



# **ZICOM GROUP LIMITED**

## **Appendix 4D**

**For the six months ended**

**31 December 2014**

For personal use only

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Name of entity:** ZICOM GROUP LIMITED

ABN: 62 009 816 871

**Reporting Period:** Six Months Ended 31 December 2014

Previous corresponding period: Six Months Ended 31 December 2013

**Results for announcement to the market**

Revenues from ordinary activities	up	19.2% to	S\$64,246,000
Net Profit from ordinary activities after tax attributable to members	up	107.9% to	S\$2,912,000
Net Profit for the period attributable to members	up	107.9% to	S\$2,912,000

**Dividends**

	Amount per security	Unfranked amount per security
Interim dividend	Australian cents 0.35	Australian cents 0.35

Record date for determining entitlements to dividends 13 March 2015

Date the dividend is payable 27 March 2015

**Net tangible assets per security**

	December 31, 2014	June 30, 2014
Net tangible asset backing per ordinary share	Singapore cents 35.26	Singapore cents 34.80

**This Report is based on accounts to which one of the following applies.**

<input type="checkbox"/>	The accounts have been audited	<input checked="" type="checkbox"/>	The accounts have been subject to review
<input type="checkbox"/>	The accounts are in the process of being audited or subject to review.	<input type="checkbox"/>	The accounts have not yet been audited or reviewed.

This half yearly report is to be read in conjunction with the half year financial report and the most recent annual financial report.

**Signed**



**GL Sim**  
Chairman

**Date: 25 February 2015**

For personal use only



# **ZICOM GROUP LIMITED**

## **Half-Year Financial Report**

**For the six months ended**

**31 December 2014**

For personal use only

**ZICOM GROUP LIMITED**  
ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

---

**Contents**

Corporate Information	1
Report of the Directors	2
Auditor's Independence Declaration	7
Consolidated Statement of Comprehensive Income	8
Consolidated Balance Sheet	9
Consolidated Statement of Changes in Equity	10
Consolidated Statement of Cash Flows	11
Notes to the Consolidated Financial Statements	13
Directors' Declaration	23
Independent Review Report	24

For personal use only

**ZICOM GROUP LIMITED**  
ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

---

## Corporate Information

This half-year report covers the consolidated entity comprising Zicom Group Limited and its subsidiaries (the Group). The Group's presentation currency is Singapore Dollars (S\$).

A description of the Group's operations and of its principal activities is included in the review of operations and activities in the directors' report on page 2.

### Directors

Giok Lak Sim	(Chairman and Managing Director)
Kok Hwee Sim	(Executive Director)
Kok Yew Sim	(Executive Director)
Frank Leong Yee Yew	(Independent)
Yian Poh Lim	(Independent)
Ian Robert Millard	(Independent)
Shaw Pao Sze	(Independent)

### Joint Company Secretaries

Jenny Lim Bee Chun  
Surendra Kumar

### Registered Office

38 Goodman Place  
Murarrie QLD 4172, Australia  
Telephone: +61 7 3908 6088  
Facsimile: +61 7 3390 6898  
Website: www.zicomgroup.com

### Auditors

Ernst & Young  
111 Eagle Street  
Brisbane, QLD 4000  
Australia

### Solicitors

Thomson Geer  
Level 16, Waterfront Place  
1 Eagle Street  
Brisbane, QLD 4000  
Australia

### Share Registry

Link Market Services Limited  
Level 15, 324 Queen Street  
Brisbane, QLD 4000  
Australia  
Facsimile: +61 2 9287 0309

### Bankers

Australia  
Westpac Banking Corporation

Singapore  
United Overseas Bank Limited  
Malayan Banking Berhad  
Oversea-Chinese Banking Corporation Limited  
DBS Bank Ltd  
Westpac Banking Corporation  
Australia & New Zealand Banking Group Limited

Thailand  
United Overseas Bank (Thai) Public Company Limited  
The Siam Commercial Bank

China  
Industrial and Commercial Bank of China Limited  
China Merchants Bank

**ZICOM GROUP LIMITED**  
ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

---

## Report of the Directors

Your directors present the consolidated financial report for the half-year ended 31 December 2014.

### Directors

The following persons held office as directors of Zicom Group Limited at the date of this report and for the whole of the period since 1 July 2014:

Giok Lak Sim	(Chairman and Managing Director)
Kok Hwee Sim	(Executive Director)
Kok Yew Sim	(Executive Director) (appointed on 25 September 2014)*
Frank Leong Yee Yew	(Independent)
Yian Poh Lim	(Independent)
Ian Robert Millard	(Independent)
Shaw Pao Sze	(Independent)

\*Prior to his appointment, he was an Alternate Director to Kok Hwee Sim.

### Review of Operations

The Group's consolidated revenue for the half year is S\$64.25m as compared with S\$53.88m in the previous year corresponding period, an increase of 19.2%. The Group's half year net consolidated profit after tax attributable to members to 31 December 2014 is S\$2.91m as compared with S\$1.40m in the previous year corresponding period, an increase of 107.9%.

The Group's cash and bank balances at S\$18.60m (30 June 2014: S\$22.33m) remain healthy.

The Group's half year results have improved as our offshore marine, oil & gas business had a solid first half and recognised revenue on its healthy order books. The performance of our construction equipment business has been relatively stable. After last year's sharp decline in revenue for the precision engineering segment, this half year's performance shows that our business to the consumer electronics sector has gradually recovered.

The Group is pleased that its investments in technologies will begin to bear results this year. Growth traction will be gradual but more certain. As such we will focus to strengthen our infrastructure for the investment and support of promising medical technologies. We plan to unlock the intrinsic value of our startup investments at the appropriate stages.

A comparison of the current half year results with those of the previous year corresponding period is as follows:-

Key Financials	Change (%)	6 months ended 31 Dec 14 (S\$ million)	6 months ended 31 Dec 13 (S\$ million)
Revenue	+19.2	64.25	53.88
Net profit after tax (NPAT)	+107.9	2.91	1.40

During the half year, the average exchange rate for the A\$ against the S\$ was A\$1.00 to S\$1.1271. As at 31 December 2014, the exchange rate was A\$1.00 to S\$1.0828 (30 June 2014: A\$1 to S\$1.1739).

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Segmental Revenue**

The following is an analysis of the segmental results:-

Revenue by Business Segments	Change (%)	6 months ended 31 Dec 14 (S\$ million)	6 months ended 31 Dec 13 (S\$ million)
Offshore Marine, Oil and Gas Machinery	+105.13	32.76	15.97
Construction Equipment	-25.86	22.76	30.70
Precision Engineering and Technologies	+21.97	7.55	6.19
Industrial & Mobile Hydraulics	-25.48	1.17	1.57

**Offshore Marine, Oil & Gas Machinery**

Demand for offshore marine, oil and gas machinery increased by 105.13% in the half year as compared with the previous year corresponding period.

The Group continues to establish its presence and capability in the provision of equipment to the offshore deep sea sector as we successfully deliver bigger machinery such as the 400 ton deck machinery for deep sea drilling vessels and a 5000 ton 10-point mooring system for a floating barge used for deep sea construction activities. In expanding into the deep sea sector, we continue to strengthen our market presence in the shallower water. Combining engineering and service excellence in the Group and production excellence in our long standing vendors we managed to improve in both cost and engineering competency to maintain our market share in the shallower water sector.

The Oil and Gas section has been completely re-positioned. Our core team now focuses on marketing, conceptual engineering, and project management. We partner established companies which have total resources in detail engineering and project fabrication capability to optimise our resources in executing orders. This re-organisation has enabled us to secure and feel confident to execute projects worth US\$36m for 3 turnkey gas processing plants. These projects are executed in a consortium partnership with an engineering institute of SINOPEC, one of China's largest petroleum companies.

**Construction Equipment**

Revenue from sales and rental of construction equipment decreased by 25.86% in the half year as compared with the previous year corresponding period. In previous year corresponding period we had a non-recurring significant order for the supply of foundation equipment. If this is disregarded, revenue from this segment actually increased by 12.67% in this period.

Demand for sales and rental of foundation equipment in Singapore and Malaysia remain healthy due to ongoing construction activities in these markets.

Sales of concrete mixers in Thailand have slowed during this half year due to uncertainty caused by the coup. However as the effect settles, we are experiencing a resurgence of projects. This has been compensated by a growth in the demand for our concrete mixers in Australia due to the increase in government infrastructure spending. Our Thailand and PRC market have focused their production to support the growth in mixer demand in Australia.

**Precision Engineering and Technologies**

Revenue for precision engineering and technologies increased by 21.97% in the half year as compared with the previous year corresponding period.

After a setback of a drop in revenue last year, the precision engineering segment has recovered and growth has resumed. The United States economy is generally improving and this has contributed to a gradual increase in capital expenditures for multinational companies in the consumer electronics and semi-conductor sectors.

Our reputation in product translation and manufacturing services for medtech products has strengthened. As a result, apart from local companies we have experienced an increase in the number of internationally established medtech companies engaging us as their manufacturing partner in this region. The process to become an accredited vendor with these established medtech companies has begun and is expected to bear results in the next 6-12 months.

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Industrial & Mobile Hydraulics**

Revenue from this segment generally comprises supply of hydraulic system drives and hydraulic services in support of our general core business activities in hydraulic engineering. We do not anticipate significant variation in this sector.

**Foreign Exchange Exposure**

The Group generally prices its sales in foreign currencies on forward rates. During the half year, we hedged the rates to ensure our margins were maintained. The net loss attributable to foreign exchange during the current half year is S\$404,000 which is close to the exchange loss of S\$405,000 in the previous corresponding period. The loss is mainly due to the weakening of the A\$.

Accounting Standard AASB 139 obliges us to fair value our outstanding foreign currency derivatives at the rates ruling on 31 December 2014. There were no outstanding derivatives as at 31 December 2014.

**Financial Position**

The group's financial position remains strong:-

Classification	Increase (+) Decrease (-) S\$ million	As at 31 Dec 14 S\$ million	As at 30 Jun 14 S\$ million
Net Assets	+ 1.98	91.44	89.46
Net Working Capital	- 1.44	43.65	45.09
Cash in hand and at bank	- 3.73	18.60	22.33

**Gearing Ratios**

As at 31 December 2014, the Group's gearing ratio is 6.64% as compared to nil as at 30 June 2014. Gearing ratio has been arrived at by dividing our interest bearing debts net of cash and cash equivalents over total capital and reserves.

**Return Per Share**

The Group's earnings and net tangible assets per share are as follows: -

Classification	Increase (+) Singapore Cents	6 months ended 31 Dec 14 Singapore Cents	6 months ended 31 Dec 13 Singapore Cents
Earnings per share	+ 0.71	1.36	0.65

The weighted average shares used to compute earnings per share are 214,828,066 for this half year and 214,849,330 shares for the previous year corresponding period.

Classification	Increase (+) Singapore Cents	As at 31 Dec 14 Singapore Cents	As at 30 Jun 14 Singapore Cents
NTA per share	+ 0.46	35.26	34.80

**Capital Expenditure**

The Group incurred an amount of S\$1.7m in fixed capital expenditure. We had planned for a capital investment of S\$1m for general productivity improvements. Apart from these we do not foresee any other significant capital investments.

**Confirmed Orders**

We have a total of S\$100.1m (31 Dec 2013: S\$80.6m) outstanding confirmed orders in hand as at 31 December 2014. A break-down of these outstanding orders secured is as follows:-

	S\$ m
Offshore Marine, Oil & Gas Machinery	70.0
Construction Equipment	13.8
Precision Engineering & Technologies	16.0
Industrial & Mobile Hydraulics	0.3
Total	<u>S\$ 100.1m</u>

Of the above, S\$50.5m are scheduled for delivery in the second half of this financial year and S\$49.6m are scheduled to be delivered in the financial year 2016.



**ZICOM GROUP LIMITED**  
ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

---

**Investments In Start-Ups**

The progress of our investments in start-up companies is as follows:-

a) Biobot Surgical Pte Ltd (Biobot)

We have achieved significant milestones with Biobot as we have attained regulatory approvals for key markets in USA, Europe, Australia and Singapore.

We have established Centers of Excellence (COE) with the New York University Hospital as well as the University of Tubingen Hospital in Germany. A Center of Excellence with the Epworth Hospital in Melbourne, Victoria is planned for April 2015. We expect to set up more COEs in the UK and Australia in the coming months. The COEs are our Key Opinion Leaders. We partner to achieve excellence in prostate biopsy applications initially and potentially develop new applications such as for therapeutics.

We are pleased that the University of Tubingen together with us have been invited to carry out a live surgery in the Congress of the European Association of Urology (EAU 2015) in Madrid in March this year. About 20,000 attendees are expected.

b) Curiox Biosystems Pte Ltd (Curiox)

Curiox's DropArray technology, which comprise of a washing instrument and consumable plate has been accepted by top pharmaceutical companies in USA for its capability to improve the performance of their assay preparation and providing significant cost savings by a great reduction in the amount of reagents, disease markers and man-hours employed.

Revenue has gradually increased as adoption of the product gains traction. We are in the process of securing contracts from contract research organisations (CROs) which can assure us of more consistent recurrent volumes for standardised assays. This avenue is expected to enable us to break even within the next 6-12 months. The technology will be positioned for scaling up in high throughput usage as a growth strategy at a later stage. Such applications have proven to involve more application support as the assays are more varied and demand more optimisation.

c) Orion Systems Integration Pte Ltd (Orion)

Orion's machine has been validated by customers as one of the best performers in fine pitch flip chip thermal bonding. To enable us to penetrate the market effectively we have appointed a distributor with regional presence to sell in key markets like the PRC, Taiwan, Korea, and South East Asia. We are confident that sustained sales will be achieved in the near future.

**Prospects**

Prospects for the Group remain strong. We are entering into a stage where our investments in technologies are passing their gestation phase and this will help to generate revenue and contribution instead of being a cost burden to the Group.

As the Group gradually re-focuses its directions it is the Group's policy to unlock the value of its investments at the appropriate juncture to maximise shareholders' value.

**Dividends**

The Group's investments have generally entered into a stage of significant growth impetus. To ensure the impetus gains traction and create a momentum, the Group has decided to conserve cash for this year so as to realise this objective. Accordingly, the Group has decided to pay an interim dividend of Australian cents 0.35 per share for this half year (2013: Australian cents 0.45). This interim dividend will be paid out of Conduit Foreign Income under the provision of the Australian Income Tax Act. Accordingly, withholding tax will not apply to non-Australian residents.

It will be the Group's policy to increase dividends as its profits strengthen and as values are unlocked in its investments.

The record date for the interim dividend will be 13 March 2015 and the payment date is 27 March 2015.

**ZICOM GROUP LIMITED**  
ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

---

**Auditor Independence**

A copy of the auditor's signed independence declaration is attached to this report.

**Rounding of Amounts**

The Company is an entity to which the Class Order 98/100 applies and accordingly, amounts in the financial statements and directors' report have been rounded to the nearest S\$1,000 unless otherwise stated.

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



GL Sim  
Chairman

25 February 2015

For personal use only



Ernst & Young  
111 Eagle Street  
Brisbane QLD 4000 Australia  
GPO Box 7878 Brisbane QLD 4001

Tel: +61 7 3011 3333  
Fax: +61 7 3011 3100  
ey.com

## Auditor's Independence Declaration to the Directors of Zicom Group Limited

In relation to our review of the financial report of Zicom Group Limited for the half-year ended 31 December 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ric Roach  
Partner  
25 February 2015

For personal use only

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
 HALF-YEAR REPORT – 31 DECEMBER 2014

**Consolidated Statement of Comprehensive Income**  
 for the half-year ended 31 December 2014

	Note	31-Dec-14 S\$'000	31-Dec-13 S\$'000
<b>Revenue from continuing operations</b>	4	63,417	53,023
Other operating income	4	829	856
<b>Total consolidated revenue</b>		<u>64,246</u>	<u>53,879</u>
<b>Expenses</b>			
Cost of materials		(33,845)	(27,621)
Employee costs, contract labour and related costs		(16,784)	(14,151)
Depreciation and amortisation		(2,847)	(2,623)
Property related expenses		(1,445)	(1,247)
Other operating expenses		(6,411)	(6,626)
Finance costs		(211)	(196)
Share of results of associate		(230)	(401)
<b>Profit before taxation</b>		2,473	1,014
Tax benefit	5	378	260
<b>Profit from continuing operations after taxation</b>		<u>2,851</u>	<u>1,274</u>
<b>Other comprehensive income</b>			
<b>Items that may be subsequently reclassified to profit and loss:</b>			
Foreign currency translation on consolidation		61	(664)
Effect of tax on other comprehensive income		–	–
		<u>61</u>	<u>(664)</u>
<b>Total comprehensive income</b>		<u><u>2,912</u></u>	<u><u>610</u></u>
<b>Profit/(loss) attributable to:</b>			
Equity holders of the Parent		2,912	1,399
Non-controlling interests		(61)	(125)
		<u>2,851</u>	<u>1,274</u>
<b>Total comprehensive income/(loss) attributable to:</b>			
Equity holders of the Parent		2,973	735
Non-controlling interests		(61)	(125)
		<u>2,912</u>	<u>610</u>
<b>Earnings per share (cents)</b>			
Basic earnings per share	6	1.36	0.65
Diluted earnings per share	6	1.35	0.65

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
 HALF-YEAR REPORT – 31 DECEMBER 2014

**Consolidated Balance Sheet**

as at 31 December 2014

	Note	31-Dec-14 S\$'000	30-Jun-14 S\$'000
<b>Non-current assets</b>			
Property, plant and equipment		33,417	30,784
Intangible assets		15,479	14,792
Deferred tax assets		2,772	2,418
Convertible loan receivable from an associate	10	–	459
Investment in an associate	10	2,106	1,804
Others		1	1
		53,775	50,258
<b>Current assets</b>			
Cash and bank balances	7	18,595	22,328
Inventories		33,488	27,758
Trade and other receivables		44,818	39,061
Prepayments		988	626
Convertible loan receivable from an associate	10	459	–
Tax recoverable		14	–
		98,362	89,773
<b>TOTAL ASSETS</b>		<b>152,137</b>	<b>140,031</b>
<b>Less : Current liabilities</b>			
Payables		31,530	30,701
Interest-bearing liabilities	11	21,478	12,105
Provisions		1,147	966
Provision for taxation		554	336
Unearned income		–	400
Unrealised loss on derivatives		–	173
		54,709	44,681
<b>NET CURRENT ASSETS</b>		<b>43,653</b>	<b>45,092</b>
<b>Non-current liabilities</b>			
Interest-bearing liabilities	11	3,137	2,758
Deferred tax liabilities		2,460	2,745
Provisions		396	390
		5,993	5,893
<b>TOTAL LIABILITIES</b>		<b>60,702</b>	<b>50,574</b>
<b>NET ASSETS</b>		<b>91,435</b>	<b>89,457</b>
<b>Equity attributable to equity holders of the Parent</b>			
Contributed equity	12	37,836	37,593
Reserves		(741)	(703)
Retained earnings		53,572	51,703
		90,667	88,593
<b>Non-controlling interests</b>		768	864
<b>Total EQUITY</b>		<b>91,435</b>	<b>89,457</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>152,137</b>	<b>140,031</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
 HALF-YEAR REPORT – 31 DECEMBER 2014

**Consolidated Statement of Changes in Equity**  
 for the half-year ended 31 December 2014

Note	Attributable to equity holders of Parent						Non-controlling interests	Total equity
	Share capital	Share capital – exercise of share options	Foreign currency translation reserve	Share based payments reserve	Retained earnings	Total		
	SS\$'000	SS\$'000	SS\$'000	SS\$'000	SS\$'000	SS\$'000		
<b>Balance at 1.7.2014</b>	37,346	247	(1,472)	769	51,703	88,593	864	89,457
Profit for the period	–	–	–	–	2,912	2,912	(61)	2,851
Other comprehensive income	–	–	61	–	–	61	–	61
Total comprehensive income for the period	–	–	61	–	2,912	2,973	(61)	2,912
Exercise of employee share options	12	90	51	–	(51)	90	–	90
Shares issued, net of expenses	12	102	–	–	–	102	–	102
Change of interest in subsidiary company	9(a)	–	–	–	35	35	(35)	–
Dividend paid on ordinary shares	8	–	–	–	(1,090)	(1,090)	–	(1,090)
Expiry of employee share options	–	–	–	–	(12)	12	–	–
Cost of share-based payments	–	–	–	–	(36)	(36)	–	(36)
<b>Balance at 31.12.2014</b>	37,538	298	(1,411)	670	53,572	90,667	768	91,435
<b>Balance at 1.7.2013</b>	37,397	226	(957)	706	50,099	87,471	1,016	88,487
Profit for the period	–	–	–	–	1,399	1,399	(125)	1,274
Other comprehensive loss	–	–	(664)	–	–	(664)	–	(664)
Total comprehensive income for the period	–	–	(664)	–	1,399	735	(125)	610
Exercise of employee share options	12	39	21	–	(21)	39	–	39
Change of interest in subsidiary company	–	–	–	–	(3)	(3)	3	–
Dividend paid on ordinary shares	8	–	–	–	(1,377)	(1,377)	–	(1,377)
Expiry of employee share options	–	–	–	–	(16)	16	–	–
Cost of share-based payments	–	–	–	–	174	174	–	174
<b>Balance at 31.12.2013</b>	37,436	247	(1,621)	843	50,134	87,039	894	87,933

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Consolidated Statement of Cash Flows**

for the half-year ended 31 December 2014

	Note	31 Dec 2014 S\$'000	31 Dec 2013 S\$'000
<b>Cash flows from operating activities :</b>			
Operating profit before taxation		2,473	1,014
Adjustments for :			
Depreciation of property, plant and equipment		2,531	2,240
Amortisation of intangible assets		316	383
Property, plant and equipment written off	4	–	9
Provision for doubtful debts	4	95	2
Provision for stock obsolescence	4	11	14
Inventories written off	4	5	–
Interest expense		211	196
Interest income	4	(113)	(82)
(Gain)/ loss on disposal of property, plant and equipment, net	4	(17)	5
Gain on disposal of assets held for sale	4	–	(263)
Intangible assets written off	4	–	5
Trade and other payables written back		(7)	–
Cost of share-based payments		(36)	174
Provisions made, net		304	242
Share of results of associate		230	401
Unrealised loss on derivatives		–	773
Currency realignment		135	(10)
<b>Operating profit before reinvestment in working capital</b>		6,138	5,103
Increase in stocks and work-in-progress		(6,069)	(4,393)
(Increase)/ decrease in projects-in-progress		(2,669)	6,252
(Increase)/ decrease in debtors		(3,671)	1,288
Increase in creditors		8,165	3,729
<b>Cash generated from operations</b>		1,894	11,979
Interest received		38	82
Interest paid		(200)	(194)
Income taxes paid		(27)	(361)
<b>Net cash provided by operating activities</b>		1,705	11,506
<b>Cash flows from investing activities :</b>			
Purchase of property, plant and equipment		(2,229)	(1,145)
Proceeds from disposal of property, plant and equipment		19	5
Proceeds from disposal of assets held for sale		–	787
Increase in software development		(40)	(75)
Increase in patented technologies		(52)	(51)
Increase in development expenditure		(1,091)	(465)
Increase in amount due from associate		(275)	(773)
<b>Net cash used in investing activities</b>		(3,668)	(1,717)

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Consolidated Statement of Cash Flows (Cont'd)**  
 for the half-year ended 31 December 2014

	Note	31 Dec 2014 S\$'000	31 Dec 2013 S\$'000
<b>Cash flows from financing activities :</b>			
(Decrease)/ increase in amounts due to directors		(3)	9
Proceeds from/ (repayments of) bank borrowings		550	(2,010)
Dividends paid on ordinary shares by the Company	8	(1,090)	(1,377)
Proceeds from exercise of employee share options		90	39
Repayment to hire purchase creditors		(1,414)	(1,492)
<b>Net cash used in financing activities</b>		<u>(1,867)</u>	<u>(4,831)</u>
Net (decrease)/ increase in cash and cash equivalents		(3,830)	4,958
Effect of exchange rate changes on cash and cash equivalents		(101)	(85)
Cash and cash equivalents at beginning of period		<u>21,802</u>	<u>21,202</u>
<b>Cash and cash equivalents at end of period</b>	7	<u><u>17,871</u></u>	<u><u>26,075</u></u>

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

For personal use only



**ZICOM GROUP LIMITED**  
ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

---

## **Notes to the Consolidated Financial Statements**

### **Note 1 Corporate Information**

The financial report of Zicom Group Limited (“ZGL”) for the half-year ended 31 December 2014 was authorised for issue in accordance with a resolution of the directors on 25 February 2015. Zicom Group Limited is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange.

### **Note 2 Summary of significant accounting policies**

This general purpose interim financial report for the half year ended 31 December 2014 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 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 June 2014 and considered together with any public announcements made by Zicom Group Limited during the half-year ended 31 December 2014 in accordance with the continuous disclosure obligations of the ASX listing rules.

The accounting policies applied by the consolidated entity in this interim financial report are consistent with those applied by the consolidated entity in the annual financial report for the year ended 30 June 2014, except for the adoption of new standards and interpretations noted below:

- AASB 2012 -3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities
- AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139]
- AASB 2013-5 Amendments to Australian Accounting Standards – Investment Entities
- Annual Improvements to IFRSs 2010-2012 Cycle [IFRS 2, IFRS 3, IFRS 8, IAS 16, IAS 38, IAS 24]
- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments - Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards.
- AASB 2014-1 Amendments to Australian Accounting Standards - Annual Improvements to IFRSs 2011–2013 Cycle
- AASB 2014-1 - Amendments to AASB 119 - Defined Benefit Plans: Employee Contributions

The adoption of these standards or amendments had no significant impact on the financial position or performance of the Group.

The Group has not early adopted any other Standard, Interpretation or amendments that has been issued but is not yet effective.

### **Note 3 Segment information**

#### *Identification of reportable segments*

The group has identified its operating segments based on internal reports that are reviewed and used by the Managing Director and the executive management team in assessing performance and in determining the allocation of resources. The operating segments are identified based on products and services as follows:

- Offshore Marine, Oil and Gas Machinery – manufacture and supply of deck machinery, gas metering stations, offshore structures for underwater robots and related equipment, parts and services.
- Construction Equipment – manufacture and supply of concrete mixers and foundation equipment, including equipment rental, parts and related services.
- Precision Engineering and Technologies – manufacture of precision and automation equipment, medtech equipment and products, medtech translation and engineering services.
- Industrial and Mobile Hydraulics – supply of hydraulic drive systems, parts and services.

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Note 3 Segment information (cont'd)**

*Inter-segment sales*

Inter-segment sales are recognised based on internally set transfer price at arm's length basis.

*Unallocated revenue and expenses*

Unallocated revenue comprise mainly non-segmental revenue. Unallocated expenses comprise mainly non-segmental expenses such as head office expenses.

**Segment results**

	<b>Offshore marine, oil and gas machinery</b>	<b>Construction equipment</b>	<b>Precision engineering and technologies</b>	<b>Industrial and mobile hydraulics</b>	<b>Consolidated</b>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Half-year ended 31 Dec 2014</b>					
<b>Revenue</b>					
Sales to external customers	32,752	22,702	6,932	1,031	63,417
Other revenue	3	45	616	1	665
Inter-segment sales	-	12	2	136	150
<b>Total segment revenue</b>	<b>32,755</b>	<b>22,759</b>	<b>7,550</b>	<b>1,168</b>	<b>64,232</b>
Inter-segment elimination					(150)
Unallocated revenue					51
Interest Income					113
<b>Total consolidated revenue</b>					<b>64,246</b>
<b>Results</b>					
Segment results	5,726	414	(2,254)	379	4,265
Unallocated revenue					51
Unallocated expenses					(1,515)
Share of results of associates					(230)
<b>Profit before tax and finance cost</b>					<b>2,571</b>
Finance costs					(211)
Interest income					113
<b>Profit before taxation</b>					<b>2,473</b>
Income tax benefit					378
<b>Profit after taxation</b>					<b>2,851</b>

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Note 3 Segment information (cont'd)**

**Segment results**

	<b>Offshore marine, oil and gas machinery S\$'000</b>	<b>Construction equipment S\$'000</b>	<b>Precision engineering and technologies S\$'000</b>	<b>Industrial and mobile hydraulics S\$'000</b>	<b>Consolidated S\$'000</b>
<b>Half-year ended 31 Dec 2013</b>					
<b>Revenue</b>					
Sales to external customers	15,965	30,352	5,811	895	53,023
Other revenue	-	349	374	-	723
Inter-segment sales	-	-	3	675	678
Total segment revenue	15,965	30,701	6,188	1,570	54,424
Inter-segment elimination					(678)
Unallocated revenue					51
Interest Income					82
<b>Total consolidated revenue</b>					<b>53,879</b>
<b>Results</b>					
Segment results	865	3,530	(2,195)	215	2,415
Unallocated revenue					51
Unallocated expenses					(937)
Share of results of associate					(401)
Profit before tax and finance cost					1,128
Finance costs					(196)
Interest income					82
<b>Profit before taxation</b>					<b>1,014</b>
Income tax benefit					260
<b>Profit after taxation</b>					<b>1,274</b>

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Note 4 Revenue, income and expenses from continuing operations**

	Consolidated	
	31-Dec-14	31-Dec-13
	S\$'000	S\$'000
<i>(i) Revenue</i>		
Sale of goods	31,125	34,500
Rendering of services	2,830	3,286
Rental revenue	2,391	3,817
Revenue recognised on projects	27,071	11,420
	63,417	53,023
<i>(ii) Other revenue</i>		
Interest income	113	82
Gain on disposal of property, plant and equipment	17	–
Gain on disposal of assets held for sale	–	263
Sale of scrap	10	23
Services rendered	89	148
Government grants	587	335
Other revenue	13	5
	829	856
<i>(iii) Other expenses included the following</i>		
Provision for warranty	270	197
Foreign exchange loss	404	405
Provision for doubtful debts	95	2
Provision for stock obsolescence	11	14
Loss on disposal of property, plant and equipment	–	5
Property, plant and equipment written off	–	9
Intangible assets written off	–	5
Inventories written off	5	–

**Note 5 Income tax**

The major components of income tax benefit for the half-year ended 31 December 2014 and 31 December 2013 are:

	Consolidated	
	31-Dec-14	31-Dec-13
	S\$'000	S\$'000
<i>Current income tax</i>		
Current income tax charge	1,175	246
Loss transferred under Group Relief Scheme	(934)	–
Adjustments in respect of previous years	4	19
<i>Deferred income tax</i>		
Relating to origination and reversal of temporary differences	(664)	(551)
Adjustments in respect of previous years	41	26
Tax benefit	(378)	(260)

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Note 6 Earnings per share**

Earnings per share are calculated by dividing the Group's net profit attributable to equity holders of the Parent by the weighted average number of shares in issue during the period.

(a) Earnings used in calculating basic and diluted earnings per share		<b>31-Dec-14</b>	<b>31-Dec-13</b>
		S\$'000	S\$'000
Net profit attributable to equity holders of the Parent		2,912	1,399
			No. of ordinary shares
(b) Weighted average number of shares for basic earnings per share		214,828,066	214,849,330
Effect of dilution:			
Share options		1,116,322	1,238,241
Adjusted weighted average number of shares		215,944,388	216,087,571
			Singapore cents
(c) Earnings per share			
Basic		1.36	0.65
Diluted		1.35	0.65

**Note 7 Cash and cash equivalents**

	<b>Consolidated</b>	
	<b>31-Dec-14</b>	<b>30-Jun-14</b>
	S\$'000	S\$'000
Cash at bank and in hand	16,884	18,895
Short-term fixed deposits	1,711	3,433
	18,595	22,328
For the purpose of cash flow statements, cash and cash equivalents comprise the following:		
Cash and short-term deposits	18,595	22,328
Bank overdraft	(724)	(526)
	17,871	21,802

**Note 8 Dividends paid and proposed**

	<b>Consolidated</b>	
	<b>31-Dec-14</b>	<b>31-Dec-13</b>
	S\$'000	S\$'000
(a) Dividends paid or provided for		
Final unfranked dividend for 2014: Australian cents 0.45	1,090	–
Final unfranked dividend for 2013: Australian cents 0.55	–	1,377
	1,090	1,377
(b) Dividends declared		
Interim unfranked dividend for the half year ended 31 December 2014:		
Australian cents 0.35 (2013: Australian cents 0.45)	795	1,103
	795	1,103

The interim dividend was approved by the Board of Directors on 25 February 2015. This has not been recognised as a liability in the financial statements for the half year ended 31 December 2014. It will be accounted for in the second half of the financial year.

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Note 9 Investment in subsidiaries**

(a) Biobot Surgical Pte Ltd (“BBS”)

On 30 December 2014, Zicom Holdings Pte Ltd (“ZHPL”) exercised 3,016,772 warrants to subscribe for 3,016,772 ordinary shares in BBS for a total consideration of S\$905,000 fully satisfied by capitalising shareholder’s loan owing from BBS to ZHPL. This has resulted in an increase in the Group’s interest in BBS from 91.8% to 93.4% and the effect of the change of interest of S\$35,000 has been recognised within equity.

(b) Zicom MedTacc Private Limited

Zicom MedTacc Private Limited, a Medtech Accelerator, was incorporated by ZHPL on 10 August 2014 as a wholly-owned investment holding subsidiary with an initial paid up capital of S\$100,000.

**Note 10 Investment in associate**

(a) Investment details

	<b>31-Dec-14</b>	<b>30-Jun-14</b>
	S\$’000	S\$’000
Curiox Biosystems Pte Ltd	2,106	1,804

(b) Movements in the carrying amount of the Group’s investment in associate

<b>Curiox Biosystems Pte Ltd (“Curiox”)</b>	<b>31-Dec-14</b>	<b>30-Jun-14</b>
	S\$’000	S\$’000
Shareholdings held: 49.28% (30 Jun 14: 46.49%)		
At beginning of period	1,804	2,578
Additional investment during the period	549	–
Share of losses after income tax	(230)	(739)
Share of other comprehensive income	(19)	–
Unrealised profits	2	(35)
At end of period	2,106	1,804

On 18 January 2013, Curiox issued 919,000 convertible loan stocks with cumulative interest at 5% per annum to Zicom Holdings Pte Ltd (“ZHPL”) for a cash consideration of S\$919,000. The loan stocks will be either repaid or redeemed by Curiox equally on 2 maturity dates, 31 December 2014 and 31 December 2015. ZHPL holds the right to convert these into preference shares in Curiox on these 2 maturity dates.

On 31 December 2014, 460,000 of the convertible loan stocks included in trade and other receivables as at 30 June 2014 with cumulative interest of S\$89,000 have been fully converted into 110,000 preference shares, fully paid at \$5 per share. This has resulted in an increase in the Group’s interest in Curiox from 46.49% to 49.28%.

The remaining convertible loan amounting to S\$459,000 due for conversion or repayment on 31 December 2015 has been reclassified from non-current assets on the balance sheet to current assets.

For personal use only

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Note 11 Interest-bearing liabilities**

	Consolidated	
	31-Dec-14 S\$'000	30-Jun-14 S\$'000
<i>Current</i>		
Bank overdraft	724	526
Bills payable	12,081	5,802
Factory loan	500	591
Invoice finance facility	3,421	1,734
Term loan	2,717	1,651
Lease liabilities	2,035	1,801
	21,478	12,105
<i>Non-Current</i>		
Factory loan	426	620
Term loan	922	1,153
Lease liabilities	1,789	985
	3,137	2,758

**Note 12 Contributed equity**

(a) Share Capital	31-Dec-14	30-Jun-14	31-Dec-14	30-Jun-14
	Shares (Thousands)	Shares (Thousands)	S\$'000	S\$'000
Ordinary fully paid shares	215,431	214,547	37,836	37,593

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

(b) Movements in ordinary share capital

	Company Number of ordinary shares (Thousands)	Group S\$'000
At 1 July 2013	214,752	37,623
Issue of shares under Zicom Employee Share and Option Plan (i)	195	60
Minimum holding share buy-back (ii)	(400)	(90)
	214,547	37,593
At 30 June 2014	214,547	37,593
Issue of shares under Zicom Employee Share and Option Plan (i)	465	141
Issue of shares in lieu of cash performance bonus (iii)	419	102
	215,431	37,836

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Note 12 Contributed equity (cont'd)**

(b) Movements in ordinary share capital (cont'd)

i. *Issue of shares under Zicom Employee Share and Option Plan ("ZESOP")*

On 1 October 2013, the Company issued and allotted 155,000 and 40,000 ordinary shares, fully paid at A\$0.17 and A\$0.18 per share respectively, under the ZESOP. Such shares ranked *pari passu* with the existing ordinary shares of the Company.

On 1 October 2014 and 7 November 2014, the Company issued and allotted a total of 250,000 and 215,000 ordinary shares fully paid at A\$0.18 and A\$0.17 per share respectively, under the ZESOP. Such shares ranked *pari passu* with the existing ordinary shares of the Company.

ii. *Minimum holding share buy-back*

The Company completed a share buy-back exercise for holders of unmarketable parcels whereby a total of 400,000 ordinary shares were bought back by the Company at A\$0.192 per share and cancelled.

iii. *Issue of shares in lieu of cash performance bonus*

Pursuant to the shareholders' meeting held on 3 November 2014, 419,000 shares were allotted to Mr Giok Lak Sim fully paid at A\$0.22 per share as part payment of his performance bonus for the year ended 30 June 2014. Such shares ranked *pari passu* with the existing ordinary shares of the Company.

**Note 13 Fair value measurements of financial instruments**

(a) Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

As at 31 December 2014, the Group held the following financial assets measured at fair value:

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000
<b>Financial assets measured at fair value</b>			
Quoted equity instrument – available-for-sale	1	–	–

As at 30 June 2014, the Group held the following financial instruments measured at fair value:

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000
<b>Financial assets measured at fair value</b>			
Quoted equity instrument – available-for-sale	1	–	–
<b>Financial liabilities measured at fair value</b>			
Foreign currency options	–	173	–



**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Note 13 Fair value measurements of financial instruments (cont'd)**

(b) Valuation techniques used to derive fair values

Fair value of quoted equity instrument is derived from quoted market prices in active markets as at the reporting date. Fair value of foreign currency options is derived from mark-to-market valuations at the reporting date using Monte Carlo valuation model which incorporates various inputs such as foreign exchange spot and forward rates, volatility, tenure and time value of the underlying commodity.

There were no transfers between Levels during the reporting period.

(c) Fair values

Set out below is a comparison of the carrying amounts and fair values of financial instruments whose carrying amounts are not reasonable approximation of their fair values as at 31 December 2014 and 30 June 2014:

	<b>31-Dec-14</b>		<b>30-Jun-14</b>	
	Carrying amount S\$'000	Fair value S\$'000	Carrying amount S\$'000	Fair value S\$'000
<b>Financial assets:</b>				
Convertible loans	—	—	459	448
<b>Financial liabilities:</b>				
Interest-bearing liabilities	3,137	2,966	2,758	2,555

**Note 14 Share-based payment plans**

On 1 November 2014, 2,150,000 share options were granted to employees of the Group with a vesting period of two years. The exercise price of the options of A\$0.21 was equal to the market price of the shares on the date of grant. The options will be made available through the Zicom Employee Share and Option Plan, approved at the Annual General Meeting of shareholders held on 23 November 2006. The fair value of the options granted is estimated at the date of grant using a Trinomial model, taking into account the terms and conditions upon which the options were granted. The contractual life of each option granted is five years. There is no cash settlement of the options. The fair value of the options granted during the six months ended 31 December 2014 was estimated on the date of grant using the following assumptions:

Expected volatility	35.66%
Risk-free interest rate	2.50%
Expected life (years)	3.90
Stock price at grant date (A\$)	0.21

The fair value of the options granted during the six-month period was A\$0.06. (30 June 2014: A\$nil)

**ZICOM GROUP LIMITED**  
 ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

**Note 15 Related party transactions**

a) Sales and purchase of goods and services

The following table provides the total amount of transactions which have been entered into with related parties during the six months ended 31 December 2014 and 2013.

	<b>31-Dec-14</b> S\$'000	<b>31-Dec-13</b> S\$'000
Minority shareholder of a subsidiary company		
- Sales	387	129
- Purchases	<u>157</u>	<u>24</u>
Associate		
- Sales	6	459
- Interest income	75	33
- Rental & utilities income	65	69
- Secretarial fees	<u>12</u>	<u>12</u>
Other related parties		
- Sales	462	120
- Purchases	<u>41</u>	<u>-</u>

b) Amounts due from/(to) related parties

The following table provides the balances with related parties as at 31 December 2014 and 30 June 2014.

	<b>31-Dec-14</b> S\$'000	<b>30-Jun-14</b> S\$'000
Amount due from related parties		
- Minority shareholder of a subsidiary company	13	2
- Associate		
- Loans	1,159	1,419
- Trade and other receivables	965	904
- Other related parties	<u>504</u>	<u>43</u>
Amount due to related parties		
- Minority shareholder of a subsidiary company	(158)	(187)
- Other related parties	<u>(47)</u>	<u>(50)</u>

**Note 16 Subsequent events**

No event has arisen subsequent to 31 December 2014 to the date of this report which may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in the future.

For personal use only

**ZICOM GROUP LIMITED**  
ABN 62 009 816 871  
**HALF-YEAR REPORT – 31 DECEMBER 2014**

---

## **Directors' Declaration**

In accordance with a resolution of the directors of Zicom Group Limited, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
- (i) giving a true and fair view of the financial position as at 31 December 2014 and the performance for the half-year ended on that date of the consolidated entity; and
  - (ii) complying with Accounting Standard AASB134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



G L Sim  
Chairman

Brisbane  
Date: 25 February 2015

To the members of Zicom Group Limited

## Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Zicom Group Limited, which comprises the Consolidated Balance Sheet as at 31 December 2014, 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 of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

### 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 Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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 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 2014 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*. As the auditor of Zicom Group Limited and the entities it controlled during the half year, 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.

### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.



Building a better  
working world

## 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 Zicom Group 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 2014 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Ernst & Young

Ric Roach  
Partner  
Brisbane  
25 February 2015

For personal use only