

Preliminary Final Report

APPENDIX 4E - FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

1. Company Details

Name of entity:	Oldfields Holdings Limited
ABN:	92 000 307 988
Reporting period:	For the year ended 30 June 2022
Previous period:	For the year ended 30 June 2021

2. Results for Announcement to the Market

	2022 \$'000	2021 \$'000	Movement Up / (Down) \$'000	%
Revenues from ordinary activities	24,474	22,716	1,758	7.7%
EBITDA	(954)	163	(1,117)	(685.3%)
Loss before income tax	(3,815)	(2,296)	(1,519)	66.2%
Loss from ordinary activities after tax attributable to the owners	(4,034)	(2,586)	(1,448)	56.0%
Loss after tax attributable to members of the parent entity	(4,296)	(2,846)	(1,450)	50.9%

The Group's revenue increased by 7.7% from \$22.7m to \$24.5m. Revenue from the consumer products segment increased by 4.6% which had been benefited from the post lockdown effect and the new arrangement with Wattyl. For the Scaffold segment, revenue marginally decreased by 0.6% with the market remained competitive.

The Group's net loss after tax was \$4.0m (2021: Loss \$2.6m). The Group had a loss of \$3.8m before income tax (2021: Loss \$2.3m).

The Group's EBITDA was a loss of \$1.0m (2021: \$0.2m profit) and the decrease was partially attributable to the reduction in government subsidies in relation to COVID from \$1.2m in 2021 to \$0.3m in 2022. The Group's gross margin also decreased from 42.0% in 2021 to 35.4% in 2022 due to increase in market competition and supply chain costs.

Depreciation and amortisation expense for the year was \$2.2m which was a decrease of \$0.2m (2021: \$2.4m) which reflects the impact on the review and changes of expected useful life of some hire equipment.

3. Review of Operations and Financial Results

At the beginning of the 2022 financial year, the business was heavily impacted by the lockdowns in NSW, VIC and SA as well as in New Zealand. With the easing of restrictions, the business started to recover and achieved an 7.7% increase in revenue for the full year.

Despite the construction shutdown in July/August 2021 and the heavy rain conditions in March 2022, the revenue of the Scaffold division only marginally decreased by 0.6% from \$18.3m in 2021 to \$18.2m in 2022. The Scaffolding team engaged in larger jobs with Tiers 1 and 2 builders and won a major rectification / remedial works contract in the City of Armidale. The Armidale project is on a portfolio of 50+ buildings that have been impacted by major storm damages. It will run for 15 to 18 months and will contribute significantly to the results of the Group.

The Paint Tools division has been less affected due to strong sales channel development. Revenue increased by 4.6% from \$6.0m in 2021 to \$6.3m in 2022. Oldfields have been selected by both Wattyl and Dulux as a core suppliers of paint tools to their stores in Australia and New Zealand.

During the year, the Group secured a \$5.0m growth finance facility from Pure Asset Management. The Facility includes the grant of 40,000,000 unlisted and detached warrants to Pure Asset Management to acquire ordinary shares in the Company.

4. Dividends

No dividends have been paid or proposed by Oldfields Holdings Limited during the year.

5. Net Tangible Assets per Security

	2022 Cents per Share	2021 Cents per Share
Net assets per security	0.964	3.014
Net tangible asset backing per ordinary security	0.367	2.396

6. Preliminary Final Report

The preliminary final report of Oldfields Holdings Limited for the year ended 30 June 2022 is attached.

7. Details of Associates and Joint Venture Entities

The Group had no investment in associates and joint ventures during the reporting period.

8. Events After the Current Reporting Period

There are no matters or circumstances that have arisen since 30 June 2022 which significantly affect or could affect the operations of the Group in future years.

9. Audit Status

The report is based on accounts that are in the process of being audited.



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Jonathan Day (Chairman)



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Ka Lung Alan Lee (Company Secretary)

Dated: 31 August 2022

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Sales revenue	4	24,474	22,716
Cost of sales		(15,799)	(13,181)
Gross profit		8,675	9,535
Other income	4	586	1,183
Expenses:			
Depreciation and amortisation expense		(600)	(930)
Depreciation and amortisation of right-of-use assets		(1,602)	(1,472)
Other expenses from ordinary activities:			
Sales and distribution expenses		(6,227)	(7,228)
Marketing expenses		(116)	(217)
Occupancy expenses		(320)	(286)
Administrative expenses		(3,557)	(2,641)
Finance costs		(654)	(240)
(Loss) profit before income tax		(3,815)	(2,296)
Tax expense		(219)	(290)
Net loss from continuing operations		(4,034)	(2,586)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax		92	(27)
Other comprehensive income for the year, net of tax		92	(27)
Total comprehensive income for the year		(3,942)	(2,613)
Net loss for the year attributable to:			
Members of the parent entity		(4,296)	(2,846)
Non-controlling interest		262	260
Total net loss for the year		(4,034)	(2,586)
Comprehensive income attributable to:			
Members of the parent entity		(4,204)	(2,873)
Non-controlling interest		262	260
Total comprehensive income for the year		(3,942)	(2,613)
	Note	Cents	Cents
Earnings per share from continuing operation attributable to members of the parent entity			
Basis earnings per share	8	(2.562)	(1.697)
Diluted earnings per share	8	(2.562)	(1.697)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2022

	Note	2022 \$'000	2021 \$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,426	1,022
Trade and other receivables		6,518	4,089
Inventories		3,740	2,568
Current tax assets		95	85
TOTAL CURRENT ASSETS		11,779	7,764
NON-CURRENT ASSETS			
Property, plant and equipment		2,606	3,119
Right-of-use asset		3,400	3,469
Intangible assets		1,001	1,036
TOTAL NON-CURRENT ASSETS		7,007	7,624
TOTAL ASSETS		18,786	15,388
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		7,841	4,903
Borrowings	6	4,308	390
Lease liabilities		794	1,477
Current tax liabilities		-	97
Employees benefit obligations		993	929
TOTAL CURRENT LIABILITIES		13,936	7,796
NON-CURRENT LIABILITIES			
Lease liabilities		2,961	2,309
Deferred tax liabilities		198	177
Employees benefit obligations		75	51
TOTAL NON-CURRENT LIABILITIES		3,234	2,537
TOTAL LIABILITIES		17,170	10,333
NET ASSETS		1,616	5,055
EQUITY			
Issued capital	7	26,086	26,086
Warrant reserve		692	-
Other reserves		84	(8)
Accumulated loss		(26,061)	(21,765)
Parent interest		801	4,313
Non-controlling interest		815	742
TOTAL EQUITY		1,616	5,055

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2022

	Note	Issued Capital \$'000	Warrant Reserve \$'000	Other Reserves \$'000	Accumulated Losses \$'000	Subtotal \$'000	Non- Controlling Interests \$'000	Total \$'000
Balance at 1 July 2021		26,086	-	(8)	(21,765)	4,313	742	5,055
Comprehensive income								
Profit (loss) for the year		-	-	-	(4,296)	(4,296)	262	(4,034)
Other comprehensive income for the year		-	-	92	-	92	-	92
Total comprehensive income for the year		-	-	92	(4,296)	(4,204)	262	(3,942)
Transactions with owners in their capacity as owners								
Issue of share capital	7	-	-	-	-	-	-	-
Warrants issued		-	692	-	-	692	-	692
Dividends		-	-	-	-	-	(189)	(189)
Total transactions with owners and other transfers		-	692	-	-	692	(189)	503
Balance at 30 June 2022		26,086	692	84	(26,061)	801	815	1,616

For the year ended 30 June 2021

	Note	Issued Capital \$'000	Warrant Reserve \$'000	Other Reserves \$'000	Accumulated Losses \$'000	Subtotal \$'000	Non- Controlling Interests \$'000	Total \$'000
Balance at 1 July 2020		26,086	-	19	(18,919)	7,186	747	7,933
Comprehensive income								
Profit (loss) for the year		-	-	-	(2,846)	(2,846)	260	(2,586)
Other comprehensive income for the year		-	-	(27)	-	(27)	-	(27)
Total comprehensive income for the year		-	-	(27)	(2,846)	(2,873)	260	(2,613)
Transactions with owners in their capacity as owners								
Issue of share capital	7	-	-	-	-	-	-	-
Dividends provided for or paid		-	-	-	-	-	(265)	(265)
Total transactions with owners and other transfers		-	-	-	-	-	(265)	(265)
Balance at 30 June 2021		26,086	-	(8)	(21,765)	4,313	742	5,055

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2022

Note	2022 \$'000	2021 \$'000
OPERATING ACTIVITIES		
Receipts from customers	24,252	25,103
Payments to suppliers and employees	(25,154)	(24,564)
	(902)	539
Interest received	-	-
Other income received	586	1,183
Finance costs	(621)	(240)
Income tax paid	(304)	(224)
Net cash provided by operating activities	(1,241)	1,258
INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	(1,071)	(693)
Payments for intangibles	(11)	(141)
Net cash used in investing activities	(1,082)	(834)
FINANCING ACTIVITIES		
Proceeds from borrowings	4,285	376
Repayment of borrowings	(400)	(383)
Loans from related party		
- proceeds from borrowings	469	275
- repayments made	(469)	-
Lease repayments	(969)	(1,190)
Dividends paid by controlled entities to non-controlling interests	(189)	(265)
Net cash provided by financing activities	2,727	(1,187)
Net increase (decrease) in cash and cash equivalents	404	(763)
Net increase (decrease) in cash and cash equivalents	404	(763)
Cash and cash equivalents at beginning of financial year	1,022	1,785
Cash and cash equivalents at end of financial year	1,426	1,022

The accompanying notes form part of these financial statements.

Notes to the Preliminary Final Report

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Notes to the Preliminary Final Report

1. General Information and Statement of Compliance

These consolidated financial statements and notes represent those of Oldfields Holdings Limited and Controlled Entities (the “Consolidated Group” or “Group”). The separate financial statements of the Parent Entity, Oldfields Holdings Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

2. Summary of Significant Accounting Policies

2.1 Basis of Preparation

The financial statements have been prepared on the historical cost basis except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and derivative financial instruments.

Where applicable, comparative figures are adjusted to conform to changes in classification and presentation for the current financial year.

2.2 Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

During the full year period ended 30 June 2022, the Group incurred a net loss after tax of \$4.0m and was in a net current liability position of \$2.1m.

The directors believe there are reasonable grounds to conclude the Group will continue as a going concern on the basis of the following:

- The Group has prepared a detailed cash flow forecast which indicates sufficient cash flow for the period of 12 months from the date of this report. There is a considerable degree of judgement involved in preparing these forecasts and the underlying assumptions are subject to uncertainties which are often outside the control of the Group. Accordingly, actual economic conditions are likely to be different from these forecasts since anticipated events frequently do not occur as expected, and the effect of those differences may significantly impact accounting estimates included in these financial statements; and
- The Group’s major shareholder, EQM Holdings Pty Ltd, has confirmed that they will provide the financial support necessary for the Group to be able to continue its normal course of operations including paying its debts as and when they become payable for a period of 12 months from the date of signing the 30 June 2022 Full Year Report.

Although the global economic environment is uncertain, management has determined that the actions that it has taken are sufficient to mitigate the uncertainty and has therefore prepared the financial statements on a going concern.

2.3 Functional and Presentation Currency

The functional currency of each of the Group’s entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the Parent Entity’s functional currency.

2.4 Rounding

The parent entity has applied the relief available to it under *ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191*. Accordingly, amounts in the financial statements have been rounded to the nearest thousand dollars unless otherwise stated.

2.5 Key Judgements, Estimates and Assumptions

In the process of applying the Group’s accounting policies, management has made a number of judgements, applied estimates and assumptions of future events. Judgements, estimates and assumptions which are material to the Group’s financial report are discussed below and in the following notes:

- Revenue and other income
- Borrowings

2.6 Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of Oldfields Holdings Limited and all of the subsidiaries. Subsidiaries are entities the Parent controls. The Parent controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Inter-company transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Where necessary, accounting policies of subsidiaries are changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as ‘Non-Controlling Interests’. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

2.7 Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is obtained, whereby the fair value of the identifiable assets acquired and liabilities assumed, including contingent liabilities, are recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in the profit or loss and other comprehensive income statement when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

2.8 Foreign Currency

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as

- (i) assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- (ii) income and expenses are translated at average exchange rates for the period; and
- (iii) retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

2.9 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.10 Leases

The Group as a Lessee

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the lease term.

The Group as a Lessor

As a lessor, the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset and classified as an operating lease if it does not.

2.11 Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets

Classification and Subsequent Measurement

Financial assets that meet the following conditions are measured subsequently at amortised cost:

- Held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.11 Financial Instruments (continued)

Financial assets that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

As at 30 June 2022, the Group's financial assets consist of cash and cash equivalents and trade and other receivables which are measured at amortised cost in accordance with the above accounting policy.

Non-derivative financial liabilities are initially measured at fair value and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

As at 30 June 2022, the Group's financial liabilities consist of trade and other payables, bank loans, hire purchase loans and finance lease liabilities which are measured at amortised cost in accordance with the above accounting policy.

2.12 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from or payable to the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

2.13 Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statement is presented.

2.14 Other Accounting Policies

Significant and other accounting policies that summarise the measurement basis used and are relevant to the understanding of the financial statements are provided throughout the notes to the financial statements.

3. Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by Chief Operating Decision Maker (CODM), being the Board of Directors, in assessing performance and in determining the allocation of resources.

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

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

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

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the CODM. The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Unless stated otherwise, all amounts reported to the Board of Directors, being the CODM with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

The primary operating segments during the current financial period were:

- (i) **Consumer Products**
The consumer products segment imports, manufactures and distributes paint brushes, paint rollers, painter's tools, garden sheds and outdoor storage systems.
- (ii) **Scaffolding**
The scaffolding segment manufactures and distributes scaffolding and related equipment. In addition, this segment is engaged in hiring scaffold and access solutions to the building maintenance and construction industries.

3.1 Operating Segment Performance

Year ended 30 June 2022

	Consumer Products \$'000	Scaffolding \$'000	Intersegment Eliminations/ Unallocated \$'000	Total \$'000
Revenue				
Sale of goods	6,287	3,087	-	9,374
Hire and services revenue	-	15,100	-	15,100
Total segment revenue	6,287	18,187	-	24,474
Government grants and subsidies	4	-	326	330
Other income	1	246	9	256
Total other revenue	5	246	335	586
Total revenue and other income	6,292	18,433	335	25,060
Adjusted segment EBITDA	(39)	(223)	(692)	(954)
Depreciation and amortisation expense	(8)	(536)	(56)	(600)
Depreciation and amortisation of right-of-use assets	(196)	(1,232)	(174)	(1,602)
Finance costs	-	-	(654)	(654)
Unrealised foreign exchange loss	-	-	(5)	(5)
Profit (loss) before income tax	(243)	(1,991)	(1,581)	(3,815)
Income tax expense	-	(219)	-	(219)
Profit (loss) after income tax	(243)	(2,210)	(1,581)	(4,034)

Year ended 30 June 2021

	Consumer Products \$'000	Scaffolding \$'000	Intersegment Eliminations/ Unallocated \$'000	Total \$'000
Revenue				
Sale of goods	6,009	4,299	(1,586)	8,722
Hire and services revenue	-	13,994	-	13,994
Total segment revenue	6,009	18,293	(1,586)	22,716
Government grants and subsidies	-	-	1,176	1,176
Other income	3	4	-	7
Total other revenue	3	4	1,176	1,183
Total revenue and other income	6,012	18,297	(410)	23,899
Adjusted segment EBITDA	(74)	(39)	276	163
Depreciation and amortisation expense	(6)	(899)	(25)	(930)
Depreciation and amortisation of right-of-use assets	(172)	(1,078)	(222)	(1,472)
Finance costs	(48)	(159)	(33)	(240)
Unrealised foreign exchange loss	-	-	183	183
Profit (loss) before income tax	(300)	(2,175)	179	(2,296)
Income tax expense	-	(290)	-	(290)
Profit (loss) after income tax	(300)	(2,465)	179	(2,586)

All inter-segment transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated to reporting segments based on the segment's overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Adjusted segment EBITDA excludes discontinued operations and the effects of individually significant expenditure, such as restructuring costs, legal expenses, and impairments when the impairment is the result of an isolated non-recurring event. It also excludes the effects of equity-settled share-based payments when applicable and unrealised gains or losses on financial instruments.

Interest revenue and finance cost are not allocated to segments as this type of activity is driven by the central treasury function which manages the cash position of the Group.

3.2 Operating Segment Assets and Liabilities

As at 30 June 2022

	Consumer Products \$'000	Scaffolding \$'000	Intersegment Eliminations/ Unallocated \$'000	Total \$'000
Segment assets	3,055	16,669	(938)	18,786
Segment liabilities	(4,192)	(7,423)	(5,555)	(17,170)
Segment net assets	(1,137)	9,246	(6,493)	1,616

As at 30 June 2021

	Consumer Products \$'000	Scaffolding \$'000	Intersegment Eliminations/ Unallocated \$'000	Total \$'000
Segment assets	2,728	14,258	(1,598)	15,388
Segment liabilities	(3,784)	(3,192)	(3,357)	(10,333)
Segment net assets	(1,056)	11,066	(4,955)	5,055

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of the economic value from the asset. In most instances segment assets are clearly identifiable on the basis of their nature and physical location.

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If intersegment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates.

4. Revenue and Other Income

The Group derives the following types of revenue:

	2022 \$'000	2021 \$'000
Sales revenue		
Sale of goods	9,374	8,722
Revenue from services	10,048	8,169
Revenue from operating leases		
Hire of equipment	5,052	5,825
Total sales revenue	24,474	22,716
Other income		
Government grants and subsidies	330	1,176
Interest income	-	-
Other income	256	7
Total other income	586	1,183
Total revenue and other income from continuing operations	25,060	23,899

4.1 Recognition and Measurement

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and rebates payables. When the inflow of consideration is deferred it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue. Revenue is stated net of the amount of goods and services tax.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Revenue from services (providing scaffolding labour in installation and dismantling) is recognised at one or more points in time as services can be staged progressively as they are rendered. Revenue is recognised based on the actual service provided to the end of the reporting period because the customer receives and uses the benefits simultaneously. Labour services revenue are recognised over time under AASB 15 Revenue from Contracts with Customers.

Revenue recognition on equipment hire commences once scaffold equipment is either collected by the customer, delivered to the customer or once a scaffolding structure has been certified to be safe and access granted to customers or control otherwise passes to a customer. Revenue is recognised over straight-line basis over the life of the hire agreements per AASB 16 Leases.

5. Cash and Cash Equivalents

	2022 \$'000	2021 \$'000
Cash on hand	1	2
Cash at bank	1,309	904
Short term deposits	116	116
Total cash and cash equivalents	1,426	1,022

6. Borrowings

	2022 \$'000	2021 \$'000
CURRENT		
Bank loans	250	-
Shareholder loan	-	275
Other financing liabilities	194	115
Net loan facility with Pure Asset Management	3,864	-
Total borrowings	4,308	390

	2022 \$'000	2021 \$'000
Net loan facility with Pure Asset Management		
Loan facility with Pure Asset Management	5,000	-
Fair value of attaching warrants	(692)	-
Transaction costs	(600)	-
	3,708	-
Amortisation of finance components (warrants and transaction costs)	62	-
Interest accrued	94	-
Net loan facility with Pure Asset Management	3,864	-

The PURE Facility is over a 4-year term with 9.75% interest rate, interest payable every 3 months. Transaction costs are costs that are directly attributable to the loan and include loan origination fees, legal and advisory fees and warrants. 40,000,000 unlisted and detached warrants were issued to PURE (25,155,000 on 22 April 2022 and 14,845,000 on 30 June 2022) with exercise price of \$0.105 each. These have been valued using Monte Carlo simulation method. The balance of unamortised fair value of attaching warrants and transaction costs of \$1,265,967 is offset against the borrowings of \$5,000,000. The security of the facility is a first-ranking general security over all assets of Oldfields Holdings Limited and its subsidiaries.

During the period, a continuing review event under the terms of the Facility Agreement with Pure Asset Management occurred as a result of the Group's trailing 6-month EBITDA to June 2022 ("Relevant Period") failing below the covenant. Pure Asset Management has continued to be supportive to the Group. The loan has been classified as current as at 30 June 2022 as while the continuing review event persists, the Group does not have the unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

6.1 Recognition and Measurement

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

7. Share Capital

	2022 Number	2022 \$'000	2021 Number	2021 \$'000
Share capital at the beginning of the reporting period	167,706,527	26,086	167,706,527	26,086
Shares issued during the year	-	-	-	-
Transaction costs on raising capital	-	-	-	-
Share capital at the end of the reporting period	167,706,527	26,086	167,706,527	26,086

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

40,000,000 unlisted and detached warrants were issued to Pure Asset Management (25,155,000 on 22 April 2022 and 14,845,000 on 30 June 2022) with exercise price of \$0.105 each. These have been valued at \$692,000 using Monte Carlo simulation method. These costs have been offset against the associated borrowings of \$5,000,000.

8. Earnings per Share

	2022 \$'000	2021 \$'000
a) Reconciliation of earnings to profit or loss		
Loss for the year	(4,034)	(2,586)
Less: Profit attributable to non-controlling equity interest	(262)	(260)
Earnings used to calculate basic EPS	(4,296)	(2,846)

8. Earnings per Share (continued)

	2022 Number	2021 Number
b) Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted EPS	167,706,527	167,706,527
	2022 Cents	2021 Cents
c) Earnings per share	(2.562)	(1.697)

8.1 Calculation of Earnings per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Oldfields Holdings Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

9. Subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares or ordinary units which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation.

Name of Subsidiary	Principal Place of Business	Ownership Interest		Non-Controlling Interests	
		2022 %	2021 %	2022 %	2021 %
Subsidiaries of Oldfields Holdings Limited:					
Oldfields Pty Limited	Australia	100%	100%	0%	0%
Oldfields Advance Scaffold Pty Limited	Australia	100%	100%	0%	0%
Oldfields Administration Pty Limited	Australia	100%	100%	0%	0%
Oldfields International Pty Limited	Australia	100%	100%	0%	0%
Advance Scaffold Solutions Pty Limited	Australia	100%	100%	0%	0%
Oldfields Supply Chain Solutions Pty Ltd	Australia	100%	100%	0%	0%
Oldfields Finance Solutions Pty Ltd	Australia	100%	100%	0%	0%
Oldfields Funds Management Pty Ltd	Australia	100%	100%	0%	0%
Subsidiaries of Oldfields Advance Scaffold Pty Limited:					
Adelaide Scaffold Solutions Pty Limited	Australia	60%	60%	40%	40%
Subsidiaries of Oldfields Administration Pty Limited:					
National Office Service Trust	Australia	100%	100%	0%	0%
Subsidiaries of Oldfields International Pty Limited:					
Oldfields (NZ) Limited	New Zealand	100%	100%	0%	0%
Oldfields Paint Applications (NZ) Limited	New Zealand	100%	100%	0%	0%
Oldfields USA Incorporated	USA	100%	100%	0%	0%
Oldfields Engineering Technology (Henan) Co Limited	China	100%	100%	0%	0%
Oldfields Engineering Technology (Shenzhen) Co Limited	China	100%	100%	0%	0%
Foshan Advcorp Scaffold Limited	China	100%	100%	0%	0%
Subsidiaries of Oldfields Finance Solutions Pty Ltd:					
Oldfields Finance Solutions Pty Ltd	Australia	100%	100%	0%	0%

10. Events After the Reporting Period

There are no matters or circumstances that have arisen since 30 June 2022 which significantly affect or could affect the operations of the Group in future years.