

COMPANY ANNOUNCEMENT

29 March 2021

Reverse Corp Limited (ASX: REF) – Half-Year Results Announcement

Reverse Corp Limited reports NLAT (net loss after tax) of \$36,573 for the half-year ending 31 December 2020.

The NLAT result reflects the running costs of the REF shell.

Further to the ASX announcement on 12 August 2020, the Board has had no further discussions with any interested parties on the sale of the ASX shell.

The Company has the following assets:

- \$20,000 in cash; and
- \$3,243,242 in franking / imputation credits.

Reverse Corp Limited has 92,860,562 shares on issue and 431 shareholders.

By Order of the Board

Dion Soich
Company Secretary

REVERSE CORP LIMITED

ACN 085 949 855

Appendix 4D

Half-year report

for the half-year ended 31 December 2020

(previous corresponding period: half-year ended 31 December 2019)

Results for announcement to the market:

Revenue from ordinary activities (\$000)	N/A	to \$2
Loss from ordinary activities after tax attributable to members (\$000)	Down 66.1%	to \$37
Total comprehensive income after tax attributable to members (\$000)	N/A	to \$37

Brief explanation of any figures reported above necessary to enable the figures to be understood:

Refer to the accompanying financial statements and notes.

Dividend:

The Board has not declared a dividend.

	31 December 2020	31 December 2019
Net tangible assets per security:	\$0.000	\$0.003

Commentary on the Results for the Period:

Refer to the accompanying financial statements and notes.

Audit/Review Status:

This report is based on accounts to which one of the following applies:
(Tick one)

The accounts have been audited	<input type="checkbox"/>	The accounts have been subject to review	<input checked="" 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	<input type="checkbox"/>

**Reverse Corp Limited
and Controlled Entities**

ABN 16 085 949 855

Interim Financial Report

for the half-year ended 31 December 2020

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities
Interim Financial Report**

DIRECTORS' REPORT

Your directors submit the financial report of the economic entity for the half-year ended 31 December 2020.

Directors

The names of directors in office at any time during or since the end of the period are:

Mr Peter D Ritchie – Non-Executive Chairman (Resigned 12 August 2020)

Mr Gary B Hillberg – Non-Executive Director (Resigned 12 August 2020)

Mr Richard L Bell – Non-Executive Director (Resigned 12 August 2020)

Mr Shao Jing Wang – Non-Executive Chairman (Appointed 12 August 2020)

Mr Charles Wantrup – Non-Executive Director (Appointed 12 August 2020)

Mr Jian Dong Hu – Non-Executive Director (Appointed 12 August 2020)

Review and Results of Operations

Net loss after tax for the half-year ended 31 December 2020, from continuing operations, was \$36,573 compared to a net loss after tax of \$109,292 for the same period last year.

Operating costs have been reduced to a minimal level to reflect the current level of activity. Should this change the Board will adjust the operating costs accordingly.

Priorities for the Board in the second half are to continue to assess future options for the sale of the company to achieve the best shareholder returns

Dividends

No dividend has been declared for the half-year.

A fully franked special dividend of \$0.0013 per share was paid on 2 September 2020.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 3 and forms part of this report.

This report is signed in accordance with a resolution of the Board of Directors.



Mr. Shao Jing Wang
Chairman

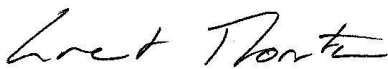
Dated this 26th day of March 2021

Auditor's Independence Declaration

To the Directors of Reverse Corp Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Reverse Corp Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



A F Newman
Partner – Audit & Assurance

Brisbane, 26 March 2021

Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities

Interim Financial Report

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Note	Half-Year Ended	
		31 Dec 2020	31 Dec 2019
		\$	\$
Other Revenue		1,582	-
Interest revenue		-	2,929
Other expenses		(38,155)	(112,221)
Loss before income tax		(36,573)	(109,292)
Income tax (expense) / benefit		-	-
Loss for the half-year from continuing operations		(36,573)	(109,292)
Profit for the half-year from discontinued operations		-	1,628,845
Profit/(loss) for the half-year		(36,573)	1,519,553
Other comprehensive income		-	-
Other comprehensive income for the half-year, net of income tax		-	-
Total comprehensive income for the half-year		(36,573)	1,519,553
Profit/(loss) for the half-year attributable to:			
Owners of the parent		(36,573)	1,519,553
		(36,573)	1,519,553
Total comprehensive income for the half-year attributable to owners of the parent:			
Continuing operations		(36,573)	(109,292)
Discontinued operations		-	1,628,845
		(36,573)	1,519,553
Earnings per share			
Basic earnings per share		(0.004)	0.016
Earnings from continuing operations		(0.004)	(0.002)
Profit/(loss) from discontinued operations		-	0.018
Diluted earnings per share		(0.004)	0.016
Earnings from continuing operations		(0.004)	(0.002)
Profit/(loss) from discontinued operations		-	0.018

The accompanying notes form part of these financial statements.

Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities
Interim Financial Report
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	31 Dec 2020	30 Jun 2020	
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		19,239	45,811
Trade and other receivables		1,418	141,171
Other current assets		900	-
TOTAL CURRENT ASSETS		21,557	186,982
TOTAL ASSETS		21,557	186,982
CURRENT LIABILITIES			
Trade and other payables		10,610	18,743
TOTAL CURRENT LIABILITIES		10,610	18,743
TOTAL LIABILITIES		10,610	18,743
NET ASSETS		10,947	168,239
EQUITY			
Share capital	6	3,576,084	3,576,084
Retained earnings		(3,565,137)	(3,407,845)
TOTAL EQUITY		10,947	168,239

The accompanying notes form part of these financial statements.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities
Interim Financial Report**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Note	Share capital	Retained earnings	Total attributable to owners of parent	Non- controlling interest	Total Equity
		\$	\$	\$	\$	\$
Balance at 1 July 2020		3,576,084	(3,407,845)	168,239	-	168,239
Dividend payments		-	(120,719)	(120,719)	-	(120,719)
Transactions with owners		-	(120,719)	(120,719)	-	(120,719)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	(36,573)	(36,573)	-	(36,573)
Balance at 31 December 2020		3,576,084	(3,565,137)	10,947	-	10,947
Balance at 1 July 2019		3,576,084	(2,299,697)	1,276,387	-	1,276,387
Dividend payments		-	(2,553,665)	(2,553,665)	-	(2,553,665)
Transactions with owners		-	(2,553,665)	(2,553,665)	-	(2,553,665)
Profit/(loss) for the period		-	1,519,553	1,519,553	-	1,519,553
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	1,519,553	1,519,553	-	1,519,553
Balance at 31 December 2019		3,576,084	(3,333,809)	242,275	-	242,275

The accompanying notes form part of these financial statements.

Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities
Interim Financial Report
CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

	Half-year ended 31 Dec 2020	Half-year ended 31 Dec 2019
	\$	\$
OPERATING ACTIVITIES		
Receipts from customers	-	-
Payments to suppliers and employees	(55,869)	(194,175)
Tax refunds	-	73,075
Net cash used in continuing operations	(55,869)	(121,100)
Net cash from / (used in) discontinuing operations	-	(448,383)
Net cash from / (used in) operating activities	(55,869)	(569,483)
INVESTING ACTIVITIES		
Proceeds from the sale of subsidiaries	140,000	2,768,436
Interest received	16	4,377
Proceeds from the sale of property, plant & equipment	-	9,097
Net cash from / (used in) investing activities	140,016	2,781,910
FINANCING ACTIVITIES		
Proceeds from borrowings	10,000	-
Dividends paid	(120,719)	(2,553,665)
Net cash used in financing activities	(110,719)	(2,553,665)
Net change in cash and cash equivalents	(26,572)	(341,238)
Cash and cash equivalents, beginning of period	45,811	434,162
Cash and cash equivalents, end of period	19,239	92,924

The accompanying notes form part of these financial statements.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities
Interim Financial Report**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

NOTE 1: GENERAL INFORMATION AND BASIS OF PREPARATION

These interim financial statements for the interim half-year reporting period ended 31 December 2020 are presented in Australian Dollar (\$AUD), which is the functional currency of the Parent Company and have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: *Interim Financial Reporting*.

This condensed interim financial report is intended to provide users with an update on the latest annual financial statements of Reverse Corp Limited and its controlled entities (the Group). They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the consolidated financial statements of the group for the year ended 30 June 2020, together with any public announcements made during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

The interim financial statements have been approved and authorised for issue by the Board of Directors on 26 March 2021.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the Group's most recent annual financial statements for the year ended 30 June 2020.

Comparative Figures

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

Key Estimates and Judgements

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management and will seldom equal the estimated results. The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2020.

Basis of Preparation

The Board has been unable to secure any new opportunities for the Group since the last reporting date. Despite this and the Group scaling back its operations additional funding has been required. The current chairman Mr Shaojing Wang (Director of leading shareholder Q Services Holdings Pty Ltd) has provided \$10,000 on 21 December 2020 and a further \$15,000 on 16 February 2021 as a loan on 3% interest and has agreed to provide further funding as required by the Group. As such the directors have continued to prepare the financial statements on an orderly realisation basis.

Given the current state of the Group this alternative basis had not resulted in any material differences to the recognition and measurement of assets and liabilities to the accounting policies previously applied.

Except for the cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities
Interim Financial Report**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

NOTE 3: SEGMENT REPORTING

The group has no operating business so no segment reporting is required. The Board will review if this changes.

NOTE 4: CONTINGENT LIABILITIES

There are no contingent liabilities at 31 December 2020.

NOTE 5: CHANGES IN COMPOSITION OF CONSOLIDATED ENTITY

Since the consolidated entity's last annual reporting date there have been the following changes in the composition of the consolidated entity:

Unlisted investments, at cost:	Principal activities	Country of Incorporation	Ownership Interest	
			31 December 2020	30 June 2020
			%	%
1800 Reverse Pty Ltd	Dormant Entity	Australia	100	100

NOTE 6: ISSUED CAPITAL

The total number of shares on issue at 31 December 2020 is 92,860 562 (30 June 2020: 92,860,562).

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

Since the end of the reporting period, no matters other than mentioned above have arisen which significantly effected or may significantly effect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities
Interim Financial Report**

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 9:
 - a. comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001; and
 - b. give a true and fair view of the economic entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date.

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.



Mr. Shao Jing Wang
Chairman

Dated this 26th day of March 2021

Independent Auditor's Review Report

To the Members of Reverse Corp Limited

Report on the review of the half-year-financial report

Conclusion

We have reviewed the accompanying half-year financial report of Reverse Corp Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Reverse Corp Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Reverse Corp Limited's financial position as at 31 December 2020 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*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter – Realisation basis of accounting

We draw attention to Note 2 Basis of Preparation, which indicates that the Group's financial statements has been prepared on an alternative basis of preparation (orderly realisation basis), which has arisen due to events described in that note. Our opinion is not modified in respect of this matter.

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 control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and 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 half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 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*.

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.



Grant Thornton Audit Pty Ltd
Chartered Accountants



A F Newman
Partner – Audit & Assurance

Brisbane, 26 March 2021