

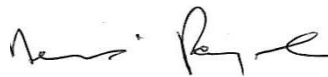
24 February 2015

The Manager
Market Announcements Platform
Australian Securities Exchange

Appendix 4D Half Year Report and Financial Report

The Company encloses its Appendix 4D (Half Year Report) and Half Year Financial Report for the six months ended 31 December 2014, including all Financial Statements and Notes to the accounts, for immediate release.

Yours faithfully



Dennis Payne
Company Secretary

WORLD REACH LIMITED
ABN 39 010 568 804

Appendix 4D
Half Year Report
Half Year ended 31 December 2014

The information contained in this Appendix 4D should be read in conjunction with the most recent Annual Report covering the financial year ending 30 June 2014.

1. Reporting periods

Current reporting period	Half year ended 31 December 2014
Previous corresponding periods	Half year ended 31 December 2013
	Financial year ended 30 June 2014

2. Results for announcement to the market

		\$A	
2.1	Total revenue	Up 57.13%	to \$8,682,519
2.2	Profit (loss) from ordinary activities after tax attributable to members	Up \$258,968 from loss for half year 31 December 2013 of \$6,705	to \$252,263
2.3	Net profit (loss) for the period attributable to members	Up \$258,968 from loss for half year 31 December 2013 of \$6,705	to \$252,263
2.4	Dividends (distributions)	Amount per security	Franked amount per security
	Final dividend	NIL ¢	NIL ¢
	Interim dividend	NIL ¢	NIL ¢
	Previous corresponding period:		
	Final dividend	NIL ¢	NIL ¢
	Interim dividend	NIL ¢	NIL ¢
2.5	Record date for determining entitlements to the dividend	N/A	

2.6 EXPLANATION

The improvement over the same period a year ago reflects the introduction of new products from the major development project completed in June 2014, the strong level of business in existing products with core global distributors and significant finance cost savings following the rights issue which enabled the repayment of all interest bearing debt in August 2014. Revenue in particular benefited from the strengthening US dollar with sales reported in AU dollars, however the gain to net profit was substantially offset by the unrealised currency loss from the re-statement of the interest free US dollar loan from Inmarsat.

3. Net Tangible Assets per security

	31 December 2014 Cents per share	30 June 2014 Cents per share
Net tangible assets per security	5.6375¢	(0.1436) ¢

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

4.1 Name of the entity.

N/A

4.2 The date of the gain or loss of control.

N/A

4.3 Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.

Current period

**Previous
corresponding
Period**

N/A

N/A

5. Individual and Total Dividend or Distribution Payments

Dividend or distribution payments:	Amount	Date on which each dividend or distribution is payable	Amount per security of foreign sourced dividend or distribution (if known)
N/A	N/A	N/A	N.A
Total			

6. Dividend or Distribution Reinvestment Plans

N/A

7. Details of associates and joint venture

Name of entity	% Holding	Aggregate Share of profit (losses)		Contribution to net profit	
		Current period	Previous corresponding period	Current period	Previous corresponding period
N/A					

8. Foreign entity accounting standards

N/A

9. Independent review of the financial report

The financial report has been independently reviewed and all matters are adequately stated.

Signed by Chairman:

A handwritten signature in black ink, appearing to read 'Dawson', written in a cursive style.

Name: Mr David Dawson

Date: 24 February 2015

**World Reach Limited
and Controlled Entities**

ABN 39 010 568 804

Half-year financial report
for the half-year ended 31 December 2014

**WORLD REACH LIMITED
AND CONTROLLED ENTITIES
ABN 39 010 568 804**

**FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2014**

TABLE OF CONTENTS

	Page
Directors' Report	2
Auditor's Independence Declaration	4
Financial Report for the half-year ended 31 December 2014	
Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income	5
Condensed Consolidated Statement of Financial Position	6
Condensed Consolidated Statement of Changes in Equity	7
Condensed Consolidated Statement of Cash Flows	8
Notes to the Condensed Consolidated Financial Statements	9
Directors' Declaration	13
Independent Auditor's Review Report	14

DIRECTORS' REPORT

The Directors of World Reach Limited submit herewith the Condensed Consolidated Financial Report of World Reach Limited and controlled entities ('Group') for the half-year ended 31 December 2014. In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

Directors:

The names of the Directors of the company during or since the end of the half-year are:

Non-Executive Directors:

Mr John Broadhurst Bee (resigned 18 November 2014)

Mr Carl Cheung Hung

Mr Trevor Bruce Moyle (retired 18 November 2014)

Mr David Dawson (commenced 18 November 2014)

Mr Simon Wallace (commenced 5 February 2015)

Managing Director:

Mr Michael Ian Capocchi

Review of Operations

The consolidated group financial results for the half-year ended 31 December 2014 and comparative results for the half-year ended 31 December 2013 are as follows:

	1 July 2014 to 31 Dec 2014	1 July 2013 to 31 Dec 2013
Revenue	8,682,519	5,525,753
Operating expenses	<u>(8,259,907)</u>	<u>(5,207,805)</u>
Operating profit/(loss) before interest and tax	422,612	317,948
Interest (including adjustment to prior year)	(151,703) (18,645)	(324,653) -
Income tax expense	<u> </u>	<u> </u>
Profit/(loss) for the period	<u>252,263</u>	<u>(6,705)</u>

The Group's revenue for the half year to 31 December 2014 increased by 57% over the same period a year ago. The improvement reflects the introduction of new products from the major development project completed in June 2014 and the strong level of business in existing products with core global distributors. Reported revenue also benefited from the strengthening US dollar with sales reported in AU dollars.

Sales gross margins were slightly ahead of budget expectations aided by the strength of core distributor sales. The gain to net profit from the strengthening US dollar was substantially offset by the unrealised currency loss from the re-statement of the interest free US dollar loan from Inmarsat. The rights issue in August 2014 enabled the repayment of all interest bearing debt resulting in significant finance cost savings and the first 6 month portion of the 2012/13 Government R&D Grant also added to net profit (which is spread pro rata over 24 months). These factors, together with the increased magnitude of gross profit, generated a net profit after tax of \$252,263 compared to a loss of \$6,705 for the same period in the previous year. The board is pleased to report such an outcome, which is in line with budget plans and a considerable turnaround from last year.

The Group's principal activity during the half-year ended 31 December 2014 has been the development, manufacture and global distribution of satellite communication terminals, handheld phone accessories

and tracking devices, specifically developed for the two major global satellite networks Iridium and Inmarsat. In June 2014 the Group completed the major development project to design and produce a product giving wifi smartphone access to global satellite communications. The first major order for this product was completed in early January 2015 with sales value totalling US\$4.0m. Fulfillment of the second major order began in January 2015.

On 28 July 2014 the Group completed a renounceable rights issue which raised \$2.4M in equity capital. The renounceable rights funds were sufficient to repay all of the Group's interest bearing debt. This included repaying the remaining convertible notes not converted, of \$500,000 by 29 August 2014, repaying a shareholder loan of \$300,000 and a bank term loan of \$275,000, as well as the balance of extended credit of US\$600,000 provided to part fund the recently completed major development project. By the end of August 2014 all convertible notes had either been converted to shares or redeemed, such that no notes remain on issue by the Company.

The Group received in June 2014 a Government R&D cash grant of \$471,000 related to expenditure in the 2012/13 financial year which boosted the cash resources of the Group depleted during the major development program. Profit was enhanced on a straight-line monthly basis over 24 months. The Group is currently preparing an R&D submission for lodgement in April 2015 related to the 2013/14 year.

The Group has the support of two major investors. The relationship with Season Group ('Season') which, through a related company, has the larger holding in World Reach Limited, continued to expand during the 6 months to 31 December 2014. Season provided engineering, tool making and testing facilities for new products as well as contract manufacturing for the majority of Beam's products in Guangdong, China. It is anticipated that Beam and Season will collaborate in the short term on driving other efficiencies. Season has manufacturing facilities in the USA, Canada, UK, Malaysia and China. Mr Carl Hung was appointed to the board of World Reach Limited in February 2013 and the company associated with Season, SGV1 Holdings Limited, holds a strategic investment equivalent to 21.41% following its joint underwriting of the renounceable rights issue in July 2014. Ample Skill Limited ('Ample') assisted the Group by also becoming a joint underwriter of the rights issue, which allowed the Group to considerably strengthen its statement of financial position. Ample holds a 19.12% interest in the Group.

The achievement of positive cash flows from trading operations, the injection of share capital funds and the R&D grant have provided the Group with sufficient cash flows to provide sufficient flexibility in its cash resources for the foreseeable future. The repayment of debt during the half year provided a significant improvement to the statement of financial position and ongoing interest savings. Although there are a number of trading factors that are difficult to forecast (as previously reported), profitable trading for the remainder of the 2014/15 year is expected to generate positive cash flow and a profit result broadly in line with expectations and the previous financial year.

Significant changes in the state of affairs

There have been no significant changes in the consolidated group's state of affairs during the period.

Auditor's Declaration of Independence

The auditor's independence declaration is included in the half-year financial report.

Signed in accordance with a resolution of directors made pursuant to Section 306(3) of the Corporations Act 2001.

On behalf of the directors.



Mr David Dawson
Chairman

Signed in Melbourne, 24 February 2015

RSM Bird Cameron Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007
T +61 3 9286 8000 F +61 3 9286 8199
www.rsmi.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of World Reach Limited for the half year ended 31 December 2014, 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.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

John Croall

J S CROALL
Partner

Melbourne, VIC
Dated: 24 February 2015

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

		Half-year ended	
		31-Dec-14	31-Dec-13
	Note	\$	\$
Revenue		8,682,519	5,525,753
Changes in inventories of raw materials, finished goods and work in progress		(179,563)	435,129
Raw materials, consumables and other costs of sale		(4,584,273)	(3,509,161)
Employee benefits expense		(1,348,187)	(866,820)
Amortisation expense		(822,038)	(355,467)
Depreciation expense		(36,322)	(37,964)
Production engineering costs		(451,996)	(72,377)
Finance costs expense		(151,703)	(324,653)
Consultancy and contractor expense		(120,461)	(120,402)
Legal and insurance expense		(81,126)	(81,779)
Accounting, share registry and secretarial expenses		(72,439)	(42,685)
Auditor remuneration expense		(24,207)	(34,998)
Other expenses		(539,296)	(521,281)
Profit/(Loss)before income tax		270,908	(6,705)
Income tax expense	3	(18,645)	-
Profit/(Loss) for the half-year		252,263	(6,705)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the half-year		252,263	(6,705)
Profit/(Loss) and total comprehensive income/(loss) are both fully attributable to owners of the Company			
Overall operations			
Basic earnings per share (cents)	2	0.71	(0.06)
Diluted earnings per share (cents)	2	0.71	(0.06)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

WORLD REACH LIMITED AND CONTROLLED ENTITIES
ABN 39 010 568 804

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	31-Dec-14 \$	30-Jun-14 \$
Current assets			
Cash and cash equivalents		1,289,803	229,592
Inventories		3,031,671	3,211,234
Trade and other receivables	4	2,204,261	2,694,482
Total current assets		6,525,735	6,135,308
Non-current assets			
Plant and equipment		73,705	98,964
Intangible assets	5	2,441,115	2,913,033
Total non-current assets		2,514,820	3,011,997
Total assets		9,040,555	9,147,305
Current liabilities			
Trade and other payables		2,536,460	4,216,348
Other financial liabilities	6	428,890	773,045
Short-term provisions		757,919	729,849
Total current liabilities		3,723,269	5,719,242
Non-current liabilities			
Other financial liabilities	6	417,539	2,586,157
Long-term provisions		24,711	29,630
Total non-current liabilities		442,250	2,615,787
Total liabilities		4,165,519	8,335,029
Net assets		4,875,036	812,276
Equity			
Issued capital	7	5,784,925	1,769,355
Reserves		89,490	697,630
Accumulated losses		(999,379)	(1,654,710)
Total equity		4,875,036	812,276

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

WORLD REACH LIMITED AND CONTROLLED ENTITIES
ABN 39 010 568 804

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2013	1,377,091	762,040	(2,433,872)	(294,741)
Total comprehensive loss attributable to owners of the Company	-	-	(6,705)	(6,705)
Transactions with owners in their capacity as owners				
- Convertible note options issued	-	228,174	-	228,174
- Convertible note options lapsed/redeemed	-	(322,783)	322,783	-
- Remuneration based option payments	-	23,730	-	23,730
- Adjustment for employee share options lapsed	-	(16,930)	16,930	-
Balance at 31 December 2013	1,377,091	674,231	(2,100,864)	(49,542)
Balance at 1 July 2014	1,769,355	697,630	(1,654,710)	812,276
Total comprehensive profit attributable to owners of the Company	-	-	252,263	252,263
Transactions with owners in their capacity as owners				
- Shares issued, net of transaction costs	2,340,570	-	-	2,340,570
- Convertible notes converted to shares	1,675,000	-	-	1,675,000
- Convertible note options lapsed/redeemed	-	(558,579)	341,318	(217,262)
- Remuneration based option payments	-	12,189	-	12,189
- Adjustment for employee share options lapsed	-	(61,750)	61,750	-
Balance at 31 December 2014	5,784,925	89,490	(999,379)	4,875,036

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	Half-year ended	
	31-Dec-14	31-Dec-13
	\$	\$
Cash flow from operating activities		
Receipts from customers	9,292,621	6,580,712
Payments to suppliers and employees	(8,565,143)	(5,703,923)
Interest and finance charges paid	(76,392)	(228,174)
Income tax paid	(38,712)	-
Interest received	702	2,477
Export market development grant receipts	-	60,000
Net cash provided by operating activities	<u>613,076</u>	<u>711,092</u>
Cash flow from investing activities		
Development costs capitalised	(350,121)	(956,003)
Purchases of plant and equipment	(7,738)	(15,888)
Net cash used in investing activities	<u>(357,859)</u>	<u>(971,890)</u>
Cash flow from financing activities		
Net cash proceeds on share placement / rights issue	2,340,570	-
Net loan repayments	(760,577)	(194,611)
Net payments - convertible notes	(500,000)	-
Net cash payments - Secured advances under contract	-	(75,000)
Net cash provided by / (used in) financing activities	<u>1,079,994</u>	<u>(269,611)</u>
Net increase / (decrease) in cash and cash equivalents	1,335,211	(530,409)
Cash and cash equivalents at beginning of half-year	(45,408)	447,805
Cash and cash equivalents at end of half-year	<u><u>1,289,803</u></u>	<u><u>(82,603)</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

1 Summary of significant accounting policies

(a) Basis of preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2014 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of World Reach Limited and its controlled entities. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2014, together with any public announcements made during the following half-year.

(b) Accounting policies

The accounting policies applied in preparing these condensed consolidated financial statements for the half-year ended 31 December 2014 are the same as those applied by the consolidated entity in its consolidated annual financial report as at and for the year ended 30 June 2014.

(c) Going concern

The Financial Report has been prepared on a going concern basis which assumes that the Group will continue as a going concern and will be able to generate sufficient positive cash flows to meet its financial obligations, realise its assets and extinguish its liabilities in the normal course of business.

The Group is confident of its future outlook, for two major reasons:

- On 28 July 2014 the Group completed a renounceable rights issue which raised \$2,340,570 net of costs enabling the repayment of all interest bearing loans and convertible notes.
- For the past 18 months the Group has operated profitably recording total profits in that time of \$691,712 before tax.

Although future events are always subject to a degree of uncertainty, the Group is forecasting positive cash flows and the continuation of current banking facilities. The Group therefore believes that there is sufficient flexibility within its cash resources so as not to cast doubt about the Group's ability to continue as a going concern.

2 Earnings per share

Overall operations

	Half-year ended	
	31-Dec-14 cents	31-Dec-13 cents
Basic earnings per share	0.71	(0.06)
Diluted earnings per share	0.71	(0.06)

	No.	No.
Weighted average number of ordinary shares used in the calculation of Basic Earnings Per Share	35,303,498	11,711,797
Potential Ordinary Shares attributable to options outstanding at end of half-year	1,720,833	2,135,572
Anti-dilutive options on issue not used in dilutive EPS calculation	1,720,833	2,135,572

Options have not been considered in the dilutive earnings per share calculation due to the average market price being less than the exercisable price.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	31-Dec-14 \$	30-Jun-14 \$
3 Income tax		
Income tax expense	(18,645)	-

Income tax expense relates to the payment of income tax by the company's wholly owned subsidiary, Beam Communications USA Inc, a company incorporated in the USA. Profits earned in the USA are not offset by the tax losses available to the Australian operations, which were disclosed in the most recent annual financial report as at 30 June 2014.

4 Trade and other receivables

(a) Current

Trade receivables	2,029,512	2,495,589
Provision for doubtful debts	(69,728)	(56,000)
Other receivables and prepayments	153,358	163,774
Rental security deposit	91,119	91,119
	<u>2,204,261</u>	<u>2,694,482</u>

(b) Ageing reconciliation

	Gross amount	Within trade terms	Past due but not impaired (days overdue)			Past due & impaired
			31 - 60	61 - 90	90+	
30-Jun-14						
<u>Current</u>						
Trade receivables	2,495,589	2,140,750	275,293	3,534	20,012	56,000
Other receivables	163,774	163,774	-	-	-	-
Rental security deposit	91,119	91,119	-	-	-	-
	<u>91,119</u>	<u>91,119</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
31-Dec-14						
<u>Current</u>						
Trade receivables	2,029,512	1,621,494	312,409	30,224	(4,343)	69,728
Other receivables	153,358	153,358	-	-	-	-
Rental security deposit	91,119	91,119	-	-	-	-
	<u>91,119</u>	<u>91,119</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

All trade receivables past due terms but not impaired are expected to be received in the normal course of business.

	31-Dec-14 \$	30-Jun-14 \$
5 Intangible assets		
(a) Development costs capitalised		
Cost	6,129,838	5,779,717
Accumulated amortisation and impairment	(3,688,723)	(2,866,684)
	<u>2,441,115</u>	<u>2,913,033</u>

(b) Movements in development costs capitalised

Balance at the beginning of period	2,913,033	1,702,883
Additional costs capitalised	350,121	1,905,393
Amortisation expense	(822,038)	(695,243)
Balance at the end of period	<u>2,441,115</u>	<u>2,913,033</u>

6 Other financial liabilities

Current

Bank overdraft - secured	-	275,000
Secured advances under contract	428,890	482,438
Unsecured other loans	-	15,607
	<u>428,890</u>	<u>773,045</u>

Non Current

Secured convertible notes	-	1,438,696
Secured advances under contract	417,539	403,731
Unsecured convertible notes	-	443,730
Unsecured other loans	-	300,000
	<u>417,539</u>	<u>2,586,157</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

6 Other financial liabilities (continued)

Bank Facilities

All bank facilities are secured by first ranking Registered Mortgage Debenture over the Consolidated Group's assets including uncalled capital and called but unpaid capital. At 31 December 2014, the company had the following unused bank facilities:

- an Australian dollar overdraft with a limit of \$300,000. The overdraft was not utilised at 31 December 2014.
- a US dollar overdraft with a limit of US\$320,000. The US dollar overdraft was not utilised at 31 December 2014.

Secured advances under contract

At balance date the Group had secured advances under a contract with Inmarsat PLC to develop and manufacture products compatible with the Inmarsat hand held satellite phone. Advances, which are denominated in USD, are secured by a charge over the Intellectual Property developed under the agreement, are non-interest bearing and are repaid as a percentage of product sale proceeds. During the half year to 31 December 2014 the Group repaid \$169,970 excluding realised and unrealised exchange differences.

Secured convertible notes

At 31 December 2014 there were no secured convertible notes outstanding having been converted to ordinary shares or redeemed during the last half year.

Unsecured convertible notes

At 31 December 2014 there were no unsecured convertible notes outstanding having been converted to ordinary shares or redeemed during the last half year.

7 Issued capital

Issued and paid up capital

Ordinary shares fully paid

Total issued capital

	31-Dec-14		30-Jun-14	
	Shares	\$	Shares	\$
Ordinary shares fully paid	43,173,452	5,784,925	14,631,797	1,769,355
Total issued capital	43,173,452	5,784,925	14,631,797	1,769,355

	Number of shares	\$
Balance at 30 June 2013	11,711,797	1,377,091
- Shares issued (net of costs) (a)	2,920,000	392,264
Balance at 30 June 2014	14,631,797	1,769,355
- Conversion of convertible notes (b)	6,624,997	950,000
- Renounceable rights issue (net of costs) (c)	16,000,000	2,340,570
- Conversion of convertible notes (b)	5,916,658	725,000
Balance at 31 December 2014	43,173,452	5,784,925

(a) Share issue

On 24th February 2014, World Reach Limited completed the issue of shares to Ample Skill Limited, which subscribed for a placement of 2,920,000 ordinary shares at an issue price of \$0.15 per share to raise \$438,000 for working capital purposes.

(b) Conversion of Convertible Notes

On 7th July 2014, the company finalised the conversion of 38 convertible notes. A total of 6,624,997 ordinary shares were issued under the terms of the Convertible Note Subscription Agreement.

On 25th August 2014, the company finalised the conversion of a further 29 convertible notes. A total of 5,916,658 ordinary shares were issued under the terms of the Convertible Note Subscription Agreement.

(c) Renounceable Rights Issue

On 28th July 2014, the company issued 16,000,000 ordinary shares through a Renounceable Rights Issue.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

8 Segment reporting

Sole operating segment

The Consolidated Group has identified operating segments based upon internal reports that are reviewed and used by the Directors in assessing performance and determining the allocation of resources in respect of its satellite communications products services and online sales. As the online sales segment operated by SatPhone Shop Pty Ltd, a wholly owned subsidiary company, does not meet the quantitative threshold for separate disclosure, the company considers its aggregate segment as its sole segment. Accordingly, revenue and results are fully disclosed in the condensed consolidated statement of profit or loss and other comprehensive income for this aggregated sole operating segment.

9 Events after the End of the Interim Period

The directors are not aware of any significant events since the end of the interim period.

DIRECTORS' DECLARATION

The directors of World Reach Limited declare that:

1. the financial statements and notes as set out in pages 5 to 12 are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001, and other mandatory professional reporting requirements;
 - (b) give a true and fair view of the financial position as at 31 December 2014 and of the performance for the period ended on that date of the company and consolidated group;
 - (c) the financial records of the company for the financial period have been properly maintained in accordance with section 286 of the Corporations Act 2001; and
 - (d) any other matters that are prescribed by the regulations for the purposes of this declaration in relation to the financial statements and the notes for the financial year are also satisfied.
2. In the director's 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 has been made after receiving the declarations required to be made by the Chief Executive Officer and Chief Financial Officer to the directors in accordance with sections 295A of the Corporations Act 2001 for the half year ending 31 December 2014.

This declaration is made in accordance with a resolution of the Board of Directors on 19 February 2014.



Mr David Dawson
Chairman

Signed in Melbourne, 24 February 2015

RSM Bird Cameron Partners

Level 21, 55 Collins Street Melbourne VIC 3000

PO Box 248 Collins Street West VIC 8007

T +61 3 9286 8000 **F** +61 3 9286 8199

www.rsmi.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
WORLD REACH LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of World Reach Limited which comprises the condensed consolidated statement of financial position as at 31 December 2014, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed 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 of the consolidated entity comprising the company and the entities it controlled at the half-year 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 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 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 2014 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 World Reach 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 World Reach Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

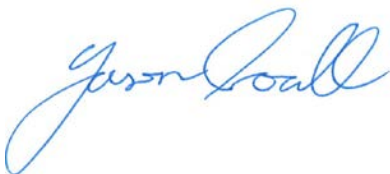
Conclusion

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 World Reach 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 2014 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*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



J S CROALL
Partner

Melbourne, VIC
Dated: 24 February 2015