

# **MOV Corporation Limited**

ACN: 090 865 357

## **Annual Financial Report**

**For the Year Ended 30 June 2015**

# MOV Corporation Limited

ACN: 090 865 357

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## **Corporate Governance Statement**

**30 June 2015**

### **Background**

The board of directors is responsible for the corporate governance of MOV Corporation Ltd (the Company). The Company operates in accordance with the corporate governance principles as set out by the Australian Securities Exchange (ASX) corporate governance council and required under ASX listing rules.

The Board of Directors (the Board) guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Corporate Governance Statement on the governance practices adopted by the Company is structured with reference to the ASX Corporate Governance Council's Principles and Recommendations. The practices are summarised below.

The Board is committed to improving its corporate governance practices and embracing the principles put out by the ASX Corporate Governance Council, however the Board is of the view that the adoption of the practices and principles should be in line with the growth in size, changes in the nature and increase in complexity of the Company's business.

The Board aims to achieve all of the Best Practice Recommendations in stages as the Company grows and its circumstances change over time. As reported in the current year's and previous year's annual report, the Company has been concentrating on its effort to restore the financial position of the Company and does not have sufficient resources to adopt and improve its corporate governance practices at present.

A number of the principles previously adopted by the Company were not consistently adhered to during the period from January 2011 to September 2015. In May 2011, the Company was placed in voluntary administration and suspended from quotation from ASX quotation.

It is the new Board's intention to apply all principles previously adopted on the resumption of quotation on the ASX and achieve all of the Best Practice Recommendations in stages as the Company grows and its circumstances change over time.

This statement is current as at 30 June 2015 and has been approved by the Board of Directors.

### **Principle 1: Lay Solid foundations for management and oversight**

For the reasons outlined above, this principle previously adopted by the Company was not consistently adhered to during the period from January 2011 to September 2015.

On resumption of quotation of securities on the ASX, it is the Board's intention to ensure the Company is structured such that there are clearly defined roles, segregation of duties and responsibilities and approved levels of authority between the management and the governance of the Company. The Board will set the overall corporate governance policy for the Company including determining the strategic direction, establishing policies and goals for management and monitoring the achievement of them. The Board will delegate responsibility for the day to day management of the Company to the Chief Executive Officer and the senior executive team.

The key responsibilities of the Board will include:

- Setting the long term strategy and annual business plan including objectives and milestones to be achieved;
- Evaluating capital, cash and operating risk, budgets and making appropriate recommendations on an annual basis;
- Reviewing and approving the Company's financial, strategic and operational goals and the assessing key business developments as formulated by management in line with the objectives and goals set by Board;
- Monitoring the performance of the Company against the financial objectives and operational goals set by the Board and reviewing the implementation of Board approved strategies;
- Assessing the appropriateness of the skill sets and the levels of experience of the members of the Board, individually and as a whole and selecting new members to join the Board when a vacancy exists;

## **Corporate Governance Statement**

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- Appointing, removing and determining the terms of engagement of the Directors, Chief Executive Officer and Company Secretary;
- Overseeing the delegation of authority for the day to day management of the Company;
- Ensuring that the risk management systems, financial reporting and information systems, personnel, policies and procedures are all operating efficiently and effectively by establishing a framework of internal controls and compliance;
- Reviewing major contracts, goods or services on credit terms' acceptance of counter - party risks and issuing guarantees on behalf of the Company;
- Approving the capital structure and major funding requirements of the Company;
- Making recommendations as to the terms of engagement, independence and the appointment and removal of the external auditors;
- Setting the Code of Conduct for the Company and ensuring that appropriate standards of corporate governance and ethics are effectively communicated throughout the Company and complied with;
- Reviewing the adherence by each director to the Director Code of Ethics;
- Establishing policies to ensure that the Company complies with the ASX Continuous Disclosure Policy;
- Approving the Company's half-year and full-year reports to the shareholders, ASX and Australian Securities and Investments Commission (ASIC); and
- Ensuring that recruitment, retention, termination, remuneration, performance review and succession planning policies and procedures are in place and complied with.

### **Principle 2: Structure the Board to add value**

For the reasons outlined above, this principle previously adopted by the Company was not consistently adhered to during the period from January 2011 to September 2015.

The Board is presently structured to maximise value to the Company and the shareholders. The Board is of a size and composition that is conducive to making decisions expediently, with the benefit of a variety of perspective, experiences and skills.

#### **Board composition**

The Board is composed of four directors. The skills, experience and expertise relevant to the position of Director held by each Director in office at the date of the annual report are included in the Directors' Report.

It is noted that the Company's board composition is not in keeping with the commentary and guidance to Best Practice Recommendations 2.1.

However, the Board is committed to follow the guidance to Best Practice Recommendations 2.1 by appointing more independent directors to the Board once the future direction of the Company is resolved. The Board has determined that there are sufficient appropriate alternative governance measures in place to ensure that non-compliance with the recommendations does not give rise to undue risk or other material concerns relating to the management and oversight of the Company.

#### **Terms of Office**

The members of the Board are elected by the shareholders to ensure that the Board has the appropriate mix of expertise and experience.

## **Corporate Governance Statement**

### **30 June 2015**

In accordance with the Corporations Act 2001, if a person is appointed as Director during the year, the Company must confirm appointment by resolution at the Company's next Annual General Meeting (AGM).

One-third of the Board retires and makes themselves available for re-election at the following AGM, with the exception of the Chief Executive Officer. No Director, with the exception of the Chief Executive Officer, is allowed to retain office for more than 3 years without submitting himself or herself for re-election.

When a vacancy exists on the Board, the Board appoints the most suitable candidate from a panel of candidates, who then must stand for election at the AGM, if he or she wishes to continue as a member of the Board in the following year.

#### **Personal Interests and Conflicts**

Directors must not take advantage of their position as Directors and must not allow their personal interests, or the interests of any associated person to interfere or exert undue influence on their conduct or decisions as a Director.

Directors also have a duty to avoid conflicts of interest between the best interests of the Company and their own personal or commercial interests. Conflicts of interest can be either actual or potential. If a conflict of interest arises, Directors must disclose their interest to the Board immediately. The Directors concerned must not be present at the meeting while the matter is being considered and must not be allowed to vote on the matter either.

#### **Independent professional advice**

There are procedures in place, agreed by the Board, to enable directors in furtherance of their duties to seek independent professional advice at the Company's expense.

#### **Board Standing Committees**

Due to the size of the Company and present uncertainties the Board has decided not to formally establish a Nomination Committee.

Although the Board established an Audit and Risk Management Committee, at the date of this report, the Company has not appointed any member to the Committee and as such, the responsibilities and duties of this Committee were taken up by the Board during the year. The small size and the hands on approach of the Board enable it to handle particular issues relevant to verifying and safeguarding the integrity of the Company's financial reporting with the same efficiency as an Audit and Risk Management Committee.

Consequently, the Company does not comply with Best Practice Recommendations. However the Board will keep this position under review.

#### **Summary**

In summary, the Company does not meet the requirements of Principle 2 of the Corporate Governance Guidelines in that:

- (i) The Board does not comprise a majority of independent Directors; and
- (ii) The Chairperson is an independent Director.

As explained throughout this section, the Board feels that at the present time each of the recommendations is not cost effective for adoption in a small public company such as MOV Corporation Limited. However, the Board will constantly monitor and review the situation.

#### **Principle 3: Promote ethical and responsible decision-making and recognise the legitimate interests of the stakeholders**

For the reasons outlined above this principle previously adopted by the Company was not consistently adhered to during the period from January 2011 to September 2015.

## **Corporate Governance Statement**

**30 June 2015**

### **Code of Conduct and Ethics**

The Company had a Code of Conduct, which sets the standards in accordance with which each director, manager and employee of the Company is expected to act. The code is communicated to all levels of the Company and deals with areas such as professional conduct, customers/consumers, suppliers, advisers/regulators, competitors, the community and the employees.

In addition to the Code of Conduct, the Company also had a Directors Code of Ethics, which sets out particular issues relevant to directors' obligations to the Company.

### **Shareholding trading policy**

The constitution permits directors, senior executives and other officers of the Company to trade in Company shares as long as they comply with the Company's Share Trading Policy. The Share Trading Policy is a code that is designed to minimise the potential for insider trading.

Directors must notify the Chairman of the Board, before they buy or sell shares in the Company. If the Chairman of the Board intends to trade in the Company Shares, the Chairman of the Board must give prior notice to the Chairman of the Audit & Risk Management Committee. The details of the share trading must be given to the Company Secretary who must lodge such details of such changes with the ASX.

Senior executives must give prior notice to the Chief Executive Officer, while other officers must notify the Company Secretary, before trading in the Company shares and details of all such transactions must be given, in writing, to the Company Secretary within 7 business days.

Any changes in substantial shareholdings of the Directors, senior executives or other officers must be reported to the ASX within 2 business days of such trading. The policy also recommends that trading in the Company shares only occur in the following trading windows:

- 30 days after the announcement of the Company's half-year results; and
- 30 days after the announcement of the Company's full-year results.

### **Principle 4: Safeguarding integrity in financial reporting**

For the reasons outlined above this principle previously adopted by the Company was not consistently adhered to during the period from January 2011 to September 2015.

It is the Board's responsibility to ensure an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information as well as non-financial considerations such as benchmarking of operational key performance indicators.

### **Executive Consideration**

Historically the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) are required to and have provided assurance to the Board stating that the financial statements and reports of the Company:

- Present a true and fair view, in all material respects, of the operating results and financial condition in accordance with the Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001;
- Are founded on a system of risk management and internal compliance and control, and these are operating efficiently and effectively in all material aspects.

## **Corporate Governance Statement**

**30 June 2015**

However, as stated above, the principles previously adopted by the Company were not adhered to during the period from January 2011 to September 2015 – including the requirement to obtain assurance from the CEO and the CFO that the financial statements present a true and fair view, in accordance with the Australian Accounting Standards and are founded on a system of risk management and internal compliance and control. It is the Board's intention to apply all principles previously adopted on the resumption of quotation on the ASX – including the requirement to obtain assurance from the CEO and the CFO in relation to the financial statements, systems of risk management and internal controls – in stages as the Company grows and its circumstances change over time.

### **Audit and Risk Management Committee – audit responsibilities**

Although the Board established an Audit and Risk Management Committee, at the date of this report, the Company has not appointed any member of the Committee and as such, the responsibilities and duties of this committee were taken up by the Board during the year. Historically the Board believes a separate Audit and Risk Management Committee in a company of this size with the absence of independent Directors would be of little value. The small size of the company and hands on approach of the Board enables it to handle particular issues relevant to verifying and safeguarding the integrity of the Company's financial reporting with the same efficiency as an Audit and Risk Management Committee.

The Board is committed to following the Best Practice Recommendation 4.3, and will establish an independent Audit & Risk Management Committee once independent Directors are appointed and the Company increases in size.

### **Principle 5: Make timely and balanced disclosure**

Historically, the Company's market disclosure policy is to ensure that shareholders and the market are fully informed of the Company's strategy performance and details of any information or events that could be material to the value of the Company's securities. The Company is committed to ensuring that all information that may have a material impact on the Company's share value is disclosed to the market in a timely and balanced manner.

The Chief Executive Officer and the Company Secretary, in consultation with the Board, are responsible for the review, authorisation and disclosure of information to the ASX and for overseeing and coordinating information disclosures to the ASX, shareholders, brokers, analysts, the media and the public.

The Company ensures that it also complies with the requirement of the Listing Rules of the ASX and the Corporations Act 2001 in providing information to shareholders through:

- The half-year report to the ASX;
- The annual report which is distributed to the ASX and to shareholders prior to the AGM;
- The AGM and other meetings called to obtain approval from shareholders where appropriate;
- Ad-hoc releases to the ASX as required under ASX Listing Rules. However, for the period January 2011 to September 2015, the Company did not comply with this principal in a timely manner. Half- year reports of the period December 2011 were reported to the ASX in June 2014. The annual reports for the years ending June 2011 and June 2012 were distributed to the ASX in September 2014. The half year reports for December 2012, December 2013 and December 2014 are anticipated to be reported to the ASX in September 2015. The annual report for the year ended 30 June 2014 and 30 June 2015 is anticipated to be reported to the ASX in September 2015.

The AGM for the year ended June 2013 was held in December 2014. The AGM for the year ended 30 June 2014 and 30 June 2015 is anticipated to be held in September 2015.

It is the Board's intention to apply all principles previously adopted in a timely manner on the resumption of quotation on the ASX and achieve all of the Best Practice Recommendations in stages as the Company grows and its circumstances change over time.

## **Corporate Governance Statement**

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### **Principle 6: Respect the rights of shareholders communication to shareholders**

The Company recognises the right of its shareholders and other interested stakeholders to have easy access to balanced, understandable and timely information concerning the operations of the Company. The Chief Executive Officer and the Company Secretary are primarily responsible of ensuring communications with shareholders are delivered in accordance with this strategy and with our policy of continuous disclosure.

The Company strives to communicate with shareholders and other stakeholders in a regular manner as outlined in Principle 5 of this statement. However as stated above, in the period from January 2011 to September 2015 the Company did not communicate with shareholders and other stakeholders in a timely manner.

The Board encourages participation of shareholders at the AGM or any other shareholder meetings to ensure a high level of accountability and identification with the Company's strategy and goals.

Shareholders are requested to vote on the appointment and aggregate remuneration of Directors, the granting of options and shares to Directors, issue of shares and charges to the constitution.

#### **Annual General Meeting**

Historically, the Board encourages full participation of shareholders at the AGM to ensure a high level of accountability and identification with the Company's strategy and goals.

The Board has also requested representatives from BDO, the Company's external auditor, to be present at the AGM to answer questions that shareholders might have about the scope and conduct of the audit, the presentation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor.

It is the Board's intention to apply all principles previously adopted on the resumption of quotation on the ASX and implement all of the Best Practice Recommendations in stages as the Company grows and its circumstances change.

### **Principle 7: Recognise and manage risk**

#### **Risk management responsibilities**

The Company's risk management framework is designed to identify, assess, monitor and manage material business risks, both financial and non-financial, to minimise their impact on the achievement of organisational goals.

As no member has been appointed to the Audit & Risk Management Committee, the Board is responsible for reviewing and ratifying the system of risk management, internal compliance and control, codes of conduct and legal compliance.

Historically, the Board delegates to the Chief Executive Officer and the Chief Financial Officer the responsibilities for the establishment, implementation and maintenance of the system of risk management including measures of its effectiveness.

In the period January 2011 to September 2015, the Board did not receive from management a risk management framework that is effective for the Company's purpose as required under section 295A of the Corporations Act.

As disclosed on above, the principles previously adopted by the Company were not always adhered to during the period from January 2011 to September 2015. It is the Board's intention to apply all principles previously adopted on the resumption of quotation on the ASX and achieve all of the Best Practice Recommendation in stages as the Company grows and its circumstances change over time.



## **Corporate Governance Statement**

**30 June 2015**

### **Principle 8: Remunerate fairly and responsibly**

#### **Remuneration responsibilities**

The Company's remuneration policy is disclosed in the Directors' Report. The Policy has been set out to ensure that the performance of Directors, key executives and staff reflect each person's accountabilities, duties and their level of performance, and to ensure that remuneration is competitive in attracting, motivating and retaining staff of the highest quality. A program of regular performance appraisals and objective setting for Key executives and staff is in place. These annual reviews take into account individual and company performance, market movements and expert advice.

The Board determines any changes to the remuneration of key executives on an annual basis.

Due to the size of the Board of Directors the Company does not have a remuneration committee.

The Board determines and reviews compensation arrangements for the Directors and the executive team.

## **Directors' Report**

**30 June 2015**

The Directors present their report, together with the financial statements of the Company, being MOV Corporation Limited (the Company), for the financial year ended 30 June 2015.

### **Directors**

The names of the Directors of the Company in office during the financial year and up to the date of this report are:

- Kwee Jee Lee – Non Executive Chairman (appointed 3 December 2014)
- Kim Huat Koh – Non Executive Director (appointed 3 December 2014)
- Charles Chow Cher Lim – Non Executive Director (appointed 3 December 2014)
- Siew Goh – Non Executive Director (appointed 3 December 2014)
- Steven Nicols – Non Executive Chairman (resigned 3 December 2014)
- Adam Blumenthal – Non Executive Director (resigned 3 December 2014)
- Gregory Cornelsen – Non Executive Director (resigned 3 December 2014)

Unless noted above, all directors have been in office since the start of the financial year to the date of this report.

Kwee Jee Lee and Kim Huat Koh are independent directors.

### **Company Secretary**

Elizabeth Hunt held the position of company secretary during the financial year.

Details of the company secretary's experience are set out below under 'Information on Directors'

### **Principal activities and significant changes in nature of activities**

The principal activity of the Company during the year was the assessment of various proposals that could see re-quotation of the Company's securities on ASX.

### **Operating results**

The loss after income tax of the Company for the financial year amounted to \$1,257,751 (2014: \$148,358).

### **Financial position**

The net liabilities of the Company at 30 June 2015 are \$290,654 (2014: net assets of \$18,928)

### **Dividends Paid or Recommended**

No dividends were paid during the period and no recommendation is made as to dividends.

### **Review of operations**

MOV Corporation Limited (MOV) is an ASX listed entity which is currently suspended from official quotation. The company and its subsidiaries became subject to a deed of company arrangement on the 31 May 2011 when the group went into voluntary administration. On 25 August 2011, a recapitalisation proposal was received by the Company's administrators and that proposal was approved by shareholders. The company came out of administration upon the release of the Deed of Company Arrangement (DOCA) on the 10 February 2012 whereby MOV Corporation Limited came under the control of new directors Steve Nicols, Adam Blumenthal and Gregory Cornelsen. The DOCA executed did not extend to the two subsidiaries (which remained in liquidation).

On the 28 November 2014 a new recapitalisation proposal was identified. On the 3 December 2014 the shareholders approved an issue of 528 million shares to entities controlled by CK Koh and Patrick Koh and the appointment of Kwee Jee

## **Directors' Report**

**30 June 2015**

Lee, Kim Huat Koh, Charles Chow Cher Lim and Siew Goh as directors. Upon appointment of the new directors, Steve Nicols, Adam Blumenthal and Gregory Cornelsen resigned as directors.

### **New Business Strategy**

Upon completion of applying and re-admission of the company on the official ASX listing the directors will seek approval from the membership to acquire all the share capital of Brisbane Land Holdings Pty Limited.

The company's directors, appointed on 3 December 2014, believe that property and financial market conditions present an opportunity to invest in Australian real property. The company via its associated entity Brisbane Land Holding Pty Limited has secured an option to purchase a building development asset. The Directors have also identified a good pipeline of potential development opportunities for the Company to invest in.

The directors have formulated a strategy to invest in and develop property in Australia and provide a property development platform for quality commercial, residential and mixed use properties, including land for development or redevelopment. It is the company's intention to invest and earn recurrent income or to sell when appropriate to realise capital gains on these investments.

Moving forward, the company expects to be in a position to pursue a number of investment opportunities, as well as development projects, which are currently in the pipeline (refer to below to events after balance date).

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

As of the date of signing the financial statements, the Directors are working with various advisors and consultants to bring together and execute a recapitalisation plan which will undertake and complete the following steps;

- The company allotted and issued 500 million post consolidation shares to the Mr Choon Keng Koh and / or Mr Patrick Koh Chuan Thye and / or Lian Keng Enterprises to raise \$145,000 in total (issued 4 February 2015);
- Work with the ASX to ensure that the Company re-complies with Chapters 1 and 2 of the Listing Rules;
- Implement required changes per instructions from ASX to initiate the activities to procure the re-quotation of the Company's securities on the ASX;
- Draft a prospectus and issue a public offering of up to 10,000,000 new shares at an offer Price of \$0.20 per share with the expectation of raising capital of up to \$2,000,000 in share capital before payment of the expenses of the Offer;
- Apply for re-admission on the official ASX listing within 7 day after lodging the prospectus with ASIC for Official Quotation of the new shares on the ASX;
- In line with the newly formulated business strategy, Brisbane Land Holdings Pty Limited has entered into an option agreement to acquire a commercial a property located in Brisbane for \$21,280,000. It is the Directors intention to implement the business strategy formulated with the options acquired in the acquisition of Brisbane Land Holdings Pty Limited. Upon completion of the public offering the Company will acquire all of the issued capital of BLH Limited simultaneously; and
- MOV Corporation Limited will resolve to change its name to Land & Homes Group Limited.

The Company's directors are currently in consultation with investors and brokers about supporting the Company's proposed capital raising and re-quotation of the Company's Shares in pursuit of the company's business strategy outlined in the Directors Report.

Except for the matters set out 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 Company, the results of those operations, or the state of affair of the company in future financial years.

### **Information on directors**

The names, qualifications, experience and special responsibilities of each person who has been a director during the financial year and to the date of this report are:

#### **Ms Kwee Jee Lee**

Qualifications

#### **Non-Executive Chairman (Appointed 3 December 2014)**

Ms Lee obtained her B Sc (Hons) and MSc from the University of Singapore and attended an Executive Development Programme in INSEAD, Fontainebleau.

## **Directors' Report**

**30 June 2015**

Experience	<p>Kwee Jee Lee is an independent Director who has extensive experience in both the public and private sector. She spent about 20 years in the public sector formulating and overseeing policies in the Ministries of Finance, Defence and the Environment of the Government of Singapore. Her scope of work included finance and budgetary control, personnel and human resource allocation, public relations and international relations.</p> <p>Ms Lee also spent another 20 plus years in the private sector, working in manufacturing, electronic and technology companies, including Electronic Component of General Electric (USA), TDB Holdings Pte Ltd, ST Aerospace Pte Ltd, and Singapore Technologies Pte Ltd. She held key positions in these companies, mostly specialised in human resources and building up of strategic relationships for these companies, both locally and internationally, to expand and promote their operations and businesses.</p> <p>Ms Lee was the SVP (Strategic Relations and Corporate Communications) of Singapore Technology Telemedia Pte Ltd where she spent a little over 9 years building and strengthening external relationship with the media, the public and international partners.</p> <p>Ms Lee is a Non-Executive Director with LionHub Group Limited (ASX:LHB).</p>
Interest in shares	Nil
<b>Mr Kim Huat Koh</b>	<b>Non-Executive Director (Appointed 3 December 2014)</b>
Qualifications	<p>Mr Koh was a Singapore Government scholar. He graduated from National University of Singapore in Bachelor of Engineering (civil), 2nd Upper Honors. He spent many years serving Singapore government in different departments. They included administrative service of Singapore Government, its diplomatic mission in Shanghai and Government of Singapore Investment Corporation (GIC).</p>
Experience	<p>Mr Kim Huat Koh is an independent Director who has extensive experience as a member on the boards of many private and publicly listed companies, including Singapore and/or Hong Kong-listed Rowsley Ltd, UPP Holdings Ltd, Eagle Brand Holdings Ltd and Hong Kong Fortune Ltd. He was Executive Director of Hong Kong Fortune Ltd in 1994 and retired in May 2013 as Executive Chairman of UPP Ltd.</p> <p>Mr Koh also has intimate knowledge of China and of property development. He was Head of Singapore's diplomatic missions in Shanghai from 1991 till 1994. He then went on to head up the property businesses for Chia Tai group in China. Chia Tai was then one of the largest foreign investors in China. Its property investments include the commercial downtown of Pudong, Shanghai and other cities. He was also a director of Vantage Bay, a company involved in property development in Iskandar Johor.</p> <p>Mr Koh is a Non-Executive Director with LionHub Group Limited (ASX:LHB).</p>
Interest in shares	Nil
<b>Mr Charles Chow Cher Lim</b>	<b>Non-Executive Director (Appointed 3 December 2014)</b>
Qualifications	<p>He started his career in corporate banking with an American bank in Singapore. Charles has also been stationed in various countries including China, Hong Kong and Thailand in banking, securities and other industries. He holds a B.A. Hons (Economics &amp; Finance) degree from the University of California, Los Angeles.</p>
Experience	<p>Charles Lim has over 20 years of experience in Finance and Management. He was formerly a Chief Financial Officer and Executive Director of a public company in Singapore that has investments in property, publishing, and manufacturing of consumer products, in various countries including Australia, UK, France, and several South East Asian countries. In that capacity, he had executed several cross-border M&amp;S and other corporate finance transactions.</p> <p>Mr Lim is the CEO of LionHub Group Limited (ASX:LHB).</p> <p>Mr Lim is not an independent Director.</p>
Interest in shares	Nil
<b>Ms Siew Goh</b>	<b>Non-Executive Director (Appointed 3 December 2014)</b>
Qualifications	<p>Ms Goh was an Associate Director in a Singapore based investment company, Temasek</p>

## **Directors' Report**

**30 June 2015**

Holdings Limited (one of the biggest sovereign fund managers in the world) and has also spent several years working in Temasek's subsidiaries – Temasek Management Services Pty Ltd and Singapore Technologies Pte Ltd. Siew led a team to plan, organise and manage high profile events in Singapore, Asia and Europe for diplomats and senior regional corporate leaders.

**Experience** Ms Siew Goh has extensive experience working in regional corporate environment. She has a diverse range of industry skills and experience in the areas of international corporate events management, marketing communications and strategic relations.

Ms Goh is the Head of Operations of LionHub Group Limited (ASX:LHB).

Ms Goh is not an independent director.

**Interest in shares** Nil

### **Steven Nicols**

#### **Non-Executive Chairman (Resigned 3 December 2014)**

**Qualifications** B.Com, CPA, IPA,

**Experience** Steven Nicols is the principal of Nicols and Brien, a specialised insolvency practice with offices in Sydney and Wollongong. He provides advice to businesses for the purposes of reconstruction or profit enhancement. He has over 25 years experience in this field. Previous directorships include Tangiers Petroleum Ltd, Resource Star Ltd, Blackcrest Resources Ltd, Welcome Stranger Mining Ltd, Lion Hub Group Ltd, EHG Corporation Ltd, FTD Corporation Ltd, RKS Consolidated Ltd and GRP Corporation Limited. He is a current director of VGP Corporation Ltd and MOV Corporation Ltd.

**Interest in shares (at resignation)** 685,184 ordinary fully paid shares (post consolidation on 1 for 73 basis)

### **Adam Blumenthal**

#### **Non-Executive Director (Resigned 3 December 2014)**

**Qualifications** Dip. Com, B.Com.

**Experience** Mr Adam Blumenthal has been working in financial markets for the past 6 years, currently as a stockbroker based in Sydney, Australia. Adam has a Diploma of Commerce and a Bachelor of Commerce. He has worked closely with a large number of companies providing finance through debt and equity facilities and capital raisings. Adam has an international network spanning Asia, Europe and the USA where he is currently dual listing several Australian ASX listed companies. He has been involved in the relisting of several suspended companies and has played an intimate role in over 12 IPOs in the past 18 months, including Metal Bank Ltd (copper), Global Nickel Investments NL (bauxite), Enerji Ltd (energy). Adam is a current director of MOV Corporation Ltd.

**Interest in shares (at resignation)** 685,185 ordinary fully paid shares (post consolidation on 1 for 73 basis)

### **Gregory Cornelsen**

#### **Non-Executive Director (Resigned 3 December 2014)**

**Qualifications** BEC

**Experience** Mr Gregory Cornelsen, is an economist, business development specialist and a successful businessman having held leadership positions in both large Australian based multinationals and start-up operations. In 1990 he developed and grew Springbrook Natural Waters Pty Ltd from the ground right through to its sale to Palm Spring Limited. Previously he was a Senior Grain Trader for Elders managing the Futures and Foreign exchange trades of coarse grain to Japan. He is also a former international rugby player with 25 caps for the Australian Wallabies. His rugby and business backgrounds have allowed him to develop an extensive network within the Australian business community. He is a current director of ASX listed Blueglass Ltd, AAT Corporation Limited and MOV Corporation Ltd.

**Interest in shares (at resignation)** Nil

## **Directors' Report**

**30 June 2015**

### **Company Secretary**

*Elizabeth Hunt*

Elizabeth has over fifteen years' corporate and accounting experience with a particular interest in governance. Elizabeth's knowledge includes IPO management, governance & risk, company secretarial matters, ASX listing requirements, ASIC and other statutory reporting requirements, and financial accounting and reporting.

Elizabeth holds a BSc degree in Sustainable Development and has completed a Master of Accounting, the Governance Institute of Australia Certificate in Governance and Risk Management, and is a Graduate of the Australian Institute of Company Directors.

### **REMUNERATION REPORT (AUDITED)**

#### **Remuneration policy**

The remuneration policy of MOV Corporation Limited has been designed to align Key Management Personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The Board of MOV Corporation Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best KMP to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for KMP of the Company is as follows:

- The remuneration policy has been developed by the Board of Directors and approved by the Board following professional advice from independent external consultants.
- All KMP receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, and performance incentives.
- Performance incentives are based on predetermined key performance indicators.
- Incentives paid in the form of options or rights are intended to align the interests of the KMP and Company with those of the shareholders. In this regard, KMP are prohibited from limiting risk attached to those instruments by use of derivatives or other means.
- The Remuneration Committee reviews KMP packages annually by reference to the Company's performance, executive performance and comparable information from industry sector.

The performance of KMP is measured against criteria agreed bi-annually with each executive and is based predominantly on the forecast growth of the Company's profits and shareholders' value. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the Committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

KMP receive a superannuation guarantee contribution required by the law, which is currently 9.25%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

Upon retirement, KMP are paid employee benefit entitlements accrued to the date of retirement. KMP are paid a percentage of between 5-10% of their salary in the event of redundancy. Any options not exercised before or on the date of termination will lapse.

## **Directors' Report**

**30 June 2015**

All remuneration paid to KMP is valued at the cost to the Company and expensed.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Remuneration Committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the AGM.

### **Relationship between remuneration policy and company performance**

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. Two methods have been applied to achieve this aim, the first being a performance-based bonus based on key performance indicators, and the second being the issue of options to directors and executives to encourage the alignment of personal and shareholder interests.

### **Performance conditions linked to remuneration**

The key performance indicators (KPIs) are set annually, with a certain level of consultation with KMP to ensure buy-in. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for Group expansion and profit, covering financial and non-financial as well as short and long-term goals. The level set for each KPI is based on budgeted figures for the Company and respective industry standards.

Performance in relation to the KPIs is assessed annually, with bonuses being awarded depending on the number and deemed difficulty of the KPIs achieved. Following the assessment, the KPIs are reviewed by the Remuneration Committee in light of the desired and actual outcomes, and their efficiency is assessed in relation to the Company's goals and shareholder wealth, before the KPIs are set for the following year.

The satisfaction of the performance conditions are based on a review of the audited financial statements of the Company, as such figures reduce any risk of contention relating to payment eligibility. The Board does not believe that performance conditions should include a comparison with factors external of the Company at this time.

### **Employment details of members of KMP**

The following table provides employment details of persons who were, during the financial year, members of KMP of the Company. The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of options.

#### **Table of benefits and payments**

<b>2015</b>	<b>Salary, fees and leave</b>	<b>Bonus</b>	<b>Non monetary</b>	<b>Termination payments</b>	<b>Superannuation</b>	<b>Share based payments</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Directors</b>							
Kwee Jee Lee	23,333	-	-	-	2,217	-	25,550
Kim Huat Koh	17,500	-	-	-	-	-	17,500
Charles Chow Cher Lim	-	-	-	-	-	-	-
Siew Goh	-	-	-	-	-	-	-
Steve Nicols*	-	-	-	-	-	140,000	140,000
Adam Blumenthal*	-	-	-	-	-	140,000	140,000
Gregory Comelsen	16,000	-	-	-	-	-	16,000

## Directors' Report

30 June 2015

56,833	-	-	-	2,217	280,000	339,050
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\* Shares were issued to Steven Nicols and Adam Blumenthal as approved by shareholders 3 December 2014 and represent unpaid directors fees for the 1 March 2012 to 30 June 2014.

2014	Salary, fees and leave \$	Bonus \$	Non monetary \$	Termination payments \$	Superannuation \$	Share based payments \$	Total \$
<b>Directors</b>							
Steve Nicols*	-	-	-	-	-	-	-
Adam Blumenthal*	-	-	-	-	-	-	-
Gregory Comelsen	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

### Securities received that are not performance related

No members of KMP are entitled to receive securities which are not performance-based as part of their remuneration package.

### Cash performance-related bonuses

No cash bonuses, performance related bonuses and share based payments were made during the current financial year.

### Equity holdings of key management personnel

#### Shareholdings

Number of shares held by key management personnel during the financial year ended 30 June 2015 was as follows:

	Balance at beginning of year	On exercise of options	Other changes during the year	Balance at end of year
<b>30 June 2015</b>				
<b>Directors</b>				
Steven Nicols (Billabong Capital Partners Pty Ltd)	49,333,333	-	(48,648,148)	685,185
Adam Blumenthal	49,333,333	-	(48,648,148)	685,185
Gregory Comelsen	-	-	-	-
	98,666,666	-	(97,296,296)	1,370,370

#### Option holdings

No options were held by key management personnel during the financial year ended 30 June 2015.

#### Other KMP Transactions

There were no transactions with related parties.



**Directors' Report****30 June 2015****“End of Remuneration Report (Audited)”****Meetings of directors**

During the financial year, two meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Audit and Risk Management Committee		Remuneration Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Kwee Jee Lee	-	-	-	-	-	-
Kim Huat Koh	-	-	-	-	-	-
Charles Chow Cher Lim	-	-	-	-	-	-
Siew Goh	-	-	-	-	-	-
Steven Nicols	-	-	-	-	-	-
Adam Blumenthal	-	-	-	-	-	-
Gregory Cornelsen	-	-	-	-	-	-

**Options**

At the date of this report, there are no unissued ordinary shares of MOV Corporation Limited under option.

**Environmental issues**

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

**Indemnification and insurance of officers and auditors**

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of MOV Corporation Limited.

**Proceedings on behalf of company**

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

**Non-audit services**

The Board of Directors, in accordance with advice from the Board of Directors, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

**MOV Corporation Limited**

ACN: 090 865 357

**Directors' Declaration**

**30 June 2015**

In the directors opinion:

- The attached financial statements and notes thereto comply with Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes thereto comply with International Financials Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- The attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the financial year ended on that date;
- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295 (5)(a) of the Corporations Act 2001.

On behalf of the directors



Director .....  
Charles Chow Cher Lim

Dated this 11th day of September 2015 in Sydney

## **DECLARATION OF INDEPENDENCE BY PAUL BULL TO THE DIRECTORS OF MOV CORPORATION LIMITED**

As lead auditor of MOV Corporation Limited for the year ended 30 June 2015, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



**Paul Bull**  
Partner

**BDO East Coast Partnership**

Sydney, 11 September 2015

## **Statement of Profit or Loss and Other Comprehensive Income**

**For the Year Ended 30 June 2015**

	<b>Note</b>	<b>2015</b> <b>\$</b>	<b>2014</b> <b>\$</b>
<b>Revenue</b>		-	-
<b>Expenses</b>			
Employee benefits		(403,398)	-
Convertible note expense		(491,400)	-
Other expenses		(362,953)	(148,358)
Loss before income tax		(1,257,751)	(148,358)
Income tax expense	3	-	-
<b>Loss for the year</b>		<b>(1,257,751)</b>	<b>(148,358)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year</b>		<b>(1,257,751)</b>	<b>(148,358)</b>
<b>Loss attributable to:</b>			
Members		(1,257,751)	(148,358)
<b>Total comprehensive loss attributable to:</b>			
Members		(1,257,751)	(148,358)
<b>Earnings per share</b>			
Basic earnings per share (cents)	9	(0.216)	(0.04)
Diluted earnings per share (cents)	9	(0.216)	(0.04)

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

## Statement of Financial Position

As At 30 June 2015

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	44,019	29,471
Trade and other receivables	6	20,218	2,444
<b>TOTAL CURRENT ASSETS</b>		<b>64,237</b>	<b>31,915</b>
<b>TOTAL ASSETS</b>		<b>64,237</b>	<b>31,915</b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	7	354,891	50,843
<b>TOTAL CURRENT LIABILITIES</b>		<b>354,891</b>	<b>50,843</b>
<b>TOTAL LIABILITIES</b>		<b>354,891</b>	<b>50,843</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>(290,654)</b>	<b>(18,928)</b>
<b>EQUITY</b>			
Issued capital	8	52,163,223	51,177,198
Retained earnings		(52,453,877)	(51,196,126)
<b>TOTAL EQUITY/(DEFICIENCY IN EQUITY)</b>		<b>(290,654)</b>	<b>(18,928)</b>

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

## Statement of Changes in Equity

For the Year Ended 30 June 2015

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
<b>Balance at 1 July 2014</b>	<b>51,177,198</b>	<b>(51,196,126)</b>	<b>(18,928)</b>
Loss attributable to members	-	(1,257,751)	(1,257,751)
Transaction costs	(74,318)	-	(74,318)
Issue of shares	1,060,343	-	1,060,343
<b>Balance at 30 June 2015</b>	<b>52,163,223</b>	<b>(52,453,877)</b>	<b>(290,654)</b>

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
<b>Balance at 1 July 2013</b>	<b>51,177,198</b>	<b>(51,047,768)</b>	<b>129,430</b>
Loss attributable to members	-	(148,358)	(148,358)
<b>Balance at 30 June 2014</b>	<b>51,177,198</b>	<b>(51,196,126)</b>	<b>(18,928)</b>

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

## **Statement of Cash Flows**

**For the Year Ended 30 June 2015**

	<b>Note</b>	<b>2015</b> <b>\$</b>	<b>2014</b> <b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Payments to suppliers and employees		(320,396)	(80,557)
Net cash used in operating activities	15	<u>(320,396)</u>	<u>(80,557)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from borrowings		264,262	-
Proceeds from issue of shares		145,000	-
Payment of share issuance transaction costs		(74,318)	-
Net cash provided by financing activities		<u>334,944</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held		14,548	(80,557)
Cash and cash equivalents at beginning of year		29,471	110,028
Cash and cash equivalents at end of financial year	5	<u><b>44,019</b></u>	<u><b>29,471</b></u>

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

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2015**

This financial report covers the financial statements and notes of MOV Corporation Limited (the 'Company'). MOV Corporation Limited is a for profit company domiciled in Australia. The financial statements were authorised for issue by the Board of Directors on 11 September 2015.

#### **Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*, as appropriate for a for profit entity.

These financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements are based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### **Going Concern**

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 year ended 30 June 2015 MOV Corporation Limited incurred a loss of \$1,257,751 and had net liabilities at 30 June 2015 of (\$290,654).

The ability of the company to continue as a going concern is principally dependent upon the ability of the company to secure funds by raising capital from equity markets and managing its cash flow. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the company to continue as a going concern.

The directors consider the going concern basis as appropriate based on the company undertaking and completing the following steps:

- The company continues to receive financial support from its shareholders and directors;
- On the 1 December 2014 the shareholders approved a recapitalisation plan and business strategy which the directors believe will enable the company to continue as a going concern;
- The Directors are working with various advisors and consultants to bring together a re-capitalisation plan which will undertake and complete the following steps;
  - Work with the ASX to ensure that the Company re-complies with Chapters 1 and 2 of the Listing Rules;
  - Implement required changes per instructions from ASX to initiate the activities to procure the re-quotation of the Company's securities on the ASX;
  - Draft a prospectus and issue a public offering of up to 10,000,000 new shares at an offer price of \$0.20 per share with the expectation of raising capital of up to \$2,000,000 in share capital before payment of the expenses of the Offer;
  - Prior to the re-listing of the company, a share purchase agreement will be executed with Brisbane Land Holdings Ltd Limited to secure the acquisition of the below mentioned asset. The specifics of this agreement and the asset will be detailed in the pending prospectus to be issued;
  - Apply for re-admission on the official ASX listing within 7 day after lodging the prospectus with ASIC for Official Quotation of the new shares on the ASX;
  - Upon completion of the public offering the Company will acquire all of the issued capital of Brisbane Land Holdings Pty Limited simultaneously;
  - Brisbane Land Holdings Pty Limited has entered into an option to acquire a commercial property located in Brisbane for \$21,280,000. These options are consistent with the business strategy of the Directors as set out in the Directors report under "New Business Strategy"; and
  - The Company's directors are currently in consultation with investors and brokers about supporting the Company's proposed capital raising and re-quotation of the Company's Shares in pursuit of the company's business strategy out lined in the Directors Report.

Should the company be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the company be unable to continue as a going concern and meet its debts as and when they fall due.



## **Notes to the Financial Statements**

**For the Year Ended 30 June 2015**

### **1 Summary of Significant Accounting Policies**

#### **(a) Financial instruments**

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately.

#### **Classification and subsequent measurement**

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- a) the amount at which the financial asset or financial liability is measured at initial recognition;
- b) less principal repayments;
- c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- d) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at the initial recognition and at the end of each reporting period for held-to-maturity assets.

#### *(i) Financial assets at fair value through profit or loss*

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by KMP on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2015**

#### **1 Summary of Significant Accounting Policies (continued)**

##### *(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

##### *(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets. If during the period the Company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

The Company did not hold any held-to-maturity investments in the current or comparative financial year.

##### *(iv) Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period.

##### *(v) Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### **Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

#### **Impairment**

Objective evidence that a financial asset is impaired includes default by a debtor, evidence that the debtor is likely to enter bankruptcy or adverse economic conditions in the stock exchange. At the end of each reporting period, the Company assess whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to indicate that an impairment has arisen.

Where a subsequent event causes the amount of the impairment loss to decrease (e.g. payment received), the reduction in the allowance account (provision for impairment of receivables) is taken through profit and loss.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2015**

### **1 Summary of Significant Accounting Policies (continued)**

However, any reversal in the value of an impaired available for sale asset is taken through other comprehensive income rather than profit and loss.

Impairment losses are recognised through an allowance account for loans and receivables in the statement of comprehensive income.

#### **Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

When available-for-sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

#### **(b) Impairment of non-financial assets**

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information and dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Value in use is calculated by discounting the estimated future cash flows of the asset or cash-generating unit (CGU) at a pre-tax discount rate reflecting the specific risks in the asset / CGU. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment losses recognised in respect of CGU's are allocated first to reduce the carrying amount of goodwill to nil and then to the other assets in the unit in proportion to their carrying amount. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Assets, other than goodwill that have an allocated impairment loss are reviewed for reversal indicators at the end of each reporting period. After recognition of an impairment loss, the amortisation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount on a systematic basis over its remaining useful life.

Impairment losses are recognised as an expense immediately, unless the relevant asset is property, plant and equipment held at fair value (other than investment property carried at a revalued amount) in which case the impairment loss is treated as a revaluation decrease as described in the accounting policy for property, plant and equipment.

#### **(c) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

#### **(d) Trade and other payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2015**

amounts normally paid within 30 days of recognition of the liability.

#### **1 Summary of Significant Accounting Policies (continued)**

##### **(e) Earnings per share**

The Company presents basic and diluted earnings per share information for its ordinary shares. Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share adjusts the basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

##### **(f) Revenue and other income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates. All revenue is stated net of the amount of goods and services tax (GST).

##### **(g) Income tax**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting year. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2015**

### **1 Summary of Significant Accounting Policies (continued)**

#### **(h) Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### **(i) Critical accounting estimates and judgments**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

Key judgments - provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

#### **(j) Application of new and revised Accounting Standards**

*New and revised AASB's affecting amounts reported and/or disclosures in the financial statements*

In the current year, the Company has applied a number of new and revised AASB's issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective from an accounting period on or after 1 January 2013.

The Company has applied AASB 13 'Fair Value Measurement' for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of AASB 13 is broad; the fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items. AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements. In addition, standards on consolidation, joint arrangements, associates and disclosures were adopted. The impact of the application of these standards is not material.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2015**

### **1 Summary of Significant Accounting Policies (continued)**

*Standards and Interpretations in issue not yet adopted*

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective. The Company does not anticipate that there will be a material effect on the financial statements from the adoption of these standards.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2017	30 June 2018
AASB15 'Revenue from Contracts with Customer'	1 January 2017	30 June 2018
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	1 January 2014	30 June 2015
AASB 2013-3 'Amendments to AASB 135 – Recoverable Amount Disclosures for Non-Financial Assets'	1 January 2014	30 June 2015
AASB 2013-5 'Amendments to Australian Accounting Standards – Investment Entities'	1 January 2014	30 June 2015

## Notes to the Financial Statements

For the Year Ended 30 June 2015

	2015 \$	2014 \$
<b>2 Auditors' Remuneration</b>		
Remuneration of the auditor for:		
- auditing or reviewing the financial report	18,500	17,500
	<hr/>	<hr/>
<b>3 Income Tax Expense</b>		
(a) The major components of tax expense (income) comprise:		
Current tax	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax payable on profit from ordinary activities before income tax at 30%		
(2013: 30%)	(388,324)	(44,508)
Increase/(decrease) in income tax due to the tax effect of:		
- deferred tax assets written off	-	-
- current year tax loss not recognised	388,324	44,508
	<hr/>	<hr/>
Income tax attributable to entity	-	-
	<hr/>	<hr/>

## 4 Operating Segments

The Company previously operated in one business and geographical segment being in print management. These operations of the Company were placed into voluntary administration on 31 May 2011.

The Company came out of administration upon the release of the Deed of Company Arrangement (DOCA) on the 20 January 2012 whereby MOV Corporation Limited came under the control of new Directors. There have been no operations since this date.

The Company 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.

## Notes to the Financial Statements

For the Year Ended 30 June 2015

	2015	2014
	\$	\$
<b>5 Cash and cash equivalents</b>		
Cash at bank and in hand	44,019	29,471

### Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	44,019	29,471
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A floating charge over cash and cash equivalents has been provided for certain debts. Refer to Note 15 for further details.

### 6 Trade and other receivables

#### CURRENT

GST Receivable	20,218	2,444
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#### Credit risk

As there are no receivables at year end which are considered to be impaired at balance date, no provision for impairment has been recognised.

### 7 Trade and other payables

#### CURRENT

Trade and other payables	47,580	-
Accrued payroll liabilities	43,050	-
Loans	264,261	-
Sundry payables	-	50,583
	354,891	50,843

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.



## Notes to the Financial Statements

For the Year Ended 30 June 2015

	2015 \$	2014 \$
<b>8 Issued Capital</b>		
510,886,186 (2014: 331,508,339) Ordinary shares fully paid	52,163,233	51,177,198

Movement in ordinary shares on issue	2015 Number	2015 \$	2014 Number	2014 \$
Balance at beginning of period	331,508,339	51,177,198	331,508,339	51,177,198
Share Issue - 1 December 2014 (a)	463,138,889	915,373	-	-
Consolidation of capital (1:73)	(783,761,042)	-	-	-
Share issue 4 February 2015	500,000,000	145,000	-	-
Transaction costs relating to share issues	-	(74,318)	-	-
Balance at end of period	510,886,186	52,163,233	331,508,339	51,177,198

On 1 December 2014, shareholders approved the following recapitalisation plan at a general meeting of the Company:

- 1) 248,138,889 shares in the capital of the company (on a pre-consolidation basis) to historical convertible note holders at a deemed value of \$491,400. The shares were issued on 4 December 2014.
- 2) 71,000,000 shares in the capital of the company (on a pre-consolidation basis) in payment of unpaid directors' fees to Adam Blumenthal at a deemed value of \$140,000. The shares were issued on 4 December 2014.
- 3) 71,000,000 shares in the capital of the company (on a pre-consolidation basis) in payment of unpaid directors' fees to Steven Nicols at a deemed value of \$140,000. The shares were issued on 4 December 2014.
- 4) 73,000,000 shares in the capital of the company (on a pre-consolidation basis) in payment of unpaid fees relating to sourcing projects and analysis and travel incurred by Landpath Pty Ltd at a deemed value of \$143,943. The shares were issued on 4 December 2014.
- 5) Existing shareholders, converting loan holders and creditors converting debts to shares, will be paid an ex-gratia payment of \$0.00050336801 cash per share by the investment group.

On 4 February 2015 The company allotted and issued 500 million post consolidation shares to the Mr Choon Keng Koh and / or Mr Patrick Koh Chuan Thye and / or Lian Keng Enterprises to raise \$145,000.

### (b) Capital Management

Management controls the capital of the Company in order to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Capital consists of share capital, parent entity loans, retained profit and non-controlling interests of the Company.

There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management during the year.

# Notes to the Financial Statements

For the Year Ended 30 June 2015

	2015 \$	2014 \$
<b>9 Earnings per Share</b>		
(a) Reconciliation of earnings to profit or loss		
Profit from continuing operations	(1,257,751)	(148,358)
(b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS		
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	801,879,420	331,508,339
Weighted average number of dilutive options outstanding	-	-
<b>Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS</b>	<b>801,879,420</b>	<b>331,508,339</b>
<b>Earnings per share</b>		
From discontinuing operations:		
Basic earnings per share (cents)	(0.216)	(0.04)
Diluted earnings per share (cents)	(0.216)	(0.04)

## 10 KMP Disclosures

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Company's key management personnel for the year ended 30 June 2015.

The totals of remuneration paid to KMP of the Company during the year are as follows

KMP remuneration included within employee expenses for the year is shown below:

Directors salary or wage	56,833	-
Short-term employee benefits	-	-
Long-term benefits	-	-
Termination benefits	-	-
Superannuation	2,217	-
Share-based payments	280,000	-
	<b>339,050</b>	<b>-</b>

## 11 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The terms and conditions of the loans are based on the loans maturing and being repayable in 1 years' time. Interest on the loans is set at 2.25% of the loan principal, payable annually.

Accord Pacific Properties Pty Limited	249,371	-
Accord Pacific Holding Pty Limited	14,908	-
	<b>264,261</b>	<b>-</b>

## 12 Capital and Leasing Commitments

The company did not have any capital or leasing commitments at 30 June 2015 (30 June 2014: Nil).

## Notes to the Financial Statements

### For the Year Ended 30 June 2015

#### 13 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2015 \$	2014 \$
<b>Financial Assets</b>			
Cash and cash equivalents		44,019	29,471
Trade and other receivables		-	-
<b>Total financial assets</b>		<u>44,019</u>	<u>29,471</u>
<b>Financial Liabilities</b>			
Trade and other payables		90,630	50,843
<b>Total financial liabilities</b>		<u>90,630</u>	<u>50,843</u>

#### Financial risk management policies

The Board of Directors has overall responsibility for the establishment of the Company's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The day-to-day risk management is carried out by the Company's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

MOV Corporation Limited does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Mitigation strategies for specific risks faced are described below:

#### (a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Company and arises principally from the Company's receivables.

It is the Company's policy that all customers who wish to trade on credit terms undergo a credit assessment process which takes into account the customer's financial position, past experience and other factors. Credit limits are then set based on ratings in accordance with the limits set by the Board of Directors, these limits are reviewed on a regular basis.

Goods are sold subject to retention of title clauses, so that in the event of non-payment the Company may have a secured claim.

## Notes to the Financial Statements

### For the Year Ended 30 June 2015

#### (b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

##### i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Company is also exposed to earnings volatility on floating rate instruments.

#### Financial instrument composition and maturity analysis

The Company's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate		Non-interest Bearing		Total	
	2015 *	2014 *	2015 *	2014*	2015 *	2014*	2015 *	2014*	2015 *	2014*
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>										
Cash and cash equivalents	-	-	44,019	29,471	-	-	-	-	44,019	29,471
Receivables	-	-	-	-	-	-	20,218	2,444	20,218	2,444
<b>Total Financial Assets</b>	-	-	44,019	29,471	-	-	20,218	2,444	64,237	31,915
<b>Financial Liabilities:</b>										
Trade and sundry payables	-	-	-	-	-	-	90,630	50,843	90,963	50,843
Loans	2.25%	-	-	-	264,261	-	-	-	264,261	-
<b>Total Financial Liabilities</b>	-	-	-	-	264,261	-	90,630	50,843	355,224	50,843

\*No financial asset or liability has maturity of greater than 12 months

#### 14 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2015 (30 June 2014: Nil).

#### 15 Cash Flow Information

##### (a) Reconciliation of result for the year to cash flows from operating activities

Reconciliation of net income to net cash provided by operating activities:

Loss for the year	(1,257,751)	(148,358)
Convertible notes expense	491,400	34,000
Directors fees issued in shares	423,943	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(17,774)	4,958
- increase/(decrease) in trade and other payables	39,786	28,843
Cash flow from operations	(320,396)	(80,557)

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2015**

### **16 Events Occurring After the Reporting Date**

As of the date of signing the financial statements, the Directors are working with various advisors and consultants to bring together and execute a recapitalisation plan which will undertake and complete the following steps;

- The company allotted and issued 500 million post consolidation shares to the Mr Choon Keng Koh and / or Mr Patrick Koh Chuan Thye and / or Lian Keng Enterprises to raise \$145,000 in total (issued 4 February 2015);
- Work with the ASX to ensure that the Company re-complies with Chapters 1 and 2 of the Listing Rules;
- Implement required changes per instructions from ASX to initiate the activities to procure the re-quotation of the Company's securities on the ASX;
- Draft a prospectus and issue a public offering of up to 10,000,000 new shares at an offer Price of \$0.20 per share with the expectation of raising capital of up to \$2,000,000 in share capital before payment of the expenses of the Offer;
- Apply for re-admission on the official ASX listing within 7 day after lodging the prospectus with ASIC for Official Quotation of the new shares on the ASX;
- In line with the newly formulated business strategy, Brisbane Land Holdings Pty Limited has entered into an option agreement to acquire a commercial a property located in Brisbane for \$21,280,000. It is the Directors intention to implement the business strategy formulated with the options acquired in the acquisition of Brisbane Holdings Pty Limited.
- Upon completion of the public offering the Company will acquire all of the issued capital of BLH Limited simultaneously; and
- MOV Corporation Limited will resolve to change its name to Land & Homes Group Limited.

The Company's directors are currently in consultation with investors and brokers about supporting the Company's proposed capital raising and re-quotation of the Company's Shares in pursuit of the company's business strategy outlined in the Directors Report.

Except for the matters set out 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 Company, the results of those operations, or the state of affair of the company in future financial years.

## **Directors' Report**

**30 June 2015**

- all non-audit services are reviewed and approved by the Board of Directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

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

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2015 has been received and can be found on page 17 of the financial report.

There are no officers of the company who are former audit partners of auditors.

The auditor BDO continues in office in accordance with section 327 of the *Corporations Act 2001* as set out on page 15.

This directors' report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.



Director: .....  
Charles Chow Cher Lim

Dated this day 11<sup>th</sup> day of September 2015 in Sydney

## INDEPENDENT AUDITOR'S REPORT

To the members of MOV Corporation Limited

### Report on the Financial Report

We have audited the accompanying financial report of MOV Corporation Limited, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Independence

In conducting our audit, 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, would be in the same terms if given to the directors as at the time of this auditor's report.

## Opinion

In our opinion:

- (a) the financial report of MOV Corporation Limited is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

## Emphasis of matter

Without modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the ability of the company to continue as a going concern is dependent upon the future successful raising of necessary funding through equity. This condition, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

## Report on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 14 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

## Opinion

In our opinion, the Remuneration Report of MOV Corporation Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

BDO East Coast Partnership



**Paul Bull**  
Partner

Sydney, 11 September 2015



## Additional Shareholder Information

30 June 2015

The following additional information is required by the ASX Limited in respect of listed public companies and was applicable at 30 October 2015.

### 1. Shareholding

- a. The Company has the following substantial shareholders listed in the Company's register as at 30 October 2015:

Holder	Number	%
TELOK AYER HOLDINGS PTE LTD	453,000,000	88.67
TELOK AYER CAPITAL PTE LTD	47,000,000	9.20

- b. Voting Rights

The voting rights attached to ordinary fully paid shares are as follows:

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

- c. Distribution of Shareholders

	Number Ordinary Shares
Category (size of holding)	(MOV)
1 – 1,000	1,113
1,001 – 5,000	5
5,001 – 10,000	164
10,001 – 100,000	13
100,001 – and over	28
Total no. of holders	1,323

- d. The number of shareholdings held in less than marketable parcels is 1,282.

- e. Percentage of the 20 largest holders 99.37%
- f. Total number of ordinary shares on issue 510,886,186
- g. Number of restricted securities Nil
- h. Number and details of unquoted securities Nil

i. 20 Largest Shareholders as at 30 October 2015 Ordinary Fully Paid Shares

<b>Name</b>	<b>Number of Ordinary Fully Paid Shares Held</b>	<b>% Held of Issued Ordinary Capital</b>
1. TELOK AYER HLDGS PTE LTD	453,000,000	88.67%
2. TELOK AYER CAP PTE LTD	47,000,000	9.20%
3. FIRST STATE PL	1,222,603	0.24%
4. SUBURBAN HLDGS PL	1,106,729	0.22%
5. BENELONG CAP PTNRS PL	824,201	0.16%
6. SINBAD PL	685,800	0.13%
7. FLORELLA HLDGS PL	675,800	0.13%
8. BOME MELANIE JILL	536,856	0.11%
9. ESSELMONT PL	420,054	0.08%
10. LBT CORP PL	349,316	0.07%
11. ZELINA HLDGS PL	279,453	0.05%
12. DM LAY PL	190,259	0.04%
13. LAY CUSTODIAL DM	190,259	0.04%
14. OOSTHUIZEN RENIER	187,541	0.04%
15. NEWEAST PL	187,541	0.04%
16. WALL DAVID JAMES	174,658	0.03%
17. WOLPERT MGNT SVCS PL	171,281	0.03%
18. LANDPATH PL	170,000	0.03%
19. FLORELLA HLDGS PL	162,603	0.03%
20. HOUGH PETER	150,033	0.03%
	<b>507,684,987</b>	<b>99.37%</b>

## 2. Company Details

The registered office and principal place of business of the Company is:

MOV Corporation Limited  
CBP Pty Ltd  
Level 5, 307 Queen Street  
Brisbane QLD 4000

## 3 Share Registry Details

The Company's share registry is:

Security Transfer Registrars  
770 Canning Highway, Applecross WA 6153, Australia  
PO Box 535, Applecross WA 6953, Australia  
Telephone +61 (0) 8 9315 2333  
Fax +61 (0) 8 9315 2233