



6 July 2015

ASX Market Announcements
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

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

Please find attached the Appendix 4D and the half-year financial report for ADG Global Supply Limited for the half-year ended 31 December 2014.

APPENDIX 4D

ADG Global Supply Limited and its Controlled Entities

ABN 16 082 341 197

HALF YEAR ENDED 31 DECEMBER 2014 - ADDITIONAL DISCLOSURES

1. Reporting periods

Half year ended (‘Current period’)	Half year ended (‘Previous corresponding period’)
31 December 2014	31 December 2013

2. Results for announcement to the market

			AUD 000
Revenue	Up	37%	21,868
(Loss) after tax attributable to members	Up	N/A	(318)
(Loss) for the period attributable to members	Up	N/A	(318)

Brief summary

Simon Theobald and Melissa Humann of PPB Advisory were appointed joint and several Voluntary Administrators of ADG Global Supply Pty Ltd (**ADG Pty Ltd**) and ADG Global Supply Limited (**ADG Limited**) on 6 January 2015 by the directors under s436A of the Corporations Act 2001.

At the second meeting of creditors on 11 February 2015, creditors resolved that ADG Limited execute a holding Deed of Company Arrangement (the **Holding Deed**). The Holding Deed was subsequently executed on 3 March 2015.

The Deed Administrators are currently pursuing options for a recapitalisation of the ADG Limited listed shell. ADG Pty Ltd remains subject to a Holding Deed and is not part of the proposed recapitalisation of ADG Limited.

ADG Limited and ADG Pty Ltd provided an integrated product/service solution for the mining industry. ADG Limited has been listed on the ASX since 2008 (ASX code: ADQ), and is the 100% shareholder of the Australian trading entity ADG Pty Ltd, which has been in operation since 1994.

With operations in Australia, the UK and South Africa, ADG Pty Ltd provided industrial products, global procurement and supply chain management services to clients in key regions of Africa, Asia and Australia.

ADG Pty Ltd employed approximately 10 employees at the date of appointment of the voluntary administrators and operated from leasehold premises located in Osborne Park, Western Australia.

3. Net tangible asset backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	0.88 cents / share	3.60 cents / share

4. Changes in Controlled Entities

Not applicable.

5. Dividends or Distributions

There were no dividends declared or paid during the period and the directors do not recommend that any dividends be paid.

6. Dividend or Distribution Reinvestment Plans

Not applicable.

7. Material interests in entities which are not controlled entities

Not applicable.

8. Foreign Entities

This report includes ADG Global Supply (Europe) Limited registered in England and Wales, which, together with ADG Global Supply (South Africa) (Pty) Ltd) is are 100% controlled entities of ADG Pty Limited, and Winchester Procurement Limited (also registered in England and Wales), which, together with ADG Global Supply (SL) Limited, is a 100% controlled entity of ADG Global Supply (Europe) Limited.

9. Independent Review Report

Refer to attached Half Year Financial Report for the half-year ended 31 December 2014.

10. Compliance statement

This report should be read in conjunction with the attached Half Year Financial Report for the half-year ended 31 December 2014.

This report is signed in accordance with the terms of the Holding Deed which suspends the exercise by the Directors' and Officers' of their duties as directors and officers of ADG Limited for the duration of the Holding Deed, but does not otherwise remove any Officer from office.

Sign here:



Date: 6 July 2015

Signed for and on behalf of ADG Global Supply Limited (Subject to Deed of Company Arrangement) (ACN 082 341 197) by its appointed deed administrator Simon Guy Theobald.



ADG Global Supply Limited

(ASX Code: ADQ)

Half-Year Financial Report 31 December 2014

ADG Global Supply Limited
A.B.N. 16 082 34 1 197

CORPORATE DIRECTORY

CORPORATE DIRECTORY

Directors	David J Schwartz <i>Chairman</i>
	John Mancini <i>Managing Director</i>
	Charles Morgan <i>Non executive Director</i>
Company Secretary	Paul Roberts
Principal registered office	c/- PPB Advisory Level 21 140 St Georges Terrace Perth WA 6000 Phone: +61 (8) 9329 5900
Share Register	Boardroom Limited Level 7, 207 Kent Street Sydney, NSW 2000 Australia
Auditors	RSM Bird Cameron Partners 8 St Georges Terrace Perth WA 6000 Australia
Solicitors	Steinepreis Paganin Level 4, Next Building 16 Milligan Street Perth, WA 6000 Australia
Bankers	Australia and New Zealand Banking Group Limited Level 7, 77 St Georges Terrace Perth, WA 6000 Australia
Stock exchange listings	ADG Global Supply Limited shares are listed on the Australian Securities Exchange (Shares ASX ticker: ADQ).
Website address	www.adgglobalsupply.com

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FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2014

DIRECTORS' REPORT

Your Directors present their report on the consolidated entity consisting of ADG Global Supply Limited and the entities it controlled at the half-year ended 31 December 2014.

DIRECTORS

The following persons were Directors of ADG Global Supply Limited during the whole of the half-year and up to the date of this report unless otherwise stated:

Mr David Schwartz	Chairman (non-executive)
Mr John Mancini	Managing Director
Mr Charles Morgan	Non-executive Director

COMPANY SECRETARY

Mr Paul Roberts

REVIEW OF OPERATIONS AND RESULTS

Financial Performance/Developments

Simon Theobald and Melissa Humann of PPB Advisory were appointed joint and several Voluntary Administrators of ADG Global Supply Pty Ltd (**ADG Pty Ltd**) and ADG Global Supply Limited (**ADG Limited**) on 6 January 2015 by the directors under s436A of the Corporations Act 2001.

At the second meeting of creditors on 11 February 2015, creditors resolved that ADG Limited execute a holding Deed of Company Arrangement (the Holding Deed). The Holding Deed was subsequently executed on 3 March 2015.

ADG Limited and ADG Pty Ltd provided an integrated product/service solution for the mining industry. ADG Limited has been listed on the ASX since 2008 (ASX code: ADQ), and is the 100% shareholder of the Australian trading entity ADG Pty Ltd, which has been in operation since 1994.

With operations in Australia, the UK and South Africa, ADG Pty Ltd provided industrial products, global procurement and supply chain management services to clients in key regions of Africa, Asia and Australia.

ADG Pty Ltd employed approximately 10 employees at the date of appointment of the voluntary administrators and operated from leasehold premises located in Osborne Park, Western Australia.

FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2014

Subsequent Events

As outlined above, subsequent to 31 December 2014, ADG Limited was placed into voluntary administration and is currently subject to the Holding Deed. A proposal for a variation to the Holding Deed is in the process of finalisation. It is expected that this variation, through the use of a creditors trust, will extinguish all liabilities associated with the administration of ADG Limited and result in a restructure and recapitalisation of ADG Limited.

Other than the above, there are no matters or circumstances that have arisen since the end of the half-year ended 31 December 2014 which 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 reporting periods.

Subsidiaries of ADG Limited

We note that ADG Pty Ltd remains in a Holding Deed and is not subject to the proposed deed variation or recapitalisation. If no variation to the Holding Deed is received, the only remaining option will be that ADG Pty Ltd be placed into liquidation.

The Deed Administrators intend to shortly deregister ADG Limited's dormant Australian-based subsidiaries, being Rain One Pty Ltd and AWS (Security Holder) Pty Ltd. Neither entity has assets or liabilities, and has not traded for some time.

The Deed Administrators have received a management buy-out proposal for the acquisition of shares held by ADG Pty Ltd in ADG Global Supply (Europe) Ltd (which in turn holds all the issued shares in Winchester Procurement Limited and ADG Global Supply (SL) Limited) and ADG Global Supply (South Africa) (Pty) Ltd.

Under the terms of the proposed variation to the Holding Deed, all subsidiaries of ADG Limited not deregistered or liquidated by the date of effectuation of the varied Holding Deed will be transferred to a creditors trust and dealt with by the trustees.

We expect the above activities to result in asset impairments for ADG Limited in future reporting periods, which will impact net tangible asset backing per ordinary security.

Return to creditors and shareholders

Based on our current estimates of asset realisations, the Deed Administrators anticipate there will be a substantial shortfall to the secured creditor of ADG Limited. Accordingly, we do not anticipate there will be any funds available to make a distribution to unsecured creditors or shareholders of ADG Limited.

Rounding Amounts

The consolidated entity has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest 1,000, unless otherwise indicated.

FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2014

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is included in this half year financial report.

This report is signed in accordance with the terms of the Holding Deed which suspends the exercise by the Directors' and Officers' of their duties as directors and officers of ADG Limited for the duration of the Holding Deed, but does not otherwise remove any Officer from office.

Sign here:



Date: 6 July 2015

Signed for and on behalf of ADG Global Supply Limited (Subject to Deed of Company Arrangement) (ACN 082 341 197) by its appointed deed administrator Simon Guy Theobald.

FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2014

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

	Notes	Consolidated	
		31 December 2014	31 December 2013
		'000	'000
Revenue	3	21,868	15,995
Other income	3	-	4
Expenses			
Raw materials and consumables used		(18,385)	(14,521)
Employee benefits expense		(2,148)	(2,504)
Impairment of intangible assets		-	(1,948)
Depreciation and amortisation expense		(172)	(200)
Other expenses		(1,110)	(1,064)
Finance costs		(371)	(239)
Loss before income tax		(318)	(4,477)
Income tax expense		-	-
Loss attributable to the members of ADG Global Supply Limited		(318)	(4,477)
Other comprehensive income			
<i>Items that may be reclassified subsequently to operating result</i>			
Foreign currency translation		370	463
Income tax relating to components of other comprehensive income		-	-
Other comprehensive income for the period net of income tax		370	463
Total comprehensive income for the period		52	(4,014)
Earnings per share (cents per share)			
- basic earnings per share		-0.10	-1.55
- diluted earnings per share		-0.10	-1.55

The accompanying notes form part of the half year financial report.

FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2014

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Notes	Consolidated	
		31 December 2014	30 June 2014
		'000	'000
ASSETS			
Current Assets			
Cash and cash equivalents		189	226
Trade and other receivables		10,835	9,502
Inventories		6,646	4,969
Other assets		1,057	1,198
Total Current Assets		18,727	15,895
Non-Current Assets			
Property, plant and equipment		801	870
Intangible assets		57	102
Total Non-Current assets		858	972
TOTAL ASSETS		19,585	16,867
LIABILITIES			
Current liabilities			
Trade and other payables		9,174	6,279
Income tax payable		54	70
Borrowings	4	7,163	7,310
Provisions		238	271
Total Current Liabilities		16,629	13,930
Non-Current Liabilities			
Provisions		107	107
Total Non-Current Liabilities		107	107
TOTAL LIABILITIES		16,736	14,037
NET ASSETS		2,849	2,830
EQUITY			
Contributed equity	7	18,684	18,684
Option valuation reserve		345	378
Foreign exchange translation reserve		701	331
Accumulated losses		(16,881)	(16,563)
TOTAL EQUITY		2,849	2,830

The accompanying notes form part of the half year financial report.

FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2014

STATEMENT OF CASHFLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Notes	Consolidated	
		31 December 2014	31 December 2013
		'000	'000
Cash flows from operating activities			
Receipts from customers		20,534	20,384
Payments to suppliers and employees		(19,979)	(21,629)
Interest received		-	4
Interest paid		(371)	(239)
Income tax paid		(16)	(32)
Net cash flows provided by/(used in) operating activities		168	(1,512)
Cash flows from investing activities			
Purchase of non-current assets		(58)	(21)
Purchase of intangible assets		-	(3)
Net cash flows used in investing activities		(58)	(24)
Cash flows from financing activities			
Net repayment of borrowings		(147)	(806)
Net cash flows used in financing activities		(147)	(806)
Net decrease in cash and cash equivalents		(37)	(2,342)
Cash and cash equivalents at beginning of period		226	2,895
Cash and cash equivalents at end of period		189	553

The accompanying notes form part of the half year financial report.

FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2014

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

Consolidated	Contributed equity '000	Options valuation reserve '000	Foreign exchange translation reserve '000	Retained earnings / (Accumulative losses) '000	Total Equity '000
Balance at 1 July 2013	18,399	402	200	1,446	20,447
Loss for the period	-	-	-	(4,477)	(4,477)
Other comprehensive income for the period (net of tax)	-	-	463	-	463
Total comprehensive income for the period	-	-	463	(4,477)	(4,014)
Transactions with owners, in their capacity as owners					
Value of options cancelled during the period	-	(46)	-	-	(46)
Total transactions with owners and other transfers	-	(46)	-	-	(46)
Balance at 31 December 2013	18,399	356	663	(3,031)	16,387
Balance at 1 July 2014	18,684	378	331	(16,563)	2,830
Loss for the period	-	-	-	(318)	(318)
Other comprehensive income for the period (net of tax)	-	-	370	-	370
Total comprehensive income for the period	-	-	370	(318)	52
Transactions with owners, in their capacity as owners					
Value of options cancelled during the period	-	(33)	-	-	(33)
Total transactions with owners and other transfers	-	(33)	-	-	(33)
Balance at 31 December 2014	18,684	345	701	(16,881)	2,849

The accompanying notes form part of the half year financial report.

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The half-year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of ADG Global Supply Limited and its controlled entities ('the consolidated entity') as the full annual financial report.

The half-year financial report should be read in conjunction with the annual financial report of ADG Global Supply Limited as at 30 June 2014.

It is also recommended that the half-year financial report be considered together with any public announcements made by ADG Global Supply Limited and its controlled entities during the half-year ended 31 December 2014 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

Limitations on Preparation of this Half Year Financial Report

Simon Theobald and Melissa Humann of PPB Advisory were appointed joint and several administrators of ADG Global Supply Limited and its Australian subsidiary, ADG Global Supply Pty Ltd, on 6 January 2015. As a result of this appointment, the administrators took control of these companies.

At the date of lodgement of this report, these companies were still under administration, both being subject to holding Deeds of Company Arrangement executed on 3 March 2015. As a result of the external administration and loss of key staff, the directors despite every reasonable effort have not been able to obtain information, the impact of which may or may not be material on this half-year financial report.

Due to the limitations noted in the above paragraph, this half-year financial report could not be prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 'Interim Financial Reporting'.

The half-year financial report has been prepared using the same accounting policies used in the annual financial report for the year ended 30 June 2014 subject to the limitations noted above.

New and Revised Accounting Standards and Interpretations

The consolidated entity has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the consolidated entity.

Going Concern

The half-year financial report has been prepared on the going concern basis and contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a net loss after tax of 0.318 million for the half-year ended 31 December 2014.

The Directors believe that there are reasonable grounds to believe that ADG Limited will continue as a going concern because it is expected the variation to the Holding Deed, once effectuated, will extinguish all liabilities associated with the administration of ADG Global Supply Limited and result in a restructure and recapitalisation of ADG Limited.

Accordingly, the Directors believe that ADG Limited will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the half-year financial report.

If the variation to the Holding Deed is not effectuated, there is significant uncertainty whether ADG Limited will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half-year financial report.

The half-year financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

2. SEGMENT INFORMATION

Products and services from which reportable segments derive their revenues

The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Industrial Products includes products that are manufactured and distributed by the company including safety, MRO (maintenance, repairs & operations), drilling equipment & fluids and off-the-road tyres.

Global Procurement is a service which assists clients with purchasing and supply of a range of goods and capital equipment to site.

Supply Chain covers a comprehensive range of logistics, in-country support, freight forwarding and project logistics services.

Transfer prices between operating segments are set at an arms-length basis in a manner similar to transactions with third parties.

The following tables present revenue and results information regarding operating segments for the half-year ended 31 December 2014.

2. SEGMENT INFORMATION (CONTINUED)

	Industrial Products '000	Global Procurement '000	Supply Chain '000	Total '000
HALF-YEAR ENDED 31 DECEMBER 2014				
Revenue				
Sales to external customers	850	17,013	4,005	21,868
Other revenues from external customers				-
Total segment revenue				<u>21,868</u>
Result				
Profit before tax and finance costs				52
Finance costs				<u>(370)</u>
Profit before income tax				<u>(318)</u>
Income tax expense				-
Net profit for the year				<u>(318)</u>
Assets and liabilities				
Segment assets	6,856	10,154	140	17,150
Unallocated assets				<u>2,435</u>
Total assets				<u>19,585</u>
Segment liabilities	-	9,040	134	9,174
Unallocated liabilities				<u>7,562</u>
Total liabilities				<u>16,736</u>

	Industrial Products '000	Global Procurement '000	Supply Chain '000	Total '000
HALF-YEAR ENDED 31 DECEMBER 2013				
Revenue				
Sales to external customers	249+	14,063	1,683	15,995
Other revenues from external customers	-	-	-	4
Total segment revenue	<u>249</u>	<u>14,063</u>	<u>1,683</u>	<u>15,999</u>
Result				
(Loss) before tax and finance costs				(4,238)
Finance costs				<u>(239)</u>
(Loss) before income tax				<u>(4,477)</u>
Income tax expense				-
Net (loss) for the year				<u>(4,477)</u>
Assets and liabilities				
Segment assets	10,079	10,037	-	20,116
Unallocated assets	-	-	-	<u>9,363</u>
Total assets				<u>29,479</u>
Segment liabilities	1,128	3,951	163	5,242
Unallocated liabilities	-	-	-	<u>7,850</u>
Total liabilities				<u>13,092</u>

+Results for the industrial products segment have been affected by the return of 2.9 million tyre sales made in the prior period but returned subsequent to 30 June 2013.

3. REVENUE

	CONSOLIDATED	
	31 December 2014 '000	31 December 2013 '000
Revenue		
Sales revenue	21,868	15,995
Total revenue	21,868	15,995
Other income		
Bank Interest	-	4
Total other income	-	4

4. BORROWINGS

	CONSOLIDATED	
	31 December 2014 '000	30 June 2014 '000
<i>Current</i>		
Interchange facility 1	2,633	2,800
Interchange facility 2	1,816	2,000
Interchange facility 3	1,945	1,768
Asset purchase facility	325	382
Trade facility	-	213
Overdraft facility	444	147
	7,163	7,310

5. COMMITMENTS AND CONTINGENCIES

Since the last annual reporting date, there have been no material changes to any contingent liabilities or contingent assets.

6. CONTRIBUTED EQUITY

	CONSOLIDATED	
	31 December 2014	30 June 2014
Number of ordinary shares (a)	316,456,218	316,456,218

(a) Ordinary shares

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Movement in ordinary shares on issue	Date	Number	'000
Opening number of shares	1/7/2014	316,456,218	18,684
Closing number of shares	31/12/2014	316,456,218	18,684

7. EVENTS AFTER THE BALANCE SHEET DATE

Subsequent to 31 December 2014, ADG Limited was placed into voluntary administration and is currently subject to the Holding Deed. A variation to the Holding Deed is in the process of finalisation. It is expected that this variation, through the use of a creditors trust, will extinguish all liabilities associated with the administration of ADG Limited and result in a restructure and recapitalisation of ADG Limited.

The Deed Administrators have received a management buy-out proposal for the acquisition of shares held by ADG Pty Ltd in ADG Global Supply (Europe) Ltd (which in turn holds all the issued shares in Winchester Procurement Limited and ADG Global Supply (SL) Limited) and ADG Global Supply (South Africa) (Pty) Ltd.

Other than the above, there are no matters or circumstances that have arisen since the end of the half-year ended 31 December 2014 which 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 reporting periods.

DIRECTORS' DECLARATION

Due to the existence of the limitations on the preparation of the half-year financial report as disclosed in Note 1 and the fact that the company is under deed administration, the directors of the company are unable to declare that:

1. The financial statements and notes, as set out in this half-year financial report are in accordance with *Corporations Act 2001* including:
 - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date.
2. In the director's opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, subject to the Deed of Company Arrangement being effectuated as disclosed in Note 1.

This declaration is signed in accordance with the terms of the Holding Deed which suspends the exercise by the Directors' and Officers' of their duties as directors and officers of ADG Limited for the duration of the Holding Deed, but does not otherwise remove any Officer from office.

Sign here:



Date: 6 July 2015

Signed for and on behalf of ADG Global Supply Limited (Subject to Deed of Company Arrangement) (ACN 082 341 197) by its appointed deed administrator Simon Guy Theobald.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
ADG GLOBAL SUPPLY LIMITED**

We were engaged to review the accompanying half-year financial report of ADG Global Supply Limited (the company) which comprises the statement of financial position as at 31 December 2014 and the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal 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 conducting the review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Because of the matter described in the Basis for Disclaimer of Conclusion paragraph, however, we were not able to obtain sufficient appropriate evidence to provide a basis for a review conclusion.

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 ADG Global Supply Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Basis for Disclaimer of Conclusion

ADG Global Supply Limited and its Australian controlled entity, ADG Global Supply Pty Ltd, are in voluntary administration. We were unable to obtain sufficient appropriate evidence to verify the balances in the statement of financial position as at 31 December 2014 and 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 31 December 2014. As a result, we were unable to obtain sufficient appropriate evidence to provide a basis for a review conclusion. Accordingly, we were unable to determine whether any adjustments were necessary in respect of the statement of financial position as at 31 December 2014 and the effect of this on the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended 31 December 2014.

Disclaimer of Conclusion

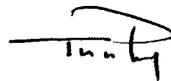
Because of the significance of the matter described in the Basis for Disclaimer of Conclusion paragraph, we were unable to, and do not express a conclusion as to whether the half-year financial report of ADG Global Supply Limited is in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter

We draw attention to Note 1 in the financial report, which indicates that the consolidated entity incurred a loss of \$0.318 million. This condition, along with other matters as set forth in Note 1, could indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

RSM Bird Cameron Partners
RSM BIRD CAMERON PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 6 July 2015

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of ADG Global Supply Limited for the half-year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 6 July 2015