

Public Holdings (Australia) Limited

A.B.N. 65 000 332 918

Interim Financial Report For the Half-Year Ended 30 June 2016

The interim financial report does not include all the notes of the type normally included in an annual financial report. This report is to be read in conjunction with the annual report for the year ended 31 December 2015.

Public Holdings (Australia) Limited

A.B.N 65 000 332 918

Appendix 4D

For the Half-Year Ended 30 June 2016

- 1 Reporting period: Six months ended 30 June 2016.
Previous corresponding period: Six months ended 30 June 2015.

2 Results for announcement to the market:

- 2.1 Revenue from ordinary activities for the reporting period was \$10,937 previous reporting period \$2,527, a movement of \$8,410 or 332.8% increase.
- 2.2 Loss from ordinary activities after tax attributable to members for the reporting period was \$172,135, previous reporting period loss of \$61,560, a movement of \$110,575 or 179.6% increase.
- 2.3 Net loss attributable to members for the reporting period was \$172,135, previous reporting period loss of \$61,560, a movement of \$110,575 or 179.6% increase.
- 2.4 It is proposed not to pay dividends for the period ended 30 June 2016.
- 2.5 Not applicable.
- 2.6 Please refer to the Interim Financial Report for the Half Year ended 30 June 2016 for further explanations of the figures presented at 2.1 - 2.4 above.

3 Net tangible assets per share:

	Current Period	Previous Corresponding Period
Net tangible assets per share:	\$0.010	\$0.006

4 Control gained or lost over entities during the period, and those having material effect:

No entities were acquired or disposed of during the period.

5 Dividend details:

No dividend has been recommended in respect of the period ended 30 June 2016 (2015: Nil).

6 Dividend or distribution reinvestment plan details:

Not applicable.

7 Investments in associates and joint ventures:

No investments in associates and joint ventures are held by the Company.

8 Foreign entities:

Not applicable.

9 Audit dispute or qualification:

The interim financial statements for the period ended 30 June 2016 have no audit dispute or qualification.

Public Holdings (Australia) Limited

A.B.N 65 000 332 918

Company Particulars

Directors:

Bryan Frost - Chairman and Managing Director

Oreste Biziak - Deputy Chairman

Peter Chapman

Clayton Dodd

Company Secretary:

David McBain

Level 1, 123 Whitehorse Road, Balwyn, Victoria, 3103

Auditors:

McLean Delmo Bentleys Audit Pty Ltd

Level 3, 302 Burwood Road, Hawthorn, Victoria, 3122

External Accountants:

McBain McCartin & Co Business Services Pty Ltd

Level 1, 123 Whitehorse Road, Balwyn, Victoria, 3103

Telephone (03) 9817 0700

Fax: (03) 9817 0799

Share Registry:

Link Market Services Limited

Level 1, 333 Collins Street, Melbourne, Victoria, 3000

Telephone: (03) 9615 9800

Fax: (03) 8614 2903

Free call: 1300 554 474

Stock Exchange:

Listed on the Australian Securities Exchange

Registered Office:

Level 1, 123 Whitehorse Road, Balwyn, Victoria, 3103

Telephone: (03) 9817 0700

Fax: (03) 9817 0799

Email: dmcbain@mc bainmccartin.com.au

Principal Place of Business:

At the offices of McBain McCartin & Co Business Services Pty Ltd

Level 1, 123 Whitehorse Road, Balwyn, Victoria, 3103

Public Holdings (Australia) Limited

A.B.N 65 000 332 918

Directors' Report

The Directors hereby present their financial report of Public Holdings (Australia) Limited for the half-year ended 30 June 2016.

Directors

The names of the Directors in office at any time during or since the end of the half-year are:

Bryan Frost - Chairman and Managing Director

Oreste Biziak - Deputy Chairman

Peter Chapman

Clayton Dodd

Review of Operations

The Directors announced to the ASX on 6 June 2016 the proposed acquisition of Mobilicom Limited ('Mobilicom'), an Israeli domiciled company. Further information regarding the proposed acquisition including transaction highlights, background on Mobilicom, transaction overview, transaction timetable and indicative capital structure can be obtained from the announcement lodged with the ASX.

A further announcement was made to the ASX on 27 July 2016 announcing both the Company and Mobilicom have completed preliminary due diligence investigations, the purposes of which was to assess the feasibility and suitability of the proposed transaction. The Company and Mobilicom have each elected to proceed with the transaction.

The Company issued an additional 6,500,000 ordinary shares on 10 June 2016 at an issue price of 6 cents (\$0.06) each. This issue was undertaken by a private placement under the Company's power to issue securities under the listing rules of the ASX (specifically, ASX Listing Rules 7.1 and 7.1A). This placement of shares raised \$387,000 after costs and was principally for the purposes of providing working capital to fund the costs associated with implementation of the proposed acquisition of Mobilicom.

Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the Corporations Act 2001 for the half-year ended 30 June 2016 has been received and can be found on page 4.

This report is made in accordance with a Resolution of the Board of Directors.



Bryan Frost
Chairman and Managing Director

Dated: 25 August 2016

**LEAD AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

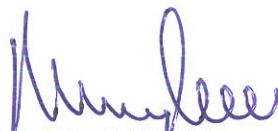
To: The Directors of Public Holdings (Australia) Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 30 June 2016, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



MCLEAN DELMO BENTLEYS AUDIT PTY LTD



MARTIN FENSOME
Partner

Dated in Hawthorn on this 25 day of August 2016

Public Holdings (Australia) Limited

A.B.N 65 000 332 918

Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 30 June 2016

	Note	Half-year Ended 30 June 2016 \$	Half-year Ended 30 June 2015 \$
Revenue		10,937	2,527
Administration expenses		(183,072)	(64,087)
Loss before income tax		<u>(172,135)</u>	<u>(61,560)</u>
Income tax expense		-	-
Net loss for the period	2	<u>(172,135)</u>	<u>(61,560)</u>
Other comprehensive loss			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Net loss on revaluation of available-for-sale financial assets		-	-
Other comprehensive loss for the period		<u>-</u>	<u>-</u>
Total comprehensive loss for the period		<u>(172,135)</u>	<u>(61,560)</u>
Net loss attributable to:			
- members of the Company		<u>(172,135)</u>	<u>(61,560)</u>
Total comprehensive loss attributable to:			
- members of the Company		<u>(172,135)</u>	<u>(61,560)</u>
(Loss)/earnings per share			
Basic (loss)/earnings per share (cents)	6	(0.55)	(0.23)
Diluted (loss)/earnings per share (cents)	6	(0.55)	(0.23)

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the 31 December 2015 annual report.

Public Holdings (Australia) Limited

A.B.N 65 000 332 918

Statement of Financial Position

As at 30 June 2016

	Note	30 June 2016 \$	31 Dec 2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		369,478	176,997
Trade and other receivables		26,536	1,336
TOTAL CURRENT ASSETS		396,014	178,333
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		396,014	178,333
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		13,315	10,499
TOTAL CURRENT LIABILITIES AND TOTAL LIABILITIES		13,315	10,499
NET ASSETS		382,699	167,834
EQUITY			
Issued capital	1(c)(ii)	1,540,136	1,153,136
Accumulated losses		(1,157,437)	(985,302)
TOTAL EQUITY		382,699	167,834

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the 31 December 2015 annual report.

Public Holdings (Australia) Limited

A.B.N 65 000 332 918

Statement of Changes in Equity For the Half-Year Ended 30 June 2016

	Note	Share Capital \$	Accumulated Losses \$	Total \$
Balance at 1 January 2015		<u>876,812</u>	<u>(725,290)</u>	<u>151,522</u>
Net loss for the period		-	(61,560)	(61,560)
Issue of shares on 17 February 2015 pursuant to non-renounceable rights issue of 1 new share for every share held		299,580	-	299,580
Capital raising expenses of non-renounceable rights issue		(35,006)	-	(35,006)
Shares issued as consideration for services rendered		10,000	-	10,000
Total comprehensive loss for the period		<u>274,574</u>	<u>(61,560)</u>	<u>213,014</u>
Balance at 30 June 2015		<u>1,151,386</u>	<u>(786,850)</u>	<u>364,536</u>
Balance at 1 January 2016		<u>1,153,136</u>	<u>(985,302)</u>	<u>167,834</u>
Net loss for the period		-	(172,135)	(172,135)
Placement of 6,500,000 shares on 10 June 2016	1(c)(ii)	390,000	-	390,000
Capital raising expense of private placement		(3,000)	-	(3,000)
Total comprehensive loss for the period		<u>387,000</u>	<u>(172,135)</u>	<u>214,865</u>
Balance at 30 June 2016		<u>1,540,136</u>	<u>(1,157,437)</u>	<u>382,699</u>

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the 31 December 2015 annual report.

Public Holdings (Australia) Limited

A.B.N 65 000 332 918

Statement of Cash Flows

For the Half-Year Ended 30 June 2016

	Half-year Ended 30 June 2016 \$	Half-year Ended 30 June 2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(198,603)	(56,952)
Dividends received	-	-
Interest received	937	2,527
GST received from ATO	3,147	5,858
Net cash used in operating activities	(194,519)	(48,567)
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Non-renounceable pro-rata Rights Issue of 1 new share for every 1 share held at an issue price of 2 cents (\$0.02) for each share	-	299,580
Capital raising expenses of non-renounceable rights issue	-	(35,006)
Placement of 6,500,000 shares on 10 June 2016	390,000	-
Capital raising expense of share placement	(3,000)	-
Net cash provided by financing activities	387,000	264,574
Net (decrease)/ increase in cash	192,481	216,007
Cash and cash equivalents at beginning of period	176,997	158,080
Cash and cash equivalents at end of period	369,478	374,087

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the 31 December 2015 annual report.

Notes to the Financial Statements
For the Half-Year Ended 30 June 2016

1 Summary of Significant Accounting Policies:

(a) Basis of Preparation:

These general purpose interim financial statements for the half-year reporting period ended 30 June 2016 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard *AASB 134: Interim Financial Reporting*. The Company 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 Public Holdings (Australia) Limited ("The Company"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2015, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 25 August 2016.

(b) Accounting Policies:

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.

The Company has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statement is either not relevant or not material.

(c) Going Concern:

The financial statements have been prepared on a going concern basis, which contemplates the continuation of normal business operations and realisation of assets and settlement of liabilities in normal course of business. The Directors have considered and noted the following with regard to the ability at the Company to continue as a going concern:

(c)(i) An announcement was made to the ASX on 27 July 2016 announcing both the Company and Mobilicom Limited ('Mobilicom'), an Israeli domiciled company had completed preliminary due diligence investigations, the purposes of which was to assess the feasibility and suitability of the proposed acquisition of Mobilicom by the Company. The Company and Mobilicom have each elected to proceed with the transaction.

(c)(ii) The Company issued an additional 6,500,000 ordinary shares on 10 June 2016 at an issue price of 6 cents (\$0.06) each. This issue was undertaken by a private placement under the Company's power to issue securities under the listing rules of the ASX (specifically, ASX Listing Rules 7.1 and 7.1A). This placement of shares raised \$387,000 after costs and was principally for the purposes of providing working capital to fund the costs associated with implementation of the proposed acquisition of Mobilicom.

On the basis of these factors, the Directors believe that the going concern basis of preparation of the financial statements is appropriate and the Company will be able to repay its debts as and when they fall due.

Public Holdings (Australia) Limited

A.B.N 65 000 332 918

Notes to the Financial Statements

For the Half-Year Ended 30 June 2016

	Half-year 30 June 2016 \$	Half-year 30 June 2015 \$
2 Net loss for the Period:		
The following revenue and expense items are relevant in explaining the financial performance for the interim period:		
Revenue includes \$10,000 recognised as amount receivable from Your Dash. Refer Note 7(b).	10,000	-
Expenses:		
Director's fee - ordinary shares in lieu of salary for services rendered.	-	5,000
Consultancy fee - paid in accordance with ASX Market Announcement dated 6 June 2016.	100,000	-
3 Dividends:		
No dividends have been paid or declared since the start of the financial period.		
4 Contingent Liabilities and Capital Commitments:		
The Company has no material contingent liabilities and capital commitments.		
5 Operating Segments:		
Segment Information: The Company operates in one business and geographical segment, which is investing in securities in Australia.		
6 (Loss)/Earnings Per Share:		
Basic (loss)/earnings per share (cents per share).	(0.55)	(0.23)
Diluted (loss)/earnings per share (cents per share).	(0.55)	(0.23)
Weighted average number of ordinary shares outstanding during the half-year used in calculation of basic and diluted EPS.	31,180,222	26,205,150
Total number of issued shares at 30 June. Refer Note 1(c)(ii).	36,958,000	30,458,000
7 Events occurring after the reporting period:		
(a) The Directors announced to the ASX on 6 June 2016 the proposed acquisition of Mobilicom Limited ('Mobilicom'), an Israeli domiciled company. A subsequent announcement was made to the ASX on 27 July 2016 announcing both the Company and Mobilicom had completed preliminary due diligence investigations, the purposes of which was to assess the feasibility and suitability of the proposed transaction. Each have elected to proceed with the transaction.		
(b) In accordance with a Terms Sheet entered into on 29 July 2015 between the Company and Your Dash Pty Ltd ('Your Dash'), the Company advanced Your Dash a loan of \$100,000. The Terms Sheet was terminated on 10 September 2015 and the loan repayable within six months of that date which did not occur. At 31 December 2015, a provision for diminution was raised in the financial statements. Subsequent to 30 June 2016, a Deed of Release and Settlement has been signed between the Company and Your Dash whereby an amount of \$10,000 will be paid by Your Dash to the Company. The amount of \$10,000 has been reflected in the financial statements as a loan receivable.		

Public Holdings (Australia) Limited and Controlled Entities

A.B.N 65 000 332 918

Directors' Declaration

In accordance with a resolution of the directors of Public Holdings (Australia) Limited, the Directors of the Company declare that:

1. The financial statements and notes set out on pages 5 to 10 are in accordance with the Corporations Act 2001, including:
 - (a) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) giving a true and fair view of the financial position as at 30 June 2016 and of the 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.



Bryan Frost
Chairman and Managing Director

Dated: 25 August 2016

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PUBLIC HOLDINGS (AUSTRALIA) LIMITED

Report on the Half-Year Financial Report

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

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the entity's financial position as 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 Public Holdings (Australia) Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Public Holdings (Australia) Limited would be in the same terms if provided to the directors as at the time of this auditor's review report.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF PUBLIC HOLDINGS (AUSTRALIA) LIMITED (Continued)**

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 Public Holdings (Australia) Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Public Holdings (Australia) Limited's financial position as at 30 June 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter

Without modifying our conclusion above, we draw attention to Note 1 to the financial statements which details a capital raising. This condition along with other matters as set forth in Note 1 to the financial statements, 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.


MCLEAN DELMO BENTLEYS AUDIT PTY LTD
MARTIN FENSOME

Partner

Dated in Hawthorn on this 29 day of August 2016