



ACN 139 977 772

## APPENDIX 4D – 31 December 2015 Interim Report

**APPLABS TECHNOLOGIES LTD (ASX:ALA)**

**DATE: 19 FEBRUARY 2015**

### 1. Reporting Period

The current reporting period is the period ended 31 December 2015 and the previous corresponding period is for the period ended 31 December 2014

### 2. Results for Announcement to the Market.

	Half year Dec 31 2015	Half year Dec 31 2014	Movement Up/(Down)	Percentage Movement
	\$	\$	\$	
2.1 Revenue from ordinary activities (excluding interest income) <sup>(1)</sup>	-	-	-	-
2.2 Profit/(loss) from continuing operations after tax attributable to members. <sup>(1)</sup>	(900,147)	(736,750)	(163,397)	-22.18%
2.3 Net profit/(loss) for the period attributable to members.	(1,071,442)	(885,426)	(186,016)	-21.01%
2.4 Amount per security and franked amount per security of interim dividend.		No interim dividends have been paid or provided for during the period		
2.5 Record date for determining entitlements to the dividends and payment date.		Not applicable		
2.6 Brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.		(1)For comparison purposes the December 2014 revenue amounts (2.1) and the profit/(loss) from continuing operations after tax attributable to members (2.2) have been adjusted to remove the Fee for Service Division revenue and operating costs, as that division became a discontinued operation in June 2015.		

**3. Net Tangible Assets per Security**

	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
	Cents	Cents
Net tangible assets per security	7.25	12.78

**4. Details of entities over which control has been gained or lost during the period**

4.1 Applabs 20% equity position in Roster Elf Pty Ltd was sold.

4.2 Date of Sale was 1 December 2015

4.3 Profit on Sale recorded in the Interim December 2015 Report was \$17,921. In the corresponding previous period, Applabs share of Loss of Roster Elf Pty Ltd was (\$41,799).

**5. Details of Dividend and Distribution Payments**

No dividends or distributions have been paid or provided for during the period.

**6. Dividend Reinvestment Plans**

There are no dividend or distribution reinvestment plans in operation.

**7. Associates and Joint Venture Entities**

Not applicable

**8. Foreign Entities**

Not applicable

**9. Audit Dispute or Qualification**

None.



**APPLABS TECHNOLOGIES LTD**

**ABN 41 139 977 772**

**INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED  
31 DECEMBER 2015**

## TABLE OF CONTENTS

Directors' Report.....	3
Auditor's Independence Declaration.....	5
Consolidated Statement of Profit or Loss & Other Comprehensive Income.....	6
Consolidated Statement of Financial Position.....	7
Consolidated Statement of Changes in Equity.....	8
Consolidated Statement of Cash Flows.....	9
Notes to the Consolidated Financial Statements.....	10
Directors' Declaration.....	15
Independent Auditor's Report.....	16

## DIRECTORS' REPORT

The Directors present their report on the consolidated entity consisting of Applabs Technologies Ltd and the entities it controlled at the end of, or during, the half-year ended 31 December 2015.

### Directors

The names and details of Directors in office at any time during the period were:

- Rocco Tassone (appointed 15/10/2013)
- Charles Thomas (appointed 9/12/2013)
- Patrick Glovac (appointed 9/12/2013)

Directors have been in office since the beginning of the period to the date of this report unless otherwise stated.

### Result of Operations

The loss after income tax for the half-year was \$ 900,147 (2014: loss after tax \$879,560).

### Review of Operations

#### Overview and Key events for the half year to 31 December 2015

The Board of Applabs Technologies Ltd is pleased to provide shareholders with an update on the activities completed during the period ended 31 December 2015.

## HIGHLIGHTS

### Strategic Investment Division update

The Strategic Investment Division continues to hold stakes in several listed and unlisted technology focused companies. The Company also continues to provide on-going support to mature each company through the investment model.

During the half the company sold its equity positions in Cirrus Networks Limited, Roster Elf Pty Ltd, ePat Technologies Pty Ltd and Pay2Day Solutions.

### App Development & Fee for Service Division

The Company continues to service several existing contracts still in place and it also maintained its 5% equity holding in Dapper Apps Pty Ltd.

### Home Open



The Company is continuing with its strategic review of the IP, trademarks, source code and goodwill of the portal in an effort to extract maximum shareholder value. The company believes that the portal still carries value and given the interest to date continues to advance discussions to license out or sell the technology behind the portal to third parties to develop independently

### **The Search Party Pty Ltd**

In December 2015 the company announced it had entered into a “No shop/No Talk Agreement” with The Search Party Pty Ltd (“The Search Party”).

The company also announced in December that it had invested \$500,000 directly in The Search Party in return for a 1.95% equity position.

While the Company works on the completion of the Search Party transaction it will continue to focus on maturing its list of current strategic investments and explore the possibilities of exiting holdings where practicable.

### **Events occurring after the end of the interim reporting period**

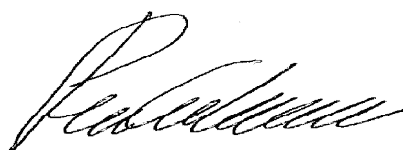
The company announced on the 20<sup>th</sup> January 2016 that it intended to make a formal takeover for all the issued capital in The Search Party Pty Ltd (TSP) on the basis of 198.1 Applabs (ALA) shares for every 1 Search Party share. A Bid Implementation Agreement was executed to merge with Search Party Pty Ltd, an Australian headquartered global online recruitment marketplace.

On the 19<sup>th</sup> February the company announced that it had received firm commitments (subject to all required ALA shareholder and regulatory approvals) to raise \$3,704,996.90 by issuing 37,049,969 fully paid shares in ALA at \$0.10 per share under the prospectus referred to in the Bid Implementation Agreement (Institutional Offer). Further to this, The Search Party proposed to issue 176,931 fully paid shares in TSP at \$19.81 per share to raise \$3,505,003.11 in respect of the shortfall under its recently completed rights issue (Sophisticated Offer) and anticipates issuing these shares in early March 2016.

### **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of Directors.



---

DIRECTOR

Dated 19th day of February 2016

## DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF APPLABS TECHNOLOGIES LIMITED

As lead auditor for the review of Applabs Technologies Limited for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Applabs Technologies Limited and the entities it controlled during the period.



**Dean Just**

Director

**BDO Audit (WA) Pty Ltd**

Perth, 19 February 2016

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

For the half-year ended 31 December 2015

	Note	Half Year 2015 \$	Half Year 2014 <sup>(1)</sup> \$
<b>Continuing operations:</b>			
Sales Revenue		-	-
Other income	3	57,059	77,691
Profit on Sale of Roster Elf		17,921	-
Share of (losses) Roster Elf using equity method		-	(41,799)
Fair value movement of financial assets		-	161,932
Operating expenses	4	(584,265)	(304,023)
Share Based Payment		(257,200)	-
Research costs	4	-	(447,719)
Depreciation and amortisation expense	4	(135,841)	(189,560)
Foreign Exchange gain		2,180	6,728
<b>Loss before income tax</b>		<b>(900,147)</b>	<b>(736,750)</b>
Income tax expense		-	-
<b>Loss after tax from continuing operations</b>		<b>(900,147)</b>	<b>(736,750)</b>
<b>Discontinued operations:</b>			
Profit on sale of subsidiaries		-	-
(Loss)/ gain from discontinued operations		-	(142,810)
Income tax expense		-	-
<b>(Loss) from discontinued operations</b>		<b>-</b>	<b>(142,810)</b>
<b>Net (loss) for the period attributable to the members of the entity</b>		<b>(900,147)</b>	<b>(879,560)</b>
<b>Other comprehensive income</b>		<b>(171,296)</b>	<b>(5,866)</b>
<b>Total comprehensive (loss) attributable to members of the entity</b>		<b>(1,071,442)</b>	<b>(885,426)</b>
<b>Loss per share for the half year attributable to the members of Applabs Technologies Ltd</b>			
Basic (loss) per share (cents per share)		(2.09)	(2.07)
Diluted (loss) per share (cents per share)		-	(1.13)
<b>From continuing operations:</b>			
Basic (loss) per share (cents per share)		(2.09)	(1.73)
Diluted (loss) per share (cents per share)		-	(0.94)
<b>From discontinued operations:</b>			
Basic profit per share (cents per share)		-	(0.33)
Diluted profit per share (cents per share)		-	(0.18)

(1) For comparison purposes the Dec 2014 results have been adjusted by removing the costs relating to the Fee For Service Division which is now a discontinued operation

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



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	Note	31 December 2015 \$	30 June 2015 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		2,299,045	2,010,693
Trade and other receivables		2,346	204,049
Other assets		64,170	123,417
<b>Total Current Assets</b>		<b>2,365,561</b>	<b>2,338,158</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		21,958	13,983
Intangible assets	5	6,666	139,999
Investments accounted for using the equity method		-	12,138
Financial assets at fair value through other comprehensive income	6	882,751	1,574,526
Other Non-Current Assets		-	-
<b>Total Non-Current Assets</b>		<b>911,375</b>	<b>1,740,645</b>
<b>Total Assets</b>		<b>3,276,935</b>	<b>4,078,803</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		43,625	49,776
Short-term provisions		32,897	14,372
<b>Total Current Liabilities</b>		<b>76,522</b>	<b>64,148</b>
<b>Total Liabilities</b>		<b>76,522</b>	<b>64,148</b>
<b>Net Assets</b>		<b>3,200,413</b>	<b>4,014,656</b>
<b>EQUITY</b>			
Issued capital		25,134,626	24,877,426
Reserves		(112,914)	58,382
Accumulated losses		(21,821,298)	(20,921,151)
<b>Total Equity</b>		<b>3,200,413</b>	<b>4,014,656</b>

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

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2015

	Share Capital Ordinary	Option Reserve	Financial Asset Reserve	Accumulated Losses	Total
<b>Balance at 1 July 2014</b>	24,815,147	256,199	83,368	(18,321,849)	6,832,865
<b><i>Total comprehensive (loss)</i></b>					
Loss for the period attributable to members of the entity	-	-	-	(879,560)	(879,560)
Other Comprehensive Income	-	-	(5,866)	-	(5,866)
<b><i>Transactions with owners in their capacity as owners</i></b>					
Issue of options	-	100,000	-	-	100,000
Issue of shares	100,000	-	-	-	100,000
Capital Raising Costs	(37,722)	(9,080)	-	-	(46,802)
<b>Balance at 31 December 2014</b>	24,877,426	347,119	77,502	(19,201,409)	6,100,638
<b>Balance at 1 July 2015</b>	24,877,426	347,119	(288,737)	(20,921,151)	4,014,656
<b><i>Total comprehensive (loss)</i></b>					
Loss for the period attributable to members of the entity	-	-	-	(900,147)	(900,147)
Other Comprehensive Income	-	-	(171,296)	-	(171,296)
<b><i>Transactions with owners in their capacity as owners</i></b>					
Issue of shares	257,200	-	-	-	257,200
Capital Raising Costs	-	-	-	-	-
<b>Balance at 31 December 2015</b>	25,134,626	347,119	(460,033)	(21,821,298)	3,200,413

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

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2015

	Note	Half-year 2015 \$	Half-year 2014 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		25,303	352,548
Payments to suppliers and employees		(549,946)	(1,374,132)
Interest received		17,059	77,691
Grant Income		210,726	-
<b>Net cash (used in) operating activities</b>		<b>(296,858)</b>	<b>(943,893)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of investments		1,505,020	-
Purchase of property, plant and equipment		(15,327)	(6,383)
Payment of financial assets		(954,483)	(822,236)
Loans to Associate – Roster Elf		50,000	-
<b>Net cash (used in) by investing activities</b>		<b>585,210</b>	<b>(828,619)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of options net of transaction costs		-	88,920
Proceeds from borrowings		-	-
<b>Net cash provided by financing activities</b>		<b>-</b>	<b>88,920</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>288,352</b>	<b>(1,683,592)</b>
Cash and cash equivalents at beginning of the half-year		2,010,693	4,974,394
<b>Cash and cash equivalents at end of the half-year</b>		<b>2,299,045</b>	<b>3,290,802</b>

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

## NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2015

### Note 1: Significant accounting policies

#### Statement of compliance

These general purpose financial statements for the interim half-year reporting period ended 31 December 2015 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. There were no new standards issued since 30 June 2015 that have been applied by Applabs Technologies Limited. The 30 June 2015 Annual Report disclosed that Applabs Technologies Limited anticipated no new material impacts arising from initial application of those standards but not yet applied at that date, and this remains the assessment as at 31 December 2015.

## NOTES TO THE FINANCIAL STATEMENTS (cont.)

For the half-year ended 31 December 2015

### Note 2: Segment information

#### Identification of Reportable Segments

The consolidated entity identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The financial information presented in the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position is the same as that presented to chief operating decision makers.

### Note 3: Revenue and Other Income

	31 Dec 2015 \$	31 Dec 2014 \$
Other Income		
Interest received	17,059	77,691
Grant Income	40,000	-
	57,059	77,691
<b>Total Other Income</b>	<b>57,059</b>	<b>77,691</b>

### Note 4. Expenses

	31 Dec 2015 \$	31 Dec 2014 <sup>(1)</sup> \$
<i>Depreciation and amortisation expense</i>		
Plant and Equipment		
- Depreciation expense	2,508	11,306
Intangibles		
- Amortisation expense	133,333	178,254
Total depreciation and amortisation expense	135,841	189,560
<i>Operating Expenses</i>		
Administration	104,560	69,634
Compliance and regulatory	95,237	164,535
Consultancy Expense	42,837	35,684
Marketing expense	-	87,583
Occupancy expense	113,464	96,294
Travel expense	46,975	22,852
Directors' benefit expense	162,667	161,228
Employee benefit expense	18,525	113,933
Research amount included in above expenses (Contra amount only)	-	(447,719)
	584,265	304,023
Research cost <sup>(2)</sup>	-	447,719

(1) The December 2014 Operating costs have been adjusted to remove those costs relating to the Fee For Service Division which is a discontinued operation.

(2) Research Costs are allocated based on activity and labour hours spent directly on research

## Note 5: Intangible Assets

	31 December 2015	30 June 2015
<b>At Cost</b>	<b>\$</b>	<b>\$</b>
Opening Balance	139,999	810,962
<i>Acquisitions during the period:</i>		
Business names and Domain names	-	-
Trademarks, Copyright and Patents	-	-
Mobile Applications and Other Source Code	-	-
<i>Impaired during the period:</i>	-	(266,430)
	139,999	544,532
Accumulated Amortisation	(133,333)	(404,534)
<b>Closing Balance</b>	<b>6,666</b>	<b>139,999</b>

## Note 6: Fair value measurement

### Fair value hierarchy

The following table details the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: Unobservable inputs for the asset or liability.

### 31 December 2015

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Assets</b>				
Financial assets at fair value through profit or loss	-	-	-	-
Financial Assets at fair value through OCI	357,751	-	525,000	882,751
<b>TOTAL ASSETS</b>	<b>357,751</b>	<b>-</b>	<b>525,000</b>	<b>882,751</b>

30 June 2015

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Assets</b>				
Financial assets at fair value through profit or loss	-	-	-	-
Financial Assets at fair value through OCI	1,449,526	-	125,000	1,574,526
<b>TOTAL ASSETS</b>	<b>1,449,526</b>	<b>-</b>	<b>125,000</b>	<b>1,574,526</b>

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

*Valuation techniques for fair value measurements categorised within Level 2 and Level 3*

Unquoted investments have been valued using market corroborated inputs and the price paid to acquire the asset in an exchange transaction between unrelated parties.

*Level 3 assets*

Movements in Level 3 assets during the current and previous financial year are set out below:

	Fair value through OCI \$	Total \$
<b>Consolidated</b>		
Balance at 1 July 2014	153,414	153,414
Gains (losses) recognised in other comprehensive income	(462,649)	(462,649)
Additions	434,235	434,235
Disposals	-	-
<b>Balance at 30 June 2015</b>	<b>125,000</b>	<b>125,000</b>
Balance at 1 July 2015	125,000	125,000
Gains recognised in other comprehensive income	(14,286)	(14,286)
Additions (1)	500,000	500,000
Disposals	(85,714)	(85,714)
<b>Balance at 31 December 2015</b>	<b>525,000</b>	<b>525,000</b>

(1) In December 2015, the company invested \$500,000 in The Search Party Pty Ltd by the issue of 25,240 shares at an issue price of \$19.81 giving Applabs approximately 1.95% of the fully diluted issued capital of The Search Party. The Board believes this represents fair value of the investment.  
The remaining \$25,000 level 3 asset relates to the company's 5% stake in Dapper Apps which took place in June 2015.

**Note 7. Contingent Liabilities**

There have been no changes in contingent liabilities since the last annual reporting period.

**Note 8. Events occurring after the end of the interim reporting period**

The company announced on the 20<sup>th</sup> January 2016 that it intended to make a formal takeover for all the issued capital in The Search Party on the basis of 198.1 Applabs shares for every 1 Search Party share. A Bid Implementation Agreement was executed to merge with Search Party Pty Ltd, an Australian headquartered global online recruitment marketplace.

On the 19<sup>th</sup> February the company announced that it had received firm commitments (subject to all required ALA shareholder and regulatory approvals) to raise \$3,704,996.90 by issuing 37,049,969 fully paid shares in ALA at \$0.10 per share under the prospectus referred to in the Bid Implementation Agreement (Institutional Offer). Further to this, The Search Party proposed to issue 176,931 fully paid shares in TSP at \$19.81 per share to raise \$3,505,003.11 in respect of the shortfall under its recently completed rights issue (Sophisticated Offer) and anticipates issuing these shares in early March 2016.

**Note 9: Related Party Transactions**

At the Annual General Meeting of shareholders held 4 November 2015, shareholder approval was obtained to Issue 1.2 million shares to the Managing Director, Patrick Glovac. An amendment to the Executive Services Agreement reduced Mr Glovac's annual salary to \$100,000 per annum effective from 1 July 2015, and provided for the issue of 1.2 million shares, subject to shareholder approval. These shares were issued on the 9<sup>th</sup> November 2015. This resulted in a share based payment of \$97,200

**Note 10: Critical Estimates and judgements**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. In the current period, the fair value of Level 3 financial assets has been determined based on the historical cost of those assets. This was deemed to reflect fair value due to the recent nature of the investments which were undertaken with unrelated parties on an arm's length basis.



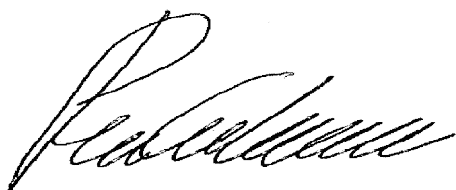
## **DIRECTORS' DECLARATION**

### **For the half year ended 31 December 2015**

The directors of the Company declare that:

1. The financial statements and notes set out on pages 6 to 14 are in accordance with the *Corporations Act 2001*, including:
  - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and other mandatory professional reporting requirements; and
  - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 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.



**Patrick Glovac**  
**Managing Director**  
Perth, WA

Dated this 19<sup>th</sup> day of February 2016

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Applabs Technologies Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Applabs Technologies Limited, which comprises the consolidated statement of financial position as at 31 December 2015, 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, notes comprising a statement of 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's 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 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 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 consolidated entity's financial position as at 31 December 2015 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 Applabs Technologies 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.



### **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*, which has been given to the directors of Applabs Technologies Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

### **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 Applabs Technologies 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 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

**BDO Audit (WA) Pty Ltd**

A handwritten signature in blue ink, appearing to read 'Dean Just', is written over a faint, larger 'BDO' logo.

**Dean Just**

**Director**

Perth, 19 February 2016