

MOV Corporation Limited and controlled entities

ACN: 090865357

Interim Financial Statements

For the half-year ended 31 December 2011

MOV Corporation Limited and controlled entities

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31 December 2011

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Directors' Report

31 December 2011

Your directors present their report, together with the interim financial statements of the Group, being MOV Corporation Limited (the company) and its controlled entities, for the half- year ended 31 December 2011 (the period).

1. General information

Information on Directors

The names of each person who has been a director during the period and to the date of this report are:

David Peterson (resigned 20 January 2012)

John Lee (resigned 20 January 2012)

Leo Moio (resigned 20 January 2012)

Steven Nicols (appointed 20 January 2012)

Adam Blumenthal (appointed 20 January 2012)

Gregory Cornelsen (appointed 20 January 2012)

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

Principal activities and significant changes in nature of activities

The principal activities of the Group during the half period were to cease trading and hold the assets of the previous operations while a deed of company arrangement was implemented.

There were no significant changes in the nature of the Group's principal activities during the period.

2. Operating results and review of operations for the period

Review of operations

The Group was under voluntary administration for the period and did not trade. Therefore no operations occurred for review.

3. Other items

Events after the end of the reporting period

The company's creditors accepted a deed of company arrangement, and on 20 January 2012 all creditors claims were extinguished. The recapitalisation plan put forward by Billabong Capital Partners Pty Ltd was accepted by shareholders on 20th January 2012 and has now been implemented.

The company changed its name from Moore Australiasia (Holdings) Limited to MOV Corporation Limited on 20 January 2012.

The company announced the acquisition of AE Siberia Pty Ltd on 18 June 2012.

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Directors' Report

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3. Other items continued

Events after the end of the reporting period continued

Except for the above, no other matters or circumstances have arisen since the end of the period which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the period ended 31 December 2011 has been received and can be found on page 11 of the interim financial report.

ASIC class order 98/100 rounding of amounts

The group is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the interim financial statements and directors' report have been rounded to the nearest thousand dollars.

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

Director:


Steven Nicols

Director:


Adam Blumenthal

Dated in Sydney,

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Interim Statement of Comprehensive Income**For the Half Year Ended 31 December 2011**

	31 December 2011 000's \$	31 December 2010 000's \$
Discontinuing Operations		
Revenue	-	22,789
Other revenue	61	1
Raw materials and consumables used	(349)	(16,759)
Employee benefits expense	(1,084)	(5,024)
Finance costs	-	(327)
Liquidator fees	(85)	-
Depreciation, amortisation and impairment	-	(461)
Other expenses	(120)	(3,824)
Loss before income tax	(1,577)	(3,605)
Income tax benefit	-	208
Loss for the half year	(1,577)	(3,397)
Other comprehensive income:		
Total comprehensive loss for the half year	(1,577)	(3,397)
Loss attributable to:		
Members of the parent entity	(1,577)	(3,397)
Earnings per share		
From continuing and continued operations:		
Basic earnings per share (cents)	(0.01)	(2.59)
Diluted earnings per share (cents)	(0.01)	(2.32)

The accompanying notes form part of these financial statements.

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Interim Statement of Financial Position**As At 31 December 2011**

	31 December 2011 000's Note	30 June 2011 000's \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	801	1,359
Trade and other receivables	410	2,386
Current tax receivable	79	26
TOTAL CURRENT ASSETS	1,290	3,771
NON-CURRENT ASSETS	-	-
TOTAL ASSETS	1,290	3,771
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	109	507
Other financial liabilities	346	852
TOTAL CURRENT LIABILITIES	455	1,359
NON-CURRENT LIABILITIES	-	-
TOTAL LIABILITIES	455	1,359
NET ASSETS	835	2,412
EQUITY		
Issued capital	49,713	49,713
Share based payments reserve	744	-
Accumulated losses	(49,622)	(47,301)
TOTAL EQUITY	835	2,412

The accompanying notes form part of these financial statements.

Interim Statement of Changes in Equity

For the Half Year Ended 31 December 2011

	Note	Issued Capital 000's \$	Accumulated losses 000's \$	Share based payments reserve 000's \$	Total 000's \$
Balance at 1 July 2011		49,713	(48,045)	744	2,412
Loss for the half year		-	(1,577)	-	(1,577)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the half year		-	(1,577)	-	(1,577)
Balance at 31 December 2011		49,713	(49,622)	744	835

	Note	Issued Capital 000's \$	Accumulated losses 000's \$	Share based payments reserve 000's \$	Total 000's \$
Balance at 1 July 2010		4,953	3,595	-	8,548
Loss for the half year		-	(3,605)	-	(3,605)
Other comprehensive income		-	208	-	208
Total comprehensive loss for the half year		-	(3,397)	-	(3,397)
Transactions with owners in their capacity as owners		4,211	-	-	4,211
Balance at 31 December 2010		9,164	198	-	9,362

Interim Statement of Cash Flows

For the Half Year Ended 31 December 2011

	31 December 2011 000's \$	31 December 2010 000's \$
Note		
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	-	25,873
Payments to suppliers and employees	-	(23,270)
Interest received	-	1
Interest paid	-	(328)
Net receipts	(558)	-
Net cash (used in) provided by operating activities	(558)	2,276
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for acquisition of intangible assets	-	(221)
Payment for property, plant and equipment	-	(4)
Net cash used by investing activities	-	(225)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of transaction costs associated with conversion of debt to equity	-	(129)
Net cash used by financing activities	-	(129)
Net increase (decrease) in cash and cash equivalents held	(558)	1,922
Cash and cash equivalents at beginning of year	1,359	(1,633)
Cash and cash equivalents at end of the period	801	289

Notes to the Financial Statements

For the Half Year Ended 31 December 2011

1 Basis of Preparation

This condensed consolidated interim financial report for the half year ended 31 December 2011 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting.

The interim financial report is intended to provide users with an update on the latest annual financial statements of MOV Corporation Limited and controlled entities (the Group). As such it does not contain information that represents relatively insignificant changes occurring during the period within the Group. This condensed consolidated interim financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this interim financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2011, together with any public announcements made during the period.

The company was placed into voluntary administration on 31 May 2011 and it ceased to trade whilst a deed of company arrangement was implemented. The company's creditors and shareholders accepted a deed of company arrangement on 20 January 2012 and all creditor claims were extinguished.

As a result of being placed into administration the accounting records pertaining to the company and controlled entities become the property of the administrators. The directors were not given access to these accounting records. As a result of not having access to these accounting records, it has not been possible to provide the break-up of the result and cash flows in the consolidated statement of comprehensive income and consolidated statement of cashflows.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the 30 June 2011 annual financial statements.

The financial report has been prepared on a going concern basis which contemplates the realisation of assets and settlements of liabilities in the ordinary course of business. For the 6 months ended 31 December 2011, MOV Corporation Limited and its controlled entities had a loss of \$1.5M (2010: \$3.3), however the group still holds a surplus of net asset of \$835k. Accumulated losses as at balance date amount to \$49,622M.

The directors consider the going concern basis as appropriate for the following reasons:

- The company continues to receive financial support from its shareholders and directors; and
- A recapitalisation plan has been formed which is suspected will generate sufficient funds for operating activities in the future.

No adjustments has been made in the financial reports relating to the recoverability and classification of recorded assets values or to the amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

2 Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision makers in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

The Group operates predominately in one business and geographical segment being in the print management business in Australia.

Notes to the Financial Statements

For the Half Year Ended 31 December 2011

	31 December 2011 \$'000	30 June 2011 \$'000
3 Issued Capital		
131,363,948 Fully Paid Ordinary shares	49,713	49,713

Ordinary shares

	31 December 2011 No.	30 June 2011 No.
At the beginning of the reporting period	131,363,948	69,363,948
Shares issued during the year		
Allotment under prospectus	-	62,000,000
At the end of the reporting period	131,363,948	131,363,948

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

At the 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.

4 Earnings per Share

(a) Reconciliation of earnings per share to profit or loss from operations	31 December 2011 000's \$	31 December 2010 000's \$
Net loss for the period	(1,577)	(3,397)
Earnings used to calculate basic EPS from operations	(1,577)	(3,397)
Earnings used in the calculation of diluted EPS	(1,577)	(3,397)

(b) Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS

	31 December 2011 No.	31 December 2010 No.
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	131,363,948	131,363,948
Weighted average number of options outstanding during the period used in calculating diluted EPS	15,000,000	15,000,000
Weighted average number of ordinary shares outstanding during the period used in calculating dilutive EPS	146,363,948	146,363,948

5 Events after the end of the Reporting Period

During the half year end 31 December 2011 the group is under a deed of administration and continues not to trade. On the 20 January 2012 the Company's creditors and shareholders accepted a deed of company arrangement whereby all creditor claims are extinguished.

Notes to the Financial Statements

For the Half Year Ended 31 December 2011

The company changes its name from Moore Australasia (Holdings) Limited to MOV Corporation Limited on the 20 January 2012.

The company announced the acquisition of AE Siberia Pty Ltd on the 18 June 2012.

On 6 September 2012, the parent group disposed of its 100% interest in Moore Business Systems Pty Limited and Moore Australasia Pty Limited as both companies went into liquidation. No operating profit was attributable to members of the parent group from the disposal. No remaining interest in the entity was held by any member of the Group. The carrying amount of the net assets of Moore Business Systems Pty Limited and Moore Australasia Pty Limited at the date of disposal were nil.

Except for the above, no other matters or circumstances have arisen since the end of the period which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

6 Contingent Liabilities and Contingent Assets

The Group did not have any contingencies at 31 December 2011

7 Related Party Transactions

There were no transactions between related parties during the period.

Directors' Declaration

The directors of the Company declare that:

1. The interim financial statements and notes, as set out on pages 3 to 9 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) give a true and fair view of the consolidated Group's financial position as at 31 December 2011 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 Group 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.

Director

Steven Nicols

Director

Adam Blumenthal


Dated in Sydney,

DECLARATION OF INDEPENDENCE BY GRANT SAXON TO THE DIRECTORS OF MOV CORPORATION LIMITED

As lead auditor for the review of MOV Corporation Limited for the half-year ended 31 December 2011, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of MOV Corporation Limited and the entities it controlled during the period.



Grant Saxon
Partner

BDO East Coast Partnership

Sydney, 20 June 2014

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of MOV Corporation Limited and Controlled Entities

Report on the Half-Year Financial Report

We have been engaged to review the accompanying half-year financial report of MOV Corporation Limited and Controlled Entities, which comprises the interim statement of financial position as at 31 December 2011, the interim statement of comprehensive income, the interim statement of changes in equity and the interim 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 2011 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 MOV Corporation Limited and Controlled Entities, 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 MOV Corporation Limited and controlled entities, would be in the same terms if given to the directors as at the time of this auditor's review report.



Basis for Disclaimer of Conclusion

During the financial year the company was placed under voluntary administration and subsequently all accounting records pertaining to the consolidated entity became the property of the administrators. We were not granted access to these accounting records. As the remaining records are not adequate to permit the application of necessary audit procedures, we are unable to obtain all the information and explanations we require in order to form a review conclusion on the financial report.

As a result of this matter, we were unable to determine whether any adjustments were necessary in respect of the elements making up the interim statement of comprehensive income, interim statement of financial position, interim statement of changes in equity and interim statement of cash flows.

Disclaimer of Conclusion

Because of the significance of the matter described in the Basis for Disclaimer of Conclusion paragraph, we have not been able to perform review procedures sufficient to provide a basis for a review conclusion. Accordingly, we do not express a conclusion on the half-year financial report.

BDO East Coast Partnership

A handwritten signature in black ink, appearing to read 'Grant Saxon', with a horizontal line underneath.

Grant Saxon
Partner

Sydney, 20 June 2014