

Results for announcement to the market

1. Results for the half year to 31 December 2016 and the corresponding period to 31 December 2015

<u>Company Result</u>	<u>A\$'000</u>
Revenue from ordinary activities	down 6% to 3,002
Profit for the period from continuing operations attributable to members	down 31% to 29
Profit for the period attributable to members	down 31% to 29

<u>For the Period ending</u>	<u>31 Dec 16</u>	<u>31 Dec 15</u>
Net tangible asset per share	\$0.04	\$0.04
Net asset per share	\$0.04	\$0.04

<u>Dividends</u>
No interim dividend is payable

2. Brief Explanation of the Result

Refresh has trimmed its operating cost and distribution, administration and occupancy expenses were all down, achieving a total savings of \$116k or 8% compared to the same period last year. A lot more money was put into marketing resulting in an increase by \$58k or 25%. This is necessary as it focus on growth.

Our operations in Western Australia are feeling the effect of the mining slowdown with declines in both revenue and profit.

New South Wales is doing well with increased revenue and profit.

The Victoria Manager has left. Additional staff cost was incurred because of the transition. Although revenue was maintained, profit is down substantially.

We managed to turn around our associate company in Queensland. The former General Manager was replaced and a new manager turned the loss into a profit. The share of profit helped to contribute to our bottom line.

More details are in Review and Results of Operations in the Directors' Report.

3. Details of entities over which control has been gained or lost during the period

Nil

4. Details of individual and total dividends or distributions and dividend or distribution payments

Nil

5. Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan

Nil

6. Details of associates and joint venture entities including the name of the associate or joint venture entity and details of the reporting entity's percentage holding in each of these entities and – where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.

	<u>Associate</u>	<u>% Holding</u>	<u>Share of Profit / (Loss)</u>
31 Dec 16	Refresh Waters Queensland Pty Ltd	49	\$18,682
31 Dec 15	Refresh Waters Queensland Pty Ltd	49	-\$26,178



Refresh Group Limited

and its controlled entities

ABN 28 079 681 244

Half Year Financial Report

31 December 2016

Table of Contents

TABLE OF CONTENTS.....	1
DIRECTORS' REPORT.....	2
AUDITORS' INDEPENDENCE DECLARATION.....	3
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....	4
CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	5
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	6
CONSOLIDATED STATEMENT OF CASH FLOWS.....	7
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....	8
DIRECTORS' DECLARATION.....	13
INDEPENDENT REVIEW REPORT.....	14

REFRESH GROUP LIMITED – HALF YEAR REPORT

DIRECTORS' REPORT

Your directors submit their report for the half-year ended 31 December 2016.

DIRECTORS

The names of the directors of the Company in office at the date of this report or during the half-year are:

Henry Heng
Chiau Thuan Teh (Appointed 24/8/16)
Michael Pixley (Appointed 24/8/16)
Peter Chai (Appointed 29/11/16)
Nicholas Chan (Left 24/8/16)
Eddie Soong (Left 29/11/16)
Roy Ong (Left 29/11/16)

REVIEW AND RESULTS OF OPERATIONS

Refresh has trimmed its operating cost and the total of distribution, administration and occupancy expenses were all down, achieving a total savings of \$116k or 8% compared to the same period last year. A lot more money was put into marketing resulting in an increase by \$58k or 25%. This is necessary as it focus on growth.

In Western Australia, while sales to metropolitan Perth is consistent, it is badly affected by a sharp decline caused mainly by the completion of the Gorgon project on Barrow Island and decline in sales to Newman, Port Hedland and Karratha. The mining slowdown has stabilised and any improvement would help achieve increased revenue and profit.

Our New South Wales manager is doing a good job and we could see continued growth both in revenue and profit.

Victoria maintained its revenue. Profit was down substantially because of the transition when the manager left. A new team has been put in place and with the new Manager focussing on sales, we anticipate better performance in Victoria.

We replaced the former General Manager in Queensland and the new manager turned the loss into a profit. The share of profit helped to contribute to our bottom line. A new distiller has been acquired which would help reduce transport cost, thereby further increasing profit.

	Revenue			Profit		
	<u>2016</u>	<u>2015</u>	<u>Variance</u>	<u>2016</u>	<u>2015</u>	<u>Variance</u>
	\$k	\$k	%	\$k	\$k	%
Perth	1,562	1,836	-15	109	121	-10
Kalgoorlie	118	119	-1	8	9	-11
New South Wales	856	766	12	101	90	12
Victoria	<u>466</u>	<u>463</u>	1	35	88	-60
Share of Queensland				19	-26	173
Corporate				<u>-243</u>	<u>-240</u>	-1
Total	<u>3,002</u>	<u>3,184</u>	-6	<u>29</u>	<u>42</u>	-28

Detailed results of the various operating segments are found in Note 4(f) Operating Segment.

AUDITOR'S INDEPENDENCE DECLARATION

We have obtained an independence declaration from our auditors, Moore Stephens, which is included on page 3.

Signed for and on behalf of the directors in accordance with a resolution of the Board.



Henry Heng
Executive Chairman
Dated 22 February 2017
Perth, Western Australia

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000
PO Box 5785, St Georges Terrace,
WA 6831

T +61 (0)8 9225 5355

F +61 (0)8 9225 6181

www.moorestephens.com.au

AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF REFRESH GROUP LIMITED

As lead auditor for the review of Refresh Group Limited and its controlled entities for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

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



Neil Pace
Partner



Moore Stephens
Chartered Accountants

Signed at Perth this 22nd day of February 2017

REFRESH GROUP LIMITED – HALF YEAR REPORT

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	6 months to 31 Dec 16 \$	6 months to 31 Dec 15 \$
Revenue	3,002,158	3,183,734
Cost of Sales	(1,411,039)	(1,471,713)
Gross Profit	1,591,119	1,712,021
Other income	(5,117)	(6,374)
Marketing Expenses	(291,912)	(234,339)
Distribution Expenses	(433,613)	(512,162)
Administrative Expenses	(629,906)	(660,840)
Occupancy Expenses	(230,393)	(237,145)
Other expenses	(3,000)	(3,000)
Share of net profit/(loss) of associates	18,682	(26,178)
Results from operating activities	15,860	31,983
Finance income	19,346	12,332
Finance costs	(5,749)	(2,269)
Net finance costs	13,597	10,063
Profit before income tax	29,457	42,046
Income tax expense	-	-
Profit for the period from continuing operations	29,457	42,046
Total comprehensive income attributable to members of Refresh Group Limited	29,457	42,046
Earnings per share		
From continuing and discontinued operations:		
Basic earnings per share (cents per share)	0.02	0.04
Diluted earnings per share (cents per share)	0.02	0.04
From continuing operations:		
Basic earnings per share (cents per share)	0.02	0.04
Diluted earnings per share (cents per share)	0.02	0.04

The condensed consolidated financial statements should be read in conjunction with the accompanying notes

REFRESH GROUP LIMITED – HALF YEAR REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Notes	31 Dec 16 \$	30 June 16 \$
ASSETS			
Current Assets			
Cash and cash equivalents		1,592,127	963,086
Trade and other receivables		877,501	628,958
Inventories		929,017	847,489
Total Current Assets		3,398,646	2,439,533
Non Current Assets			
Other financial assets		300,000	-
Trade and other receivables		366,816	346,521
Property, plant and equipment		1,849,528	1,866,057
Intangible assets	6	310,042	313,042
Investment in Associates		496,368	477,676
Total Non-Current Assets		3,322,753	3,003,296
TOTAL ASSETS		6,721,398	5,442,829
LIABILITIES			
Current Liabilities			
Trade and other payables		606,804	400,654
Financial liabilities		57,194	55,871
Short-term provisions and accruals		255,484	320,162
Total Current Liabilities		919,482	776,687
Non-Current Liabilities			
Financial liabilities		171,817	200,748
Long-term provisions		72,215	64,264
Total Non-current Liabilities		244,032	265,012
TOTAL LIABILITIES		1,163,514	1,041,699
NET ASSETS		5,557,884	4,401,130
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	7	10,495,698	9,368,401
Share Reserve		191,712	191,712
2014 Profit Reserve	8	356,409	356,409
Accumulated losses		(5,485,935)	(5,515,392)
TOTAL EQUITY		5,557,884	4,401,130

The condensed consolidated financial statements should be read in conjunction with the accompanying notes

REFRESH GROUP LIMITED – HALF YEAR REPORT

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

	Issued Capital	Share Reserve	2014 Profit Reserve	Accumulated Losses	Total
Balance at 1 July 15	9,368,401	191,712	468,204	(5,552,110)	4,476,207
Equity fund raising costs	-	-	-	-	-
Issue of share capital	-	-	-	-	-
Dividend paid	-	-	(111,795)	-	(111,795)
Transactions with owners	9,368,401	191,712	356,409	(5,552,110)	4,364,412
Profit for the period	-	-	-	42,046	42,046
Balance at 31 Dec 15	9,368,401	191,712	356,409	(5,510,064)	4,406,458
Balance at 1 July 16	9,368,401	191,712	356,409	(5,515,392)	4,401,130
Equity fund raising costs	(40,683)	-	-	-	(40,683)
Issue of share capital	1,167,980	-	-	-	1,167,980
Dividend paid	-	-	-	-	-
Transactions with owners	10,495,698	191,712	356,409	(5,515,392)	5,528,427
Profit for the period	-	-	-	29,457	29,457
Balance at 31 Dec 16	10,495,698	191,712	356,409	(5,485,935)	5,557,884

The condensed consolidated financial statements should be read in conjunction with the accompanying notes

REFRESH GROUP LIMITED – HALF YEAR REPORT
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	6 months to 31 Dec 16 \$	6 months to 31 Dec 15 \$
Cash flows from operating activities		
Receipts from customers	2,902,156	3,057,298
Payments to suppliers and employees	(2,983,208)	(2,835,670)
Borrowing costs	(5,749)	(2,269)
Interest received	15,535	8,984
Net cash flows (used in)/ generated from operating activities	(71,266)	228,343
Cash flows from investing activities		
Purchase of property, plant and equipment	(99,382)	(460,377)
Purchase of other non-current assets	(300,000)	(6,364)
Net cash flows used in investing activities	(399,382)	(466,741)
Cash flows from financing activities		
Proceeds from issue of shares, net of issue costs	1,127,297	-
Proceeds from borrowings	(27,608)	283,590
Dividend paid	-	(111,796)
Net cash flows used in financing activities	1,099,689	171,794
Net (decrease) / increase in cash and cash equivalents	629,041	(66,604)
Cash and cash equivalents at beginning of period	963,086	782,448
Cash and cash equivalents at end of period	1,592,127	715,844

The condensed consolidated financial statements should be read in conjunction with the accompanying notes

**REFRESH GROUP LIMITED – HALF YEAR REPORT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

1. CORPORATE INFORMATION

The financial report of Refresh Group Limited for the half-year ended 31 December 2016 was authorised for issue in accordance with a resolution of the directors on 22 February 2017. Refresh Group Limited is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

The Group offers complete drinking water solutions. Its principal activities are the production and/or distribution of bottled water, coolers and filtration systems. It is the largest producer of distilled water in Australia. Besides for drinking, it also supplies pure water for commercial and industrial use.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of Refresh Group Limited as at 30 June 2016.

It is also recommended that the half-year financial report be considered together with any public announcements made by Refresh Group Limited and its controlled entities during the half-year ended 31 December 2016 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of preparation

The half-year consolidated financial report is a general purpose financial report, which has been prepared in accordance with the requirement of the Corporations Act 2001, applicable Accounting Standards, including AASB134 Interim Financial Reporting and other mandatory professional reporting requirements. The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2016 annual financial report for the financial year ended 30 June 2016, except for the impact of the Standards and Interpretations described below. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The comparative Profit & Loss and Comprehensive income has been restated to reflect the impact of the discontinued operation.

(b) Significant accounting policies

The half-year consolidated financial statements have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year to 30 June 2016.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these half-year consolidated financial statements.

(c) Adoption of New and Revised Accounting Standards and New Accounting Standards for Application in Future Periods

During the current year the Group adopted all of the new and revised Australian Accounting Standards applicable to its operations which became mandatory. The adoption of these standards did not impact significantly on the recognition, measurement and disclosure of certain transactions.

The AASB has also issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment is that these amendments are not expected to significantly affect the Group.

**REFRESH GROUP LIMITED – HALF YEAR REPORT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

(d) Basis of consolidation

The half-year consolidated financial statements comprise the financial statements of Refresh Group Limited and its controlled subsidiaries (the Group).

(e) Going Concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Group has \$1,592k of available cash as at 31 Dec 16. Therefore, going concern is not an issue.

3. SIGNIFICANT EVENTS AND TRANSACTIONS

No significant event occurred during the period up to 31 December 2016.

4. OPERATING SEGMENTS

Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

In identifying its operating segments, management follows the geographical location of the Group's operations. Corporate costs are included under "Other".

Types of products and services by segment

All segments provide the same type of products and services being the manufacture and sale of bottled water and filtration systems.

Basis of accounting for purposes of reporting by operating segments

(a) Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

(b) Intersegment transactions

There is no intersegment sale and corporate costs are not allocated. Corporate costs are classified under "Other" in the segment performance analysis.

(c) Segment assets

Segment assets are clearly identifiable on the basis of their nature and physical location.

REFRESH GROUP LIMITED – HALF YEAR REPORT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

(d) Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

(e) Unallocated items

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they not considered part of the core operations of any segment:

- income tax expense
- corporate costs
- deferred tax assets and liabilities
- current tax liabilities

(f) Segment performance

	WA	NSW	VIC	OTHER (Corporate)	TOTAL
	\$	\$	\$	\$	\$
31 December 2016					
Revenue from external customers	1,680,128	856,102	465,928	-	3,002,158
Segment operating profit/ (loss)	136,298 ¹	100,783	35,188	(242,862)	29,457
Total assets	3,831,832	670,023	554,488	1,665,055	6,721,398
Total liabilities	943,645	4,643	1,789	213,437	1,163,514
31 December 2015					
Revenue from external customers	1,955,274	765,450	463,010	-	3,183,734
Segment operating profit/(loss)	103,678 ¹	90,317	88,055	(240,004)	42,046
Total assets	3,683,230	761,939	510,798	598,099	5,554,066
Total liabilities	923,891	5,056	1,726	216,935	1,147,608

¹Include profit/ (loss) from associate

REFRESH GROUP LIMITED – HALF YEAR REPORT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

5. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit/(loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit/(loss) attributable to ordinary shareholders (after deducting interest on the convertible redeemable preference shares) by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of dilutive options and dilutive convertible non-cumulative redeemable preference shares).

The following reflects the loss and share data used in the total operations basic and diluted earnings per share computations:

	CONSOLIDATED	
	31 Dec 16	31 Dec 15
Profit attributable to members of the parent entity	29,457	42,046
Weighted average number of ordinary shares for basic earnings per share	128,864,612	111,795,590
Basic earnings per share (cents per share)	0.02	0.04

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

6. INTANGIBLE ASSETS

The Group performs goodwill impairment testing every half year. Goodwill is allocated to the Group's cash generating units (CGU).

In accordance with AASB 136, "Impairment of Assets", the Group performed its goodwill impairment test by comparing the recoverable amount of each CGU with its carrying amount, including goodwill. The recoverable amount of a CGU was determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a five year period including a terminal value. The growth rate assumptions of 7%, reflecting achievement of at least a long-term estimate of inflation in the region in which each CGU operates. Management prepared the value-in-use calculations with reference to historical results and forecasts for each CGU.

The discount rate for each CGU was estimated based on the Company's weighted average cost of capital adapted for the regions in which the CGUs operate. The discount rate used was 15%.

Based on the impairment tests, impairment of intangible assets was not necessary and none has been recognised at 31 December 2016.

**REFRESH GROUP LIMITED – HALF YEAR REPORT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

7. ISSUED CAPITAL

	CONSOLIDATED	
	31 Dec 16	30 June 16
	\$	\$
<i>Ordinary shares</i>		
Issued and fully paid	10,536,381	9,368,401
Fund raising costs	(40,683)	-
	<u>10,495,698</u>	<u>9,368,401</u>

Movements in ordinary shares on issue

	<i>Number</i>	<i>\$</i>
At 30 June 2016	111,795,590	9,368,401
Issued shares to Refresh Wild Pty Ltd on 8/8/16	11,000,000	583,000
Issued shares to Everlast Invest Pty Ltd on 8/8/16	10,000,000	550,000
Issued shares to Michael Pixley and Chiau Thuan Teh on 8/8/16	660,000	34,980
Fund raising costs	-	(40,683)
At 31 December 2016	<u>133,455,590</u>	<u>10,495,698</u>

Effective 1 July 1998, the Company Law Review Act abolished the concept of authorised capital. Accordingly, the Company does not have authorised capital or par value in respect of its issued shares.

8. 2014 REVENUE RESERVE

Paragraph 202-45(e) of the ITAA 1997 does not prevent a company from franking a dividend paid to its shareholders that is paid out of profits recognised in the company's accounts and available for distribution, and is paid in accordance with the company's constitution and without breaching section 254T or Part 2J.1 of the Corporations Act, merely because the company has unrecouped accounting losses accumulated in prior years or has lost part of its share capital.

The Board set aside \$580k from profits for year ended 30 June 2014 in a separate 2014 Revenue Reserve account. This is to enable dividends to be paid franked regardless of whether the Group makes profit or losses in subsequent years, subject to solvency tests. Dividends of \$112k were paid from this account in September 2015, leaving a balance of \$356k.

9. RELATED PARTY TRANSACTIONS

There was no related party balance at the beginning of the period and no transaction during the period.

10. EVENTS AFTER BALANCE SHEET DATE

There is no significant event after balance sheet date.

11. CONTINGENT LIABILITIES

There have been no changes in contingent liabilities since last report period.

REFRESH GROUP LIMITED – HALF YEAR REPORT

DIRECTORS' DECLARATION

In accordance with a resolution of directors of Refresh Group Ltd, I state that;

In the opinion of the directors:

- a) the consolidated financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2016 and the performance for the half-year ended on that date of the consolidated entity; and
 - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Henry Heng
Executive Chairman
Dated 22 February 2017
Perth, Western Australia

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF REFRESH GROUP LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Refresh Group Limited and its controlled entities ("the consolidated entity") which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, the consolidated 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 half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity 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 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 the 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 the consolidated entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the financial report.

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

Independence

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

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
REFRESH GROUP LIMITED (CONTINUED)**

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Refresh Group Limited and its controlled entities is not in accordance with the *Corporations Act 2001* including:

- i. 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
- ii. complying with Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*.



Neil Pace
Partner



Moore Stephens
Chartered Accountants

Signed at Perth this 22nd day of February 2017