,927,858
Non-Current Liabilities		
Financial liabilities	2,700,000	3,900,000
Deferred tax liabilities	1,610,916	867,252
Total Non-Current Liabilities	4,310,916	4,767,252
Total Liabilities	7,929,993	7,695,110
Net Assets	78,159,846	75,327,867
Equity		
Issued capital	4,257,129	4,257,129
Reserves	4,824,338	2,576,516
Retained earnings	69,078,379	68,494,222
Total Shareholders' Equity	78,159,846	75,327,867

SIETEL LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 MARCH 2023

<u>Economic Entity</u>	Issued Capital	Reserves	Retained Earnings	Total Equity
Balance at 1 October 2021	4,257,129	7,195,788	65,163,370	76,616,287
Net profit for the period	-	-	1,454,509	1,454,509
Other comprehensive income/(loss)	-	673,045	-	673,045
Dividends paid	-	-	(3,750)	(3,750)
Balance at 31 March 2022	<u>4,257,129</u>	<u>7,868,833</u>	<u>66,614,129</u>	<u>78,740,091</u>
Balance at 1 October 2022	4,257,129	2,576,516	68,494,222	75,327,867
Net profit for the period	-	-	587,907	587,907
Other comprehensive income/(loss)	-	2,247,822	-	2,247,822
Dividends paid	-	-	(3,750)	(3,750)
Balance at 31 March 2023	<u>4,257,129</u>	<u>4,824,338</u>	<u>69,078,379</u>	<u>78,159,846</u>

SIETEL LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 MARCH 2023

	Half-Year Ended	Half-Year Ended
	<u>31 March 2023</u>	<u>31 March 2022</u>
	\$	\$
Cash flows from Operating Activities		
Receipts from customers	5,307,687	5,188,430
Payment to suppliers & employees	(4,520,582)	(4,452,501)
Income tax paid	8,718	(111,689)
Interest received	28,901	20,078
Dividends received	677,034	678,945
Borrowing costs	-	-
Net cash provided by (used in) operating activities	<u>1,501,758</u>	<u>1,323,263</u>
Cash flows from Investing Activities		
Proceeds from sale of property, plant & equipment	-	-
Proceeds from sale of investment properties	-	-
Proceeds from sale of financial assets	410,348	1,975,822
Payment for property, plant & equipment	(350,956)	(144,721)
Payment for investment properties	-	(6,565,763)
Payment for financial assets	(1,121,332)	(677,797)
Net cash provided by (used in) investing activities	<u>(1,061,940)</u>	<u>(5,412,459)</u>
Cash flows from Financing Activities		
Proceeds from borrowings	-	4,500,000
Repayment of borrowings	(1,200,000)	-
Dividends paid	(3,750)	(3,750)
Net cash provided by (used in) financing activities	<u>(1,203,750)</u>	<u>4,496,250</u>
Net increase (decrease) in cash flows	(763,932)	407,054
Cash at beginning of period	2,669,442	1,382,969
Cash at end of period	<u><u>1,905,510</u></u>	<u><u>1,790,023</u></u>

SIETEL LIMITED
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MARCH 2023

1. Summary of Significant Accounting Policies

Statement of Compliance

This general purpose interim financial report for the half-year ended 31 March 2023 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and operating, financing and investing activities of the consolidated entity as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 September 2022 and considered together with any public announcements made by Sietel Limited during the half-year ended 31 March 2023 and to the date of this report in accordance with the continuous disclosure obligations of the ASX listing rules.

Basis of Preparation of Half-Year Report

The significant accounting policies that have been adopted in the preparation of this half-year financial report are the same accounting policies and methods of computations as those applied in the most recent annual financial report.

The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and effective for the current half-year.

2. Dividends Paid

Half Year Ended 31 March 2023

Class	Date Paid	Amount Per Security	Total
Ordinary – 8,007,479 shares	N/A	N/A	N/A
Preference – 75,000 shares	9 January 2023	5 ¢	\$3,750

Half Year Ended 31 March 2022

Class	Date Paid	Amount Per Security	Total
Ordinary – 8,007,479 shares	N/A	N/A	N/A
Preference – 75,000 shares	7 January 2022	5 ¢	\$3,750

SIETEL LIMITED
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MARCH 2023

3. Controlled Entities and Segment Reporting

(a) Entities controlled by ultimate parent entity Sietel Limited and contribution to Consolidated Profit

Name of Controlled Entity of Sietel Limited	Beneficially Owned by Sietel Limited		Contribution to consolidated operating Profit/(loss) after income tax attributable to members of the chief entity		Investment by Sietel Limited at cost	
	2023	2022	2023	2022	2023	2022
	%	%	\$	\$	\$	\$
Continuing operations						
Cooks Body Works Pty Ltd ⁽¹⁾	100	100	28,625	(94,720)	290,000	290,000
The Cylinder Co Pty Ltd ⁽¹⁾	100	100	48,921	(2,949)	60	60
ABN 17 006 852 820 Pty Ltd ⁽¹⁾	100	100	(982)	(1,891)	481,713	481,713
Alliance Appliances Australia P/L ⁽¹⁾	100	100	(45,310)	(48,965)	237,000	237,000
Sietel Limited ⁽¹⁾	N/A	N/A	556,653	1,603,034	-	-
Total			587,907	1,454,509	1,008,773	1,008,773

⁽¹⁾Companies incorporated in Australia.

(b) Segment Reporting

	Revenue		Results		Assets		Liabilities		Depreciation	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Continuing operations										
Investments	3,092	3,673	604	1,598	82,349	85,560	6,758	8,911	702	672
Operations	3,350	3,078	(17)	(144)	3,741	2,825	1,172	734	11	41
TOTAL	6,442	6,751	587	1,454	86,090	88,385	7,930	9,645	713	713

4. Related Party Transactions

The Group has had no material or unusual related party transactions during the half-year ended 31 March 2023. Arrangements with related parties continue to be in place and transactions for the half-year to 31 March 2023 are similar in nature to those for the year ended 30 September 2022.

Full details of the Group's related party transactions for the year ended 30 September 2022 can be found in the Group's 2022 Annual Report.

5. Subsequent Events

There are no matters or circumstances that have arisen since 31 March 2023 that have significantly affected or may significantly affect the operating results or state of affairs of the company in the near future.

SIETEL LIMITED
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MARCH 2023

6. Capital Commitments

	Half Year Ended 31 March 2023	Year Ended 30 Sept 2022
Capital Commitments		
OneVentures Innovation and Growth Fund II	-	2,272
OneVentures Nominees Vaxxas	51,000	-
OneVentures Healthcare Fund III	208,542	235,066
OneVentures Healthcare Fund V	291,552	365,896
Salvagnini Italia	608,775	-
	1,159,869	603,234

7. Fair Value Measurement of Financial Assets

The table below breaks down which category each asset measured at fair value is grouped into based on the following criteria:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

	Half Year Ended 31 March 2023	Year Ended 30 Sept 2022
Financial Assets		
Level 1	36,248,031	33,274,132
Level 2	3,862,267	3,752,158
Level 3	-	-
	40,110,298	37,026,290

Management have undertaken a review of the unlisted investments held by group companies as at 31 March 2023. Unlisted investments which relate to start up or early development companies which have a relatively high risk of failure and provide only limited financial information have been assigned as nil.

Unlisted investments which are managed by an experienced fund manager have been valued in accordance with written advice from the applicable manager. As such, the fair value of unlisted investments held at 31 March 2023 is \$3,862,267 (2022 \$3,752,158).

SIETEL LIMITED
DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 MARCH 2023

In the Directors' opinion:

- a) The attached financial statements and notes thereto comply with Accounting Standard AASB134 Interim Financial Reporting;
- b) The attached financial statements and notes thereto comply with *Corporations Act 2001* on Interim Financial Reporting;
- c) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the consolidated entity;
- d) 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 the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



Mr. G.L. Rees
Director



Mr. R. Rees
Director

Moorabbin,
22 May 2023

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SIETEL LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Sietel Limited, which comprises the Consolidated Statement of Financial Position as at 31 March 2023, the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

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

- i) giving a true and fair view of Sietel Limited's financial position as at 31 March 2023 and of its performance for the half-year ended on that date; and
- iii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 review report.

Responsibility of the Directors for the 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 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.

Advisory. Tax. Audit.

Registered Audit Company 291969

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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 31 March 2023 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*.

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.



Nexia Melbourne Audit Pty Ltd
Melbourne



Richard S. Cen
Director

Dated this 22nd day of May 2023