

## 1. Company details

Name of entity:	Axxis Technology Group Ltd
ABN:	98 009 805 298
Reporting period:	For the half-year ended 31 December 2016
Previous period:	For the half-year ended 31 December 2015

## 2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	100.0% to	-
Loss from ordinary activities after tax attributable to the owners of Axxis Technology Group Ltd	down	43.1% to	(141,218)
Loss for the half-year attributable to the owners of Axxis Technology Group Ltd	down	43.1% to	(141,218)
		<b>31 Dec 2016 Cents</b>	<b>31 Dec 2015 Cents</b>
Basic earnings per share		(0.006)	(0.010)
Diluted earnings per share		(0.006)	(0.010)

### Dividends

There were no dividends paid, recommended or declared during the current financial period.

### Comments

The loss for the Company after providing for income tax amounted to \$141,218 (31 December 2015: \$248,225).

## 3. Net tangible assets

	<b>Reporting period Cents</b>	<b>Previous period Cents</b>
Net tangible assets per ordinary security	<u>0.01</u>	<u>0.02</u>

## 4. Control gained over entities

Not applicable.

## 5. Loss of control over entities

Not applicable.

## 6. Dividends

### Current period

There were no dividends paid, recommended or declared during the current financial period.

### Previous period

There were no dividends paid, recommended or declared during the previous financial period.

## 7. Dividend reinvestment plans

Not applicable.

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## 8. Details of associates and joint venture entities

Not applicable.

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## 9. Foreign entities

*Details of origin of accounting standards used in compiling the report:*

Not applicable.

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## 10. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

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## 11. Attachments

*Details of attachments (if any):*

The Interim Report of Axxis Technology Group Ltd for the half-year ended 31 December 2016 is attached.

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## 12. Signed

A handwritten signature in black ink, appearing to read "J. Stedwell".

Signed \_\_\_\_\_

Date: 16 February 2017

Justyn Stedwell  
Director and Company Secretary  
Sydney



# **Axxis Technology Group Ltd**

**ABN 98 009 805 298**

**Interim Report - 31 December 2016**

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Directors	Eddie King - Appointed on 11 January 2017 Jeremy King - Appointed on 11 January 2017 Justyn Stedwell Peter Kazacos - Resigned on 11 January 2017 Chris Calamos - Resigned on 11 January 2017
Company secretary	Justyn Stedwell
Registered office and principal place of business	4/11 Ventnor Avenue West Perth WA 6005 Tel: +61 3 9041 6663 Fax: +61 3 6978 1747
Share register	Computershare Investor Services Pty Limited Level 11 172 St George's Terrace Perth WA 6000 Tel: 1300 787 272
Auditor	Crowe Horwath Sydney Level 15 1 O'Connell Street Sydney NSW 2000
Stock exchange listing	Axxis Technology Group Ltd shares are listed on the Australian Securities Exchange (ASX code: AYG)
Website	<a href="http://www.axxis.com">www.axxis.com</a>

The directors present their report, together with the financial statements, on the Company for the half-year ended 31 December 2016.

### **Directors**

The following persons were directors of the Company during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Eddie King	Appointed on 11 January 2017
Jeremy King	Appointed on 11 January 2017
Justyn Stedwell	
Peter Kazacos	Resigned on 11 January 2017
Chris Calamos	Resigned on 11 January 2017

### **Information on new directors**

#### *Eddie King*

Eddie is a qualified Mining Engineer. He holds a Bachelor of Commerce and Bachelor of Engineering from The University of Western Australia. Eddie is currently representative for CPS Capital. His past experience includes being manager for an investment banking firm, where he specialised in the technical and financial requirements of bulk commodity and other resource projects. Eddie also serves as non-executive director of ASX listed Western Mining Network Ltd (ASX: WMN) and non-executive chairman of Cabral Resources Limited (ASX: CBS) and Lindian Resources Limited (ASX: LIN).

#### *Jeremy King*

Jeremy is a corporate advisor with over 15 years' experience in domestic and international legal, financial and corporate matters. He spent several years in London where he worked with Allen and Overy LLP and Debevoise & Plimpton LLP and has extensive corporate experience, particularly in relation to cross-border private equity, leveraged buy-out acquisitions and acting for banks, financial institutions and corporate issuers in respect of various debt and equity capital raisings. Jeremy regularly advises ASX listed companies on a range of corporate matters and currently serves as non-executive director of Red Mountain Mining Limited (ASX: RMX), DTI Group Limited (ASX: DTI), Smart Parking Limited (ASX: SPZ), Transcendence Technologies Limited (ASX: TTL) and Aquaint Capital Holdings Limited (ASX: AQU).

### **Principal activities**

During the financial half-year the principal continuing activities of the Company consisted of an investment company continuing a wider search for acquisition opportunities that would enable the Company to re-commence active trading in a profitable business sector(s).

### **Dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

### **Review of operations**

The loss for the Company after providing for income tax amounted to \$141,218 (31 December 2015: \$248,225).

As outlined in the Company's report as at 30 June 2016, the Company has continued with its strategy to seek a suitable company that was adequately capitalised with which to merge its operating business.

To date, the Company has not been able to identify a company that meets the targeted criteria. The Directors continue the search for a suitable company to acquire.

As at 31 December 2016, the Company had:

- No loans owing and no employees;
- A cash balance of \$172,593;
- Current liabilities of \$1,364; and
- Other assets of \$7,297.

Current operating costs consist of administration costs, consultant costs in relation to compliance and advisory activities in support of the Company's objective to acquire suitable business assets that would add significant value to Axxis shareholders.

**Significant changes in the state of affairs**

On 22 September 2016, the Company's securities were suspended from quotation by the ASX due to the level of the Company's operations being reduced. Refer to 'Matters subsequent to the end of the financial half-year' below for further details.

There were no other significant changes in the state of affairs of the Company during the financial half-year.

**Matters subsequent to the end of the financial half-year**

On 11 January 2017, Eddie King and Jeremy King were appointed Directors of the Company and existing directors Peter Kazacos and Chris Calamos resigned.

The Company's new Board are actively seeking potential acquisitions which will result in the suspension of trading in the Company's securities being lifted. Investigation of several potential acquisitions has already commenced and the Company will keep shareholders and the market updated regarding progress.

No other matter or circumstance has arisen since 31 December 2016 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "J. Stedwell".

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Justyn Stedwell  
Director

16 February 2017  
Sydney

16 February 2017

The Board of Directors  
Axxis Technology Group Ltd  
Suite 3, 35 Toorak Road  
South Yarra VIC 3141

Dear Board Members

**Axxis Technology Group Ltd**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of Axxis Technology Group Ltd.

As lead audit partner for the review of the financial statements of Axxis Technology Group Ltd for the half-year ended 31 December 2016, I declare that to the best of my knowledge and belief, that there have been no contraventions of:

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

Yours sincerely



**Crowe Horwath Sydney**



**John Haydon**  
Senior Partner



**Axxis Technology Group Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2016**



	<b>Note</b>	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>	4	-	37,277
<b>Expenses</b>			
Cost of sales		-	(37,416)
Occupancy		(5,000)	(6,429)
Administration		(95,084)	(125,920)
Other expenses	5	(40,950)	(115,587)
Finance costs		(184)	(150)
<b>Loss before income tax expense</b>		(141,218)	(248,225)
Income tax expense		-	-
<b>Loss after income tax expense for the half-year attributable to the owners of Axxis Technology Group Ltd</b>		(141,218)	(248,225)
Other comprehensive income for the half-year, net of tax		-	-
<b>Total comprehensive loss for the half-year attributable to the owners of Axxis Technology Group Ltd</b>		<u>(141,218)</u>	<u>(248,225)</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	12	(0.006)	(0.010)
Diluted earnings per share	12	(0.006)	(0.010)

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

**Axxis Technology Group Ltd**  
**Statement of financial position**  
**As at 31 December 2016**



	<b>Note</b>	<b>31 Dec 2016</b>	<b>30 Jun 2016</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	172,593	354,854
Trade and other receivables	7	-	15,630
Other	8	7,297	-
Total current assets		<u>179,890</u>	<u>370,484</u>
<b>Total assets</b>		<u>179,890</u>	<u>370,484</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	9	<u>1,364</u>	<u>50,740</u>
Total current liabilities		<u>1,364</u>	<u>50,740</u>
<b>Total liabilities</b>		<u>1,364</u>	<u>50,740</u>
<b>Net assets</b>		<u>178,526</u>	<u>319,744</u>
<b>Equity</b>			
Issued capital		51,197,154	51,197,154
Accumulated losses		<u>(51,018,628)</u>	<u>(50,877,410)</u>
<b>Total equity</b>		<u>178,526</u>	<u>319,744</u>

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

**Axxis Technology Group Ltd**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2016**



	<b>Issued capital \$</b>	<b>Other equity \$</b>	<b>Share-based payments reserve \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2015	51,197,154	5,200,000	10,000	(55,736,122)	671,032
Loss after income tax expense for the half-year	-	-	-	(248,225)	(248,225)
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive loss for the half-year	-	-	-	(248,225)	(248,225)
Balance at 31 December 2015	<u>51,197,154</u>	<u>5,200,000</u>	<u>10,000</u>	<u>(55,984,347)</u>	<u>422,807</u>
	<b>Issued capital \$</b>	<b>Other equity \$</b>	<b>Share-based payments reserve \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2016	51,197,154	-	-	(50,877,410)	319,744
Loss after income tax expense for the half-year	-	-	-	(141,218)	(141,218)
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive loss for the half-year	-	-	-	(141,218)	(141,218)
Balance at 31 December 2016	<u>51,197,154</u>	<u>-</u>	<u>-</u>	<u>(51,018,628)</u>	<u>178,526</u>

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

**Axxis Technology Group Ltd**  
**Statement of cash flows**  
**For the half-year ended 31 December 2016**



	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of GST)	17,193	25,410
Payments to suppliers and employees (inclusive of GST)	(199,270)	(336,851)
	(182,077)	(311,441)
Interest and other finance costs paid	(184)	(150)
Net cash used in operating activities	(182,261)	(311,591)
<b>Cash flows from investing activities</b>		
Proceeds from disposal of business	-	150,000
Net cash from investing activities	-	150,000
<b>Cash flows from financing activities</b>		
Net cash from financing activities	-	-
Net decrease in cash and cash equivalents	(182,261)	(161,591)
Cash and cash equivalents at the beginning of the financial half-year	354,854	589,748
Cash and cash equivalents at the end of the financial half-year	<u>172,593</u>	<u>428,157</u>

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

## **Note 1. General information**

The financial statements cover Axxis Technology Group Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Axxis Technology Group Ltd's functional and presentation currency.

Axxis Technology Group Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

4/11 Ventnor Avenue  
West Perth WA 6005

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 16 February 2017. The directors have the power to amend and reissue the financial statements.

## **Note 2. Significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2016 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2016 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

### **New or amended Accounting Standards and Interpretations adopted**

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company during the financial half-year ended 31 December 2016 and are not expected to have any significant impact for the full financial year ending 30 June 2017. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### **Going concern**

As at 31 December 2016, the Company had cash and cash equivalents of \$172,593 (30 June 2016: \$354,854) and has a net current asset position of \$178,526 (30 June 2016: \$319,744). Loss for the half-year was \$141,218 (31 December 2015: \$248,225) and net cash outflows from operating activities were \$182,261 (31 December 2015: \$311,591).

The Company's operating costs primarily consist of administration costs, compliance and advisory costs in support of the Company's objective to acquire suitable business assets that would add significant value to Axxis shareholders. Other than an accrual for fees, the Company has no outstanding debts at balance date.

Considering matters outlined above, the Directors of the Company are of the view the entity will continue as a going concern as there is sufficient cash available to the entity to cover minimal operating expenses associated with maintaining the current level of activity, which consists of the directors conducting feasibility assessments to identify investments opportunities for the Company to acquire with the aim of achieving a relisting of the Company's shares on the ASX in the near future.

### **Note 3. Operating segments**

#### *Identification of reportable operating segments*

The information reported to the Board of Directors (being the Chief Operating Decision Makers ('CODM')), are the results as shown in the statement of profit or loss and other comprehensive income and statement of financial position.

The directors have determined that there are no operating segments identified for the year which are considered separately reportable.

### **Note 4. Revenue**

	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
	<b>\$</b>	<b>\$</b>
<i>Sales revenue</i>		
Rendering of services	-	36,630
<i>Other revenue</i>		
Other revenue	-	647
Revenue	<u>-</u>	<u>37,277</u>

### **Note 5. Other expenses**

	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
	<b>\$</b>	<b>\$</b>
Legal fees for due diligence	25,000	60,000
Consulting fees	9,450	47,336
Audit fee, tax and financial statements preparation fees	6,500	8,250
Other expenses	<u>40,950</u>	<u>115,586</u>

### **Note 6. Current assets - cash and cash equivalents**

	<b>31 Dec 2016</b>	<b>30 Jun 2016</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	<u>172,593</u>	<u>354,854</u>

### **Note 7. Current assets - trade and other receivables**

	<b>31 Dec 2016</b>	<b>30 Jun 2016</b>
	<b>\$</b>	<b>\$</b>
Other receivables	<u>-</u>	<u>15,630</u>

### **Note 8. Current assets - other**

	<b>31 Dec 2016</b>	<b>30 Jun 2016</b>
	<b>\$</b>	<b>\$</b>
Prepayments	<u>7,297</u>	<u>-</u>

**Note 9. Current liabilities - trade and other payables**

	<b>31 Dec 2016</b>	<b>30 Jun 2016</b>
	<b>\$</b>	<b>\$</b>
Other payables and accruals	<u>1,364</u>	<u>50,740</u>

**Note 10. Equity - dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

**Note 11. Contingent liabilities**

The Company has no contingent liabilities at 31 December 2016.

**Note 12. Earnings per share**

	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax attributable to the owners of Axxis Technology Group Ltd	<u>(141,218)</u>	<u>(248,225)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>2,560,406,871</u>	<u>2,560,406,871</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>2,560,406,871</u>	<u>2,560,406,871</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.006)	(0.010)
Diluted earnings per share	(0.006)	(0.010)

**Note 13. Events after the reporting period**

On 11 January 2017, Eddie King and Jeremy King were appointed Directors of the Company and existing directors Peter Kazacos and Chris Calamos resigned.

The Company's new Board are actively seeking potential acquisitions which will result in the suspension of trading in the Company's securities being lifted. Investigation of several potential acquisitions has already commenced and the Company will keep shareholders and the market updated regarding progress.

No other matter or circumstance has arisen since 31 December 2016 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2016 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "J. Stedwell", written over a horizontal line.

Justyn Stedwell  
Director

16 February 2017  
Sydney



## **Independent Auditor's Review Report to the members of Axxis Technology Group Ltd**

### **Report on the Half-year Financial Report**

We have reviewed the accompanying half-year financial report of Axxis Technology Group Ltd which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

### ***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 (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 the entity's financial position as at 31 December 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 Axxis Technology Group Ltd, 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.

***Independence***

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

***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 Axxis Technology Group Ltd is not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of the entity's financial position as at 31 December 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.



**Crowe Horwath Sydney**



**John Haydon**  
Senior Partner

Dated this 16<sup>th</sup> day of February 2017