

## COMPANY ANNOUNCEMENT

22 February 2017

### Reverse Corp Limited (ASX: REF) – Half Year Results Announcement

Reverse Corp Limited reports revenue of \$3,090,666 and EBITDA (earnings before interest, tax, depreciation & amortisation) of \$656,584 for the six months to 31 December 2016. Net profit after tax was \$1,034,073.

The result meets company guidance and reflects the following:

- One-off gain of \$691,157 realised in November 2016 from the sale of the minority stake in OnTheHouse Holdings Limited (ASX:OTH)
- Our two online contact lens businesses recording a combined EBITDA loss of \$52,244. The new OzContacts.com.au web platform is now live and is expected to increase orders, although the delay in launching negatively impacted trading. The NetOptical.com.au business, acquired in August 2016, recorded EBITDA of \$63,906 with full integration due in the second half of the year which will improve performance
- Continuing declines in call volumes reducing EBITDA for 1800-Reverse by 42% on the same period last year

The Company is focused on technical improvements to the contact lens business to support increased scale with multiple brands and an improved customer experience. In addition to these projects Management continues to pursue acquisitions and execute marketing activity in order to grow the customer base.

The Company has net cash of \$7,419,594.

By Order of the Board

Dion Soich  
Company Secretary

# REVERSE CORP LIMITED

ACN 085 949 855

## Appendix 4D

Half-year report

for the half-year ended 31 December 2016

(previous corresponding period: half-year ended 31 December 2015)

### Results for announcement to the market:

Revenue from ordinary activities (\$000)	Down 18.5%	to \$3,112
Profit from ordinary activities after tax attributable to members (\$000)	Up 11.0%	to \$1,034
Total comprehensive income after tax attributable to members (\$000)	Down 33.4%	to \$793

Brief explanation of any figures reported above necessary to enable the figures to be understood:

Refer to the accompanying financial statements and notes.

### Dividend:

The Board has not declared a dividend.

	31 December 2016	31 December 2015
<b>Net tangible assets per security:</b>	\$0.08	\$0.09

### Commentary on the Results for the Period:

Refer to the accompanying financial statements and notes.

### Audit/Review Status:

This report is based on accounts to which one of the following applies:  
(Tick one)

The accounts have been audited	<input type="checkbox"/>	The accounts have been subject to review	<input checked="" type="checkbox"/>
The accounts are in the process of being audited or subject to review	<input type="checkbox"/>	The accounts have not yet been audited or reviewed	<input type="checkbox"/>

**Reverse Corp Limited  
and Controlled Entities**

ABN 16 085 949 855

**Financial Report** for the half-year ended 31 December 2016

## DIRECTORS' REPORT

Your directors submit the financial report of the economic entity for the half-year ended 31 December 2016.

### Directors

The names of directors in office at any time during or since the end of the period are:

Mr Peter D Ritchie – Non-Executive Chairman

Mr Gary B Hillberg – Non-Executive Director

Mr Richard L Bell – Non-Executive Director

Mr Stephen C Jermyn – Non-Executive Director

### Review and Results of Operations

Net profit after tax (NPAT) for the half-year ended 31 December 2016 was \$1,034,073 compared to \$939,650 for the same period last year. Group earnings before interest, tax, depreciation and amortisation (EBITDA) was \$656,584 and revenue \$3,090,666 for the period, compared to EBITDA of \$1,387,409 and revenue of \$3,725,260 last year.

The NPAT result was boosted by a gain of \$691,157 from the sale of the minority stake (3,143,000 shares) in OnTheHouse Holdings Limited for \$2,671,550. A Macquarie Bank led consortium completed the takeover of OntheHouse Holdings Limited on 12 October 2016 through a Scheme of Arrangement, with final settlement occurring on 3 November 2016.

1800-Reverse EBITDA was \$929,223 which was a decrease of 42% on the same period last year as call volumes continue to decline with the service in the end phase of the product life cycle. Revenue for the period declined 32% compared to the previous year with total call volumes down 24%. EBITDA margin declined to 47% from 55% in the previous year due to the number of higher margin calls-to-fixed lines declining at a faster rate than calls-to-mobiles. Management continues to implement cost savings and strategic price changes to maximise profitability.

Our contact lens businesses combined recorded an EBITDA loss of \$52,244 for the period following a positive EBITDA result for OzContacts.com.au of \$35,593 last year. The OzContacts.com.au business recorded a \$116,150 EBITDA loss for the half. The business has been impacted by delays in launching the new responsive website which will provide an improved overall customer experience especially on mobile devices and tablets. The new site will launch in the second half of the year and will be followed by renewed marketing activity to recover sales momentum.

On 12 August 2016, we completed the acquisition of the NetOptical.com.au business for \$750,000 representing a 3X multiple on projected full year EBITDA of \$250,000 after full integration. The business recorded \$63,906 in EBITDA for the period and earnings are expected to increase following transition to a new responsive web platform due late in the second half of the year.

Our priority in the second half will be the delivery of enablement projects for our contact lens businesses to support scale and base growth. In addition to the new responsive websites for both OzContacts.com.au and NetOptical.com.au, the delivery of new consolidated Inventory Management and Customer Relationship Management systems (including digital marketing) is underway. These projects have required us to engage additional IT expertise and project resource to plan and execute. The business is also pursuing further competitor acquisition opportunities, and will increase marketing activity to retain and grow the existing customer base.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities  
Interim Financial Report**

**DIRECTORS' REPORT (Cont)**

**Dividends**

No dividend has been declared for the half-year.

**Auditor's Declaration**

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 3 and forms part of this report.

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



Mr. Peter D. Ritchie  
Chairman

Dated this 22<sup>nd</sup> day of February 2017

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**Auditor's Independence Declaration  
To The Directors of Reverse Corp Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Reverse Corp Limited for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

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



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



M S Bell  
Partner - Audit & Assurance

Brisbane, 22 February 2017

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**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities**  
**Interim Financial Report**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Note	Half-Year Ended	
		31 Dec 2016	31 Dec 2015
		\$	\$
Revenue		3,090,666	3,725,260
Other revenue		22,182	93,800
Gain on sale of financial assets		691,157	-
Direct costs associated with revenue		(1,409,002)	(1,350,429)
Employee benefits expense		(742,635)	(672,333)
Depreciation and amortisation expense		(118,698)	(94,419)
Other expenses		(315,543)	(328,619)
Finance costs		(3)	-
Profit /(loss) before income tax		1,218,124	1,373,260
Income tax (expense) / benefit		(184,051)	(441,611)
<b>Profit/(loss) for the half-year from continuing operations</b>		<b>1,034,073</b>	<b>931,649</b>
Profit/(loss) for the half-year from discontinued operations		-	8,001
<b>Profit/(loss) for the half-year</b>		<b>1,034,073</b>	<b>939,650</b>
<b>Other comprehensive income</b>			
Foreign currency translation differences		-	(3,739)
Available for sale financial assets – reversal of gain		(251,137)	-
Available for sale financial assets – current year gain		-	254,767
<b>Other comprehensive income for the half-year, net of income tax</b>		<b>(251,137)</b>	<b>251,028</b>
<b>Total comprehensive income for the half-year</b>		<b>782,936</b>	<b>1,190,678</b>
Profit/(loss) for the half-year attributable to:			
Non-controlling interest		(8,207)	(706)
Owners of the parent		1,042,280	940,356
		1,034,073	939,650
Other comprehensive income for the half-year attributable to:			
Non-controlling interest		-	-
Owners of the parent		(251,137)	251,028
		(251,137)	251,028
Total comprehensive income for the half-year attributable to owners of the parent:			
Continuing operations		791,143	1,183,383
Discontinued operations		-	8,001
		791,143	1,191,384

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities**  
**Interim Financial Report**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Note	Half-Year Ended	
		31 Dec 2016	31 Dec 2015
		\$	\$
<hr/>			
<b>Earnings per share</b>			
Basic earnings per share		0.011	0.010
Diluted earnings per share		0.011	0.010

The accompanying notes form part of these financial statements.



**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities**  
**Interim Financial Report**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		7,486,416	6,039,277
Trade and other receivables		444,402	474,622
Inventories		133,242	164,954
Available for sale financial assets		-	2,231,530
Other current assets		79,161	116,002
<b>TOTAL CURRENT ASSETS</b>		<b>8,143,221</b>	<b>9,026,385</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		81,429	60,288
Deferred tax assets		410,107	353,738
Goodwill		1,820,024	1,671,024
Other intangible assets		761,661	164,807
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,073,221</b>	<b>2,249,857</b>
<b>TOTAL ASSETS</b>		<b>11,216,442</b>	<b>11,276,242</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		489,023	405,559
Current tax liabilities		102,788	114,924
Employee obligations		108,472	101,938
<b>TOTAL CURRENT LIABILITIES</b>		<b>700,283</b>	<b>622,421</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		12,039	6,210
Employee obligations		30,149	22,162
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>42,188</b>	<b>28,372</b>
<b>TOTAL LIABILITIES</b>		<b>742,471</b>	<b>650,793</b>
<b>NET ASSETS</b>		<b>10,473,971</b>	<b>10,625,449</b>
<b>EQUITY</b>			
Issued capital		3,553,224	3,553,224
Reserves		443,714	694,851
Retained earnings		6,521,262	6,413,396
		10,518,200	10,661,471
Non- controlling interest		(44,229)	(36,022)
<b>TOTAL EQUITY</b>		<b>10,473,971</b>	<b>10,625,449</b>

The accompanying notes form part of these financial statements.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities  
Interim Financial Report**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Note	Issued capital	Retained earnings	Non- controlling interest	Reserves	Total
		\$	\$	\$	\$	\$
<b>Balance at 1 July 2015</b>		3,553,224	5,759,025	(6,325)	442,233	9,748,157
Total comprehensive income		-	940,356	(706)	251,028	1,190,678
Subtotal		3,553,224	6,699,381	(7,031)	693,261	10,938,835
<b>Transactions with owners</b>						
Dividend payments		-	(934,414)	-	-	(934,414)
<b>Balance at 31 December 2015</b>		3,553,224	5,764,967	(7,031)	693,261	10,004,421
<b>Balance at 1 July 2016</b>		3,553,224	6,413,396	(36,022)	694,851	10,625,449
Total comprehensive income		-	1,042,280	(8,207)	(251,137)	782,936
Subtotal		3,553,224	7,455,676	(44,229)	443,714	11,408,385
<b>Transactions with owners</b>						
Dividend payments		-	(934,414)	-	-	(934,414)
<b>Balance at 31 December 2016</b>		3,553,224	6,521,262	(44,229)	443,714	10,473,971

The accompanying notes form part of these financial statements.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities  
Interim Financial Report**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	<b>Half-year ended 31 Dec 2016</b>	<b>Half-year ended 31 Dec 2015</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	3,192,022	3,813,712
Payments to suppliers and employees	(2,371,754)	(2,740,161)
Taxes paid	(246,727)	(424,259)
Net cash from continuing operations	573,541	652,016
Net cash from discontinuing operations	-	(2,724)
Net cash from operating activities	573,541	649,292
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	(37,682)	(64,558)
Payments for intangible assets including Net Optical	(848,035)	(4,400)
Proceeds from the sale of property, plant & equipment	-	795
Payments for financial assets	(10)	(1,007,393)
Investment in subsidiaries	-	(32,239)
Interest received	22,182	89,795
Proceeds from the sale of financial assets	2,671,550	-
Net cash from / (used in) investing activities	1,808,005	(1,018,000)
<b>FINANCING ACTIVITIES</b>		
Interest paid	(3)	-
Proceeds from the issue of shares	10	-
Dividends paid	(934,414)	(934,414)
Net cash used in financing activities	(934,407)	(934,414)
Net change in cash and cash equivalents	1,447,139	(1,303,122)
Cash and cash equivalents, beginning of period	6,039,277	7,478,033
Cash and cash equivalents, end of period	7,486,416	6,174,911

The accompanying notes form part of these financial statements.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities**  
**Interim Financial Report**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**NOTE 1: GENERAL INFORMATION AND BASIS OF PREPARATION**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2016 are presented in Australian Dollar (\$AUD), which is the functional currency of the Parent Company and have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This condensed interim financial report is intended to provide users with an update on the latest annual financial statements of Reverse Corp Limited and its controlled entities (the Group). They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the consolidated financial statements of the group for the year ended 30 June 2016, together with any public announcements made during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

The interim financial statements have been approved and authorised for issue by the Board of Directors on 22 February 2017.

*Comparative Figures*

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

*Key Estimates and Judgements*

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management and will seldom equal the estimated results. The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2016.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities  
Interim Financial Report**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	<b>Half-year ended</b>	<b>Half-year ended</b>
	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>NOTE 2: PROFIT FOR THE PERIOD</b>		
Expenses		
Direct costs associated with revenue	1,409,002	1,352,239
Other employee benefits expense include:		
Staff incentives	30,239	35,823
Other expenses include:		
Realised foreign exchange (gain)/ loss	(672)	(2,340)
Finance costs:		
External	3	-

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities  
Interim Financial Report**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**NOTE 3: SEGMENT REPORTING**

The group has identified its operating segments based on the internal reports that are reviewed and used by management and the Board of Directors in assessing performance and determining the allocation of resources. The operating segments reflect the ongoing needs of the business.

The group is managed primarily on the basis of the business units.

The operating segments are therefore determined on the same basis.

The following table presents the operating segments for the years ended 31 December 2016 and 2015.

	<b>Reverse Charges</b>	<b>Online Contacts</b>	<b>Corporate</b>	<b>Inter Segment Eliminations</b>	<b>Group</b>
<b>Half-Year ended 31 December 2016</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>					
External revenue	1,990,798	1,099,839	29	-	3,090,666
Other revenue	25,004	-	691,157	(25,004)	691,157
Interest revenue	1,352	-	99,756	(78,926)	22,182
<b>Total revenue</b>	<b>2,017,154</b>	<b>1,099,839</b>	<b>790,942</b>	<b>(103,930)</b>	<b>3,804,005</b>
<b>RESULT</b>					
Segment result	862,735	(220,249)	575,638	-	1,218,124
<b>OTHER SEGMENT INFORMATION</b>					
Segment assets	21,973,603	1,483,577	19,393,220	(31,633,958)	11,216,442
Segment liabilities	13,498,946	2,370,261	14,728,926	(29,855,662)	742,471
Interest expense	3	78,926	-	(78,926)	3
Capital expenditure	33,575	852,142	-	-	885,717
Depreciation and amortisation	62,716	55,982	-	-	118,698
Impairment	-	-	-	-	-
Income tax expense/(benefit)	271,291	(55,716)	(31,524)	-	184,051

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities  
Interim Financial Report**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**NOTE 3: SEGMENT INFORMATION (cont)**

	Reverse Charges	Online Contacts	Corporate	Inter Segment Eliminations	Group
<b>Half-Year ended 31 December 2015</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>					
External revenue	2,928,445	796,815	-	-	3,725,260
Other revenue	-	4,005	-	-	4,005
Interest revenue	-	-	127,234	(37,439)	89,795
<b>Total revenue</b>	<b>2,928,445</b>	<b>800,820</b>	<b>127,234</b>	<b>(37,439)</b>	<b>3,819,060</b>
<b>RESULT</b>					
Segment result	1,526,877	(18,332)	(135,285)	-	1,373,260
<b>OTHER SEGMENT INFORMATION</b>					
Segment assets	19,076,494	469,917	17,568,944	(26,303,397)	10,811,958
Segment liabilities	11,968,909	1,116,551	12,247,189	(24,525,112)	807,537
Interest expense	-	37,439	-	(37,439)	-
Capital expenditure	62,305	6,653	-	-	68,958
Depreciation and amortisation	74,870	19,549	-	-	94,419
Impairment	-	-	-	-	-
Income tax expense/(benefit)	464,588	(4,175)	(18,802)	-	441,611

\* Parent entity costs are not allocated across each segment. Segment revenues, expenses and results include transfers between segments. All such transactions are eliminated on consolidation of the group's financial statements.

The prices charged on inter-segment transactions are at an arm's length.

**NOTE 4: CONTINGENT LIABILITIES**

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

**NOTE 5: CHANGES IN COMPOSITION OF CONSOLIDATED ENTITY**

Since the consolidated entity's last annual reporting date, the Group incorporated a new entity Net Optical (Aust.) Pty Ltd, a wholly owned subsidiary of Oz Contacts Pty Ltd, to operate the acquired Net Optical Australia business. There have been no other changes in the composition of the consolidated entity.

**NOTE 6: FINANCIAL ASSETS**

During the half year ended 31 December 2016, Reverse Corp Limited sold 3,143,000 shares, representing its entire shareholding in Onthouse Holdings Limited (OTH), an ASX listed real estate software and consumer website provider, for a total consideration of \$2,671,550 on 3 November 2016. This resulted in a capital gain of \$691,157 which was recorded in the statement of profit or loss and other comprehensive income. The shares were acquired by a Macquarie lead consortium when it completed a full takeover of OTH via a Scheme of Arrangement which the OTH's shareholders approved at an EGM held on 12 October 2016.

The group reversed the AFS reserve previously recognised gain of \$251,137 which was recorded in the statement of profit or loss and other comprehensive income.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities  
Interim Financial Report**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**NOTE 7: ACQUISITIONS**

On 12 August 2016, the Group acquired 100% of all of the assets of Net Optical Australia, a Queensland based online contact lens retailer. The acquisition was made to increase the Group's market share of the online contact lens market. Net Optical Australia is a sizeable business in the Group's targeted market.

The details of the business combination are as follows:

<b>Fair value of consideration transferred</b>	<b>\$</b>
Amount settled in cash	802,097
Deferred consideration	6,000
<b>Total</b>	<b>808,097</b>
<b>Recognised amounts of identifiable net assets</b>	
Intangible assets	601,000
Inventories	58,097
<b>Total assets</b>	<b>659,097</b>
<b>Total liabilities</b>	<b>-</b>
Identifiable net assets	659,097
<b>Goodwill on acquisition</b>	<b>149,000</b>
Consideration transferred settled in cash	808,097
Cash and cash equivalents acquired	-
<b>Net cash outflow on acquisition</b>	<b>808,097</b>
Acquisition costs charged to expenses	44,682
<b>Net cash paid relating to the acquisition</b>	<b>852,779</b>

*Consideration transferred*

The acquisition of Net Optical Australia was settled in cash for \$808,097.

The purchase agreement included a deferred consideration amount of \$6,000 payable after six months and is due on 12 February 2017.

Acquisition-related costs amounting to \$44,682 are not included as part of consideration transferred and have been recognised as an expense in the consolidated statement of profit or loss and other comprehensive income, as part of other expenses.

*Identifiable net assets*

Inventories were valued at fair value which amounted to \$58,097 and reflects net realisable value. The customer database and website has been fair value assessed at \$600,000 and \$1,000 respectively.

*Goodwill*

Goodwill of \$149,000 is primarily related to expected future growth and profitability as well as expected cost synergies. Goodwill has been allocated to cash-generating units at 31 December 2016. The goodwill that arose from this business combination is not expected to be deductible for tax purposes.

*Net Optical Australia's contribution to the group results*

Net Optical Australia generated a profit of \$44,734 for the four and half months from 12 August 2016 to the reporting date. If Net Optical Australia had been acquired on 1 July 2016, revenue and profit for Group would have been \$3.2m and \$1.05m respectively.



**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities**  
**Interim Financial Report**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**NOTE 7: ACQUISITIONS (cont)**

On 16 September 2016, The Group acquired 100% of the assets of Easy Contacts, a Queensland based online contact lens retailer for \$1,000. The acquisition is minor and not considered material to the current online contact lens business.

The total cash consideration of \$1,000 has been allocated to identifiable intangibles. This acquisition has minimal revenue or profitability with orders processed through the Net Optical Australia business.

**NOTE 8: ISSUED CAPITAL**

The total number of shares on issue at 31 December 2016 is 93,441,497 (93,441,497 31 December 2015).

**NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE**

Since the end of the reporting period, no matters other than mentioned above have arisen which significantly effected or may significantly effect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

**Reverse Corp Limited ABN 16 085 949 855 and Controlled Entities  
Interim Financial Report**

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 14:
  - a. comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001; and
  - b. give a true and fair view of the economic entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Mr. Peter D. Ritchie  
Chairman

Dated this 22<sup>nd</sup> day of February 2017

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF REVERSE CORP LIMITED**

We have reviewed the accompanying half-year financial report of Reverse Corp Limited (the Company), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2016, 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 on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

### **Directors' Responsibility for the Half-year Financial Report**

The Directors of Reverse Corp 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 and the *Corporations Act 2001* and for such controls 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 consolidated half-year financial report based on our review. We conducted our review in accordance with the 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 the Reverse Corp Limited consolidated 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 Reverse Corp Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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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 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 Reverse Corp Limited is not 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 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*.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



M S Bell  
Partner - Audit & Assurance

Brisbane, 22 February 2017