

Voltage IP Limited
Appendix 4D
Half-year report

1. Company details

Name of entity: Voltage IP Limited
ABN: 83 057 884 876
Reporting period: For the half-year ended 31 December 2012
Previous period: For the half-year ended 31 December 2011

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	100% to	17
Profit from ordinary activities after tax attributable to the owners of Voltage IP Limited	up	155.32% to	55,515
Profit for the half-year attributable to the owners of Voltage IP Limited	up	155.32% to	55,515

Dividends

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

Comments

The profit for the Company after providing for income tax amounted to \$55,515 (31 December 2011: loss of \$100,345).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>(0.92)</u>	<u>(0.88)</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.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

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

Not applicable.

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 Half-year Report. The review report contains an emphasis of matter in relation to going concern.

11. Attachments

Details of attachments (if any):

The Half-year Report of Voltage IP Limited for the half-year ended 31 December 2012 is attached.

12. Signed

Signed _____

Date: 25 September 2015

VOLTAGE IP LIMITED
ABN 83 057 884 876

FINANCIAL REPORT
HALF-YEAR ENDED 31 DECEMBER 2012

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VOLTAGE IP LIMITED AND CONTROLLED ENTITIES
ABN 83 057 884 876

DIRECTORS' REPORT

The directors present their report together with the consolidated interim financial report of Voltage IP Limited ('the Company'), herein known as the Company, for the period ended 31 December 2012 and the review report thereon.

BOARD OF DIRECTORS

The following persons were directors of Voltage IP Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

NAME	POSITION
Mr Pok Seng Kong	Non-executive Director (Chairman)
Mr Chin Hing How	Non-executive Director
Mr Henry Hon Fai Choo	Non-executive Director (appointed 5/12/2012)
Mr Kit Foo Chye	Non-executive Director (resigned 5/9/2012)
Mr Don Patterson	Non-executive Director (resigned 5/7/2012)

PRINCIPAL ACTIVITIES OF THE GROUP

The principal activity of the Company during the financial half-year was the seeking of new business activities for the Company.

REVIEW OF OPERATIONS AND GOING CONCERN

The operating profit after income tax for the six month period ending 31 December 2012 was \$55,515 (2011: loss of \$100,345). Accrued Directors' fees were reversed due to a decision by the Directors to forego all outstanding fees resulting in a negative expense of \$136,355. In addition, the directors also agreed to vary the terms of the loans they have provided to the Company. A recalculation of the interest using a 6% per annum simple interest rate on the cash advanced to the loan, applied from 1 July 2009, replacing the 1% per month compound interest rate. This resulted in a negative expense for the year of \$37,589.

On 16 July 2012, the convertible note valued at \$50,000 was converted into 2.5 million ordinary shares at \$0.02 (2 cents) per share. The convertible notes were converted by the noteholder, Skydawn Pty Ltd, a company associated with Mr Don Patterson a former director of Voltage IP Limited.

The directors have resolved that based on all available facts and information currently available, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable and therefore operating as a going concern. In reaching this conclusion the directors have had regard to, amongst other things, the following:

- During the half year period and to the date of this report, the company did not operate any business and the company's shares remain suspended from quotation on the Australian Securities Exchange ('ASX') during the period. The company continues to seek possible business opportunities that would create value for shareholders.
- In June 2015, the Company entered into a Loan and Convertible Note Agreement for A\$250,000 at an issue price of \$0.03, whereby the notes convert to 8,333,333 ordinary shares on successful listing of the Company's shares on ASX. The funds are to be used to meet corporate costs associated with a planned re-quotation of the company's shares on the ASX.
- In June 2015, the Company entered into a Term Sheet that was announced to ASX on 26th June 2015 for a planned reverse takeover transaction with KLE Products Sdn Bhd, a Malaysian based engineering group, whereby Voltage IP Ltd will acquire all shares in KLE Products Sdn Bhd and in turn issue 210,526,300 ordinary shares and 20,000,000 options in the Company to the shareholders of KLE Products Sdn Bhd, subject to meeting certain condition precedent, including a proposed \$3m raising capital via a prospectus offer and regulatory compliance.
- In September 2015, the Company entered into a Loan and Convertible Note Agreement for A\$150,000 whereby the notes convert to ordinary shares at similar terms to the Convertible Notes issued in June 2015. The funds are to be used to meet corporate costs associated with a planned re-quotation of the company's shares on the ASX.

**VOLTAGE IP LIMITED AND CONTROLLED ENTITIES
ABN 83 057 884 876**

2 MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL HALF-YEAR

Since 31 December 2012 there are no matters which significantly affected or may significantly affect:

- a) the Company's operations in future financial years; or
- b) the results of those operations in future financial years; or
- c) the Company's state of affairs in future financial years;

except as disclosed under Review of Operations and Going Concern.

AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

A copy of the Auditors' independence declaration as required under Section 307C of the Corporations Act 2001 is set out on the following page and forms part of the directors' report for the half-year ended 31 December 2012.

Dated 25th day of September, 2015.

This report is made in accordance with a resolution of the directors.



**PS KONG
DIRECTOR**

Auditor Independence Declaration Under S307C of the *Corporations Act 2001* to the Directors of Voltage IP Limited

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2012 there have been no contraventions of:

- a) The auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- b) Any applicable code of professional conduct in relation to the review.



CROWE HORWATH MELBOURNE



DAVID MUNDAY

Partner

**Melbourne Victoria
25 September 2015**

**VOLTAGE IP LIMITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

STATEMENT OF COMPREHENSIVE INCOME

	HALF-YEAR ENDED 31 DECEMBER 2012	HALF-YEAR ENDED 31 DECEMBER 2011
	\$	\$
REVENUE AND INCOME		
Interest income	17	-
TOTAL REVENUE AND INCOME	17	-
EXPENSES		
Professional costs	(27,162)	(78,820)
Administration and office costs	(20,082)	(21,525)
Employment costs	136,355	-
Finance costs	(33,613)	-
TOTAL EXPENSES	55,498	(100,345)
PROFIT/(LOSS) BEFORE INCOME TAX	55,515	(100,345)
Income tax credit/(expense)	-	-
PROFIT/(LOSS) AFTER TAX FOR THE PERIOD ATTRIBUTABLE TO MEMBERS OF VOLTAGE IP LIMITED	55,515	(100,345)
OTHER COMPREHENSIVE INCOME	-	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	-	-
TOTAL COMPREHENSIVE PROFIT / (LOSS) FOR THE PERIOD ATTRIBUTABLE TO MEMBERS OF VOLTAGE IP LIMITED	55,515	(100,345)
EARNINGS PER SHARE		
Basic profit/(loss) per share from continuing operations	0.07 cents	(0.13) cents
Diluted profit/(loss) per share from continuing operations	0.07 cents	(0.13) cents

**VOLTAGE IP LIMITED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012**

STATEMENT OF FINANCIAL POSITION

	Notes	31 DECEMBER 2012 \$	30 JUNE 2012 \$
CURRENT ASSETS			
Cash and cash equivalents	8	5,284	16,390
Trade and other receivables	9	1,790	1,436
TOTAL CURRENT ASSETS		7,074	17,826
TOTAL ASSETS		7,074	17,826
CURRENT LIABILITIES			
Trade and other payables	10	156,184	297,453
Loans and borrowings	11	598,442	573,440
TOTAL CURRENT LIABILITIES		754,626	870,893
TOTAL LIABILITIES		754,626	870,893
NET LIABILITIES		(747,552)	(853,067)
EQUITY			
Issued Capital	12	46,485,796	46,435,796
Accumulated losses		(47,233,348)	(47,288,863)
TOTAL EQUITY		(747,552)	(853,067)

The above Statement of Financial Position is to be read with the Notes to the Interim Financial Statements

**VOLTAGE IP LIMITED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

STATEMENT OF CHANGES IN EQUITY

31 DECEMBER 2011

	SHARE CAPITAL	OTHER RESERVES	ACCUMULATED LOSSES	TOTAL
	\$	\$	\$	\$
Balance at 1 July 2011	46,435,796	-	(47,028,207)	(592,411)
Loss for the period	-	-	(100,345)	(100,345)
Other Comprehensive Income for the year, net of tax	-	-	-	-
Total other comprehensive income for the period	-	-	(100,345)	(100,345)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares	-	-	-	-
Balance at 31 December 2011	46,435,796	-	(47,128,552)	(692,756)

31 DECEMBER 2012

	SHARE CAPITAL	OTHER RESERVES	ACCUMULATED LOSSES	TOTAL
	\$	\$	\$	\$
Balance at 1 July 2012	46,435,796	-	(47,288,863)	(853,067)
Profit for the period	-	-	55,515	55,515
Other Comprehensive Income for the year, net of tax	-	-	-	-
Total other comprehensive income for the period	-	-	55,515	55,515
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares	50,000	-	-	50,000
Balance at 31 December 2012	46,485,796	-	(47,233,348)	(747,552)

The above Statement of Changes in Equity is to be read with the Notes to the Interim Financial Statements

**VOLTAGE IP LIMITED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

STATEMENT OF CASH FLOWS

	NOTES	HALF-YEAR ENDED 31 DECEMBER 2012	HALF-YEAR ENDED 31 DECEMBER 2011
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash payments in the course of operations		(36,123)	(38,337)
Interest received		17	-
NET CASH USED IN OPERATING ACTIVITIES		<u>(36,106)</u>	<u>(38,337)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Loans received from related parties		<u>25,000</u>	<u>70,000</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES		<u>25,000</u>	<u>70,000</u>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		(11,106)	31,663
CASH AND CASH EQUIVALENTS AT 1 JULY		<u>16,390</u>	<u>96</u>
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	8	<u><u>5,284</u></u>	<u><u>31,759</u></u>

The above Statement of Cash Flows is to be read with the Notes to the Interim Financial Statements

VOLTAGE IP LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

1 REPORTING ENTITY

Voltage IP Limited is a company domiciled in Australia. The interim financial report of the Company for the six months ended 31 December 2012 comprises the Company as a single entity operating Company.

The annual financial report of the Company for the year ended 30 June 2012 is available upon request from the Company's registered office at Level 2, 470 Collins Street, Melbourne, VIC, 3000

2 BASIS OF PREPARATION

These general purpose financial statements for the half-year reporting period ended 31 December 2012 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Voltage IP Limited. 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 30 June 2012, together with any public announcements made during the half-year.

3 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.

4 GOING CONCERN

The Company reported a profit of \$55,515 (2011: loss of \$100,345), after a write off of non-cash accrued expenses of \$136,355, and operating cash outflows of \$52,496 (2011: \$38,337) during the period. At 31 December 2012 the company has net liabilities of \$747,552 (30 June 2012: \$853,067). The company also has ongoing corporate expenditure requirements to maintain its operations.

At 31 December 2012 the Company's liabilities consisted of loans and accrued interest to third parties of \$598,442 and trade and other payables and accrued expenses of \$156,184. The Company had cash on hand of \$5,284 at 31 December 2012.

The Company is reliant upon funding provided by related parties to pay its debts as and when they fall due. At the date of this report, while the related parties have pledged their support, no formal arrangements have been made. Should this funding not be provided, the Company may not be able to pay its debts as and when they fall due.

These matters give rise to a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

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

The company is actively seeking new business opportunities and undertaking fundraising activities that directors expect will provide future value to the company and its shareholders.

The directors are aware that a material uncertainty exists due to the above events which may cast doubt upon the company's ability to continue as a going concern. However, the directors are confident that the organisation will receive further funding and consider the company is a going concern, but recognise that it is dependent on the matters mentioned above and in the financial statements.

VOLTAGE IP LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

On the basis that sufficient funding is expected to be raised to meet the Company's expenditure forecasts, the directors consider that the Company remains a going concern and these financial statements have been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 30 June 2012.

6 NEW AND REVISED ACCOUNTING REQUIREMENTS APPLICABLE TO THE CURRENT HALF-YEAR REPORTING PERIOD

Certain new and revised Accounting Standard requirements have been published that are not mandatory for the half year reporting period to 31 December 2012. The Directors assess the impact of these new standards.

All new accounting standards and interpretations that had been issued but classified as not mandatory for the half year reporting period to 31 December 2012 had been considered, and while the impact of some standards was still to be assessed, the likely impact is not considered to be significant.

7 DIVIDENDS

There are no dividends paid or declared during the period.

8 CASH AND CASH EQUIVALENTS

	31 DECEMBER 2012	30 JUNE 2012
	\$	\$
CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	5,284	16,390
	<u>5,284</u>	<u>16,390</u>

9 LOANS AND OTHER RECEIVABLES

	31 DECEMBER 2012	30 JUNE 2012
	\$	\$
CURRENT		
GST receivable	1,790	1,436
	<u>1,790</u>	<u>1,436</u>

VOLTAGE IP LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

10 PAYABLES

	31 DECEMBER 2012	30 JUNE 2012
	\$	\$
Trade creditors	95,702	105,616
Amounts owing to shareholders	46,482	46,482
Other creditors and accruals	14,000	145,355
	<u>156,184</u>	<u>297,453</u>

11 LOANS AND BORROWINGS

	31 DECEMBER 2012	30 JUNE 2012
	\$	\$
Current		
Loans from related parties	598,442	523,440
Convertible Note	-	50,000
	<u>597,442</u>	<u>573,440</u>

The above loans accrue interest of 1% per month compounding monthly.

On 16 July 2012, the convertible note valued at \$50,000 was converted into 2.5 million ordinary shares at \$0.02 (2 cents) per share. The convertible notes were converted by the note holder, Skydawn Pty Ltd, a company associated with Mr Don Patterson, a former director of Voltage IP Limited.

12 CONTRIBUTED EQUITY

ISSUED CAPITAL

	31 DECEMBER 2012	30 JUNE 2012
	\$	\$
81,475,757 ordinary shares, fully paid (30 June 2012: 78,795,757)	<u>46,485,796</u>	<u>46,435,796</u>

On 16 July 2012, a convertible note valued at \$50,000 was converted into 2.5 million ordinary shares at \$0.02 (2 cents) per share.

13 PROFIT FOR THE PERIOD

All significant revenue and expense items for the period are disclosed on the face of the Statement of Comprehensive Income.

During the year the Directors decided to suspend all Key Management Personnel payments whilst the Company remains suspended and not trading. They also decided to forego all outstanding Directors' fees from previous periods.

In addition, a negative finance cost expense arose from a decision to recalculate interest accrued on loans made to the company at 6% per annum, replacing the previous 1% compounding interest. All previous interest accrued was reversed.

VOLTAGE IP LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

14 EVENTS SUBSEQUENT TO REPORTING DATE

In June 2015, the Company entered into a Loan and Convertible Note Agreement for A\$250,000 at an issue price of \$0.03, whereby the notes convert to 8,333,333 ordinary shares on successful listing of the Company's shares on ASX. The funds are to be used to meet corporate costs associated with a planned re-quotation of the company's shares on the ASX.

In June 2015, the Company entered into a Term Sheet that was announced to ASX on 26th June 2015 for a planned reverse takeover transaction with KLE Products Sdn Bhd, a Malaysian based engineering group, whereby Voltage IP Ltd will acquire all shares in KLE Products Sdn Bhd and in turn issue 210,526,300 ordinary shares and 20,000,000 options in the Company to the shareholders of KLE Products Sdn Bhd, subject to meeting certain condition precedent, including raising capital via a prospectus offer and regulatory compliance.

In September 2015, the Company entered into a Loan and Convertible Note Agreement for A\$150,000 at similar terms to the Convertible Notes issued in June 2015. The funds are to be used to meet corporate costs associated with a planned re-quotation of the company's shares on the ASX.

15 CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or liabilities as at 31 December 2012.

16 OPERATING SEGMENTS

The Company has only one continuing segment and operates in one geographical segment being in Australia.

VOLTAGE IP LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

DIRECTORS' DECLARATION

The directors of Voltage IP Limited ('the Company') declare that:

1. the financial statements and notes set out on pages 4 to 11 are in accordance with the Corporations Act 2001, including:
 - a) complying with Accounting Standards AASB 134 Interim Financial Reporting, and
 - b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 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.

Dated 25 September 2015.

Signed in accordance with a resolution of the Board of Directors:



PS KONG
DIRECTOR

Independent Auditor's Review Report to the Members of Voltage IP Limited

Report on the half year financial report

We have reviewed the accompanying half-year financial report of Voltage IP Limited ("the Company"), which comprises the statement of financial position as at 31 December 2012, the statement of comprehensive income, the 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.

Directors' responsibility for the half year financial report

The directors of Voltage IP Limited 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 internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Voltage IP Limited's financial position as at 31 December 2012 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 Voltage IP 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 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 Voltage IP Limited is not in accordance with the *Corporations Act 2001*, including:

- I. giving a true and fair view of Voltage IP Limited's financial position as at 31 December 2012 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*.

Emphasis of Matter

Without modification to our conclusion, we draw attention to Note 4 in the financial report, which indicates that as at 31 December 2012, the Company is reliant upon funding provided by related parties to pay its debts as and when they fall due.

These conditions, along with other matters as set forth in Note 4, 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.



CROWE HORWATH MELBOURNE



DAVID MUNDAY

Partner

**Melbourne Victoria
25 September 2015**