

APPENDIX 4D

Half Year Report

Period ended 30 June 2016

Richfield International Limited ABN 103 306 403

Results for announcement to the market

Extracts from this report for announcement to the market

	Current Period A\$'000	Percentage change Up/(Down)	Change Up/(Down) A\$'000	Previous Corresponding Period A\$'000
Revenue from ordinary activities	1,852	*(8.31%)	(168)	2,020
Profit/(Loss) from ordinary activities after tax attributable to members	272	*(70.17%)	(640)	912
Net profit/(loss) for the period attributable to members	272	*(70.17%)	(640)	912

Dividends	Amount per security	Amount per security
Interim dividend	Nil	Nil
Previous corresponding period	Nil	Nil
Record date for determining entitlements to the dividend	No dividend has been declared or paid	

Net tangible assets / Net assets value per security

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$0.23	\$0.20
Net asset value backing per ordinary security	\$0.32	\$0.29

Control of entities gained/lost during the period

<u>Name of entity</u>	<u>Date of Gain/Loss of Control</u>
Nil	Nil

The contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period:

* Refer to the attached Half Year Financial Report on the **Review of Operations on Page (1).**

APPENDIX 4D

Half Year Report

Period ended 30 June 2016

Richfield International Limited ABN 103 306 403

Results for announcement to the market
Extracts from this report for announcement to the market

Dividend/Distribution Payments

<u>Date of dividend Payable</u>	<u>Amount per security</u>	<u>Amount per security</u>
Nil	Nil	Nil

Dividend Reinvestment Plans in Operation

<u>Details of Dividend Reinvestment Plan</u>	<u>Last Date for the receipt of an election notice for participation</u>
Nil	Nil

Associated and Joint Venture Entities

<u>Name of Associates</u>	<u>Percentage holding</u>	<u>Contribution to net profit</u>	<u>Aggregate share of Profits/(Losses)</u>	
			<u>Current period</u>	<u>Previous corresponding period</u>
Nil				

For foreign entities, International Financial Reporting Standards are used in compiling this report.

For all entities, the accounts are not subject to audit dispute or qualification:

Refer to the attached Half Year Financial Report.

**Condensed Consolidated Interim
Financial Report 30 June 2016**



**Richfield
International Limited**

(Listed on the Australian Securities Exchange)

ABN : 31 103 306 403

CONSOLIDATED INTERIM FINANCIAL REPORT Contents

Richfield International Limited, ABN 31 103 306 403 and Controlled Entities

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CONSOLIDATED INTERIM FINANCIAL REPORT Contents

Richfield International Limited, ABN 31 103 306 403 and Controlled Entities

Company Information

DIRECTORS

Mr Steven Pynt - Non-Executive Chairman
Mr C.C.Tan - Managing Director
Ms Jennifer Lim - Executive Director
Mr Andrew Phillips - Independent Director
Mr Jwee Phuan Ng - Non-Executive Director

COMPANY SECRETARY

Ms Eryn Kestel

REGISTERED OFFICE

Level 2, Spectrum
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Fax: (08) 9367 8812

AUDITOR

Moore Stephens
Level 15, Exchange Tower, 2 The Esplanade
Perth WA 6000

SHARE REGISTRY

Advanced Share Registry Services
150 Stirling Highway
Nedlands, WA, 6009

AUSTRALIAN SECURITIES EXCHANGE LISTING

Australian Securities Exchange Limited
(Home Exchange: Perth, Western Australia)
ASX Code: RIS

AUSTRALIAN BUSINESS NUMBER 31 103 306 403

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 30 June 2016.

Directors

The names of directors who held office during or since the end of the half-year:

Steven Pynt	(Non-Executive Chairman)
Chak Chew Tan	(Managing Director)
Jennifer Lim	(Executive Director)
Andrew Philips	(Independent Director)
Jwee Phuan Ng	(Non-Executive Director)

REVIEW OF OPERATIONS

Richfield Marine Agencies (S) Pte Ltd Segment (RMA)

The consolidated group's revenue for the current period had decreased by 8% to A\$1,852 M and a net pre-tax profit of A\$272K was recorded in this half-year as compared to A\$912K recorded in the corresponding period 2015.

However, the segment of RMA has recorded a net profit of A\$351K.

The decrease in revenue and profit was mainly attributed by the fluctuation of currencies in USD/SGD/AUD which were unrealized and intangible being recorded with unfavourable exchange rates in comparing as at end of June-2015/June-2016 with a gain of A\$ 425,807 and an unrealized (intangible) loss of A\$ 249,043 respectively.

With the sluggish global economic growth, the container shipping industry which transports everything is experiencing significantly weaker-than-expected freight rates due to an overall worldwide weaker consumer demand which is perhaps cyclical and hence affecting our revenue and the industry. However, the shipping industry is anticipating a turnaround in 2017.

The company will be focusing on higher value businesses in moving forward.

RMA is pleased to maintain its gross margin levels at 88% (2015: 87%) despite the unfavourable economy downturn.

RMA is poised to maintain its sustainability and retaining its profitability operating performance throughout the year.

Speeda Shipping Co (S) Pte Ltd Segment (SSC)

Speeda has temporalized its commercial operations since 2014.

**Richfield International Limited ABN 31 103 306 403
and Controlled Entities**

Interim Financial Report

DIRECTORS' REPORT (continued)

Auditor's Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 3 for the half-year ended 30 June 2016.

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

On behalf of the Directors



Steven Pynt
Non-Executive Chairman

Dated: 8th August 2016

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**AUDITOR'S INDEPENDENCE DECLARATION UNDER
S307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF
RICHFIELD INTERNATIONAL LIMITED**

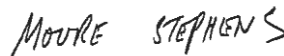
As lead auditor for the review of Richfield International Limited for the half-year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Richfield International Limited during the half year.



Suan-Lee Tan
Partner



Moore Stephens
Chartered Accountants

Signed at Perth this 8th day of August 2016.

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2016

		Consolidated 6 months to 30.06.16	Consolidated 6 months to 30.06.15
	Note	\$	\$
Revenue from ordinary activities	2	1,851,931	2,020,660
Foreign exchange gains / (losses)		(249,044)	425,807
Freight and handling charges		(222,133)	(335,252)
Professional Fees		(59,697)	(89,662)
Directors' salaries and fees		(229,441)	(219,441)
Depreciation and amortization expense		(73,006)	(53,506)
Employee expense		(471,332)	(468,683)
Other expenses from ordinary activities		(274,932)	(289,819)
Profit/(Loss) From Ordinary Activities Before Income Tax Expense		272,346	990,104
Income tax expense relating to ordinary activities		-	(77,658)
Net Profit/(Loss) After Related Income Tax Expense		272,346	912,446
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Change in fair value of available-for-sale financial assets		17,775	-
Foreign currency translation adjustments		343,962	507,827
Other comprehensive income for the period, net of tax		361,737	507,827
Total comprehensive income for the period		634,083	1,420,273
Profit/(Loss) attributable to:			
Equity holders of the parent		272,346	912,446
Total comprehensive income/(loss) attributable to:			
Equity holders of the parent		634,083	1,420,273
Basic Earnings Per Share (cents per share)		0.43	1.45
Diluted Earnings Per Share (cents per share)		0.43	1.45

The accompanying notes form part of this financial report.

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	Consolidated 30.06.16 \$	Consolidated 31.12.15 \$
Current Assets			
Cash and cash equivalents		14,927,589	12,412,162
Receivables		170,110	230,959
Other		765,583	185,767
Total Current Assets		15,863,282	12,828,888
Non-Current Assets			
Available-for-sale financial assets		-	1,352,093
Property, plant & equipment		387,270	445,699
Intangibles	8	5,761,471	5,761,471
Total Non-Current Assets		6,148,741	7,559,263
Total Assets		22,012,023	20,388,151
Current Liabilities			
Payables		1,939,213	900,439
Income tax liabilities		54,143	103,402
Total Current Liabilities		1,993,356	1,003,841
Non-Current Liabilities			
Deferred tax liabilities		10,357	10,083
Total Non-Current Liabilities		10,357	10,083
Total Liabilities		2,003,713	1,013,924
Net Assets		20,008,310	19,374,227
Equity			
Issued Capital	9	10,693,287	10,693,287
Asset revaluation reserves		-	(17,775)
Foreign currency translation reserve		2,186,735	1,842,773
Retained earnings		7,128,288	6,855,942
Total Equity		20,008,310	19,374,227
Net Asset Value (NAV)		0.32	0.31

The accompanying notes form part of this financial report.

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2016

	Share Capital	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total
Note	\$	\$	\$	\$	\$
Consolidated					
Balance at 1 January 2015	10,693,287	24,705	1,261,310	4,998,006	16,977,308
Comprehensive Income					
Exchange adjustments	-	-	507,827	-	507,827
Revaluation adjustments	-	-	-	-	-
Net Profit for the period	-	-	-	912,446	912,446
Total Comprehensive Income	-	-	507,827	912,446	1,420,273
Balance at 30 June 2015	10,693,287	24,705	1,769,137	5,910,452	18,397,581
Consolidated					
Balance at 1 January 2016	10,693,287	(17,775)	1,842,773	6,855,942	19,374,227
Comprehensive Income					
Exchange adjustments	-	-	343,962	-	343,962
Revaluation adjustments	-	17,775	-	-	17,775
Net Profit for the period	-	-	-	272,346	272,346
Total Comprehensive Income	-	17,775	343,962	272,346	634,083
Balance at 30 June 2016	10,693,287	-	2,186,735	7,128,288	20,008,310

The accompanying notes form part of this financial report.

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2016

	Consolidated Inflows/ (Outflows) 6 months to 30.06.16 Note \$	Consolidated Inflows/ (Outflows) 6 months to 30.06.15 \$
Cash Flows from Operating Activities		
Cash receipts from customers	7,559,844	8,651,389
Cash payments to suppliers and employees	(6,390,211)	(8,301,193)
Interest received	31,425	53,424
Tax Paid	(51,771)	(28,785)
Net cash used in operating activities	1,149,287	374,835
Cash Flows from Investing Activities		
Payment for property, plant and equipment	(2,436)	(434,727)
Payment for equity investment	-	(258,469)
Proceeds from sale of equity investments	1,368,577	-
Net cash used in investing activities	1,366,141	(693,196)
Cash Flows from Financing Activities		
Proceeds from issues of shares less costs	-	-
Loans from related parties	-	-
Repayment of hire purchase loans	-	-
Net cash provided by financing activities	-	-
Net increase (decrease) in Cash Held	2,515,428	(318,361)
Cash at the Beginning of the Period	12,412,161	11,802,307
Escrowed Account held for third parties	-	1,886,579
Effects of Changes in Exchange Rates on Cash and Cash Equivalents	-	26,133
Cash at The End of the Period	14,927,589	13,396,658

The accompanying notes form part of this financial report.

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 1: BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period ended 30 June 2016 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Richfield International Limited and its controlled entities (referred to as the "consolidated group" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2015, together with any public announcements made during the half-year.

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

(a) Critical Accounting Estimates and Significant Judgments Used in Applying Accounting Policies

The carrying amount of certain assets and liabilities are often determined based on estimates and assumptions of future events. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of certain assets and liabilities within the reporting period are:

Impairment of Intangibles

The consolidated entity assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Goodwill with an indefinite useful life is impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units using value-in-use calculations which incorporate various key assumptions. The assumptions used in this estimation of the recoverable amount and the carrying value of goodwill are set out in Note 8.

Based on the results of the past half-year, an impairment assessment was performed as at 30 June 2016 and no impairment to the consolidated entity's carrying value of goodwill was identified.

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 2: PROFIT FOR THE PERIOD

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

	Consolidated 30.06.16 \$	Consolidated 30.06.15 \$
Operating Revenue		
Shipping service income	1,789,293	1,971,214
Interest income and job credit grant	62,638	49,446
Total Revenue	<u>1,851,931</u>	<u>2,020,660</u>
Expenses		
Foreign currency exchange (gain)/loss	249,044	(425,807)
Freight and handling charges	222,133	335,252
Depreciation	73,006	53,506
Directors' salaries and fees	229,441	219,441
Employee expenses	471,332	468,683
Professional fees	59,697	89,662
Other expenses ordinary activities	274,932	289,819
Total Expenses	<u>1,579,585</u>	<u>1,030,556</u>

Operating Revenue and Tax Exempt income adjustment are fully derived from the 2 Singapore subsidiaries, hence conforming to Singapore Taxation and Compliance rules.

*The bulk of business from Richfield Marine Agencies (RMA) being a shipping services provider and acting as regional general representation for foreign Principals and trading companies (importers/exporters). RMA recognized revenue based on net amount which is the service fees and commissions paid/received from the principals, importers and exporters and any amounts collected or paid on behalf of the principals, importers and exporters do not affect the profit and loss. Amounts collected or paid on behalf of the principals are however included in cash receipts from customers and cash payments to suppliers in the consolidated statement of cash flow.

**Note that all unrealized foreign exchange differences are tax exempt under Singapore taxation legislation.

NOTE 3: DIVIDENDS

The Directors recommend that no dividend be paid in respect of the current financial period and no dividends have been paid or declared since the commencement of the financial period.

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 4: BUSINESS COMBINATIONS

There was no business acquisition, or plans to acquire businesses during the financial period.

NOTE 5: OPERATING SEGMENTS

(i) Segment performance

	Speeda Shipping Co (S) Pte Ltd	Richfield Marine Agencies (S) Pte Ltd	Total
	\$	\$	\$
6 months ended 30.06.16			
Revenue			
External Sales	-	1,789,293	1,789,293
Inter-segment sales	-	-	-
Interest & Job credit	2,280	50,275	52,555
Total segment revenue	<u>2,280</u>	<u>1,839,568</u>	<u>1,841,848</u>
Reconciliation of segment revenue to group revenue:			
Inter-segment elimination	<u>-</u>	<u>-</u>	<u>-</u>
Total group revenue	<u>2,280</u>	<u>1,839,568</u>	<u>1,841,848</u>
 Segment net profit/(loss) before tax	 <u>(31,888)</u>	 <u>351,089</u>	 <u>319,201</u>
Reconciliation of segment result to group net profit/(loss) before tax:			
Amounts not included in segment result:			
• Parent's interest income			10,083
• Parent's other costs			<u>(56,938)</u>
Net profit before tax from continuing operations			<u>272,346</u>

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 5: OPERATING SEGMENTS

(i) Segment performance (continued)

	Speeda Shipping Co (S) Pte Ltd	Richfield Marine Agencies (S) Pte Ltd	Total
	\$	\$	\$
6 months ended 30.06.15			
Revenue			
External Sales	0	1,971,214	1,971,214
Inter-segment sales	-	-	-
Interest & job credit	1,851	43,902	45,753
Total segment revenue	<u>1,851</u>	<u>2,015,116</u>	<u>2,016,967</u>
Reconciliation of segment revenue to group revenue:			
Inter-segment elimination	-	-	-
Total group revenue	<u>1,851</u>	<u>2,015,116</u>	<u>2,016,967</u>
Segment net profit/(loss) before tax	<u>(39,049)</u>	<u>1,116,121</u>	<u>1,077,072</u>
Reconciliation of segment result to group net profit/(loss) before tax:			
Amounts not included in segment result:			
• Parent's interest income			3,693
• Parent's other costs			<u>(90,661)</u>
Net loss before tax from continuing operations			<u><u>990,104</u></u>

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 5: OPERATING SEGMENTS (continued)

(ii) Segment Assets

30 June 2016	Speeda Shipping Co (\$) Pte Ltd \$	Richfield Marine Agencies (\$) Pte Ltd \$	Total \$
Segment Assets	96,398	17,470,233	17,566,631
Segment asset increases for the period:			
- capital expenditure	-	-	-
Reconciliation of segment assets to group assets			
- Inter-segment eliminations	-	(1,623,626)	(1,623,626)
- Unallocated assets:			
- Elimination of inter-company debts			(562,123)
- Parent's current assets			869,670
- Intangibles			5,761,471
Total group assets			<u>22,012,023</u>

30 June 2015	Speeda Shipping Co (\$) Pte Ltd \$	Richfield Marine Agencies (\$) Pte Ltd \$	Total
Segment Assets	95,725	16,671,966	16,767,691
Segment asset increases for the period:			
- capital expenditure	-	-	-
Reconciliation of segment assets to group assets			
- Inter-segment eliminations	-	(1,455,772)	(1,455,772)
- Unallocated assets:			
- Elimination of inter-company debts			(604,741)
- Parent's current assets			975,775
- Intangibles			5,761,471
Total group assets			<u>21,444,424</u>

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 5: OPERATING SEGMENTS (continued)

(iii) Segment Liabilities

30 June 2016	Speeda Shipping Co (\$ Pte Ltd \$	Richfield Marine Agencies (\$ Pte Ltd \$	Total \$
Segment Liabilities	1,623,625	1,997,663	3,621,288
Reconciliation of segment liabilities to group liabilities			
- Inter-segment eliminations	(1,623,625)	-	(1,623,625)
- Unallocated liabilities			
- Trade payables- 3rd party			6,050
- Other accruals			-
Total group liabilities			<u>2,003,713</u>

30 June 2015	Speeda Shipping Co (\$ Pte Ltd \$	Richfield Marine Agencies (\$ Pte Ltd \$	Total
Segment Liabilities	1,463,888	3,038,726	4,502,614
Reconciliation of segment liabilities to group liabilities			
- Inter-segment eliminations	(1,455,771)	-	(1,455,771)
- Unallocated liabilities			
- Trade payables – 3 rd party			-
- Other accruals			-
Total group liabilities			<u>3,046,843</u>

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 6: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

There have not been any other matters or circumstances that have arisen since the end of the period that have significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

NOTE 8: INTANGIBLES

	Consolidated 30.06.16 \$	Consolidated 30.06.15 \$
Intangibles		
Consideration paid for investment in subsidiary	9,245,220	9,245,220
Net assets acquired in <i>Richfield Marine Agencies (S) Pte Ltd</i> (incorporated in Singapore)	(3,483,749)	(3,483,749)
Goodwill	5,761,471	5,761,471

Goodwill Impairment Test

Goodwill is stated at cost less any accumulated impairment losses and is subjected to annual impairment test.

Goodwill is allocated to the Company's cash generating units "CGUs" which are based on the Group's reporting segments. The Company tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The global economic activity is not recovering equally across all markets, making recovery in the shipping industry similarly unbalanced. The demand for shipping capacity is not picking up to match the pace of capacity growth, it will simply lead to more aggressive commercial competition and the only result will be downward spiral of freight earnings, which is already at multi-year lows amid the collapse in commodity prices as well as the slowing growth in China, and lacklustre demand from the United States, Europe etc.

Richfield International Limited ABN 31 103 306 403

and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

Goodwill Impairment Test (continued)

In accordance with Australian Accounting Standard AASB 136, "Impairment of Assets", the Company performed its goodwill impairment test by comparing the recoverable amount of each CGU with its carrying amount. The recoverable amount of a CGU was determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a five-year period including a terminal value.

Assumptions Applied in Value-In-Use Conditions

(i) Revenue Growth Rates

In making the assessment for the consolidated entity's CGUs, a growth rate based on internal forecasts was applied to operating cash flows over the 5-year assessment period in the following manner:

Year	RMA	Speeda
2016:	Nil	Nil
2017:	3% p.a.	<No budgeted cash flows>
2018:	3% p.a.	<No budgeted cash flows>
2019:	3% p.a.	<No budgeted cash flows>
2020:	3% p.a.	<No budgeted cash flows>

There is no cash flow budget for Speeda from 2014 onwards as management has decided for this business unit of the group to lay dormant from Jun'13 until market conditions improve for containerized shipping.

The Directors consider the above growth rates to be ultra-conservative as there is an expectation of a rebound in the global shipping sector over the next five years. The yearly increments were based on the yearly average growth rate over 5 years (from 2016 to 2020).

Commentary regarding actual full year performance compared to internal forecast as at 30 June 2016

The actual half year performance for both RMA and Speeda are consistent with the internal forecast.

The actual total revenue for both RMA and Speeda is \$1,791K compared to forecast of \$1,842K. Of which \$1,791K (forecast: \$1,842K) from RMA and \$2K (forecast: \$0) from Speeda.

The actual total cost of services for both RMA and Speeda is \$222K (forecast: \$184K). Of which \$222K (forecast: \$184k) for RMA and \$0 (forecast: \$0) for Speeda.

The actual gross margin for RMA is \$1,568K (88%) and for Speeda is \$0 (0%) as compared to forecast of \$1,658K (90%) and \$0 (0%) respectively.

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

Goodwill Impairment Test (continued)

The estimated overall gross margin for both RMA and Speeda is 88% as compared to forecast of 90%.

The actual results are consistent with the internal forecast of performance.

Hence, based on actual results for June 2016, the Directors are confident the budgeted cash flow for 2016 to 2020, which were projected to grow at an annual growth rate of 3% for RMA, is reasonable and achievable.

(ii) Discount Rate

The 5-year cash flow projections were discounted at a pre-tax rate of 15% which took into consideration the following: -

- As the consolidated entity's underlying CGUs reside in Singapore, a risk free rate of 1.625% being the coupon rate of a 5 year Singapore Government Bond has been adopted;
- Risk premium rate of about 13% to reflect both the long term Australian equity market and company specific risk premiums.

(iii) Terminal Value

As noted below, a theoretical year 5 terminal value in respect of the CGUs was then determined to equate the discounted cash flow to the current carrying value of goodwill. The theoretical terminal value was then considered in term of reasonableness.

Cash Generating Units	Goodwill as at 301 June 2016	Theoretical terminal value required to attain breakeven	Net cash inflow forecast (EBIT) at end of Year 5
	\$'000s	\$'000s	\$'000s
RMA	5,761	(243)	1,744
Speeda	-	-	-

Under AASB 136 "Impairment of Assets", the terminal value is an estimate of net cash flows to be received for the disposal of an asset at the end of its useful life and shall be the amount that an entity expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties.

As the total NPV of the 5-year discounted cash flows exceeded the carrying value of goodwill by \$243k, there is no shortfall/impairment of goodwill at 30 June 2016. No reliance on Terminal Value is therefore necessary.

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

Goodwill Impairment Test (continued)

Impairment Conclusion

Based on the above value-in-use calculations, no impairment has been recognised.

Sensitivity to Changes In Assumptions

Richfield Marine Agencies (RMA) Cash Generating Unit

(i) Revenue Growth Assumption Revised Downwards

If the revenues used in the value-in-use calculation for this CGU had decreased by 10% in Year 1 and then remained constant with no further growth applied for Year 2 to 5, the RMA's 5 year forecast net present value would reduce to \$3.778 million. To attain breakeven position, the theoretical terminal value at the end of Year 5 would have to be \$1.983 million. Based on the revised net cash inflow for Year 5 of \$928k, this would imply an earnings multiple of 2.14 times.

No impairment of goodwill arises as the earnings multiple remains under 5 times.

Cash Generating Units	Revised Revenue Growth Rate	Goodwill as at 31 Dec 2015	Revised Net Present Value	Revised Theoretical Terminal Value required to attain breakeven	Revised net cash inflow forecast (EBIT) for Year 5	Revised earnings Multiple
	%	\$'000s	\$'000s	\$'000s	\$'000s	
RMA	Yr 1: -10% Yr 2-5: nil	5,761	3,778	1,983	928	2.14

(ii) Discount Rate Assumption Revised Upwards

If the estimated pre-tax discount rate for this CGU had been 1% higher than management's estimates (i.e. 16% instead of 15%), the RMA's 5 year forecast net present value would reduce to \$5.910 million. As the total NPV of the 5 years discounted cash flow exceeded the carrying value of the goodwill by \$149k, there is no shortfall/impairment of goodwill at 30 June 2016. No reliance on terminal value is necessary.

Cash Generating Units	Revised Discount Rate	Goodwill as at 31 Dec 2015	Revised Net Present Value	Revised Theoretical Terminal Value required to attain breakeven	Revised net cash inflow forecast (EBIT) for Year 5	Revised earnings Multiple
	%	\$'000s	\$'000s	\$'000s	\$'000s	
RMA	16	5,761	5,910	(149)	1,744	(0.09)

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 9: CONTRIBUTED EQUITY

	Consolidated	
	30.06.16 \$	31.12.15 \$
Contributed Equity	10,693,287	10,693,287
	30.06.16	
	Number	\$
Fully Paid Ordinary Share Capital:		
Balance as at 01.01.16	62,896,810	10,693,287
Add: Issued during the period	-	-
Add: Conversion of options	-	-
Balance as at 30.06.16	62,896,810	10,693,287

During the period, the Company did not issue any shares or options.

NOTE 10: INTEREST IN SUBSIDIARIES

Set out below are the Group's subsidiaries at 30 June 2016. The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's country of incorporation or registration is also its principal place of business.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group		Proportion of Non-controlling Interests	
		At 30 June 2016	At 31 December 2015	At 30 June 2016	At 31 December 2015
Richfield Marine Agencies (S) Pte Ltd	Singapore	100.00%	100.00%	0.00%	0.00%
Speeda Shipping Company (S) Pte Ltd	Singapore	100.00%	100.00%	0.00%	0.00%

Subsidiaries' financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 11: FAIR VALUE MEASUREMENT

a. Valuation Techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- *Market approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach*: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

b. Financial Instruments

The following table represents a comparison between the carrying amounts and fair values of financial assets and liabilities:

	30 June 2016		31 December 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	\$	\$	\$	\$
Financial assets:				
Cash and cash equivalents	14,927,589	14,927,589	12,412,162	12,412,162
Receivables	170,110	170,110	230,959	230,959
Available for sale financial assets	-	-	1,352,093	1,352,093
	15,097,699	15,097,699	13,995,214	13,995,214
Financial liabilities:				
Trade and other payables	1,939,213	1,939,213	900,439	900,439
Other financial liabilities	-	-	-	-
	1,939,213	1,939,213	900,439	900,439

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

C. Recurring and Non-Recurring Fair Value Measurement Amounts and the Level of the Fair Value Hierarchy within which the Fair Value Measurements Are Categorised

Fair Value Measurements at 30 June 2016 Using:			
Description	Quoted Prices in Active Markets for Identical Assets \$ (Level 1)	Significant Observable Inputs Other than Level 1 Inputs \$ (Level 2)	Significant Unobservable Inputs \$ (Level 3)
Recurring fair value measurements			
Financial assets, available for sale			
– debt securities	-	-	-
	-	-	-

Fair Value Measurements at 31 December 2015 Using:			
Description	Quoted Prices in Active Markets for Identical Assets \$ (Level 1)	Significant Observable Inputs Other than Level 1 Inputs \$ (Level 2)	Significant Unobservable Inputs \$ (Level 3)
Recurring fair value measurements			
Financial assets, available for sale			
– debt securities	1,352,093	-	-
	1,352,093	-	-

Richfield International Limited ABN 31 103 306 403 and Controlled Entities

Interim Financial Report

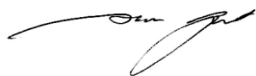
DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out pages 4 to 20 are in accordance with the Corporations Act 2001, including:
 - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors



Steven Pynt
Non-Executive Chairman

PERTH, WA
Dated: 8th August 2016

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF RICHFIELD INTERNATIONAL LIMITED AND CONTROLLED ENTITIES

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Richfield International Limited and controlled entities (the consolidated entity) which comprises the consolidated condensed statement of financial position as at 30 June 2016, the consolidated condensed statement of comprehensive income, consolidated condensed statement of changes in equity, the consolidated Profit or Loss and other statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Richfield International Limited (the company) are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of Richfield International Limited and its controlled entities' financial position as at 30 June 2016 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*. As the auditor of Richfield International Limited and its controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Matters Relating to Electronic Publication of the Audited Financial Report

This review report relates to the financial report of Richfield International Limited and its controlled entities for the half-year ended 30 June 2016 included on the website of Richfield International Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial report.

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If users of the financial report are concerned with the inherent risk arising from publication on a website, they are advised to refer to the hard copy of the reviewed financial report to confirm the information contained in this website version of the financial report.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2011*, which has been given to the directors of Richfield International Limited and controlled entities on 8th August 2016, would be in the same terms if provided to the directors as at the time of this auditor's review report.

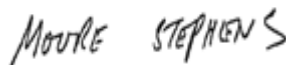
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Richfield International Limited and controlled entities is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.



Suan-Lee Tan
Partner



Moore Stephens
Chartered Accountants

Signed at Perth this 8th day of August 2016.

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