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Clover Corporation Limited

ASX Appendix 4E
Preliminary Final Report
31st July 2022

Lodged with the ASX under Listing Rule 4.3A

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The reporting period is the financial year ended 31 July 2022 with the corresponding period being the financial year ended 31 July 2021.

Results for Announcement to the Market

- Total revenue increased 16.8% to \$70.7m;
- Net profit after tax is \$7.133m (2021: profit of \$6.004m);
- For a further explanation of the financial period operating result, please refer to the Review of Operations.

		% Change	Amount of Change \$'000		\$'000
Revenue from ordinary activities	Up	16.8%	10,155	to	70,660
Profit/(Loss) from ordinary activities after tax attributable to members	Up	18.8%	1,129	to	7,133
Net profit/(loss) for the period attributable to members	Up	5.0%	298	to	6,288

Dividends/distributions	Amount per security	Franked %
This Period		
Final dividend	1.0 cent	100%
Interim dividend	0.5 cent	100%
Previous corresponding period		
Final dividend	0.5 cent	100%
Interim dividend	0.5 cent	100%

Record date for determining entitlements to the final dividend:

26 October 2022

Payment date for determining entitlements to the final dividend:

22 November 2022

Dividend reinvestment plans

There is no dividend reinvestment plan as at 31 July 2022.

Explanation of Operating Results

For a further explanation of the financial period operating result, please refer to the Review of Operations.

NTA Backing

	2022	2021
Net tangible asset backing per ordinary share after tax	36.73 cents	33.98 cents

EPS

	2022	2021
Basic Earnings per Share	4.29 cent	3.61 cent
Diluted Earnings per Share	4.29 cent	3.61 cent

Explanation of Profit after tax

For an explanation of the financial year operating results, please refer to the Review of Operations.

Explanation of Net Profit

For an explanation of the financial year operating results, please refer to the Review of Operations.

Explanation of Dividends

For an explanation of the dividend declared, please refer to the Review of Operations.

Other information

This report is based on accounts which have been audited, and an unqualified audit opinion has been issued.



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PRELIMINARY FINAL REPORT FOR THE FINANCIAL YEAR ENDED 31 JULY 2022

Clover Corporation Limited
Financial year ended 31 July 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 JULY 2022

	Notes	31-Jul-22 \$'000	31-Jul-21 \$'000
Sale of goods	1	70,660	60,505
Other (expense) / income	1	(168)	(180)
Interest Expense		(455)	(401)
Raw materials, consumables & conversion costs		(49,128)	(41,731)
Sales and marketing expenses		(4,002)	(2,842)
Administration and corporate expenses		(4,557)	(4,742)
Research and development expenses		(1,857)	(1,670)
Loss in Investment		(653)	(764)
Profit before income tax		9,840	8,175
Income tax (expense)		(2,707)	(2,171)
Profit after tax for the period		7,133	6,004
Other comprehensive loss			
Foreign currency translation adjustment, net of 30% tax		(845)	(14)
Total comprehensive (loss)/income for the period		6,288	5,990
Earnings per share (EPS)			
Basic earnings per share (cent per share)		4.29	3.61
Diluted earnings per share (cent per share)		4.29	3.61

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2022**

	Notes	31-Jul-22 \$'000	31-Jul-21 \$'000
Current assets			
Cash and cash equivalents	6	10,111	9,091
Trade and other receivables	7	19,562	13,265
Inventories	8	35,965	30,777
Current tax asset	4	-	431
Other current assets - prepayments		1,222	1,173
		66,860	54,737
Non-current assets			
Property, plant and equipment	9	8,027	6,994
Right of use assets	10	1,150	1,108
Investments in associates	11	11,816	13,072
Deferred tax assets	4	844	914
Intangible assets	12	1,907	1,907
		23,744	23,995
Total assets		90,604	78,732
Current liabilities			
Trade and other payables	13	13,560	5,295
Interest bearing liabilities	14	1,668	1,623
Lease liability	15	113	113
Current tax liabilities		1,039	-
Short-term provisions	16	867	807
		17,247	7,838
Non-current liabilities			
Interest bearing liabilities	14	9,243	11,454
Lease liability	15	1,054	996
Long-term provisions	16	20	28
		10,317	12,478
Total liabilities		27,564	20,316
Net assets		63,040	58,416
Equity			
Issued capital	17	35,603	35,603
Reserves	18	(1,011)	(166)
Retained profits		28,448	22,979
Total equity		63,040	58,416

The Statement of Financial Position should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JULY 2022**

Consolidated	Issued capital \$'000	Retained earnings \$'000	Share- based payment reserve \$'000	Foreign currency translation reserve \$'000	Total \$'000
Balance at 1 August 2020	35,368	21,964	389	(152)	57,569
Share issue for period	235	-	-	-	235
Profit for the period	-	6,004	-	-	6,004
Dividend paid	-	(4,989)	-	-	(4,989)
Share-based payment reserve	-	-	(389)	-	(389)
Foreign currency translation reserve	-	-	-	(14)	(14)
Balance at 31 July 2021	35,603	22,979	-	(166)	58,416
Balance at 1 August 2021	35,603	22,979	-	(166)	58,416
Share issue for period	-	-	-	-	-
Profit for the period	-	7,133	-	-	7,133
Dividend paid	-	(1,664)	-	-	(1,164)
Share-based payment reserve	-	-	-	-	-
Foreign currency translation reserve	-	-	-	(845)	(845)
Balance at 31 July 2022	35,603	28,448	-	(1,011)	63,040

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2022**

	31-Jul-22 \$ '000	31-Jul-21 \$ '000
Cash flows from operating activities		
Receipts from customers	64,362	63,821
Payments to suppliers and employees	(56,157)	(52,333)
Interest paid	(456)	(401)
Income tax paid	(1,167)	(2,859)
Net cash inflow from operating activities	6,582	8,228
Cash flows from investing activities		
Acquisition of plant and equipment	(1,598)	(1,831)
Proceeds from sale of investments	-	-
Investment in Associates	-	-
Net cash outflow from investing activities	(1,598)	(1,831)
Cash flows from financing activities		
Dividends paid	(1,664)	(4,989)
Repayment of interest-bearing liabilities	(2,166)	(1,443)
Lease payments	(134)	(115)
Share based payments	-	-
Issue of interest-bearing liabilities	-	-
Net cash outflow from financing activities	(3,964)	(6,547)
Net increase in cash held	1,020	(150)
Cash at the beginning of the year	9,091	9,241
Cash at the end of the year	10,111	9,091

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2022**

	31-Jul-22 \$'000	31-Jul-21 \$'000
1. Operating Result		
Profit before income tax includes the following items of income and expense which, together with other disclosures in this report are relevant in explaining the financial performance for the year:		
Revenue		
Sale of goods	70,660	60,505
Net exchange gains	-	-
Proceeds on sale of investments	-	-
Interest revenue	-	2
Total Revenue	70,660	60,507
Depreciation and Amortisation	(712)	(707)
Net exchange losses	(331)	180
Interest Expense	(455)	(403)

2. Dividends

	Amount per security CPS
Final dividend	
Final dividend not recognised in accumulated profits expected to be paid on 22 November 2022	1.0
Final dividend for previous corresponding year paid on 16 November 2021	0.5
Interim dividend	
Interim dividend	0.5
Interim dividend for previous corresponding year – none paid	0.5
Dividend declared after balance date	

The Directors have declared a final dividend for the financial year ended 31 July 2022 of 1.0 cent per share (2021: final 0.5 cent per share) fully franked at 30%, payable on 22 November 2022, but not recognised as a liability at the end of the financial period. The record date for this dividend will be 26 October 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2022 (continued)

3. Segment information

Identification of reportable segments

The consolidated entity operates in the industry of processing tuna oil and manufacturing encapsulated products in Australia. Financial information about the business as a whole is reported to and reviewed by the Chief Executive Officer and Board of Directors on a monthly basis, in order to assess performance and determine the allocation of resources.

Geographical information

Revenues from external customers by domestic and export location of operations and information about its non-current assets by location of assets is shown in the following table.

	Revenue from external Customers		Non-current Assets	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Australia / New Zealand	25,702	21,667	21,837	22,088
Asia	28,057	24,317	-	-
Europe	12,664	10,444	-	-
Americas	4,237	4,077	-	-
Total	70,660	60,505	21,837	22,088

4. Audit

This report is based on financial statements that have been audited by Company auditors PKF, who have issued an unqualified audit report.