

# **Cumi (Australia) Pty Limited**

ABN 24 094 328 882

## **Financial Statements**

For the Year Ended 31 March 2022

# Cumi (Australia) Pty Limited

ABN 24 094 328 882

## Directors' Report 31 March 2022

The directors present their report on Cumi (Australia) Pty Limited for the financial year ended 31 March 2022.

### Information on directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Trevor Allen

Ananthaseshan Narayanan

Muthiah Murugappan

Shyham Satyanarayan Rao

### Principal activities

The principal activity of Cumi (Australia) Pty Limited during the financial year consisted of:

- Supply of industrial ceramic products
- Supply of other related products including abrasives and refractories.

### Operating results

The profit of the Company after providing for income tax amounted to \$ 2,501,308 (2021: \$ 1,962,656).

### Dividends paid or recommended

Dividends paid or declared since the start of the financial year are as follows:

- A fully franked dividend of \$1,962,656 (\$957.39 per share) was paid during the year as recommended in last year's report.
- A fully franked interim dividend of \$2,699,093 (\$1,316.63 per share) was recommended and paid during last year.
- A fully franked dividend of \$2,501,308 (\$1,220.15 per share) was declared for payment for the year ended on 31 March 2022.

### Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

### Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

### Likely developments and expected results of operations

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report.

# Cumi (Australia) Pty Limited

ABN 24 094 328 882

## Directors' Report

31 March 2022

### Environmental regulation

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

### Indemnification and insurance of officers and auditors

The Company has indemnified the directors of the Company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors of the Company against a liability to the extent permitted by the Corporations Act 2001.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

### Proceedings on behalf of company

The Company was not a party to any such proceedings during the year.

### Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 March 2022 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors:



Director: .....

Trevor Allen

Dated 13 April 2022

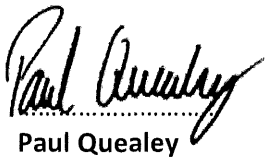
**CUMI (AUSTRALIA) PTY LIMITED**  
**A.B.N 24 094 328 882**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER**  
**SECTION 307C OF THE CORPORATIONS ACT 2001**

**TO THE DIRECTORS OF CUMI (AUSTRALIA) PTY LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2022 there have been: -

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



**Paul Quealey**  
Partner  
Lambourne Partners

Level 1, 56 Hudson Street  
HAMILTON NSW 2303

Dated: 13 April 2022

**Lambourne Partners**

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## Cumi (Australia) Pty Limited

ABN 24 094 328 882

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 March 2022

|  | Note | 2022<br>\$       | 2021<br>\$       |
|--|------|------------------|------------------|
| <b>Revenue</b>   |      |                  |                  |
| Revenue  | 4    | 21,071,339       | 18,801,957       |
| <b>Profit after income tax expense for the year attributable to the owners of Cumi (Australia) Pty Limited</b> |      | <u>2,501,308</u> | <u>1,962,656</u> |
| Other comprehensive income for the year, net of tax  |      | -                | -                |
| <b>Total comprehensive income for the year</b>   |      | <u>2,501,308</u> | <u>1,962,656</u> |

The accompanying notes form part of these financial statements.

# Cumi (Australia) Pty Limited

ABN 24 094 328 882

## Statement of Financial Position As At 31 March 2022

|                                  | Note | 2022<br>\$        | 2021<br>\$        |
|----------------------------------|------|-------------------|-------------------|
| <b>ASSETS</b>                    |      |                   |                   |
| CURRENT ASSETS                   |      |                   |                   |
| Cash and cash equivalents        | 7    | 3,916,102         | 5,092,479         |
| Trade and other receivables      | 8    | 4,224,556         | 4,138,969         |
| Inventories                      | 9    | 3,005,388         | 1,911,269         |
| Derivative financial instruments | 10   | 540,979           | 644,912           |
| Contract assets                  | 11   | 527,889           | 372,636           |
| Income Tax Receivable            |      | 8                 | 6                 |
| Other Assets                     | 12   | 241,110           | 167,045           |
| TOTAL CURRENT ASSETS             |      | <u>12,456,032</u> | <u>12,327,316</u> |
| NON-CURRENT ASSETS               |      |                   |                   |
| Property, plant and equipment    | 13   | 2,395,885         | 2,239,292         |
| Right-of-use assets              | 14   | 1,489,926         | 1,645,044         |
| Deferred tax assets              | 22   | 341,446           | 302,255           |
| TOTAL NON-CURRENT ASSETS         |      | <u>4,227,257</u>  | <u>4,186,591</u>  |
| TOTAL ASSETS                     |      | <u>16,683,289</u> | <u>16,513,907</u> |
| <b>LIABILITIES</b>               |      |                   |                   |
| CURRENT LIABILITIES              |      |                   |                   |
| Trade and other payables         | 15   | 1,160,372         | 1,469,479         |
| Derivative Financial Instruments | 16   | 561,544           | 650,079           |
| Lease liabilities                | 17   | 195,208           | 225,618           |
| Employee benefits                | 18   | 562,835           | 555,628           |
| Provisions                       | 19   | 2,501,308         | 1,962,656         |
| Other                            | 20   | 507,029           | 437,635           |
| TOTAL CURRENT LIABILITIES        |      | <u>5,488,296</u>  | <u>5,301,095</u>  |
| NON-CURRENT LIABILITIES          |      |                   |                   |
| Non-current Lease liabilities    | 17   | 1,370,381         | 1,479,704         |
| Deferred tax liabilities         | 22   | 139,069           | 47,565            |
| TOTAL NON-CURRENT LIABILITIES    |      | <u>1,509,450</u>  | <u>1,527,269</u>  |
| TOTAL LIABILITIES                |      | <u>6,997,746</u>  | <u>6,828,364</u>  |
| NET ASSETS                       |      | <u>9,685,543</u>  | <u>9,685,543</u>  |
| <b>EQUITY</b>                    |      |                   |                   |
| Share capital                    | 23   | 500,797           | 500,797           |
| Retained Earnings                | 24   | 9,184,746         | 9,184,746         |
| TOTAL EQUITY                     |      | <u>9,685,543</u>  | <u>9,685,543</u>  |

The accompanying notes form part of these financial statements.

# Cumi (Australia) Pty Limited

ABN 24 094 328 882

## Statement of Cash Flows For the Year Ended 31 March 2022

|   | Note | 2022<br>\$              | 2021<br>\$              |
|---|------|-------------------------|-------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>              |      |                         |                         |
| Receipts from customers                                   |      | 23,867,385              | 18,544,564              |
| Payments to suppliers and employees                       |      | (21,645,117)            | (15,101,543)            |
| Interest received   |      | 12,584                  | 32,669                  |
| Interest paid   |      | (143,040)               | (99,305)                |
| Income taxes paid   |      | (943,232)               | (913,984)               |
| Other receipts  |      | 237,537                 | 904,050                 |
| Net cash provided by/(used in) operating activities       | 28   | <u>1,386,117</u>        | <u>3,366,451</u>        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>              |      |                         |                         |
| Proceeds from sale of plant and equipment                 |      | 57,289                  | -                       |
| Purchase of property, plant and equipment                 |      | (430,174)               | (128,289)               |
| Net cash provided by/(used in) investing activities       |      | <u>(372,885)</u>        | <u>(128,289)</u>        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>              |      |                         |                         |
| Payment of finance lease liabilities                      |      | (226,953)               | (251,027)               |
| Dividends paid  |      | (1,962,656)             | (2,699,093)             |
| Net cash provided by/(used in) financing activities       |      | <u>(2,189,609)</u>      | <u>(2,950,120)</u>      |
| Net increase/(decrease) in cash and cash equivalents held |      | (1,176,377)             | 288,042                 |
| Cash and cash equivalents at beginning of year            |      | <u>5,092,479</u>        | <u>4,804,437</u>        |
| Cash and cash equivalents at end of financial year        | 7    | <u><u>3,916,102</u></u> | <u><u>5,092,479</u></u> |

The accompanying notes form part of these financial statements.

## Cumi (Australia) Pty Limited

ABN 24 094 328 882

### Directors' Declaration

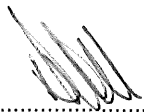
The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 29, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards as stated in Note 1; and
  - (b) give a true and fair view of the Company's financial position as at 31 March 2022 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....



Trevor Allen

Dated 13 April 2022



**CUMI (AUSTRALIA) PTY LIMITED**  
**A.B.N 24 094 328 882**

**INDEPENDENT AUDIT REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Opinion**

We have audited the financial report of Cumi (Australia) Pty Limited (the Company), which comprises the balance sheet as at 31 March 2022, the profit and loss, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors Declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Company as at 31 March 2022, and its financial performance, changes in equity and its cash flows for the year then ended in accordance with the accounting policies outlined at Note 1 to the financial report.

**Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Company to meet the requirements of the applicable legislation. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management and Those Charged With Governance is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Report**

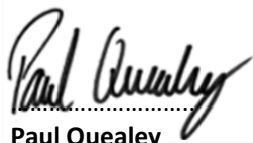
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.



As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Paul Quealey**  
Partner  
Lambourne Partners

Level 1, 56 Hudson Street  
HAMILTON NSW 2303

Dated: 13 April 2022