

**MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED
ENTITIES
HALF YEAR INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2013
ABN: 94 050 240 330**

This half year financial report is to be read in conjunction with the with the financial report for the
year ended 30 June 2013

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

APPENDIX D

1. Reporting period

Report for the half year ended 31 December 2013

Previous corresponding periods: Financial year ended 30 June 2013

Half year ended 31 December 2013

Results for announcement to the market

Key Information		Change %	Half-year Ended	Half-year Ended
			31 December 2013	31 December 2012
			\$	\$
Revenue from continuing operations	Down	76%	781,081	3,300,958
Loss from continuing operations after tax attributable to members	Down	69%	(138,763)	(446,795)
Total comprehensive loss attributable to members	Down	69%	(138,763)	(446,795)

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 Nil (31 December 2012: \$0.01)

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

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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

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MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

The directors of Montech Holdings Limited (formerly Sirius Corporation Limited) (**Company**) and its controlled entities (**Group**) submit herewith the consolidated financial statements of the Group for the half year ended 31 December 2013. In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

Directors

The names and details of the Company's directors in office during the half-year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name	Particulars
Mr Rajiv Parrab	Non Executive Chairman (Resigned 17 February 2014)
Mr Anthony Onsley	Managing Director (Resigned 17 February 2014)
Mr David Mandel	Non Executive Director (Resigned 17 February 2014)
Mr David Shein	Non Executive Chairman (Appointed 17 February 2014)
Mr Michael Pollak	Non Executive Director (Appointed 17 February 2014)
Mr Joseph Fridman	Non Executive Director (Appointed 17 February 2014)
Mr Jonathan Pager	Non Executive Director (Appointed 17 February 2014)

Incomplete records

The management and affairs of the Company have not been under the control of the Directors of the Company since it entered voluntary administration on 30 August 2013.

The financial report was prepared by Directors who were not in office at the time the Company entered voluntary administration. The Directors who prepared this financial report were appointed on 17 February 2014.

To prepare the financial report, the Directors have reconstructed the financial records of the Group using:

- data extracted from the Company's accounting system for the period 1 July 2013 to the point the Company entered administration;
- the record of receipts and payments made available by the Administrator of the Company and its subsidiaries for the period from their appointment to 31 December 2013;

It has not been possible for the Directors to obtain all the books and records:

- of the Company for the period prior to the appointment of the Administrators;
- maintained by the Administrators since their appointments on 30 August 2013;

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001, nor is it possible to state this financial report gives a true and fair view of the company's financial position.

Review of operations

The Group's principal activities were the provision of group ownership, strategy and oversight over a number of software and service enterprises

The loss after income tax for the six months ended 31 December 2013 was \$138,763 (31 December 2012: loss of \$446,795).

The Company was suspended from trading on ASX on 30 August 2013 at its request and Quentin Olde and Nathan Landrey (**Administrators**) of FTI Consulting were appointed as joint and several Administrators of the Group and assumed control of the Group and their business, property and affairs.

Because of these events assets have been written down to their realisable values in the consolidated statement of financial position and liabilities have been recorded at the amounts for which proofs of debt are expected by the Administrators.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Significant changes in the state of affairs

The Company was suspended from trading on ASX on 30 August 2013 at its request and Quentin Olde and Nathan Landrey of FTI Consulting were appointed as joint and several Administrators of the Group and assumed control of the Group and its business, property and affairs.

The Administrators subsequently advertised, sought and negotiated proposals to reconstruct the Company with interested parties. Pager Partners put forward a recapitalisation proposal which was accepted at a meeting of the Company's creditors on 17 October 2013. The DoCA was signed on 7 November 2013.

Under the Proposal, it was agreed that the Company would pay \$500,000 to the Deed Administrator for distribution under the DoCA to the Creditors' Trust in return for secured and unsecured creditors releasing all claims against the Company and their charge over the Company. The Administrators sold certain of the Company's assets as announced on the ASX on 29 October 2013 however under the Proposal certain unencumbered assets were retained by the Company including the Pinnacle software. A Creditors' Trust Deed has been established pursuant to the DoCA which will be used to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance distributed to creditors as full and final payment of the Company's outstanding debts. The syndicate lead by Pager Partners loaned the Company \$500,000 in order to effectuate the DoCA. This occurred on the 16 May 2014.

Under the Proposal, the Company is to issue up to 300,000,000 fully paid ordinary shares and up to 75,000,000 options exercisable at 0.0025 cents per option, to raise up to \$1,876,875 before the costs of the Proposal. On 7 April 2014 the Company's shareholders approved the issue of the shares at an Extraordinary General Meeting.

The Directors are currently working towards the restructure and recapitalisation of the Company and liaising with the ASX in relation to the reinstatement of the Company's securities for trading on the ASX.

Auditor independence and non-audit services

The auditor's independence declaration is included on page 6 of the financial report.

Signed in accordance with a resolution of the directors.



David Shein
Non Executive Chairman
Sydney
24 June 2014

24 June 2014

Board of Directors
Montech Holdings Limited
Level 5, 137-139 Bathurst Street
Sydney, NSW 2000

Dear Sirs

RE: MONTECH HOLDINGS 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 Montech Holdings Limited.

As Audit Director for the review of the financial statements of Montech Holdings Limited for the half year ended 31 December 2013, 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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Revenue		781,081	3,300,958
Expenses			
Amortisation expenses		(94,922)	(279,765)
Cost of goods sold		(50,572)	(49,477)
Depreciation expenses		(10,209)	(35,805)
Employee benefits, other labour and related expenses		(1,370,562)	(2,612,541)
Insurance		(574)	(24,274)
Legal costs		(143,968)	-
Marketing expense		-	(41,829)
Occupancy expenses		(93,421)	(204,242)
Operating lease payments (excluding occupancy)		(1,578)	(6,121)
Professional fees		(281,550)	(126,900)
Telecommunication carrier expenses		(2,755)	(48,140)
Travel, accommodation and entertainment expenses		(38,748)	(111,623)
Other expenses		(58,916)	(202,832)
Total expenses		<u>(2,147,775)</u>	<u>(3,743,549)</u>
Loss before finance costs, impairment and sale of InfoMaster		(1,366,694)	(442,591)
Finance costs		(74,545)	(4,204)
Impairment of other assets	4	(25,536)	-
Profit on sale of InfoMaster business		<u>1,328,012</u>	<u>-</u>
Loss before income tax expense		(138,763)	(446,795)
Income tax expense		<u>-</u>	<u>-</u>
Loss from continuing operations		<u>(138,763)</u>	<u>(446,795)</u>
Other comprehensive income for the year			
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive loss		<u><u>(138,763)</u></u>	<u><u>(446,795)</u></u>
Loss is attributable to:			
Montech Holdings Limited		<u>(138,763)</u>	<u>(446,795)</u>
		<u><u>(138,763)</u></u>	<u><u>(446,795)</u></u>
Total comprehensive loss is attributable to			
Montech Holdings Limited		<u>(138,763)</u>	<u>(446,795)</u>
		<u><u>(138,763)</u></u>	<u><u>(446,795)</u></u>
Loss per share from continuing operations attributable to equity holders of the parent entity			
Basic loss per share (cents per share)		(0.05)	(0.14)
Diluted loss per share (cents per share)		(0.05)	(0.14)

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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Notes	31 December 2013 \$	30 June 2013 \$
Current Assets			
Cash and cash equivalents	2	392,777	176,078
Trade and other receivables	3	-	1,289,838
Other assets	4	-	1,434
		392,777	1,467,350
Non Current Assets			
Property plant and equipment	5	6,457	38,326
Intangible assets	6	63,636	645,029
		70,093	683,355
Total assets		462,870	2,150,705
Current Liabilities			
Trade and other payables	7	1,430,708	1,830,073
Short-term borrowings	8	2,649,153	2,577,024
Other financial liabilities	10	319,194	1,550,724
Short-term provision	9	40,705	31,011
		4,439,760	5,988,832
Total Liabilities		4,439,760	5,988,832
Net Assets		(3,976,890)	(3,838,127)
Equity			
Issued capital	12	13,636,115	13,636,115
Reserves		6,790	6,790
Accumulated losses		(17,619,795)	(17,481,032)
		(3,976,890)	(3,838,127)

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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Issued Capital	Share Based Payments Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
Balance as at 1 July 2013	13,636,115	6,790	(17,481,032)	(3,838,127)
Net loss for the year	-	-	(138,763)	(138,763)
Other comprehensive income for the half year	-	-	-	-
Total comprehensive loss for the half year	<u>-</u>	<u>-</u>	<u>(138,763)</u>	<u>(138,763)</u>
Transactions with owners in their capacity as owners				
Options issued at net cost	-	-	-	-
Total transactions with owners in their capacity as owners	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at 31 December 2013	<u><u>13,636,115</u></u>	<u><u>6,790</u></u>	<u><u>(17,619,795)</u></u>	<u><u>(3,976,890)</u></u>
Balance as at 1 July 2012	13,636,115	-	(14,810,908)	(1,174,793)
Net loss for the year	-	-	(446,795)	(446,795)
Other comprehensive income for the half year	-	-	-	-
Total comprehensive loss for the half year	<u>-</u>	<u>-</u>	<u>(446,795)</u>	<u>(446,795)</u>
Transactions with owners in their capacity as owners				
Options issued at net cost	<u>-</u>	<u>6,790</u>	<u>-</u>	<u>6,790</u>
Total transactions with owners in their capacity as owners	<u>-</u>	<u>6,790</u>	<u>-</u>	<u>6,790</u>
Balance as at 31 December 2012	<u><u>13,636,115</u></u>	<u><u>6,790</u></u>	<u><u>(15,257,703)</u></u>	<u><u>(1,614,798)</u></u>

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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Cash flow from operating activities			
Receipts from customers		1,679,864	2,866,192
Payments to suppliers and employees		(2,338,260)	(4,092,926)
Interest received		-	2,070
Finance costs		-	(4,204)
Receipt from research and development grant		-	56,737
Net cash used in operating activities		<u>(658,396)</u>	<u>(1,172,131)</u>
Cash flow from investing activities			
Payment for property plant and equipment		(1,043)	(17,103)
Proceeds from sale of property, plant and equipment		18,169	-
Proceeds from sale of InfoMaster		860,384	-
Payment for Asset Management Agreement		-	(61,883)
Net cash generated by / (used in) investing activities		<u>877,510</u>	<u>(78,986)</u>
Cash flow from financing activities			
Receipt of unsecured loans		-	815,000
Repayment of unsecured loans		(2,417)	-
Net cash (used in) / generated by financing activities		<u>(2,417)</u>	<u>815,000</u>
Net increase in cash and cash equivalents		216,699	(436,117)
Cash and cash equivalents at beginning of year		<u>176,078</u>	<u>518,272</u>
Cash and cash equivalents at end of year	2	<u><u>392,777</u></u>	<u><u>82,155</u></u>

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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This interim financial report of the Company and its controlled entities (the Group) for the half-year ended 31 December 2013 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) Incomplete records

The management and affairs of the Company and its Australian controlled entities have not been under the control of the Directors of the Company since it entered voluntary administration on 30 August 2013.

The financial report was prepared by Directors who were not in office at the time the Company entered voluntary administration. The Directors who prepared this financial report were appointed on 17 February 2014.

To prepare the financial report, the Directors have reconstructed the financial records of the Group using:

- data extracted from the Company's accounting system for the period 1 July 2013 to the point the Company entered administration;
- the record of receipts and payments made available by the Administrators of the Company and its Australian subsidiaries for the period from their appointment to 31 December 2013;

It has not been possible for the Directors to obtain all the books and records:

- of the Company for the period prior to the appointment of the Administrators;
- maintained by the Administrators since their appointments on 30 August 2013;

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001, nor is it possible to state this financial report gives a true and fair view of the Company's financial position.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2013 annual financial report for the financial year ended 30 June 2013, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

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

A number of new and revised accounting standard requirements became mandatory for the first time for the half-year period ended 31 December 2013.

- AASB 10: *Consolidated Financial Statements*;
- AASB 127: *Separate Financial Statements* (August 2011);
- AASB 11: *Joint Arrangements*;
- AASB 128: *Investments in Associates and Joint Ventures* (August 2011);
- AASB 12: *Disclosure of Interests in Other Entities*;
- AASB 2011-7: *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards*; and
- AASB 2012-10: *Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments*.
- AASB 13 *Fair Value Measurement*; and
- AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13*

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

These Standards became mandatorily applicable from 1 January 2013 and became applicable to the Group for the first time in the current half-year reporting period 1 July 2013 to 31 December 2013. The Group has adopted all of the new and revised Standards and Interpretations that are relevant to its operations and effective for the current half year. Adoption has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior half years.

(d) Going concern

The consolidated entity incurred a net loss of \$138,763 (2012: \$446,795) and experienced total cash outflows from operating activities of \$658,394 (2012: \$1,172,131) for the half year ended 31 December 2013 and, as at that date, had a net current asset deficit of \$4,046,983 (2012: \$4,521,482).

The Company was suspended from trading on ASX on 30 August 2013 at its request and Quentin Olde and Nathan Landrey of FTI Consulting were appointed as joint and several Administrators of the Group and assumed control of the Group and its business, property and affairs.

The Administrators subsequently advertised, sought and negotiated proposals to reconstruct the Company with interested parties. Pager Partners put forward a recapitalisation proposal which was accepted at a meeting of the Company's creditors on 17 October 2013. The DoCA was signed on 7 November 2013.

Under the Proposal, it was agreed that the Company would pay \$500,000 to the Deed Administrator for distribution under the DoCA to the Creditors' Trust in return for secured and unsecured creditors releasing all claims against the Company and their charge (if any) over the Company. The Administrators sold certain of the Company's assets as announced on the ASX on 29 October 2013 however under the Proposal certain unencumbered assets were retained by the Company including the Pinnacle software. A Creditors' Trust Deed has been established pursuant to the DoCA which will be used to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance distributed to creditors as full and final payment of the Company's outstanding debts. The syndicate lead by Pager Partners loaned the Company \$500,000 in order to effectuate the DoCA. This occurred on the 16 May 2014.

Under the Proposal, the Company is to issue up to 300,000,000 fully paid ordinary shares and up to 75,000,000 options exercisable at 0.0025 cents per option, to raise up to \$1,876,875 before the costs of the Proposal. On 7 April 2014 the Company's shareholders approved the issue of the shares at an Extraordinary General Meeting.

The cash flow forecast indicates that based on the completion of the equity raising described above, the consolidated entity will have sufficient cash flows to meet all commitments and working capital requirements for a period of at least 12 months from the date of signing the half-year financial report. Accordingly, the directors are satisfied that the going concern basis of preparation is appropriate.

The half-year financial report has therefore been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

NOTE 2: CASH AND CASH EQUIVALENTS

	31 December 2013	30 June 2013
	\$	\$
Cash at bank and on hand	<u>392,777</u>	<u>176,078</u>

NOTE 3: TRADE AND OTHER RECEIVABLES

Trade receivables	-	1,418,069
Provision for Bad Debts - Administration	-	(128,231)
	<u>-</u>	<u>1,289,838</u>

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2013

NOTE 4: OTHER ASSETS

	31 December 2013	30 June 2013
	\$	\$
Prepayments	3,302	15,176
Accrued income	20,800	11,917
Sundry debtors	-	15,125
Additional income post Administration	1,434	1,434
Impairment of other assets	(25,536)	(42,218)
	<u>-</u>	<u>1,434</u>

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements \$	Plant and Equipment \$	Total \$
At 31 December 2013			
Cost	73,755	4,335,289	4,409,044
Accumulated depreciation	(45,082)	(4,270,021)	(4,315,103)
Sale of business	-	(22,704)	(22,704)
Impairment due to Administration	(28,673)	(36,107)	(64,780)
	<u>-</u>	<u>6,457</u>	<u>6,457</u>

At 30 June 2013

Cost	73,756	4,334,245	4,408,001
Accumulated depreciation	(44,925)	(4,259,970)	(4,304,895)
Impairment due to Administration	(28,673)	(36,107)	(64,780)
	<u>158</u>	<u>38,168</u>	<u>38,326</u>

NOTE 6: INTANGIBLE ASSETS

	Maintenance Contracts and Software \$	Total \$
At 31 December 2013		
Cost	4,196,471	4,196,471
Accumulated depreciation	(2,698,416)	(2,698,416)
Sale of business	(486,471)	(486,471)
Impairment due to Administration	(947,948)	(947,948)
	<u>63,636</u>	<u>63,636</u>
At 30 June 2013		
Cost	4,196,471	4,196,471
Accumulated depreciation	(2,603,494)	(2,603,494)
Impairment due to Administration	(947,948)	(947,948)
	<u>645,029</u>	<u>645,029</u>

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2013

NOTE 7: TRADE AND OTHER PAYABLES

	31 December 2013	30 June 2013
	\$	\$
Trade creditors	(392,327)	(580,799)
Other payables and accrued expenses	(330,610)	(505,976)
Auditors fees	(10,000)	(5,000)
GST Payable under Administrator	(43,529)	-
DOCA receipt	(10,000)	-
Sale of InfoMaster business	94,056	-
Creditors Claims under Administration	(738,298)	(738,298)
	<u>(1,430,708)</u>	<u>(1,830,073)</u>

A Creditors' Trust Deed has been established pursuant to the DoCA which will be used to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance distributed to creditors as full and final payment of the Company's outstanding debts.

NOTE 8: BORROWINGS

Current

Unsecured Loan Interest bearing	<u>(2,649,153)</u>	<u>(2,577,024)</u>
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NOTE 9: PROVISIONS

Current

Employee benefits - long service leave	(40,705)	(159,511)
Write off of Employee Entitlements due to Administration	-	128,500
	<u>(40,705)</u>	<u>(31,011)</u>

NOTE 10: OTHER LIABILITIES

Current

Income in advance	(1,285,702)	(1,800,657)
Sale of InfoMaster business	966,508	-
Write off of income received in advance	-	249,933
	<u>(319,194)</u>	<u>(1,550,724)</u>

* Income in advance relates to maintenance and support fees paid in advance. Pinnacle customers that purchased a perpetual license from the Administrator agreed to forgo the right to claim the fees paid in advance as an unsecured creditor under the DOCA. As a result, it is expected that the liability for income in advance will reduce however the Group does not have sufficient information to allow this level of disclosure for the half year ended 31 December 2013.

NOTE 11: SEGMENT INFORMATION

Management determines the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors has identified four reportable segments being Corporate SMS, InfoMaster and Pinnacle.

* On 30 August 2013 the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure for the half year ended 31 December 2013.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2013

NOTE 11: SEGMENT INFORMATION (Continued)

The segment information for the reportable segments for the half year ended 31 December 2012 is as follows:

31 December 2012	Corporate	SMS	InfoMaster	Pinnacle	Total
	\$	\$	\$	\$	\$
Revenue from external customers	53,564	204,634	2,152,903	889,857	3,300,958
Reportable segment profit/(loss) before tax	(739,666)	108,909	290,634	(106,672)	(446,795)
Total segment assets	117,368	13,070	1,714,588	1,528,409	3,373,435
Total segment liabilities	2,945,763	-	1,190,608	851,863	4,988,234

NOTE 12: SHARE CAPITAL

	31 December 2013	30 June 2013
	\$	\$
Ordinary shares - 308,196,565 (30 June 2013: 308,196,565)	<u>13,636,115</u>	<u>13,636,115</u>

(a) Ordinary shares - Parent entity

	31 December 2013		30 June 2013	
Details	Number	\$	Number	\$
Opening balance	308,196,565	13,636,115	308,196,565	13,636,115
Additions / (Reductions)	-	-	-	-
Closing balance	<u>308,196,565</u>	<u>13,636,115</u>	<u>308,196,565</u>	<u>13,636,115</u>

(b) Rights of each type of share

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTE 13: EVENTS AFTER BALANCE SHEET DATE

The Company was suspended from trading on ASX on 30 August 2013 at its request Quentin Olde and Nathan Landrey of FTI Consulting were appointed as joint and several Administrators of the Group and assumed control of the Group and its business, property and affairs.

The Administrator subsequently advertised, sought and negotiated proposals to reconstruct the Company with interested parties. Pager Partners put forward a recapitalisation proposal which was accepted at a meeting of the Company's creditors on 17 October 2013. The DoCA was signed on 7 November 2013.

Under the Proposal, it was agreed that the Company would pay \$500,000 to the Deed Administrator for distribution under the DoCA to the Creditors' Trust in return for secured and unsecured creditors releasing all claims against the Company and their charge (if any) over the Company. The Administrators sold certain of the Company's assets as announced on the ASX on 29 October 2013 however under the Proposal certain unencumbered assets were retained by the Company including the Pinnacle software. A Creditors' Trust Deed has been established pursuant to the DoCA which will be used to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance distributed to creditors as full and final payment of the Company's outstanding debts. The syndicate lead by Pager Partners loaned the Company \$500,000 in order to effectuate the DoCA. This occurred on the 16 May 2014.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2013

Under the Proposal, the Company is to issue up to 300,000,000 fully paid ordinary shares and up to 75,000,000 options exercisable at 0.0025 cents per option, to raise up to \$1,876,875 before the costs of the Proposal. On 7 April 2014 the Company's shareholders approved the issue of the shares at an Extraordinary General Meeting.

The Directors are currently working towards the restructure and recapitalisation of the Company and liaising with the ASX in relation to the reinstatement of the Company's securities for trading on the ASX.

NOTE 14: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no current contingent liabilities or contingent assets.

NOTE 15: RELATED PARTIES

(a) Parent entity

The parent entity within the Group is Montech Holdings Limited (formerly Sirius Corporation Limited).

(b) Subsidiaries

		Country of Incorporation	Ownership	
			2013	2012
			%	%
InfoMaster Pty Ltd	In Liquidation	Australia	100	100
InfoMaster (NZ) Ltd	To be Deregistered	New Zealand	100	100
Pinnacle Software Pty Ltd	In Liquidation	Australia	100	100
Siricle Pty Ltd	In Liquidation*	Australia	100	100
Sirius Budgets Pty Ltd	In Liquidation*	Australia	100	100
Sirius Finance (Aust.) Pty Ltd	In Liquidation*	Australia	100	100

* These were deregistered post 31 December 2013.

(c) Outstanding balances arising from sales/ purchases of goods and services

On 30 August 2013 the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Montech Holdings Limited (formerly Sirius Corporation Limited), the directors of the Company declare that:

- (a) As set out in note 1(b), although the Directors have prepared the financial statements and notes thereto to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that the financial statements and notes, as set out on pages 7 to 16 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*; and
 - (ii) giving a true and fair view of the financial position of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date.
- (b) In the directors opinion, subject to the succesful recapitlisation of the Company, 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 Directors

A handwritten signature in dark ink, appearing to read 'D Shein', with a stylized flourish extending from the bottom.

David Shein
Non Executive Chairman
Sydney
24 June 2014

**QUALIFIED INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MONTECH HOLDINGS LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Montech Holdings Limited, which comprises the consolidated statement of financial position as at 31 December 2013, the condensed 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for Montech Holdings Limited (the consolidated entity). The consolidated entity comprises both Montech Holdings Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Montech Holdings 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 2013 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 Montech Holdings 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 Montech Holdings Limited on 24 June 2014.

Basis for Disclaimer of Auditor's Review Opinion

The company was placed into administration on 30 August 2013. Consequently, the financial information relating to the period under review was not subject to the same accounting and internal controls processes, which includes the implementation and maintenance of internal controls that are relevant to the preparation and fair presentation of the financial report. Whilst the books and records of the company have been reconstructed to the maximum extent possible, we were unable to satisfy ourselves as to the completeness of the general ledger and financial records as well as the relevant disclosures in the financial report.

As stated in Note 1 (b), the Directors are unable to state that the financial report is in accordance with all the requirements of the *Corporations Act 2001* and the Australian Accounting Standards.

Disclaimer of Auditor's Review Opinion

Based on our review, which is not an audit, and because of the existence of the limitation on the scope of our work, as described in the Basis for Disclaimer of Auditor's Review Opinion paragraph noted above, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, we are unable to, and do not express, an opinion as to whether the financial report of Montech Holdings Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

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
24 June 2014