

**HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES
FOR THE HALF YEAR ENDED 31 DECEMBER 2016
ABN: 90 091 302 975**

This half year financial report is to be read in conjunction with the financial report for the year ended 30 June 2016

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

APPENDIX 4D

1. Reporting period

Report for the half year ended 31 December 2016

Previous corresponding periods: Financial year ended 30 June 2016

Half year ended 31 December 2015

Results for announcement to the market

Key Information		Change %	Half-year Ended	Half-year Ended
			31 December 2016	31 December 2015
			\$	\$
Revenue from continuing operations	Down	84%	888	5,600
Loss from continuing operations after tax attributable to members	Down	68%	(90,096)	(284,197)
Total comprehensive loss attributable to members	Down	68%	(90,096)	(284,197)

Explanation of Results

The loss after income tax for the half year ended 31 December 2016 was \$90,096 (2015: loss of \$284,197).

During the half year, the Company continued to progress the previously announced strategic alliance agreement with Workible, who are a leading recruitment technology provider and online recruitment solution. Under the strategic alliance agreement, Workible are to provide the technology and fulfilment capability, whereas HJB are to provide access to its database of employers and candidates, with the revenue received from the Strategic Alliance being split between HJB and Workible. However, implementation of the strategic alliance agreement has proved more difficult than expected.

In addition to these activities, the Company reviewed various transaction opportunities in the HR/recruitment sectors and other adjacent sectors/technologies. This resulted in one transaction being seriously contemplated, and at the request of HJB, since 6 September 2016, the market for the securities of the Company were suspended pending its finalisation of an announcement regarding a proposed material transaction and capital raising. As advised on 24 October 2016, the Company was unable to finalise the proposed transaction, and as such, the Board of HJB resolved to terminate discussions with the counterparties to the transaction. The Company continues to review other opportunities.

In conjunction with the above, the Company has been considering its options with regards to both its future activities and a potential capital raising and will advise the market once a decision has been made by the Board in relation thereto. In addition, the Company remains in discussions with ASX regarding the re-instatement of the Company's securities and will make a further announcement regarding this issue in due course.

During the half year ended 31 December 2016 the Company's subsidiary had no trading activity.

Dividends paid and proposed

No dividend was paid or proposed during the period.

2. Net tangible assets per share

Net tangible assets per ordinary share \$0.02 cents (31 December 2015: \$0.21 cents).

3. Control gained or lost over entities in the half year

Control gained over entities during the period Nil
Loss of control of entities during the period Nil

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

APPENDIX 4D

4. Investments in associates and joint venture entities

Equity accounted associates and joint venture entities	Nil
Aggregate share of Profit / (losses) of associates and joint venture entities	Nil

5. Review Conclusion

Emphasis of Matter Regarding Going Concern

As referred to in 1(c) to the financial statements, the financial statements have been prepared on a going concern basis. At 31 December 2016 the entity had working capital of \$60,062, cash and cash equivalents of \$164,358 and had incurred a loss for the period amounting to \$90,096. The ability of the entity to continue as a going concern is subject to successful recapitalisation of the entity. In the event that the Board is not successful in recapitalising the entity and in raising further funds, the Company may not be able to meet its liabilities as they fall due and may realise its assets at less than book value.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

TABLE OF CONTENTS

CONTENTS	Page
Directors' Report	5
Auditor's Independence Declaration	7
Consolidated Statement of Profit or Loss and Other Comprehensive Income	8
Consolidated Statement of Financial Position	9
Consolidated Statement of Changes in Equity	10
Consolidated Statement of Cash Flows	11
Condensed Notes to the Consolidated Financial Statements	12
Directors' Declaration	15
Independent Auditor's Review Report	16

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

The directors present their report on the consolidated entity consisting of HJB Corporation Limited ("HJB" or the "Company") and its controlled entities (the "Group") for the half year ended 31 December 2016.

Directors

The following persons were directors of HJB during the whole or part of the half year and up to the date of this report.

Name	Particulars
Mr Mike Hill	Executive Chairman
Mr Mike Everett	Non Executive Director
Mr Michael Pollak	Non Executive Director
Mr Brett Chenoweth	Managing Director

Principal activities

The Company operates in the recruitment sector. The consolidated entity's principal activities during the half year consisted of progressing the previously announced strategic alliance agreement with Workible, as well as actively considering the acquisition of other investments.

Review of operations

The loss after income tax for the half year ended 31 December 2016 was \$90,096 (2015: loss of \$284,197).

During the half year, the Company continued to progress the previously announced strategic alliance agreement with Workible, who are a leading recruitment technology provider and online recruitment solution. Under the strategic alliance agreement, Workible are to provide the technology and fulfilment capability, whereas HJB are to provide access to its database of employers and candidates, with the revenue received from the Strategic Alliance being split between HJB and Workible. However, implementation of the strategic alliance agreement has proved more difficult than expected.

In addition to these activities, the Company reviewed various transaction opportunities in the HR/recruitment sectors and other adjacent sectors/technologies. This resulted in one transaction being seriously contemplated, and at the request of HJB, since 6 September 2016, the market for the securities of the Company were suspended pending its finalisation of an announcement regarding a proposed material transaction and capital raising. As advised on 24 October 2016, the Company was unable to finalise the proposed transaction, and as such, the Board of HJB resolved to terminate discussions with the counterparties to the transaction. The Company continues to review other opportunities.

In conjunction with the above, the Company has been considering its options with regards to both its future activities and a potential capital raising and will advise the market once a decision has been made by the Board in relation thereto. In addition, the Company remains in discussions with ASX regarding the re-instatement of the Company's securities and will make a further announcement regarding this issue in due course.

During the half year ended 31 December 2016 the Company's subsidiary had no trading activity.

All directors of the Company, the CFO, and all members of the advisory committee have agreed to waive any salaries and fees owed to each of them from 1 July 2016 onwards, and any amounts accrued since that date have been unconditionally and irrevocably waived by each of them. If and when the Company makes its first acquisition, the Company will consider the resumed payment of the salaries and fees of these people from the date of the first acquisition. The contingent liability for these people as disclosed in Note 6 to the financial statements has been capped at 30 June 2016. The Company Secretary has agreed that his fees for company secretarial services post 1 July 2016 are also contingent upon completing an acquisition, and hence have also been treated as a contingent liability.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Significant changes in the state of affairs

Since 6 September 2016, at the request of HJB, the market for the securities of the Company were suspended pending finalisation of an announcement regarding a proposed material transaction and capital raising. However, as advised on 24 October 2016, the Company was unable to finalise the proposed transaction, and as such the Board of HJB resolved to terminate discussions with the counterparties to the transaction. The Company currently remains suspended at the date of this report.

On the 21 November 2016, HJB Corporation Limited announced that its shareholders passed all Resolutions at its 2016 Annual General Meeting. Shareholders voted in favour of the Remuneration Report, re - electing Mike Hill as a director, and approving the future issue of Securities.

Auditor independence and non-audit services

The auditor's independence declaration is included on page 7 of the financial report.

Signed in accordance with a resolution of the Directors.



Mike Hill
Executive Chairman
Sydney
28 February 2017

28 February 2017

Board of Directors
HJB Corporation Limited
c/- Whittens Lawyers
Level 29, 201 Elizabeth Street
SYDNEY NSW 2000

Dear Sirs

RE: HJB CORPORATION LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of HJB Corporation Limited.

As Audit Director for the review of the financial statements of HJB Corporation Limited for the half year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)



Martin Michalik
Director

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE
HALF YEAR ENDED 31 DECEMBER 2016**

	Note	31 December 2016 \$	31 December 2015 \$
Revenue from continuing operations		888	5,600
Expenses			
Employment costs		-	(162,569)
Professional fees		(39,330)	(56,813)
Insurance costs		(7,106)	(12,657)
Other costs		(44,548)	(57,758)
Total expenses		(90,984)	(289,797)
Loss from continuing operations before income tax expense		(90,096)	(284,197)
Income tax expense		-	-
Loss from continuing operations after income tax		(90,096)	(284,197)
Other comprehensive income for the year			
Other comprehensive income		-	-
Total comprehensive loss for the year		(90,096)	(284,197)
Loss after income tax is attributable to:			
Owners of HJB Corporation Limited		(90,096)	(284,197)
		(90,096)	(284,197)
Total comprehensive loss is attributable to			
Owners of HJB Corporation Limited		(90,096)	(284,197)
		(90,096)	(284,197)
Loss per share from continuing operations attributable to equity holders of the parent entity			
Basic loss per share (cents per share)			
- Continuing operations		(0.03)	(0.10)
Diluted loss per share (cents per share)			
- Continuing operations		(0.03)	(0.10)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying condensed notes.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Note	31 December 2016 \$	30 June 2016 \$
Current Assets			
Cash and cash equivalents		164,358	349,518
Trade and other receivables		9,260	2,867
Prepayments		11,062	3,988
		<u>184,680</u>	<u>356,373</u>
Non Current Assets			
Intangible assets		20,000	20,000
		<u>20,000</u>	<u>20,000</u>
Total Assets		<u>204,680</u>	<u>376,373</u>
Current Liabilities			
Trade and other payables		124,618	206,215
Total Liabilities		<u>124,618</u>	<u>206,215</u>
Net Assets		<u>80,062</u>	<u>170,158</u>
Equity			
Contributed equity	3	28,704,000	28,704,000
Reserves		85,160	85,160
Accumulated losses		(28,709,098)	(28,619,002)
		<u>80,062</u>	<u>170,158</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying condensed notes.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER
2016

	Issued Capital	Option premium reserve	Employee Share Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
Balance as at 1 July 2016	28,704,000	1,750	83,410	(28,619,002)	170,158
Net loss for the half year	-	-	-	(90,096)	(90,096)
Other comprehensive income for the half year	-	-	-	-	-
Total comprehensive loss for the half year	-	-	-	(90,096)	(90,096)
Transactions with owners in their capacity as owners					
Shares issue	-	-	-	-	-
Options issue	-	-	-	-	-
Total transactions with owners in their capacity as owners	-	-	-	-	-
Balance as at 31 December 2016	28,704,000	1,750	83,410	(28,709,098)	80,062
Balance as at 1 July 2015	28,704,000	1,750	83,410	(27,850,749)	938,411
Net loss for the half year	-	-	-	(284,197)	(284,197)
Other comprehensive loss for the half year	-	-	-	-	-
Total comprehensive income for the half year	-	-	-	(284,197)	(284,197)
Transactions with owners in their capacity as owners					
Shares issue	-	-	-	-	-
Options issue	-	-	-	-	-
Total transactions with owners in their capacity as owners	-	-	-	-	-
Balance as at 31 December 2015	28,704,000	1,750	83,410	(28,134,946)	654,214

The above consolidated statement of changes in equity should be read in conjunction with the accompanying condensed notes.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	31 December 2016	31 December 2015
	\$	\$
Cash flow from operating activities		
Payments to suppliers and employees	(186,048)	(362,679)
Interest received	888	5,600
Net cash (used in) operating activities	(185,160)	(357,079)
Cash flow from investing activities		
Proceeds on sale of shares	-	-
Net cash generated by investing activities	-	-
Cash flow from financing activities		
Proceeds from issue of shares and options	-	-
Net cash generated by financing activities	-	-
Net decrease in cash and cash equivalents	(185,160)	(357,079)
Cash and cash equivalents at beginning of year	349,518	991,686
Cash and cash equivalents at end of half year	164,358	634,607

The above consolidated statement of cash flows should be read in conjunction with the accompanying condensed notes.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This half-year financial report of HJB Corporation Limited ("HJB" or the "Company") and its controlled entities (the "Group") for the half-year ended 31 December 2016 was authorised for issue at the date of the directors report.

(a) Basis of preparation of the interim financial report

Statement of compliance

The interim financial report is a general purpose financial report which was prepared in accordance with the Corporations Act 2001 and Accounting Standards AASB 134, Interim Financial Reporting where possible (refer to basis of preparation below). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The interim financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

(b) New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The company has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

(c) Going concern

The financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation and extinguishment of liabilities in the ordinary courses of business.

For the half year ended 31 December 2016 the consolidated entity incurred a net loss of \$90,096 (31 Dec 2015: net loss of \$284,197) and had working capital of \$60,062 (30 June 2016: \$150,158). Based upon the Group's existing cash resources of \$164,358 (30 June 2016: \$349,518), on the ability to modify expenditure outlays if required, and to source additional funds, the Directors consider there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and therefore the going concern basis of preparation is considered to be appropriate for the 31 December 2016 half year financial report.

The Board of Directors are aware, having prepared a cashflow forecast, of the Group's working capital requirements and the need to access additional equity funding or asset divestment if required within the next 12 months.

In the event that the Group is not able to continue as a going concern, it may be required to realise assets and extinguish liabilities other than in the normal course of business and perhaps at amounts different to those stated in its financial report.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Equity settled transactions

The Group provides benefits to its employees (including key management personnel) in the form of share based payments, whereby employees render services in exchange for shares or rights over shares (equity settled transactions). The cost of these equity settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The charge to the statement of profit and loss and other comprehensive income is taken when the options are granted. There is a corresponding entry to equity. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

NOTE 2: SEGMENT REPORTING

(a) Business segments

The consolidated entity operates in one industry segment being the recruitment industry. As a result, no additional business segment information has been provided.

(b) Geographical segments

The consolidated entity operates in one geographical segment being Australia. As a result, no additional geographical segment information has been provided.

(c) Equity accounting investments

The consolidated entity holds no investments relating to equity accounting.

NOTE 3: CONTRIBUTED EQUITY

(a) Ordinary shares – Parent entity

Details	31 December 2016		30 June 2015	
	Number of shares	\$	Number of shares	\$
Opening balance	286,876,788	28,704,000	286,876,788	28,704,000
Share Issue	-	-	-	-
Closing balance	<u>286,876,788</u>	<u>28,704,000</u>	<u>286,876,788</u>	<u>28,704,000</u>

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016

NOTE 3: CONTRIBUTED EQUITY (Continued)

(b) Issuance of options

There were no options issued for the half year ended 31 December 2016.

(c) Share based Payment

There was no share based payment for the half year ended 31 December 2016.

NOTE 4: CONTROLLED ENTITIES

Name of entity		Country of incorporation	Class of shares/units	Equity Holding	
				31 Dec 2016	30 June 2016
Hamilton James and Bruce (Australia) Pty Limited	Incorporated 19 June 2014	Australia	Ordinary	100%	100%

NOTE 5: EVENTS AFTER BALANCE DATE

No events have occurred after balance date that impacts the financial statements.

NOTE 6: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

All directors of the Company, the CFO, and all members of the advisory committee have agreed to waive any salaries and fees owed to each of them from 1 July 2016 onwards, and any amounts accrued since that date have been unconditionally and irrevocably waived by each of them. If and when the Company makes its first acquisition, the Company will consider the resumed payment of the salaries and fees of these people from the date of the first acquisition. The contingent liability for these people as disclosed in Note 6 to the financial statements has been capped at 30 June 2016. The Company Secretary has agreed that his fees for company secretarial services post 1 July 2016 are also contingent upon completing an acquisition, and hence have also been treated as a contingent liability.

Prior to 1 July 2016, each of the Directors, the CFO and the advisory committee members have agreed to receive 50% of their respective base salary up until the first material acquisition is made by the Company. The remaining 50% of base salary (true up) has been treated as a contingent liability up to 30 June 2016.

As at 31 December 2016 the contingent liability is \$662,288 (30 June 2016: \$644,288), with the additional \$18,000 relating to the abovementioned company secretarial fees from 1 July 2016 to 31 December 2016.

There are no other contingent liabilities or assets at the date of this report.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' DECLARATION

- 1) In the opinion of the Directors of HJB Corporation Limited (the 'Company'), the directors of the Company declare that:
 - a) the condensed financial statements, notes and the additional disclosures as set out on pages 8 to 14 are in accordance with the Corporations Act 2001 including:
 - i) giving a true and fair view financial position as at 31 December 2016 and of the performance for the half year ended on that date of the consolidated entity ; and
 - ii) complying with the Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001;
 - b) At the date of this statement, and, as set out in Note 1(c), 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 statement is made in accordance with a resolution of the Board of Directors made pursuant to S.303(5) of the Corporations Act 2001.

On behalf of the Directors



Mike Hill
Executive Chairman
Sydney
28 February 2017

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
HJB CORPORATION LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of HJB Corporation Limited, which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for HJB Corporation Limited (the consolidated entity). The consolidated entity comprises both HJB Corporation Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of HJB Corporation Limited are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the directors determine is 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 Standards 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 Company's financial position as at 31 December 2016 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 HJB Corporation Limited, 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.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of HJB Corporation Limited on 28 February 2017.

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 HJB Corporation 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 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Emphasis of Matter Regarding Going Concern

As referred to in 1(b) to the financial statements, the financial statements have been prepared on a going concern basis. At 31 December 2016 the entity had working capital of \$60,062, cash and cash equivalent of \$164,358 and had incurred a loss for the period amounting to \$90,096. The ability of the entity to continue as a going concern is subject to successful recapitalisation of the entity. In the event that the Board is not successful in recapitalising the entity and in raising further funds, the Company may not be able to meet its liabilities as they fall due.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
28 February 2017